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COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

CONNECTED TRANSACTION COOPERATIVE AGREEMENT

The Board announces that, on 30 March 2010, Xincheng Country Garden, a wholly-owned subsidiary of the Company, entered into the Cooperative Agreement with Minjie Co., a connected person of the Company, in relation to the development of the Land of approximately 216,000 square meters at Xinsha Road, Xintang Town, Guangzhou, the PRC. Pursuant to the Cooperative Agreement, Xincheng Country Garden agrees to purchase and Minjie Co. agrees to sell 50% of the investment interest of an Assets Parcel, including the land use right of the Land, the above-ground buildings, machineries, electronic equipments, mortgaged chattels, stocks and other equipments on the Land, for a total consideration of RMB217,140,000.

As at the date hereof, Zhencheng Co. is the substantial shareholder of Huanan Property Development, a subsidiary of the Company. Minjie Co. is a fellow subsidiary of Zhencheng Co. and therefore an associate of Zhencheng Co.. Accordingly, Minjie Co. is a connected person of the Company pursuant to the Listing Rules and the entering into of the Cooperative Agreement constitutes a connected transaction of the Company. As each of the relevant percentage ratios in respect of the Cooperative Agreement is less than 2.5%, the transactions contemplated under the Cooperative Agreement will be subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval as set out in Chapter 14A of the Listing Rules.

THE COOPERATIVE AGREEMENT

Date of the Cooperative Agreement

30 March 2010

Parties

The Cooperative Agreement was entered into between:

(A) Xincheng Country Garden, a wholly-owned subsidiary of the Company; and

(B) Minjie Co.

The Development Project

The purpose of the Cooperative Agreement is to set out the cooperation arrangement between Xincheng Country Garden and Minjie Co. in relation to the Development Project in Xintang Town, Guangzhou, the PRC. The Development Project relates to the development of the Land of approximately 216,000 square meters located at Xinsha Road, Xintang Town, Guangzhou, the PRC.

Major Terms of the Cooperative Agreement

Pursuant to the Cooperative Agreement, Xincheng Country Garden agrees to purchase and Minjie Co. agrees to sell 50% of the investment interest of the Assets Parcel for a total consideration of RMB217,140,000. Such consideration of RMB217,140,000 shall be satisfied in cash on or before 10 April 2010 and was determined after arm's length negotiations and with reference to the aggregate of the cost of acquiring the Assets Parcel at a consideration of RMB428,000,000 by Minjie Co. by way of a public auction held by Guang Dong Material Auctioneers Co., Ltd (廣東物資拍賣行有限公司) on 29 January 2010, settlement of labour debt with respect to the Assets Parcel by Minjie Co. of RMB3,000,000 and payment of commission by Minjie Co. to the auction company of RMB3,280,000. The Assets Parcel includes the land use right of the Land located at Xinsha Road, Xintang Town, Guangzhou, the PRC, the above-ground buildings, machineries, electronic equipments, mortgaged chattels, stocks and other equipments on the Land.

Pursuant to the Cooperative Agreement, Minjie Co. shall retain the ownership of the Land and both Xincheng Country Garden and Minjie Co. shall be responsible for the following:-

- (a) handling all application procedures, in the name of Minjie Co., regarding the obtaining of all the necessary approvals from the relevant PRC authorities in respect of the acquisition of the Land in accordance with the applicable laws and rules and procuring the obtaining of all such approvals;
- (b) handling all application procedures, in the name of Minjie Co., regarding the change of the usage of the Land from existing industrial use to commercial and residential use with the right to public transfer and procuring all such change; and

(c) procuring the relevant PRC authorities to divide the Land into two equal portions for public transfer by way of auction.

Prior to division of the Land for public transfer by way of auction, Minjie Co. shall have the management of the Assets Parcel subject to the supervision rights of Xincheng Country Garden. Such management expenses shall be borne by Xincheng Country Garden and Minjie Co. in equal shares.

Pursuant to the Cooperative Agreement, upon division of the Land, the portions of the Land shall be allocated to each of Xincheng Country Garden and Minjie Co. respectively and such portions of the Land will be auctioned off. Each of Xincheng Country Garden and Minjie Co. shall be entitled to all interest, income and gains and shall bear all relevant costs and expenditures arising from the relevant portion of the Land allocated to each of them. The parties are entitled to tender for such portion of the Land allocated to each of them through the public auction.

The proceeds relating to the disposal of the machineries, electronic equipments, mortgaged chattels, stocks and other equipments on the Land will be shared by Xincheng Country Garden and Minjie Co. in equal shares whereas costs and liabilities will be borne equally by Xincheng Country Garden and Minjie Co.. In the event that the usage of the Land shall fail to be changed to commercial and residential use or the public transfer of the Land shall be forbidden, any such risk shall also be assumed by Xincheng Country Garden and Minjie Co. in equal shares and it is agreed by the parties that, in such event, the Land shall be divided into two equal portions, each of which shall be owned by Xincheng Country Garden and Minjie Co. respectively.

The Cooperative Agreement is unconditional.

PRINCIPAL ACTIVITIES AND REASONS FOR THE COOPERATION

The Company is an investment holding company and its subsidiaries, including Xincheng Country Garden, are principally engaged in property development in the PRC including property development, construction, fitting and decoration, property management and hotel operation.

Minjie Co. is principally engaged in real estate development and sale of construction material.

In view of the rapid economic growth in the PRC, the Directors are optimistic about the property market in the PRC. Taking into account the location and potential value of the Land against the reasonable acquisition cost of the Land (being the major part of the Assets Parcel), the Directors are of the view that, by entering into the Cooperative Agreement, Xincheng Country Garden and Minjie Co. can cooperate with each other in relation to the Development Project which will further enhance and strengthen the Group's leadership position in property development in the PRC.

The Directors (including the independent non-executive Director) believe that the Cooperative Agreement is entered into in the ordinary and usual course of business of the Group, on normal commercial terms which are fair and reasonable and in the interest of the Shareholders as a whole. The Directors consider that it will be in the interest of the Company to adopt the terms and conditions of the Cooperative Agreement.

LISTING RULES IMPLICATION

As at the date hereof, Zhencheng Co. is the substantial shareholder of Huanan Property Development, a subsidiary of the Company. Minjie Co. is a fellow subsidiary of Zhencheng Co. and therefore an associate of Zhencheng Co.. Accordingly, Minjie Co. is a connected person of the Company pursuant to the Listing Rules and the entering into of the Cooperative Agreement constitutes a connected transaction of the Company. As each of the relevant percentage ratios in respect of the Cooperative Agreement is less than 2.5%, the transactions contemplated under the Cooperative Agreement will be subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval as set out in Chapter 14A of the Listing Rules.

DEFINITIONS

“Assets Parcel”	an assets parcel including the land use right of the Land, the above-ground buildings, machineries, electronic equipments, mortgaged chattels, stocks and other equipments on the Land
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Cooperative Agreement”	the agreement entered into between Minjie Co. and Xincheng Country Garden on 30 March 2010 in respect of the Development Project
“Development Project”	the project for the development of the Land
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huanan Property Development”	Guangzhou Huanan Country Garden Property Development Co., Ltd. (廣州華南碧桂園房地產開發有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Land”	a parcel of state-owned land with an area of approximately 216,000 square meters, located at Xinsha Road, Xintang Town, Guangzhou, the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minjie Co.”	Guangzhou Minjie Investment Company Limited (廣州市敏捷投資有限公司), a company incorporated in the PRC with limited liability
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Shares”	the ordinary shares of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xincheng Country Garden”	Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd. (瀋陽渾南新城碧桂園房地產開發有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Zhencheng Co.”	Guangzhou Zhencheng Property Development Co., Ltd., (廣州真誠房地產開發有限公司), a company incorporated in the PRC with limited liability holding 50% equity interest in Huanan Property Development
“%”	per cent.

English names of the PRC established companies/entities in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.

By order of the Board
Country Garden Holdings Company Limited
Cui Jianbo
President and Executive Director

Hong Kong, 30 March 2010

As of the date of this announcement, the executive directors of the Company are Mr. YEUNG Kwok Keung (Chairman), Mr. CUI Jianbo, Ms. YANG Huiyan, Mr. YANG Erzhu, Mr. SU Rubo, Mr. ZHANG Yaoyuan, Mr. OU Xueming, Mr. YANG Zhicheng and Mr. YANG Yongchao. The independent non-executive directors of the Company are Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham and Mr. TONG Wui Tung, Ronald.