Extract of Company Operation and Financial Information of Country Garden Holdings Company Limited

Risk factors

In addition to other information in this offering memorandum, you should carefully consider the following risk factors, together with all other information contained in this offering memorandum, before purchasing the Notes. The risks and uncertainties described below may not be the only ones that we face. Additional risks and uncertainties of which we are not aware or that we currently believe are immaterial may also adversely affect our business, financial condition or results of operations. If any of the possible events described below occurs, our business, financial condition or results of operations could be materially and adversely affected. In such case, we may not be able to satisfy our obligations under the Notes, and you could lose all or part of your investment.

Risks relating to our business

We are heavily dependent on the performance of the property market in the PRC, particularly in Guangdong Province, and may be affected by the performance of the property market in other places where we conduct our operations

Our business and prospects depend on the performance of the PRC property market. Any housing market downturn in China generally or in the regions where we have property developments could adversely affect our business, financial condition and results of operations. Our property developments currently are largely located in Guangdong Province. We established our business by developing private residential properties in Shunde District in 1997 and began expanding our project development activities to other locations in Guangdong Province in 1998. As of September 30, 2012, we had developed or were developing 65 projects in Guangdong Province and 48 projects outside Guangdong Province in the PRC. The projects in Guangdong Province and outside Guangdong Province in the PRC have an aggregate GFA (including completed properties, properties under development and properties for future development) of approximately 49,197,097 sq.m. and 39,547,786 sq.m., respectively. In addition, we have a 20% interest in the Asian Games City JV, which is developing the Asian Games City Project located in Guangdong Province and occupies an estimated site area of approximately 2,639,520 sq.m. As of September 30, 2012, we also had one project in the town of Serendah in the State of Selangor, Malaysia, with a GFA of approximately 290,456 sq.m. Further, in December 2012, we signed a sale and purchase agreement with a Malaysian property developer to acquire certain parcels of land in Iskandar, in the State of Johor, Malaysia, with a total site area of approximately 222,577 sq.m. Although we are pursuing further business opportunities in other locations, we intend to maintain and increase our market share in Guangdong Province.

Demand for private residential properties in the PRC, including Guangdong Province, has grown rapidly in the last decade but such growth is often coupled with volatility in market conditions and fluctuations in property prices. We cannot assure you that property development and investment activities will continue at past levels or that we will be able to benefit from future growth in the property market in Guangdong Province or the PRC. Any adverse developments in national and local economic conditions as measured by such factors as GDP growth, employment levels, job growth, consumer confidence, interest rates and population growth in the PRC, particularly in the regions where our projects are located, may reduce demand and depress prices for our products and services and have a material adverse effect on our business, financial condition and results of operations. Demand for and prices of properties in the PRC are also directly affected by the macroeconomic control measures adopted by the PRC government from time to time. Since 2011, the PRC government has taken measures to control inflation and slow the price increases in the property market, as the economy and the real estate market recovered. See "—Risks relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth." Any adverse development in the condition of the property market in the PRC, or in other places where we conduct our operations, could have a material adverse effect on our business, financial condition and results of operations.

Increasing competition in the PRC may adversely affect our business, financial condition and results of operations

In recent years, a large number of property developers have undertaken property development and investment projects in Guangdong Province and elsewhere in the PRC. Our major competitors include large regional, national and overseas property developers (including a number of leading Hong Kong property developers), some of which may have better track records and greater financial and other resources than us. In addition, we also compete with small local homebuilders.

The intensity of the competition among property developers in Guangdong Province and other parts of the PRC for land, financing, raw materials and skilled management and labor resources may result in increased cost of land acquisition and construction, a decrease in property prices and delays in the government approval process. An oversupply of properties available for sale could also depress the prices of the commodity properties we sell. Any of the above may adversely affect our business, financial condition and results of operations.

In addition, the property markets in Guangdong Province and elsewhere in the PRC are rapidly changing. If we cannot respond to changes in market conditions in Guangdong Province or elsewhere or changes in customer preferences more swiftly or more effectively than our competitors, our business, results of operations and financial condition could be adversely affected.

We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations

The property development business is capital intensive. We finance our business primarily through a combination of internal funding, bank borrowings, capital markets financing (such as our IPO and the offerings of the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes and our share placement in February 2012) and pre-sales and sales proceeds. Further, purchasers who choose to pay the purchase price in full without taking out a mortgage may not pay the full purchase price on time and this may affect our cashflow position. We also offer payment installment plans for our customers and may not collect the full purchase price upfront. We cannot assure you that we will have sufficient cash flow available for land acquisitions or property developments or that we will be able to achieve sufficient pre-sales and sales to fund land acquisitions or property developments. In addition, we cannot assure you that we will be able to secure external financing on terms acceptable to us or at all.

As of September 30, 2012, we had RMB33,891.4 million (US$5,392.6 million) of outstanding borrowings (including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes), of which RMB8,342.5 million (US$1,327.4 million) were short-term borrowings. After giving effect to this offering on a pro forma basis, we would have outstanding borrowings (including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes) of RMB million (US$ million). Our total interest expense on bank borrowings, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes for the years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012 was RMB1,124.7 million, RMB1,479.5 million, RMB2,448.8 million and RMB2,373.2 million, respectively.

Our ability to arrange adequate financing for land acquisitions or property developments on terms that will allow us to earn reasonable returns depends on a number of factors that are beyond our control. The PRC government has in the past taken a variety of policy initiatives in the financial sector to tighten lending procedures for property developers including, among other things:

- forbidding PRC commercial banks from extending loans to property developers to finance land premiums;
- restricting PRC commercial banks from extending loans for the development of luxury residential properties;
- restricting the granting or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- restricting the granting or extension of revolving credit facilities to property developers that have a history of being included in land-related abuses, including misconduct related to changing the use of land, postponing construction or completion of projects or hoarding property;
- prohibiting commercial banks from taking commodity properties that have been vacant for more than three years as security for mortgage loans; and
- forbidding property developers from using borrowings obtained from any local banks to fund property developments outside that local region.

In addition, PBOC regulates the lending rates and reserve requirement ratios for commercial banks in the PRC. PBOC raised the benchmark one-year lending rate several times between 2004 and 2008. PBOC increased the reserve requirement ratio for commercial banks several times between 2006 and 2008 to curtail the overheating of the property sector. The reserve requirement refers to the amount of funds that banks must hold in reserve with PBOC against deposits made by their customers. After the commencement of the global economic slowdown in the second half of 2008, the PRC government adopted measures intended to stimulate economic development, including lowering benchmark lending rates and the reserve requirement ratios for commercial banks. However, PBOC increased the benchmark one-year lending rate and the reserve requirement ratios several times since 2010. In 2012, PBOC decreased both the one-year lending rate and the reserve requirement ratios twice. Increases in the bank reserve requirement ratios may negatively impact the amount of funds available to commercial banks in China to lend to businesses, including us. The benchmark one-year lending rate is currently 6.00% and the current reserve requirement ratio ranges from 16.5% to 20.0%. We cannot assure you that PBOC will not further raise lending rates or reserve requirement ratios in the future, or that our business, financial condition and results of operations would not be adversely affected as a result of these adjustments.

The fiscal and other measures adopted by the PRC government from time to time may limit our flexibility and ability to use bank loans to finance our property developments and therefore may require us to maintain a relatively high level of internally-sourced cash. In November 2009, the PRC government raised the minimum down payment to 50% of the total land premium and required the land premium to be fully paid within one year after the signing of a land contract, subject to limited exceptions. In March 2010, the PRC government further tightened this requirement by setting a minimum price for land transfers of at least 70% of the benchmark price for land in the surrounding locality and requiring a bidding deposit of at least 20% of the applicable minimum land transfer price. Additionally, a land grant contract must be entered into within 10 working days of closing and the 50% down payment (taking into account any deposits previously paid) paid within one month of signing the land grant contract, with the balance to be paid in full within one year of the contract date in accordance with provisions of such contract, subject to limited exceptions. These new requirements may constrain our cash otherwise available for additional land acquisition and construction. We cannot assure you that we will have adequate resources to fund land acquisitions (including any unpaid land premiums for past acquisitions), or property developments, or to service our financing obligations, and our business and financial condition may be materially adversely affected. In addition, the increase in benchmark lending rates has led to higher interest rates for mortgage loans, which may depress demand in the property market in general.

If we are unable to make scheduled payments in connection with our debt and other fixed payment obligations as they become due, we may need to renegotiate the terms and conditions of such obligations or to obtain additional equity or debt financing. We cannot assure you that our renegotiation efforts would be successful or timely or that we would be able to refinance our obligations on acceptable terms or at all. If financial institutions decline to lend additional funds to us or to refinance our existing loans when they mature as a result of our credit risk and we fail to raise financing through other means, our financial condition, cash flow position and business prospects may be materially and adversely affected. You may find additional information in respect of the key terms of our outstanding obligations under the section entitled ''Description of other material indebtedness.'' We cannot assure you that we will be able to maintain the relevant financial ratios from time to time nor that we will not default. If we are unable to obtain forbearance or waiver arrangements with the relevant lenders and upon occurrence of any default, event of default or cross-default in the future, it could lead to, among other things, an acceleration in our debt financing obligations, which could in turn have a material and adverse effect on our financial condition.

We may not be able to obtain a sufficient number of sites or retain sites suitable for property developments

We derive the majority of our revenue from the sale of properties that we have developed. This revenue stream is dependent on our ability to complete and sell our property developments. To maintain or grow our business in the future, we will be required to replenish our land reserve with suitable sites for developments. Our ability to identify and acquire a sufficient number of suitable sites is subject to a number of factors that are beyond our control.

The PRC government controls substantially all of the country's land supply and regulates the means by which property developers, including us, obtain land sites for property developments. As a result, the PRC government's land supply policies affect our ability to acquire land use rights for sites we identify and the costs of any acquisition. In May 2002, the PRC government introduced regulations requiring government departments and agencies to grant state-owned land use rights for residential or commercial property developments through public tender, auction or listing-for-sale. We are required to follow these procedures to acquire land use rights to desirable sites from the government, which may result in higher land premiums than those we previously paid. Although these regulations do not prevent privately held land use rights from being traded in the secondary market, the PRC government's policy to grant state-owned land use rights at competitive market prices is likely to increase the acquisition cost of land reserves generally in the PRC. If we fail to acquire sufficient land reserves in a timely manner and at acceptable prices, or at all, our business prospects, results of operations and financial condition may be materially and adversely affected.

In recent years, the PRC government has adopted a number of initiatives to control the growth of China's residential property sector and to promote the development of more affordable housing. For example:

- one initiative requires local governments, when approving new residential projects after June 1, 2006, to ensure at least 70% of their annual land supply (in terms of estimated GFA) consists of units that are less than 90 sq.m. in size;

- in an announcement made on May 30, 2006, the Ministry of Land and Resources of the PRC (the "Ministry of Land and Resources") has stated that land supply priority shall be given to ordinary commodity houses at middle to low prices and in medium to small sizes (including affordable housing);

- pursuant to the "Catalogue of Restricted Use of Land (2012 Version Supplement)" (限制用地項目目錄(2012年本增補本)) and the "Catalogue of Prohibited Use of Land (2012 Version Supplement)" (禁止用地項目目錄(2012年本增補本)) issued by the Ministry of Land and Resources in May 2012, the area of a parcel of land granted for commodity housing development shall not exceed seven hectares in small cities (towns), 14 hectares in medium cities or 20 hectares in large cities, and the plot ratio must exceed 1.0;

- the Notice on Resolutely Curbing the Rapid Rising of the House Price in Certain Cities (堅決遏制部分城市房價過快上漲的通知) issued by the State Council of the PRC (the "State Council") on April 17, 2010 also reiterated that the government will give high priority to supplying more affordable housing; and

- according to the "Circular Concerning Issues on Strengthening Real Estate Land Supply and Supervision" (《關於加強房地產用地供應和監管有關問題的通知》) promulgated by the Ministry of Land and Resources on March 8, 2010, the supply of the land to be developed for indemnificatory housing, renovation of rundown residential areas and small or medium size self-use commercial housing shall be no less than 70% of the total land supply. Moreover, land supply for large-sized residential housing construction shall be strictly restricted, villa project shall be suspended and the area of a single parcel of land granted for commercial housing shall be strictly restricted.

Additionally, the PRC central and local governments have implemented various measures to regulate the means by which property developers obtain land for property development (see "—The PRC government has implemented restrictions on the payment terms for land use rights"). The PRC government also controls land supply through zoning, land use regulations and other means. All these measures further intensify the competition for land in China among property developers.

We currently have one project in Malaysia and have recently entered into a sale and purchase agreement to acquire certain parcels of land in Iskandar Malaysia. We may have further operations outside of China in the future, which will also be subject to the relevant local government's policies and control over land supply and the property sector in general.

These policy initiatives and other measures adopted by the government from time to time may limit our ability to acquire suitable land for development or significantly increase land acquisition cost, which may have a material adverse effect on our business, financial condition and results of operations.

Our land may be forfeited to the PRC government if we fail to comply with the terms of the land grant contracts

Under PRC laws and regulations, if a property developer fails to develop land according to the terms of the land grant contract (including those relating to payment of fees, designated use of land, time for commencement and completion of development of the land), the relevant government authorities may issue a warning to, or impose a penalty on, the developer, or require the developer to forfeit the land. Under current PRC laws and regulations, if we fail to commence development within one year from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may serve a warning notice on us and impose an idle land fee on the land of up to 20.0% of the land premium. If we fail to commence development within two years from the commencement date stipulated in the land grant contract, the land is subject to forfeiture to the PRC government unless the delay in development is caused by government actions, force majeure or necessary preparatory work. According to the "Notice on Enhancing the Economical and Intensive Use of Land" (國務院關於 促進節約集約用地的通知) promulgated by the State Council on January 3, 2008, this policy was reinforced. This notice states, among other things, that (i) policies in relation to the forfeiture of land use rights without compensation for land which has remained idle for more than two years shall be strictly implemented; (ii) if any land remains idle for one year, an idle land fee of 20% of the relevant land premium shall be levied; (iii) before June 2008, all provincial, regional and municipal governments are required to submit to the State Council reports on the status of the clearance and handling of idle land; (iv) the prohibition of land supply for villa projects shall continue; (v) the Ministry of Land and Resources and other authorities are required to research and commence drafting implementation rules concerning the levy of land appreciation fees on idle land; (vi) in relation to the supply of residential land, planning conditions such as plot ratio limits and the number and type of units that can be constructed shall be taken into account in land grant contracts and allocation decisions to ensure that at least 70% of the total land grant for residential development will consist of low-rent housing, economy housing, limited price housing and units of less than 90 sq.m. in size; and (vii) financial institutions are required to exercise caution when approving financing for any property developer who, after one year from the commencement date stipulated in the land grant contract, fails to complete at least one-third of the development of their project or provide at least 25% of the total investment in the project.

Moreover, according to the "Notice on Implementation of the State Council's Certain Opinions on Resolving Residence Difficulties of Urban Low-income Families and Further Strengthening Macro-control of Land Supply" (關於認真貫徹《國務院關於解決城市低收入家庭住房困難的若干意見》進一步加強土地供應 調控的通知) issued by the Ministry of Land and Resources on September 30, 2007, even if the commencement of the land development is in compliance with the land grant contract, the land will be treated as idle land and the property developer may be restricted or prevented from participating in future bidding for land if (i) the developed GFA on the land is less than one-third of the total GFA of the project under the land grant contract or the total capital invested is less than one-fourth of the total estimated investment of the project under the land grant contract and (ii) there has been a suspension of the development of the land for over one year in time without government approval. This notice also calls for control over supply of large land parcels and states that the development period for an individual parcel of land in principle should not exceed three years. On June 1, 2012, the Ministry of Land and Resources revised and promulgated the Measure for the Disposal of Idle Land (閑置土地處置辦法), that became effective on July 1, 2012 which further clarified the scope and definition of idle land, as well as the corresponding punishment measures compared to the old version. For more information on regulation, please refer to the section headed "Regulation—Development of a property project—Land for property development." Although the delays in the commencement of construction or the completion of certain of our property development did not lead to forfeiture of land or payment of idle land fee, we cannot assure you that circumstances leading to forfeiture of land or payment of idle land fees will not arise in the future. If we are required to forfeit land, to pay idle land fees or even to pay appreciation land premium, we will not be able to continue our property development on the forfeited land or recover the costs incurred for the initial acquisition of the forfeited land or recover development and other costs incurred up to the date of forfeiture, and our business, financial condition and results of operations may be adversely affected.

Our sales and pre-sales will be affected if mortgage financing becomes more costly or otherwise unavailable

Many purchasers of our residential properties rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing. An increase in minimum down payment requirements for mortgage financing may reduce the attractiveness of mortgages as a source of financing for property purchases. Either of those measures or the suspension of mortgage financing may adversely impact the affordability of residential properties, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Since 2003, the PRC government has promulgated a range of laws, regulations and government policies regarding mortgage financing as a means to regulate the PRC property market. While the intent of these has generally been to reduce perceived speculation in the property market, during the recent global financial crisis the PRC government implemented a number of measures designed to stimulate the economy, including lowering the down payment requirements for purchasing residential properties and PBOC benchmark bank lending rates. However, since the fourth quarter of 2009, the PRC government has again enacted policies intended to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly. Measures currently in place include:

- requiring a minimum down payment of at least 30% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves (住房公積金) to buy an ordinary home with a unit floor area of more than 90 sq.m. for self-use;
- requiring a minimum down payment of at least 20% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of not more than 90 sq.m. for self-use;
- requiring a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property through mortgage financing;

- requiring commercial banks to suspend mortgage loans to customers for purchase of a third or further residential property, or to non-residents who cannot provide proof of local tax or social security insurance payments for more than a one-year period;
- limiting the availability of second housing reserve loans to families whose per capita living area is below the average in their locality and requiring that such loans be used only to purchase an ordinary home for self-use in order to improve their living conditions; and
- suspending the availability of housing reserve loans where the purchase is for a third (or further) residential property.

For commercial property buyers, PRC banks are not allowed to finance the purchase of any pre-sold properties. The minimum down-payment for commercial property buyers has been increased to 50% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark one-year bank lending interest rate and maximum maturities of no more than 10 years. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income or if the total debt service of the individual borrower would exceed 55% of such individual's monthly income.

For more information on the regulations adopted by the PRC government related to property financing, including dates of promulgation and authorizing governmental entities, see "Regulation—Legal supervision relating to property sector in the PRC—Property financing."

We cannot assure you that the PRC government will not further increase down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers. Nor can we assure you that such regulatory changes would not adversely affect our business, financial condition and results of operations.

We may not be able to successfully manage our growth

We have been rapidly expanding our operations in recent years, including our expansion to Malaysia in December 2011. As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and to implement an effective management information system. To effectively manage our expanded operations, especially projects outside Guangdong Province and operations outside China, we need to recruit and strengthen internal training for managerial, accounting, internal audit, engineering, technical, sales and other staff to satisfy our development needs. As of December 31, 2009, 2010 and 2011 and September 30, 2012, we had approximately 29,514, 32,943, 35,206 and 38,134 full-time employees respectively. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources. Further, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties, which may have a different background and local practices than those in our traditional markets. We will need to further strengthen our internal control and compliance functions to ensure that we are able to comply with our legal and contractual obligations and reduce our operational and compliance risks. We cannot assure you that we will not experience issues such as capital constraints, construction delays, operational difficulties at new operational locations or difficulties in adapting to local regulatory environment market conditions or culture, expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business or that our properties will be well received by the residents of the new markets. We also cannot assure you that our expansion plans will not adversely affect our existing operations and thereby have a material adverse effect on our business, financial condition, results of operations and future prospects.

We may be adversely affected by fluctuations in the global economy and financial markets

The global economic slowdown and turmoil in the global financial markets that started in the second half of 2008 have had a negative impact on the world economy, which in turn has affected the PRC real estate industry and many other industries. Since then PRC and many other foreign economies have shown signs of recovery. In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these European nations to continue to service their sovereign debt obligations. On August 6, 2011, Standard and Poor's Ratings Services ("S&P") downgraded the rating for long-term United States debt to "AA+" from "AAA" for the first time in 70 years. The downgrade of United States debt by S&P, coupled with the economic turmoil in Europe and other parts of the world could lead to another global economic downturn and financial market crisis.

The outlook for the world economy and financial markets remains uncertain. In Europe, several countries are facing difficulties in refinancing sovereign debt. In the United States, the unemployment rate remains high, and recovery in the housing market remains subdued. In addition, it is uncertain what effect the fiscal cliff, referring to the economic effects that could result from tax increases and spending cuts in the United States and a reduction in the country's budget deficit beginning in 2013, would have to the United States and the world economy and financial markets. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, political unrest in various countries has resulted in economic instability and uncertainty. China's economic growth may slow down due to weakened exports.

These and other issues resulting from the global economic slowdown and financial market turmoil have adversely affected, and may continue adversely affecting, homeowners and potential property purchasers, which may lead to a decline in the general demand for our products and erosion of their sale prices. In addition, any further tightening of liquidity in the global financial markets may negatively affect our access to the capital market and thereby liquidity. Therefore, if the global economic slowdown and turmoil in the financial markets crisis continue, our business, financial condition and results of operations may be adversely affected.

We may not be successful in expanding into each new city that we target or in developing each new business segment that we explore

Since 2006, we have gradually expanded our operations into nine provinces, two autonomous regions and two provincial level municipalities beyond Guangdong Province in the PRC. In December 2011, we have also expanded our operations into Malaysia. When opportunities arise, we expect to continue to expand our operations both within and outside the PRC. These new markets, including Malaysia where we have recently expanded into, may differ from our existing markets in terms of economic development level, topography, religion and culture, legal and regulatory practices and requirements, level of familiarity with contractors and business practices and customs, and customer tastes, behavior and preferences. These differences that exist in new markets, such as in Malaysia where we have recently expanded into, may also make it harder for us to secure local financings for our projects. In addition, when we enter into new markets, we will likely compete with developers who have an established local presence, are more familiar with local regulatory and business practices and have stronger relationships with local contractors, all of which may give them a competitive advantage over us. We cannot assure you that we will be able to enter into or operate in new markets successfully.

Further, our plans include projects that differ significantly from our past and current projects in terms of targeted customers and business segments. Our primary experience to date has been in developing high quality residential properties for sale, construction, fitting and decoration of those properties, management of residential developments, and hotel operation. We have plans to expand into the business of developing office buildings in other areas in the PRC for our own use or for leasing to other companies. This is a relatively new business for us, and we cannot assure you that we will be successful in expanding into this area. We may not realize any revenue from this business, and even if revenue is realized, we cannot assure you that market demand for office space will be sufficient to provide us with an adequate return on our investment.

Our expansion and the need to integrate operations arising from our expansion, particularly into other fast growing cities in the PRC and outside the PRC, may place a significant strain on our managerial, operational and financial resources and further contribute to an increase in our financing requirements.

The PRC government has implemented restrictions on the payment terms for land use rights

On September 28, 2007, the Ministry of Land and Resources issued revised Rules on the Grant of State-owned Land Use Rights through Public Tender, Auction and Listing-for-sale (招標拍賣掛牌出讓國有建設用地使用權規定), which provide that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate and commence development on the land. This regulation became effective on November 1, 2007. As a result, property developers are no longer allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land in order to commence development, as had previously been the practice in many Chinese cities. On November 18, 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office issued the "Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant" (關於進一步加强土地出讓收支管理的通知), which raised the minimum down payment to 50% of the total land premium and required the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions. On March 8, 2010, the Ministry of Land and Resources issued the Circular on Strengthening Real Estate Land Supply and Supervision (關於加强房地產用地供應和監管有關問題的通知), under which the minimum price for a given land transfer is required to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and to pay the balance within one year of the contract date. On January 26, 2011, the State Council circulated Notice on Further Regulating the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知), which provides stricter management of housing land supply, among other things, that participants or individual biding on any land unit shall show proof of funding sources. On May 13, 2011, the Ministry of Land and Resources issued the "Opinions on Maintaining and Improving the System for the Grant of Land by way of Tender, Auction and Listing" (《關於堅持和完善土地招標拍賣掛牌出讓制度的意見》). According to the opinions, the base price for the land grant will take into consideration factors such as applicable laws, the proposed development and utilization of the land, land price, time of payment, development and construction duration, construction methods, the usage of land and previous dealings with the enterprise. The implementation of these regulations may increase land transfer prices and require property developers to maintain a higher level of working capital. We cannot assure you that we will be able to acquire land suitable for development at reasonable cost or that our cash flow position, financial condition or business plans will not be materially and adversely affected by the implementation of these regulations.

We may not be able to obtain land use rights certificates or land title with respect to certain parcels of land in which we currently have interests

We have entered into land grant contracts or land grant confirmation letters or sale and purchase agreement to acquire certain parcels of land for which we have not yet obtained land use rights certificates or land title. As of September 30, 2012, these parcels of land occupied an aggregate site area of approximately 6,711,060 sq.m. with an aggregate expected GFA of approximately 9,127,973 sq.m. for future development. In addition, the Asian Games City JV has not obtained the land use rights certificates for approximately two million sq.m. of the site area of the Asian Games City Project. If we fail to complete the acquisition of these parcels of land in a timely manner, or at all, we will not be able to develop and sell properties on such land. We may not be able to acquire new land in replacement on terms acceptable to us, or at all. This would have a material adverse effect on our business, financial condition, results of operations and business prospects going forward. See "Business—Description of our property projects."

Our business and results of operations may be adversely affected if we fail to obtain, or there are material delays in obtaining, the requisite governmental approvals

The property industry in the PRC is heavily regulated by the PRC government. To establish a property development subsidiary in China, we must go through various PRC governmental approval and filing procedures and obtain the requisite approvals and licenses for our investment in such subsidiary and its property development and related business operations. Our property development subsidiaries must comply with a variety of legal and regulatory requirements, as well as the policies and procedures established by local authorities to implement such laws and regulations. To undertake and complete a property development, a property developer must obtain permits, licenses, certificates and other approvals from the relevant administrative authorities at various stages of the property development, including land use rights documents, planning permits, construction permits, pre-sale permits and certificates or confirmations of completion and acceptance. Each approval is dependent on the satisfaction of a set of conditions. Failure to obtain, or material delays in obtaining the requisite governmental approvals for any of our projects could give rise to potential liabilities and substantially disrupt the development and sale of our developments, which would result in a material adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will not encounter significant problems in satisfying the conditions to the approvals necessary for our business operations, or that we will be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time and to which we are subject or the particular processes related to the granting of the approvals. There may also be delays on the part of the administrative bodies in reviewing our applications and granting approvals. If we fail to obtain, or experience material delays in obtaining, the requisite governmental approvals, licenses and filings, our investment in our subsidiaries and the schedule of development and sale of our developments could be substantially disrupted, resulting in a material adverse effect on our business, financial condition and results of operations.

Our profit margin is sensitive to fluctuations in the cost of construction materials

Construction costs are one of the predominant components of our cost of sales. Construction costs encompass all costs for the design and construction of a project, including payments to third-party contractors, costs of construction materials, foundation and substructure, fittings, facilities for utilities and related infrastructure such as roads and pipelines. Historically, material costs have been the principal driver of the construction costs of our property development projects, with the cost of third-party contractors remaining relatively stable. However, as most of the material costs are often included in the construction costs paid to our contractors, it has been difficult for us to estimate such costs.

Construction costs may fluctuate as a result of the volatile price movement of construction materials such as steel and cement. We seek to reduce our exposure to short-term price fluctuations of construction materials and limit project cost overruns by centralizing our procurement to lower our purchase costs. We also manage the cost of outsourced construction work through a process of tenders which, among other things, takes into account procurement of principal construction materials such as steel and cement at fixed prices. In line with industry practice, if there is a significant price fluctuation (depending on the specific terms of each contract), we will be required to re-negotiate, top up or refund, depending on the price movement, existing construction contracts. Additionally, should our existing contractors fail to perform under their contracts, we might be required to pay more to contractors under replacement contracts. Our profit margin is sensitive to changes in market prices for construction materials and our project margins will be adversely affected if we are not able to pass all of the increased costs onto our customers.

We are subject to legal and business risks if we fail to obtain or maintain qualification certificates

Property developers in the PRC must obtain a formal qualification certificate (資質證書) in order to develop property in the PRC. According to the Provisions on Administration of Qualification of Real Estate Developers (房地產開發企業資質管理規定), newly established developers must first apply for a temporary qualification certificate (暫定資質證書), which can be renewed for a maximum of two additional one-year periods, by which time a formal qualification certificate must have been issued. Before commencing their business operations, entities engaged in property management, construction, or fitting and decoration are required to obtain qualification certifications in accordance with the Measures on Administration of Qualification of Property Service Enterprises (物業服務企業資質管理辦法) and the Provisions on Administration of Qualification of Construction Enterprises (建築業企業資質管理規定). Property developers in the PRC are required to produce a valid qualification certificate when they apply for a pre-sale permit. If the newly established property developer fails to commence a property development project within the one-year period when the provisional qualification certificate is in effect, it will not be allowed to extend its provisional qualification certificate. Experienced property developers must also apply for renewal of their qualification certificates every two to three years in most cities, subject to an annual verification by relevant governmental authorities. It is mandatory under government regulations that developers fulfill all statutory requirements before obtaining or renewing their qualification certificates.

All qualification certificates for property developers are subject to renewal on an annual basis. In reviewing an application to renew a qualification certificate, the local authority takes into account the property developer's registered capital, property development investments, history of property development and quality of property construction, as well as the expertise of the developer's management and whether the developer has any illegal or improper operations.

Each of our project companies, with the assistance of our group office, is responsible for the annual submission of its renewal application. If any one of our project companies is unable to meet the relevant qualification requirements, the local authorities will normally grant that project company, subject to a penalty of between RMB50,000 and RMB100,000, a grace period to rectify any insufficiency or non-compliance. Failure to satisfy the requirements within the specified time frame could result in rejection of the renewal application and revocation of the business license of the project company. As of the date of this offering memorandum, each of our project companies which are developing properties has obtained a valid qualification certificate except for 17 project companies, which are in the process of applying for issuance, extension or alteration of the qualification certificates.

In addition, we have other non-property development related subsidiaries which also require qualification certificates to engage in their relevant operations. As of the date of this offering memorandum, these subsidiaries have obtained or are in the process of applying for the issuance or extension of such qualification certificates.

We cannot assure you that the qualification certificates of all of our existing project companies will continue to be renewed or extended or that formal qualification certificates for new project companies and our other non-property development related subsidiaries will be obtained in a timely manner, or at all. If our project companies or our other non-property development related subsidiaries are unable to obtain or renew their qualification certificates, as applicable, they will not be permitted to engage in or continue their businesses, which could have a material adverse effect on our business and financial condition.

We face significant property development risks before we realize any benefits from a development

Property developments typically require substantial capital outlays during the construction periods, and it may take months or years before positive cash flows, if any, can be generated by pre-sales or sales. The time and costs required to complete a property development may increase substantially due to many factors beyond our control, including the shortage or increased cost of material, equipment, technical skills and labor, adverse weather conditions, natural disasters, labor disputes, disputes with contractors, accidents, changes in government priorities and policies, changes in market conditions, delays in obtaining the requisite licenses, permits and approvals from the relevant authorities and other unforeseeable problems and circumstances. Any of these factors, individually or in the aggregate, may lead to a delay in completing, or failure to complete a property development and result in costs substantially exceeding those originally budgeted. Failure to complete a property development according to its original plan, if at all, may have an adverse effect on our reputation and could give rise to potential liabilities. As a result, our returns on investments, if any, might not be timely recognized or might be lower than originally expected.

We face risks relating to fluctuations of results of operations from period to period

Our results of operations tend to fluctuate from period to period. The number of properties that we can develop or complete during any particular period is limited due to the substantial capital required for land acquisition, demolition and resettlement and construction, as well as limited land supplies and lengthy development periods before positive cash flows may be generated. In addition, in recent years, we have begun to develop larger-scale property developments and, as a result, we develop properties in multiple phases over the course of several years. Typically, as the overall development moves closer to completion, the sales prices of the properties in such larger-scale property developments tend to increase because a more established residential community is offered to purchasers. In addition, seasonal variations have caused fluctuations in our revenues and profits from quarter to quarter. For example, our revenue and profits, recognized upon the delivery of properties, are often lower in the first half of a year than in the second half, and we will continue to experience fluctuations in revenue and profits on an interim basis. As a result, our results of operations fluctuate and our interim results do not proportionally reflect our annual results.

We rely on independent contractors

We expect that as our business grows in terms of the number of projects and geographical coverage, we will engage independent contractors to provide various services, including design, construction and installation, engineering, construction supervision, fitting and decoration, most of which have been provided primarily by our own subsidiaries to date. Historically, a majority of our construction work in Guangdong Province was undertaken by Guangdong Giant Leap Construction Co. Ltd ("Giant Leap Construction Co."), our wholly-owned subsidiary. As we have expanded to regions outside Guangdong Province, we have outsourced more construction work which in turn has increased our reliance on independent contractors. While we may consider acquiring or setting up local construction companies in our major markets outside Guangdong Province, we expect that a substantial portion of our construction work outside Guangdong Province will continue to be undertaken by independent contractors. We cannot assure you of the availability of qualified independent contractors in the market at the time of our intended outsourcing, nor can we assure you that the services rendered by our independent contractors will always be satisfactory or meet our quality requirements. There have been instances where the independent contractors' performance was less than satisfactory, which in turn caused some quality issues and disputes between us and our customers. While we endeavor to monitor the quality of our independent contractors' work, we cannot assure you that such issues will not arise in the future or that our business, results of operation, financial condition and reputation will not be materially and adversely affected as a result. Moreover, the completion of our property developments may be delayed, and we may incur additional costs, due to a contractor's financial or other difficulties. Any of these factors could have a material adverse effect on our business, financial condition and results of operations.

We face contractual and legal risks relating to the pre-sale of properties, including the risk that property developments may not be completed and the risk that changes in laws and regulations in relation to the pre-sales of properties may adversely affect our business, cash flow, financial condition and results of operations

We face contractual risks relating to the pre-sales of properties. For example, if we fail to meet the completion deadlines stated in pre-sale contracts, purchasers of pre-sold units have the contractual right to claim damages. If we still fail to deliver the properties to the purchasers within the grace period stipulated in the contract, the purchasers have the right of termination. If the actual GFA of a completed property delivered to purchasers deviates by more than 3% from the GFA originally stated in the pre-sale contracts, purchasers have the right of termination or the right to claim damages.

Proceeds from the pre-sales of our properties are an important source of funds for our property developments and have an impact on our liquidity position. On August 5, 2005, PBOC recommended in the "2004 Real Estate Financing Report" that the practice of pre-selling uncompleted properties be discontinued, on the grounds that it creates significant market risks and generates transactional irregularities. At the "two meetings" (the plenary session of the National People's Congress and that of the Chinese People's Political Consultative Conference) held in March 2006, a total of 33 delegates to the National People Congress, including Bai Hexiang, head of the Nanning Central Sub-Branch of PBOC put forward a motion to abolish the system for sale of forward delivery housing. In May 2006, Cheng Jiansheng, head of the Real Estate Finance Division of the Financial Market Department of PBOC, published an article pointing out that the way to perfect the system for pre-sale of commodity properties (商品房) of China is to abolish the financing function of presale. On July 24, 2007, an economy research group under the National Development and Reforming Commission ("NDRC") proposed to change the existing system for sale of forward delivery housing into one for sale of completed housing. These recommendations have not been adopted by any PRC governmental authority and have no mandatory effect. On April 13, 2010, the Ministry of Housing and Urban-Rural Development of PRC (the "MOHURD") issued the Notice on Further Strengthening the Supervision of Real Estate Market and Improving the Pre-Sale System of Commodity Housing (關於進一步加強房地產市場監管 完善商品住房預售制度有關問題的通知). The notice urges local governments to enact regulations on sale of completed commodity properties in light of local conditions, and encourages property developers to sell completed commodity properties. No local government has promulgated any such regulation for sale of completed commodity properties yet. We cannot assure you that PRC government authorities will not ban the practice of pre-selling uncompleted properties or implement further restrictions on the pre-sale of properties, such as imposing additional conditions for a pre-sale permit or further restrictions on the use of pre-sale proceeds. Proceeds from the pre-sale of our properties are an important source of financing for our property developments. Consequently, any restrictions on our ability to pre-sell our properties, including any increase in the amount of up-front expenditure we must incur prior to obtaining a pre-sale permit, would extend the time period required for recovery of our capital outlay and would result in our needing to seek alternative means to finance the various stages of our property developments. This, in turn, could have a material and adverse effect on our business, cash flow, financial condition and results of operations.

Resettlement negotiations may add costs or cause delays to our development projects

Under PRC laws and regulations, we are not responsible for the demolition and removal work for a site for development, unless the party responsible for the demolition and removal and the party subject to the demolition and removal fail to reach an agreement for compensation and resettlement, then either of them may apply for a ruling from the relevant governmental authorities. If a party is not satisfied with the ruling, it may initiate proceedings in a PRC court within three months from the date of service of such ruling, which may cause delays to the development of projects. Such proceedings and delays, if they occur, could adversely affect our reputation. In addition, any such delays to our development projects will lead to an increase in the cost and a delay in the expected cash inflow resulting from pre-sales of the relevant project and the recognition of sales as revenue upon completion, which may in turn adversely affect our business, financial position and results of operations.

We may not receive full compensation for assistance we provide to local governments to clear land for government land sales

In certain cases where we are interested in acquiring land, we assist local governments in clearing the land and relocating the original residents so that the land is ready for tender, auction and listing-for-sale. In such cases, we enter into land clearance agreements with the relevant land authorities, pursuant to which the relevant authorities are responsible for land planning, resident relocation and constructing municipal supporting facilities and we are responsible for providing funding for the land clearance and relocation and offering management services. After the land clearance is complete and the land is otherwise suitable for public land sale, the relevant land authority will organize a sale through a public tender, auction or listing-for-sale process. Under the land clearance agreements, we are reimbursed for expenses we incur for land clearance and relocation and we are entitled to a portion of the profit realized by the local government on the land sale. According to the land clearance agreements, we have exclusive rights to clear the land, but do not have the exclusive right to acquire the land. We do not control the timing of the sale of the land use rights in the land that we have cleared, nor do we set the price for which such land use rights are sold. Sales of the land use rights are conducted by the relevant local government land authorities, through a bidding, auction or listing-for-sale process and we are required to participate in such process if we want to acquire the land. We cannot assure you that we will win the bid in a timely manner or at all; nor can we assure you that the relevant land authority will achieve an optimal price for the sale of such land use rights. We cannot assure you that we will be reimbursed for the expenses that we incur in connection with such land clearance, nor can we assure you that we will receive any profit from such land use rights sales. In addition, we cannot assure you that the PRC government will not issue new laws or regulations which may revoke the reimbursement, profit allocation or other arrangements in the land clearance agreements that we have entered into with the local governments and, as a result, we may not be able to receive compensation for expenses we incurred in connection with the land clearance and allocation work. Further, the PRC State Council on January 3, 2008 issued the Notice to Enhance the Economical and Intensive Use of Land (關於促進節約集約用地的通知), which requires the use of a public bidding process in selecting companies to assist the local governments with land clearance work. This requirement may limit our ability to participate in such land clearance work in the future.

We guarantee the mortgages provided to our purchasers and, consequently, we are liable to the mortgagee banks if our purchasers default on their mortgage payments

We arrange for various banks to provide mortgage services to the purchasers of our properties in the PRC. In accordance with market practice, domestic banks require us to provide guarantees in respect of these mortgages. The majority of these guarantees are guarantees which are released upon the earlier of the issuance of the individual property ownership certificate (房產所有權證) to the owner of the property or the certificate of other rights of property (房地產他項權證) to the mortgage bank by the relevant housing administration department, which generally takes place within three months after we deliver the relevant property to the purchasers, or the full settlement of the mortgaged loans by the purchasers. Prior to 2003, we also provided guarantees for the mortgage loans of some of our customers which are discharged two years from the day the mortgage loans become due. In line with industry practice, we do not conduct independent credit checks on our customers but rely instead on the credit checks conducted by the mortgage banks. For further information on our outstanding guarantees for the mortgage loans of our customers, see note 35 to our consolidated financial statements for the year ended December 31, 2010 and 2011 and note 26 to our consolidated financial statements for the nine months ended September 30, 2012, each of which is included elsewhere in this offering memorandum.

Although we have experienced a low rate of default on the mortgage loans we guarantee, there is no assurance that the default rate will not increase in the future. If such an increase occurs and our guarantees are called upon, our business, financial condition and results of operations could be adversely affected.

Disputes with joint venture partners may adversely affect our business

We have, and expect to have in the future, interests in PRC joint venture entities in connection with our property development plans, including the Asian Games City JV and other joint venture entities described in this offering memorandum. In certain circumstances, our existing joint venture entities have relied on our financial support, and we expect they will continue to do so. In addition, in accordance with PRC law, certain matters relating to joint ventures require the consent of all parties to the joint venture. PRC joint ventures may involve risks associated with the possibility that our joint venture partners may:

- have economic or business interests or goals inconsistent with ours;
- take actions contrary to our instructions, requests or our policies or objectives;
- be unable or unwilling to fulfill their obligations under the relevant joint venture agreements;
- have financial difficulties; or
- have disputes with us as to the scope of their responsibilities and obligations.

We cannot assure you that we will not encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

Any unauthorized use of our brand may adversely affect our business, and our trademark licensees may conduct their business in a way that is detrimental to our brand image

Our brand receives high recognition in China. Any unauthorized use of our brand may have a negative impact on our brand image and adversely affect our business. In addition, we have granted a non-exclusive license to certain related parties to use our brand. We do not have control over the conduct of these licensees or other companies which may use our brand without our authorization. As a result, our business and reputation could be adversely affected due to any unauthorized use of our brand.

We do not have insurance to cover potential losses and claims in our operations

We do not maintain insurance for the destruction of, or other damage to, our properties under construction. We carry property management liability insurance in connection with our property management business and accident insurance (i.e. employer's liability insurance) for our construction workers; however, we do not maintain insurance against other personal injuries or property damage that may occur during the construction of our properties. We also do not carry insurance coverage for the non-performance of contracts during construction and other risks associated with construction and installation work during the construction period.

Moreover, there are certain contingent liabilities for which insurance is not available on commercially practicable terms, such as losses caused by earthquake, typhoon, flooding, war and civil disorder.

We may not have sufficient funds to offset any such losses, damages or liabilities or to replace any property development that has been destroyed in the course of our operations and property development. In addition, any payments we make to cover losses, damages or liabilities could have a material adverse effect on our business, financial condition and results of operations.

We may be involved in legal and other disputes arising out of our operations from time to time and may face significant liabilities as a result

We may be involved in disputes with various parties involved in the development and the sale of our properties, including contractors, suppliers, construction workers, partners and purchasers. We may also be involved in disputes with various parties relating to our property management business including personal injury claims. These disputes may lead to legal or other proceedings, may result in substantial costs and diversion of resources and management's attention and may have a material adverse effect on our reputation and our ability to market and sell our properties. We have in the past been involved in disputes with our customers with respect to quality of our properties and time of delivery. In addition, most of our projects consist of multiple phases, and purchasers of our properties in earlier phases may file legal actions against us if our subsequent planning and development of the projects are perceived to be inconsistent with representations and warranties we made to them. Further, we may have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decrees that result in pecuniary liabilities and cause delays to our property developments. Although we think the legal or other disputes we have been involved in do not have a material adverse effect on our business, financial condition or results of operations, we cannot assure you that any disputes with parties involved in the development and sale of our properties in the future would not have a material adverse effect on our business, financial condition and results of operations or have a negative impact on our reputation or the "Country Garden" brand.

We are exposed to construction disputes and litigation

Giant Leap Construction Co. undertakes construction work for a substantial portion of our projects, as well as one project developed by a related party and a few third-party projects. Giant Leap Construction Co. may be subject to legal claims and proceedings instituted by our customers, subcontractors, workers and other parties involved in the projects undertaken by us from time to time. Such claims and proceedings include claims for compensation for late delivery of construction works and delivery of substandard works and claims in respect of personal injuries and labor compensation in relation to construction works.

We are not engaged in any litigation or arbitration of material importance and we are not aware of any material litigation or claim pending or threatened by or against us. However, we cannot assure you that we will not be engaged in any litigation or arbitration of material importance in the future. Although we have purchased insurance policies to cover potential litigation or arbitration claims, such claims may fall outside the scope or limit of our insurance coverage and our financial condition and results of operations may be adversely affected.

We may be liable to our customers for damages if we do not apply for individual property ownership certificates on behalf of our customers in a timely manner

Property developers in the PRC are typically required to deliver to purchasers the relevant individual property ownership certificates within 90 days of delivering the properties unless otherwise specified in the relevant sale and purchase agreement. Property developers, including us, generally elect to specify the deadline to apply for the individual property ownership certificates upon the provision of the necessary documents by the customers to allow sufficient time for the relevant application processes.

Under current regulations, we are required to submit the requisite governmental approvals in connection with our property developments, including land use rights documents and planning and construction permits, to the local bureau of land resources and housing administration within three months of receiving the completion and acceptance certificate for the relevant properties and apply for the general property ownership certificate for these properties. We are then required to submit, within a stipulated period after delivery of the properties, the relevant property sale and purchase agreements, identification documents for the purchasers and proof of payment of deed tax, together with the general property ownership certificate, for the bureau's review and the issuance of the individual property ownership certificates.

No material claim has been brought against us by any purchasers for late application for individual property ownership certificates on behalf of our customers in the years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012. However, we cannot assure you that we will not become liable to purchasers in the future for late application for individual property ownership certificates on behalf of our customers due to our own fault or reasons beyond our control, which may have a material adverse effect on our business.

Our branding and marketing strategy as well as our financial condition could be adversely affected if owners of the projects that we have developed elect to stop using us to provide property management services

Through our wholly-owned property management subsidiary, Guangdong Country Garden Management Co. Ltd. ("Guangdong Management Co."), we provide property management services to the owners and users of each project that we have developed. These services include rental agency, security management, maintenance, clubhouse operations, gardening and landscaping and other customer services. We believe that property management is an integral part of our business and is very important to the successful marketing and promotion of our property developments. Under PRC law, owners may engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. If owners of the projects that we have developed elect to stop using us to provide property management services, our branding and marketing strategy as well as our revenue from the property management business would be adversely affected.

Our hotel operations involve uncertainties

Certain residential projects that we have developed or intend to develop include high-end hotel operations.

Our approach to our hotel business is not focused on the profit contribution derived directly from our hotel operations. Rather, we consider our hotel business a value enhancer to our brand recognition in the property market and an integral component of our overall residential project marketing strategy.

Most of our hotels are currently owned and operated by our own hotel companies. Although the managing staff at various levels have the relevant management experience, we could face considerable reputational and financial risks if the hotels are mismanaged. If we are unable to successfully manage our hotel business, it may have a material adverse effect on the results in that segment as well as our overall marketing strategy, financial condition and results of operations.

We have engaged a third-party hotel management partner to manage our Maritim Hotel, Wuhu and Maritim Hotel, Shenyang. In addition, we have signed a letter of understanding and management agreement with an international management firm with respect to some of our hotels under development or planning, including Hilton Tianjin Binhai, Hilton Foshan and Hilton Wuhan Optics Valley. Our results of operations may be affected by the performance of these hotel management partners, as well as any adverse publicity or other adverse developments relating to these companies or their brands generally. We may also consider engaging other international management companies to manage our hotels. We and the hotel management companies may have disagreements as to how the hotels should be managed or other matters. In general, under the terms of the management agreements, the third-party hotel management partners control the daily operations of the hotels. Thus, even if we believe our hotels are being operated inefficiently or in a manner that does not result in optimal or satisfactory occupancy rates, gross operating profit margins or other performance indicators, we may not be able to require the management partners to change the way they manage our hotels. Such cooperation with hotel management companies may not achieve positive results as anticipated.

There is no assurance that certain current ancillary facilities will continue to provide services to the owners or users of our property developments

The ancillary facilities within our residential communities enhance the value of our properties by improving the overall quality and value of the surrounding areas, thus offering a better living environment to the owners and users of our properties. However, we do not operate or manage some of the ancillary facilities, such as schools and hospitals. We cannot assure you that these facilities will continue to operate and provide services in our residential communities. In the event that these facilities cease to operate in our residential communities, our properties may become less attractive and competitive and this may adversely affect their value.

Any portion of our uncompleted and future property developments that are not in compliance with relevant laws and regulations will be subject to governmental approval and additional payments

The local government authorities inspect property developments after their completion and issue Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Reports (房屋建築工程和市政基礎設施工程竣工驗收備案表) if the developments are in compliance with the relevant laws and regulations. If the total constructed GFA of a property development exceeds the GFA originally authorized in the relevant land grant contracts or construction permit, or if the completed property contains built-up areas that do not conform to the plan authorized by the construction permit, the property developer may be required to pay additional amounts or take corrective actions with respect to such non-compliant GFA before a Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report can be issued to the property development.

We cannot assure you that local government authorities will not find that the total constructed GFA of our existing projects under development or any future property development exceeds the relevant authorized GFA upon completion. Moreover, we cannot assure you that we would have sufficient funding to pay any required additional land premium or to pay for any corrective action that may be required in a timely manner, or at all. Any of these circumstances may materially and adversely affect our reputation, our business, results of operations and financial condition.

The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations

Under PRC tax laws and regulations, our PRC subsidiaries are subject to LAT, which is collected by local tax authorities. All income from the sale or transfer of land use rights relating to state-owned land, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation in value as defined by the relevant tax laws. Certain exemptions are available for the sale of ordinary standard residential houses (普通標準住宅) if the appreciation value does not exceed 20% of the total deductible items as defined in the relevant tax laws. Sales of commercial properties are not eligible for the exemption. We estimate and make provision for the full amount of applicable LAT in accordance with the relevant PRC tax laws and regulations, but we only pay a portion of such provision each year as is required by the local tax authorities. For each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, our LAT expense was RMB275.4 million, RMB873.4 million, RMB1,448.6 million (US$230.5 million) and RMB1,501.2 million (US$238.9 million) respectively. As of September 30, 2012, our LAT provision balance was RMB2,575.4 million (US$409.8 million). Although we believe we have made sufficient LAT provisions, we cannot assure you that the tax authorities will agree with the basis on which we calculate our LAT obligations. In the event that they believe a higher LAT should be paid, our net profits after tax and cash flow will be adversely affected.

Further, on December 28, 2006, the State Administration of Taxation issued the Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知), which requires that:

- final settlement of LAT will be conducted on a project-by-project basis. For multi-phase projects, each phase will be required to undergo LAT clearance and settlement process;

- the appreciated value of ordinary residential properties and non-ordinary residential properties contained within a project shall be calculated separately; and
- property developers must conduct final settlement if one of the following conditions is satisfied:
    - the project is completed and has been sold entirely;
    - the project is transferred as a whole before the completion of the construction; or
    - only land-use rights are transferred.

This notice also stipulates that the PRC tax authorities may require the property developer to conduct final LAT settlement if any of the following conditions is met:

- for completed projects, the area sold exceeds 85% of the total saleable area or, though less than 85%, the rest of the saleable area has already been rented or is being self-used;
- the project has held a sale/pre-sale license for at least three years but has not been sold entirely;
- the taxpayer has applied for tax de-registration but the LAT settlement has not been conducted; or
- other situations set forth by the provincial PRC tax authorities.

On May 19, 2010, the SAT issued the Circular on Issues Concerning Settlement of Land Appreciation Tax (關於土地增值稅清算有關問題的通知) to clarify and strengthen the settlement of the land appreciation tax. Furthermore, on May 25, 2010, the SAT issued the Notice on Strengthening the Collection of Land Appreciation Tax (關於加強土地增值稅征管工作的通知), which requires that the minimum LAT prepayment rate shall be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region.

Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation and there are uncertainties how this notice will be enforced. In the event that the implementation rules promulgated in the cities in which our projects are located require us to settle all unpaid LAT, our cash flow may be adversely affected.

Potential liability for environmental problems could result in substantial costs

We are subject to a variety of laws and regulations concerning environmental protection. The particular environmental laws and regulations that apply to any given development site vary greatly according to the site's location and environmental condition, the present and former uses of the site and the nature of the adjoining properties. Requirements under environmental laws and conditions may result in delays to development schedules, may cause us to incur substantial compliance and other costs and may prohibit or severely restrict project development activity in environmentally-sensitive areas.

The PRC environmental regulations provide that each project developed by a property developer must undergo an environmental assessment, and an environmental impact assessment report be submitted to the relevant government authorities for approval before construction is commenced. If we fail to comply with such requirements, the local environmental authority may order us to suspend project construction until an environmental impact assessment report is submitted to and approved by such authority. The local environmental authority may also impose on us a fine of RMB50,000 to RMB100,000 in respect of such project. We are currently applying for the approval of environmental assessment for certain of our projects. We cannot assure you that we will be able to obtain these approvals in a timely manner.

In addition, PRC law requires environmental facilities included in property developments to pass inspection by the environmental authorities in order to obtain completion approval before commencing operations. Some of our residential and hotel property projects have environmental facilities that are subject to this requirement. We cannot assure you that we will be able to pass such inspections in a timely manner. If we fail to comply with this inspection requirement, the local environmental authorities may order us to suspend construction or use of the relevant facilities, which may disrupt our operations and adversely affect our business. Such authorities may also impose on us a fine of RMB50,000 to RMB100,000 in respect of such project. We cannot assure you that we will obtain such approvals in a timely manner. In the event that such completion approvals cannot be obtained or if a fine is imposed on us, our business and our financial condition may be adversely affected.

Although the environmental investigations conducted by local environmental authorities to date have not revealed any environmental liability that we believe would have a material adverse effect on our business, financial condition or results of operations, it is possible that these investigations did not reveal all environmental liabilities and that there are material environmental liabilities of which we are unaware. We cannot assure you that a future environmental investigation will not reveal any material environmental liability. Also, we cannot assure you that the PRC government will not change the existing laws and regulations or impose additional or stricter laws or regulations, the compliance with which may cause us to incur significant capital expenditure. In addition, there is no assurance that we would be able to comply with any such laws and regulations, in the PRC or elsewhere where we conduct or may conduct our operations. See "Business—Environmental matters" for further details of environmental matters.

The construction business and the property development business are subject to claims under statutorily mandated quality warranties

Under Regulations on the Administration of Quality of Construction Works (建設工程質量管理條例), all property development companies in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide these warranties to our customers. We may sometimes receive quality warranties from third-party contractors we hire to construct our development projects. If a significant number of claims are brought against us under our warranties and if we are unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, or if the retention money retained by us is not sufficient to cover our payment obligations under the quality warranties, we could incur significant expenses in resolving such claims or face delays in correcting the related defects, which could in turn harm our reputation and have a material and adverse effect on our business, financial condition and results of operations.

Our success depends significantly on the continued services of our senior management team and other key personnel

Our future success depends significantly upon the continuing services of the members of our senior management team, in particular our chairman and executive director, Yeung Kwok Keung, and our executive director, Yang Erzhu, who have extensive experience in the property industry in the PRC. Yeung Kwok Keung is responsible for formulating development strategies, making decisions on investment projects and setting the direction of our operations and overall business management. Yang Erzhu oversees the outsourcing of construction and assists our chairman in investment planning. Our president and executive director, Mo Bin, also has extensive experience in property development and corporate management. If one or more of our senior executives or other personnel are unable or unwilling to continue in their present positions, we may be unable to replace them easily or at all, and our business may be disrupted and our financial condition and results of operations may be materially adversely affected.

In addition, we depend on the continued service of our executive officers and other skilled managerial and technical personnel, notably including our designers and architects. Competition for senior management and key personnel is intense, and the pool of qualified candidates is very limited. Our business could be adversely affected if we lose the services of our senior executives or key personnel without suitable replacements or if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing business.

Further, as we expect our business to continue to grow, we will need to recruit and train additional qualified personnel. If we fail to attract and retain qualified personnel, our business and prospects may be adversely affected.

The interests of our controlling shareholder may not always align with our interests

Our controlling shareholder, Yang Huiyan, beneficially owned approximately 57.5% of our Company as of September 30, 2012. The interests of our controlling shareholder may differ from our interests or the interests of our creditors, including the holders of the Notes. Our controlling shareholder could have significant influence in determining the outcome of any corporate transactions or other matters submitted to the shareholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, the election of directors and other significant corporate actions. Our controlling shareholder also has the power to prevent or cause a change in control. Without the consent of our controlling shareholder, we may be prevented from entering into transactions that could be beneficial to us. In addition, our controlling shareholder also holds interest in companies other than us. We cannot assure you that our controlling shareholder will act entirely in our interest or that any potential conflicts of interest will be resolved in our favor.

Land use rights certificates and building ownership certificates of certain of the properties owned or used by us have not been obtained

We have not obtained building ownership certificates for certain of our properties, including: a bowling alley in Shunde Country Garden, a health center in Shunde Country Garden Hospital and staff quarters in Lirendong. Our PRC legal advisor has advised us that because of the lack of building ownership certificates for these properties, we may be ordered by the relevant PRC government department to (i) remedy the defect and pay a fine which represents more than 2%

but less than 4% of the consideration payable under the relevant construction agreement of these properties, (ii) compensate for losses suffered by the users of these properties or (iii) vacate these properties. In the event that any of these penalties is imposed on us, our business may be affected.

In addition, we lease certain land and buildings from third parties who have not obtained the relevant land use rights certificates or the building ownership certificates, as applicable. We use these properties mainly to create additional green space for our property developments or as housing for some of our employees. In the event that the leases with these third parties are invalidated due to defects in the leased properties' title, we will have to return or restore the properties, which may affect the overall appeal of the relevant property developments. We will also have to find substitute housing for employees living in such premises.

We may be treated as a PRC resident enterprise for PRC tax purposes, which may subject us to PRC income taxes on our worldwide income and PRC withholding taxes on interest we pay on the Notes

Under the Enterprise Income Tax Law (企業所得稅法)("EIT Law") and the implementation rules which both took effect on January 1, 2008, enterprises established outside the PRC whose "de facto management bodies" are located in China are considered "resident enterprises" for PRC tax purposes. The implementation rules define the term "de facto management body" as a management body that exercises full and substantial control and management over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation specified certain criteria for the determination of the "de facto management bodies" for foreign enterprises that are controlled by PRC enterprises. However, there have been no official implementation rules regarding the determination of the "de facto management bodies" for foreign enterprises that are not controlled by PRC enterprises (including companies such as ourselves).

We hold our shareholders' meetings and certain board meetings outside China and keep our shareholders' list outside China. However, most of our directors and senior management are currently based inside China and we keep our books of account inside China. The above elements may be relevant for the tax authorities to determine whether we are PRC resident enterprises for tax purposes. However, there is no clear standard published by the tax authorities for making such a determination.

Although it is unclear under PRC tax law whether we have a "de facto management body" located in China for PRC tax purposes, we take the position that we are not a PRC resident enterprise for tax purposes. We cannot assure you that the tax authorities will agree with our position. If we are deemed to be a PRC resident enterprise for EIT purposes, we would be subject to the PRC enterprise income tax at the rate of 25% on our worldwide income. Furthermore, we would be obligated to withhold PRC income tax of up to 7% on payments of interest and certain other amounts on the Notes to investors that are non-resident enterprises located in Hong Kong or 10% on payments of interest and other amounts on the Notes to investors that are non-resident enterprises located outside Hong Kong, because the interest and other amounts would be regarded as being derived from sources within the PRC. In addition, if we fail to do so, we may be subject to fines and other penalties. Similarly, any gain realized by such non-resident enterprise investors from the transfer of the Notes would be regarded as being derived from sources within the PRC and would accordingly be subject to a 10% PRC withholding tax.

PRC regulations relating to investment in offshore special purpose companies by PRC residents may subject our PRC resident shareholders to personal liability, limit our ability to contribute capital into or provide loans to our PRC subsidiary, limit our subsidiaries' ability to increase their registered capital, pay dividends or otherwise distribute profits to us, or otherwise adversely affect us

SAFE has promulgated several regulations, including the Notice on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Inbound Investment via Overseas Special Purpose Vehicles (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知), or Circular No. 75, issued on October 21, 2005, and its implementation rules, or Circular No. 19, issued in May 2011, which require PRC residents and PRC corporate entities to register with local branches of SAFE in connection with their direct or indirect offshore investment activities.

Under these SAFE regulations, PRC residents who make, or have previously made, direct or indirect investments in offshore companies are required to register those investments with the local branch of SAFE. In addition, any PRC resident who is a direct or indirect shareholder of an offshore company is required to update the previously filed registration with the local branch of SAFE, to reflect any material change involving that offshore company's round-trip investment, capital variation, such as an increase or decrease in capital, transfer or swap of shares, merger, division, long-term equity or debt investment or creation of any security interest, and the PRC subsidiaries of the relevant offshore company are required to urge the PRC resident shareholders to do so. If any PRC shareholder fails to make the required initial SAFE registration or update the previously filed registration, the PRC subsidiaries of that offshore parent company may be prohibited from distributing their profits or the proceeds from any reduction in capital, share transfer or liquidation to their offshore parent company, and the offshore parent company may also be prohibited from injecting additional capital into its PRC subsidiaries.

Due to uncertainty concerning the reconciliation of these SAFE rules with other approval or registration requirements, it remains unclear how these rules, and any future legislation concerning offshore or cross-border transactions, will be interpreted, amended and implemented by the relevant government authorities. We attempt to comply, and attempt to ensure that our shareholders who are subject to these rules comply, with the relevant requirements. However, we cannot assure you that all of our shareholders who are PRC residents will comply with our request to make or update any applicable registrations or comply with other requirements of these or other related rules. The failure or inability of our PRC resident shareholders to make any required registrations or comply with other requirements may subject such shareholders to fines and legal sanctions and may also limit our ability to contribute additional capital or provide loans to (including using the proceeds from any equity or debt securities offerings) our PRC subsidiaries, limit our PRC subsidiaries' ability to increase their registered capital, pay dividends or otherwise distribute profits to us, or otherwise adversely affect us.

Our investments in the PRC are subject to the PRC government's control over foreign investment in the property sector

The PRC government has in the past imposed restrictions on foreign investment in the property sector to curtail the overheating of the property sector by, among other things, increasing the capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in

China by foreign persons. On May 23, 2007, the Ministry of Commerce ("MOFCOM") and SAFE jointly issued the Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC (關於進一步加強規範外商直接投資房地產業審批和監管的通知), which, among other things, provides that:

- foreign investment in the property sector in the PRC relating to high-end properties should be strictly controlled;
- prior to obtaining approval for the establishment of foreign-invested real estate enterprises, either (i) both the land use right certificates and housing title certificates should be obtained, or (ii) contracts for obtaining land use rights or housing titles should be entered into;
- foreign-invested real estate enterprises approved by local authorities shall immediately register with MOFCOM through a filing made by the local authorities; and
- foreign exchange administration authorities and banks authorized to conduct foreign exchange business should not effect foreign exchange settlements of capital account items for those foreign-invested real estate enterprises which have not completed their filings with MOFCOM or fail to pass the annual inspection.

In June 2008, to strengthen regulation of foreign-invested real estate enterprises, MOFCOM issued the "Notice Regarding Completing the Registration of Foreign Investment in the Real Estate Sector" (關於做好外商投資房地產業備案工作的通知). According to this notice, when a foreign-invested real estate enterprise is established or increases its registered capital, the provincial level of MOFCOM is required to verify all filing materials regarding such foreign-invested real estate enterprise and to make a report to the national level of MOFCOM. This notice also requires that each foreign-invested real estate enterprise undertake only one approved property project. Further, on August 29, 2008, SAFE issued the "Circular on the Relevant Operating Issues Concerning Improving the Administration of Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises." Pursuant to this circular, Renminbi funds from the settlement of foreign currency capital of a foreign-invested enterprise must be used within the business scope of the enterprise as approved by the examination and approval department of the government, and cannot be used for domestic equity investment unless it is otherwise provided for in other regulations. As a result, we may not be able to increase the capital contribution to our project companies or equity investees and subsequently convert such capital contribution into Renminbi for equity investment or acquisitions in the PRC. These limitations on the flow of funds between us and our PRC subsidiaries could restrict our ability to act in response to changing market conditions and the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other amounts to us, or to satisfy their foreign currency denominated obligations. In November 2010, MOFCOM promulgated the Notice on Strengthening Administration of the Approval and Registration of Foreign Investment into the Real Estate Industry (關於加強外商投資房地產業審批備案管理的通知), which reiterated these limitations on foreign-invested real estate enterprises.

Restrictions imposed by the PRC government on foreign investment in the property sector may affect our ability to make further investments in our PRC subsidiaries and as a result may limit our business growth and have an adverse effect on our business, financial condition and results of operations.

For more information about policies adopted by the PRC government with respect to the PRC property sector, see "Regulation—Legal supervision relating to property sector in the PRC—Foreign-invested real estate enterprises."

PRC regulations relating to acquisitions of PRC companies by foreign entities may limit our ability to acquire PRC companies and adversely affect the implementation of our strategy as well as our business and prospects

The Provisions on the Acquisition of Domestic Enterprises by Foreign Investors (關於外國投資者併購境內企業的規定) (the "M&A Provisions") issued by six PRC ministries, including MOFCOM, effective from September 8, 2006, provide the rules with which foreign investors must comply should they seek to purchase by agreement the equities of the shareholders of a domestic non-foreign-invested enterprise or subscribe to the increased capital of a domestic non-foreign funded enterprise, and thus convert the domestic non-foreign-invested enterprise into a foreign invested enterprise to conduct asset merger and acquisition. It stipulates that the business scope upon acquisition of domestic enterprises must conform to the Foreign Investment Industrial Guidance Catalog, 2011 Version (外商投資產業指導目錄, 2011年修訂) issued by NDRC and MOFCOM, which restricts the scope of permitted foreign investment. It also provides the takeover procedures for equity interests in domestic companies.

Our PRC legal advisors have advised us that there are uncertainties as to how the M&A Provisions will be interpreted or implemented. If we decide to acquire a PRC company, we cannot assure you that we or the owners of such PRC company can successfully complete all necessary approval requirements under the M&A Provisions. This may restrict our ability to implement any acquisition strategy and adversely affect our business and prospects.

The PRC government has implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect our ability to deploy the funds raised in the offering in our business in the PRC

On July 10, 2007, SAFE issued the "Notice Regarding the Publication of the List of the First Batch of Property Development Projects with Foreign Investment That Have Properly Registered with MOFCOM" (國家外匯管理局綜合司關於下發第一批通過商務部備案的外商投資房地產專案名單的通知). The notice stipulates, among other things, (i) that SAFE will no longer process foreign debt registrations or foreign debt applications for the settlement of foreign exchange submitted by real estate enterprises with foreign investment that obtained authorization certificates from and registered with MOFCOM on or after June 1, 2007 and (ii) the that SAFE will no longer process foreign exchange registrations (or any change in such registrations) or applications for settlement and sale of foreign exchange submitted by real estate enterprises with foreign investment that obtained approval certificates from local government commerce departments on or after June 1, 2007 but that did not register with MOFCOM. This regulation effectively prohibits us from injecting funds into our PRC project companies by way of shareholder loans. Without the flexibility to transfer funds to PRC subsidiaries as loans, we cannot assure you that the dividend payments from our PRC subsidiaries will be available on each interest payment date to pay the interest due and payable under the Notes, or on the maturity date to pay the principal of the outstanding Notes.

In addition, equity contributions by us and our non-PRC subsidiaries to our PRC subsidiaries will require approvals from the commerce department of the local government and registration with

MOFCOM, which may take considerable time and delay the actual contribution to the PRC subsidiaries. This may adversely affect the financial condition of the PRC subsidiaries and may cause delays to the development undertaken by such PRC subsidiaries. We cannot assure you that we have obtained or will obtain in a timely manner all relevant necessary approval certificates or registration for all our operating subsidiaries in the PRC to comply with this regulation.

Further, we cannot assure you that the PRC government will not introduce new policies that further restrict our ability to deploy in the PRC, or that prevent us from deploying in the PRC, the funds raised outside China. Therefore, we may not be able to use all or any of the capital that we may raise outside China to finance our projects in a timely manner or at all.

The national and regional economies in China and the places where we conduct our operations and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics

Our business is subject to general economic and social conditions in the places where we conduct our operations. Natural disasters, epidemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in such places. Some regions in China and Malaysia, including certain cities where we operate, are under the threat of floods, earthquakes, sandstorms, snowstorms, fires, droughts, or epidemics such as Severe Acute Respiratory Syndrome, or SARS, H5N1 avian flu or the human swine flu, also known as Influenza A (H1N1). For instance, a serious earthquake and its successive aftershocks hit Sichuan province in May 2008 and subsequently, resulting in tremendous loss of lives, injuries and destruction of assets in the region. In addition, past occurrences of epidemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. A recurrence of SARS or an outbreak of any other epidemics in China or the places where we conduct our operations, such as the H5N1 avian flu or the human swine flu, may result in material disruptions to our property development and our sales, which in turn may adversely affect our business, financial condition and results of operations.

Risks relating to the property sector in the PRC

The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth

Our business is subject to extensive governmental regulation. As with other PRC property developers, we must comply with various requirements mandated by the PRC laws and regulations, including the policies and procedures established by local authorities designed to implement such laws and regulations. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, foreign exchange, property financing, taxation and foreign investment.

Between 2004 and the first half of 2008, in response to concerns over the scale of the increase in property investment and the overheating of the property sector in the PRC, the PRC government introduced policies to restrict development in the property sector, including:

- suspending or restricting land grants and development approvals for villas and larger-sized units;

- charging an idle land fee for land which has not been developed for one year starting from the commencement date stipulated in the land use rights grant contract and canceling land use rights for land which has not been developed for two years or more;
- requiring that at least 70% of the land supply approved by a local government for residential property development for any given year be used for developing low to medium-cost and small to medium-size units and low-cost rental properties;
- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006, consist of units with floor area of less than 90 sq.m. per unit, and that projects which have received project approvals prior to this date but have not obtained construction permits to adjust their construction plan in order to be in compliance with this new requirement, with the exception of municipalities under direct administration of the PRC central government, provincial capitals and certain cities which may deviate from this ratio under special circumstances upon the approval by the Ministry of Construction (the "70:90 rule");
- tightening availability of bank loans to property developers and property purchasers of developed properties and increasing the reserve requirements for commercial banks;
- imposing or increasing taxes on short-term gains from second-hand property sales; and
- restricting foreign investment in the property sector by, among other things, increasing registered capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in China by foreign persons.

Regional and local governments are responsible for the implementation of the 70:90 rule. We have not seen this policy being stringently applied across all applicable regions in China. If for any reason, political, economic, social or otherwise, these regional or local governments begin to stringently implement this policy, this may lead to an oversupply of units with floor area of less than 90 sq.m., increasing competition in this market segment and affecting the prices and profit margins of such type of property. This may also affect our existing and future business development plans. As a result, our business, financial condition, results of operations and prospects may be adversely affected.

Beginning in the fourth quarter of 2009, the PRC government enacted policies intended to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly. Measures adopted include:

- requiring a minimum down payment of at least 30% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of more than 90 sq.m. for self-use;
- requiring a minimum down payment of at least 20% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of not more than 90 sq.m. for self-use;
- requiring a minimum down payment of at least 60% with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property through mortgage financing;

- requiring commercial banks to suspend mortgage loans to customers for purchase of a third or further residential property, or to non-residents who cannot provide proof of local tax or social security insurance payments for more than a one-year period;
- eliminating preferential tax treatment for transfers of residential properties by property owners with respect to certain business taxes and effective from January 28, 2011, business tax is imposed on (i) the full amount of the transfer price upon the transfer of any residential property by an individual owner within five years from such individual owner's purchase and (ii) the difference between the transfer price and the original purchase price upon the transfer of any non-ordinary residential property by an individual owner more than five years from such individual owner's purchase;
- prohibiting all property companies with records of being involved in abuse of land, changing the use of land, postponing the construction commencement or completion date, hoarding properties or other non-compliance from obtaining bank loans for new projects or extension of credit facilities;
- limiting the availability of second housing reserve loans to families whose per capita living area is below the average in their locality and requiring that such loans be used only to purchase an ordinary home for self-use in order to improve their living conditions; and
- restricting purchasers (including their spouses and minor children) in certain targeted cities that are local residents with two or more residential properties, non-local residents with one or more residential properties or non-local residents that are unable to provide documentation certifying payment of local tax or social security for longer than a specified time period, from purchasing any residential properties.

The PRC government has continued to increase regulation over the property market since 2010. Policies restricting property purchases were adopted in nearly 50 cities in 2011, as compared to fewer than 25 cities in 2010. Regulations were promulgated at various levels to promote affordable housing. PRC regulatory measures in the real estate industry will continue to impact our business and results of operations. See "Regulation—Legal supervision relating to property sector in the PRC."

In addition, the State Council has recently approved on a trial basis the launch of property tax scheme in selected cities. The detailed measures will be formulated by the governments of the pilot provinces, autonomous regions or municipalities directly under the central government. On January 27, 2011, the governments of Shanghai and Chongqing issued their respective measures for implementing pilot property tax schemes, which became effective on January 28, 2011. Under the measures issued by the Shanghai government, property tax will be imposed on any purchase of a second (or further) residential property by local residents or any purchase of a residential property by non-local residents on or after January 28, 2011, at rates ranging from 0.4% to 0.6% based on 70% of the purchase price of the property. Under the measures issued by the Chongqing government, property tax will be imposed within the nine major districts of Chongqing, on (i) stand-alone residential properties (such as villas) owned by individuals, (ii) high-end residential properties purchased by individuals on or after January 28, 2011, the purchase prices per square meter of which are two or more times of the average price of new residential properties developed within the nine major districts of Chongqing in the last two years and (iii) the second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals who are not employed in and do not own an enterprise in Chongqing, at rates ranging from 0.5% to 1.2% of the purchase price of the property. These two governments may issue additional measures to tighten the levy of property tax. It is also expected that more local governments will follow Shanghai and Chongqing to impose property tax on commodity properties. The imposition of property tax on commodity properties will increase the purchasing cost of properties and is expected to have a negative impact on demand for properties in China, which in turn could have a material adverse effect on our business, financial condition and results of operations. Furthermore, the governments of Beijing and Guangzhou have recently adopted additional restrictive policies to curb property price increases. In September 2012, the Guangzhou government imposed restrictions on the pre-sale of certain high-priced properties, while the Beijing government issued a new requirement that local purchasers must present the original copy of the "second generation" personal identification cards for the review of their eligibility to purchase residential properties in Beijing.

Many cities in the PRC have already promulgated measures to restrict the number of residential properties one family is allowed to purchase. In order to implement the central government's requirement, other cities in China, including those where our property projects are located, may issue similar or other restrictive measures in the near future. Any such measures could have a material adverse effect on our business, financial condition or results of operations.

We cannot assure you that the PRC government will not adopt more stringent industry policies, regulations and measures in the future. For example, the PRC government may impose county-wide real estate tax in the near future. We are not sure whether such tax will be imposed and neither can we assess the adverse impact of this new tax on our business operations and financial results. If we fail to adapt our operations to new policies, regulations and measures that may come into effect from time to time with respect to the real property industry, or such policy changes disrupt our business or cause us to incur additional costs, our business, financial condition, results of operations and prospects may be materially and adversely affected. For more information about policies adopted by the PRC government with respect to the PRC property sector, see "Regulation."

The property industry in the PRC is still at an early stage, and the property market and related infrastructure and mechanisms have not been fully developed

Private ownership of property in the PRC is still in a relatively early stage of development. Although demand for private residential property in the PRC, including Guangdong Province, has grown rapidly in recent years, such growth is often coupled with volatility in market conditions and fluctuation in property prices. It is extremely difficult to predict by how much and when demand will develop, as many social, political, economic, legal and other factors, most of which are beyond our control, may affect the development of the market. The level of uncertainty is increased by the limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC.

The lack of a liquid secondary market for residential property may discourage investors from acquiring new properties. The limited amount of property mortgage financing available to PRC individuals, compounded by the lack of security of legal title and enforceability of property rights, may further inhibit demand for residential developments.

In addition, risk of property over-supply is increasing in parts of China, where property investment, trading and speculation have become overly active. In the event of actual or perceived over-supply, property prices may fall significantly and our revenue and profitability will be adversely affected.

Risks relating to the PRC

PRC economic, political and social conditions, as well as government policies, could affect our business

Substantially all of our assets are located in the PRC, and all of our revenue is derived from within the PRC. Accordingly, our results of operations, financial position and prospects are significantly subject to the economic, political and legal developments of the PRC.

The economy of the PRC differs from the economies of most developed countries in many respects, including but not limited to:

- political structure;
- level of government involvement;
- level of development;
- uncertainties in the implementation and enforcement of laws;
- growth rate;
- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a planned economy to a market-oriented economy. For the past three decades, the PRC government has implemented economic reform measures emphasizing utilization of market forces in the development of the PRC economy. The PRC government has implemented measures from time to time in order to prevent the PRC economy from overheating and will continue to do so according to its national development plans and fiscal or other policies. These measures may cause a decrease in the level of economic activity, including demand for residential and commercial properties and may have an adverse impact on economic growth in the PRC. If China's economic growth slows down or if the Chinese economy experiences a recession, the growth or demand for our products may also slow down and our business, financial condition and results of operations will be adversely affected. See "—Risks relating to our business—The recent global economic slowdown and financial crisis have negatively impacted, and may continue to negatively impact, our business."

In addition, demand for our products and our business, financial condition and results of operations may be adversely affected by:

- political instability or changes in social conditions in the PRC;
- changes in laws and regulations or the interpretation of laws and regulations;
- measures which may be introduced to control inflation or deflation;
- changes in the rate or method of taxation; and
- imposition of additional restrictions on currency conversion and remittances abroad.

Governmental control of currency conversion may affect the value of your investment

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency to jurisdictions outside China. We receive substantially all of our revenue in Renminbi. Under our current structure, our income is primarily derived from dividend payments from our PRC subsidiaries. Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local branch of SAFE, by complying with certain procedural requirements. However, approval from the appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted to a jurisdiction outside China to pay capital expenses such as the repayment of bank loans denominated in foreign currencies. The PRC government may also, at its discretion, restrict access to foreign currencies for current account transactions in the future. If the PRC foreign exchange control system prevents us from obtaining sufficient foreign currency to satisfy our currency demands, our PRC subsidiaries may not be able to pay dividends in foreign currencies to us and we may not be able to service our debt obligations denominated or settled in foreign currencies, such as the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes.

The PRC legal system has inherent uncertainties that could affect our business and results of operations as well as the interest of investors in the Notes

As majority of our business is conducted, and substantially all of our assets are located, in the PRC, our operations are generally affected by and subject to the PRC legal system and PRC laws and regulations.

Since 1979, the PRC government has promulgated laws and regulations in relation to general economic matters, such as foreign investment, corporate organization and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. In particular, legislation over the past 30 years has significantly enhanced the protections afforded to various forms of foreign investment in China. The legal system in China is continuing to evolve. Even where adequate laws exist in China, the enforcement of existing laws or contracts based on existing laws may be uncertain and sporadic, and it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. In addition, the PRC legal system is based on written statutes and their interpretation, and prior court decisions may be cited as reference but have limited weight as precedents.

Our primary operating subsidiaries were incorporated in China as "wholly foreign-owned enterprises." Although we or our wholly-owned subsidiaries are the sole shareholders of, and therefore have full control over, these PRC entities, the exercise of our shareholder rights are subject to their respective articles of association and PRC laws applicable to foreign-invested enterprises in China, which may be different from the laws of other developed jurisdictions.

China has not developed a fully integrated legal system and recently-enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. The relative inexperience of China's judiciary in many cases also creates additional uncertainty as to the outcome of any litigation. In addition, interpretation of statutes and regulations may be subject to government policies reflecting domestic political changes. Furthermore, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation, implementation and enforcement of these laws and regulations involve uncertainties due to the lack of established practice available for reference. We cannot predict the effect of future legal development in China, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the inconsistencies between local rules and regulations and national law. As a result, there is substantial uncertainty as to the legal protection available to us and investors in the Notes. In addition, the PRC legal system is based in part on government policies and internal rules (some of which are not published on a timely basis or at all) that may have retroactive effect. As a result, we may not be aware of our violation of these policies and rules until some time after the violation has occurred. This may also limit the remedies available to you as an investor and to us in the event of any claims or disputes with third parties.

Any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

It may be difficult to enforce any judgments obtained from non-PRC courts against us in the PRC

Substantially all of our assets are located within the PRC. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States, the United Kingdom, Japan or most other western countries. Therefore, it may be difficult for you to enforce against us in the PRC any judgments obtained from non-PRC courts.

Risks relating to the Notes

We are a holding company and payments with respect to the Notes are structurally subordinated to liabilities, contingent liabilities and obligations of our subsidiaries

We are a holding company with no material operations. We conduct our operations primarily through our PRC subsidiaries. The Notes will not be guaranteed by any current or future PRC subsidiaries. Our primary assets are ownership interests in our PRC subsidiaries, which are held through the Subsidiary Guarantors. The Subsidiary Guarantors do not have material operations. Accordingly, our ability to pay principal and interest on the Notes and the ability of the Subsidiary Guarantors to satisfy their obligations under the Subsidiary Guarantees will depend upon our receipt of principal and interest payments and the distributions of dividends from our subsidiaries.

Creditors, including trade creditors of our Non-Guarantor Subsidiaries and any holders of preferred shares in such entities, would have a claim on the Non-Guarantor Subsidiaries' assets that would be prior to the claims of the holders of the Notes. As a result, our payment obligations under the Notes will be effectively subordinated to all existing and future obligations of our Non-Guarantor Subsidiaries (including their obligations under guarantees issued in connection with our business), and all claims of creditors of our Non-Guarantor Subsidiaries will have priority as to the assets of such entities over our claims and those of our creditors, including holders of the Notes. As of September 30, 2012, indebtedness of our PRC subsidiaries constituted substantially all of our total borrowings (other than the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes). The Notes and the Indenture do not restrict the ability of our subsidiaries to issue certain categories of guarantees in the ordinary course of business. In addition, our secured creditors or those of any Subsidiary Guarantor would have priority as to our assets or the assets of the Subsidiary Guarantor securing the related obligations over claims of the holders of the Notes.

Our subsidiaries are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to us and our subsidiaries

As a holding company, we depend on the receipt of dividends and the interest or principal payments on intercompany loans or advances from our subsidiaries, including our PRC subsidiaries, to satisfy our obligations, including our obligations under the Notes. The ability of our subsidiaries to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of our subsidiaries, applicable laws and restrictions contained in the debt instruments of such subsidiaries. In addition, if any of our subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to us to make payments on the Notes. These restrictions could reduce the amounts that we receive from our subsidiaries, which would restrict our ability to meet our payment obligations under the Notes and the Subsidiary Guarantees.

PRC laws and regulations permit payment of dividends only out of net profits as determined in accordance with PRC accounting standards and regulations and such profits differ from profits determined in accordance with HKFRS in certain significant respects, including the use of different bases of recognition of revenue and expenses. Our PRC subsidiaries are required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserve funds that are not distributable as cash dividends. In practice, our PRC subsidiaries may pay dividends once a year at the end of each financial year. Some of our PRC subsidiaries are also subject to certain restrictions on dividend distributions under their loan agreements with certain PRC banks. As a result, some of our PRC subsidiaries may be restricted in their ability to transfer their profits to us whether in the form of dividends, loans or advances. Any limitation on the ability of our subsidiaries to pay dividends to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends, service our debts or otherwise fund and conduct our business. See "Description of other material indebtedness."

In addition, under the EIT Law and its implementation rules, from January 1, 2008, dividends paid by our PRC subsidiaries to their non-PRC parent companies are subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated, which specifically exempts or reduces such withholding tax. Currently, there is no such treaty between the PRC and the British Virgin Islands, where substantially all of our non-PRC subsidiaries are incorporated. Pursuant to an avoidance of double taxation arrangement between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to 5%. As a result of such limitations, dividend payments from our PRC subsidiaries may not be sufficient to meet our payment obligations required by the Notes or to satisfy the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees, and there could be restrictions on payments required to pay off the Notes at maturity or as required for any early redemption.

In addition, our ability to lend offshore shareholder loans to our property developer subsidiaries in the PRC is fairly limited. See "—The PRC government has implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect our ability to deploy the funds raised in the offering in our business in the PRC." Furthermore, in practice, the market interest rate that our PRC non-property developer subsidiaries can pay with respect to offshore loans generally may not exceed comparable interest rates in the international finance markets. The interest rates on shareholders' loans paid by these subsidiaries, therefore, are likely to be lower than the interest rate for the Notes. Our PRC subsidiaries are also required to pay a 10% withholding tax on our behalf on the interest paid under any shareholders' loans. PRC regulations require approval by SAFE prior to any of our non-PRC subsidiaries making shareholder loans in foreign currencies to our PRC subsidiaries and require such loans to be registered with SAFE. Prior to payment of interest and principal on any such shareholder loan, the PRC subsidiaries must present evidence of payment of the 10% withholding tax on the interest payable in any such shareholder loan and evidence of registration with SAFE, as well as any other documents that SAFE or its local branch may require.

As a result of the foregoing, we cannot assure you that we will have sufficient cash flow from dividends or payments on intercompany loans or advances from our subsidiaries to satisfy our obligations under the Notes or the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees.

We may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly U.S. dollars

The Notes are denominated in U.S. dollars, while substantially all of our revenues are generated by our PRC operating subsidiaries and are denominated in Renminbi. Pursuant to reforms of the exchange rate system announced by PBOC on July 21, 2005, Renminbi-to-foreign currency exchange rates are allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, rather than being effectively linked to the U.S. dollar. Further on May 18, 2007, PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by PBOC. The floating band was further widened to 1.0% on April 16, 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 29.0% from July 21, 2005 to September 30, 2012. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. If such reforms were implemented and resulted in devaluation of Renminbi against the U.S. dollar, our financial condition and results of operations could be adversely affected because of our substantial U.S. dollar denominated indebtedness and other obligations. Such a devaluation could also adversely affect the value, translated or converted to U.S. dollars or otherwise, of our earnings and our ability to satisfy our obligations under the Notes.

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. To date, we have not entered into any hedging transactions to reduce our exposure to such risks. Following the offering of the Notes, we may enter into foreign exchange or interest rate hedging agreements in respect of our U.S. dollar–denominated liabilities under the Notes. These hedging agreements may require us to pledge or transfer cash and other collateral to secure our obligations under the agreements, and the amount of collateral required may increase as a result of mark-to-market adjustments. The Initial Purchasers and their affiliates may enter into such hedging agreements permitted under the Indenture governing the Notes, and these agreements may be secured by pledges of our cash and other assets as permitted under the Indenture. If we were unable to provide such collateral, it could constitute a default under such agreements.

We may not be able to repurchase the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes or the Notes upon a change of control triggering event

We must offer to purchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes upon the occurrence of a change of control triggering event, at a purchase price equal to

101% of the principal amount plus accrued and unpaid interest. See "Description of the Notes," "Description of other material indebtedness—2014 Notes—Change of control," "Description of other material indebtedness—2017 Notes—Change of Control", "Description of other material indebtedness—2015 Notes—Change of control" and "Description of other material indebtedness—2018 Notes—Change of Control." Holders of the Convertible Bonds may also require us, subject to certain conditions, to redeem all or some of their Convertible Bonds upon the occurrence of a change of control on terms and conditions set forth in the trust deed governing the Convertible Bonds.

The source of funds for any such purchase would be our available cash or third-party financing. However, we may not have enough available funds at the time of the occurrence of any change of control triggering event to make purchases of the outstanding Convertible Bonds, 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes or Notes. Our failure to make the offer to purchase or purchase the outstanding Convertible Bonds, 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes or Notes would constitute an event of default under the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes, respectively. The event of default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If our other debt were to be accelerated, we may not have sufficient funds to purchase or otherwise satisfy our obligations under the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes and repay the debt.

In addition, the definition of change of control triggering event for purposes of the indenture governing the Notes does not necessarily afford protection for the holders of the Notes in the event of some highly leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalizations, although these types of transactions could increase our indebtedness or otherwise affect our capital structure or credit ratings. The definition of change of control triggering event for purposes of the indenture governing the Notes also includes a phrase relating to the sale of "all or substantially all" of our assets. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition under applicable law. Accordingly, our obligation to make an offer to purchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes, and the ability of a holder of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes or the Notes to require us to purchase its notes pursuant to the offer as a result of a highly-leveraged transaction or a sale of less than all of our assets may be uncertain.

The insolvency laws of the Cayman Islands and other local insolvency laws may differ from U.S. bankruptcy laws or those of another jurisdiction with which the holders of the Notes are familiar

Because we are incorporated under the laws of the Cayman Islands, an insolvency proceeding relating to us, even if brought in the United States, may involve Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of United States federal bankruptcy law. In addition, the Subsidiary Guarantors are incorporated in the BVI and the insolvency laws of the BVI may also differ from the laws of the United States or other jurisdictions with which the holders of the Notes are familiar. Also, certain of our subsidiaries are incorporated in Malaysia and the insolvency laws of Malaysia may also differ from the United States or jurisdiction with which the holders of the Notes are familiar.

We conduct substantially all of our business operations through PRC-incorporated subsidiaries in China. We and our non-PRC Subsidiary Guarantors, as equity holders in our PRC subsidiaries, are necessarily subject to the bankruptcy and insolvency laws of China in a bankruptcy or insolvency proceeding involving any of such PRC subsidiaries. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may significantly differ from those of the United States and other jurisdictions with which the holders of the Notes are familiar. You should analyze the risks and uncertainties in the insolvency of the Cayman Islands, BVI, Malaysia, the PRC and other jurisdictions applicable to us carefully before you invest in our Notes.

We may be unable to obtain and remit foreign exchange

Our ability to satisfy our obligations under the Notes depends solely upon the ability of our subsidiaries in the PRC to obtain and remit sufficient foreign currency to pay dividends to us. Our PRC subsidiaries receive substantially all of their revenues in Renminbi. Our PRC subsidiaries must present certain documents to SAFE, its authorized branch, or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of the PRC (including, in the case of dividends, evidence that the relevant PRC taxes have been paid). Pursuant to the EIT Law, which became effective in January 1, 2008, if we are deemed a "non-resident enterprise," dividends distributed to us by our PRC subsidiaries and interest payments made to us by our PRC subsidiaries (to the extent permitted by law) are subject to a 10% withholding tax. Prior to making such interest payments, the relevant PRC subsidiary must also present evidence of payment of 10% withholding tax. If any such PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency, including the failure of SAFE to approve the registration of the relevant intercompany loans or to approve the payments under such loans, the PRC subsidiary will be unable to pay us dividends or interest and principal, when due, on the relevant intercompany loans, which may affect our ability to satisfy our obligations under the Notes.

We have substantial indebtedness and may incur substantial additional indebtedness in the future, which could adversely affect our financial health and our ability to generate sufficient cash to satisfy our outstanding and future debt obligations

We now have, and will continue to have after the offering of the Notes, a substantial amount of indebtedness. Our total borrowings, including both current and non-current borrowings, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes, as applicable, as of December 31, 2009, 2010 and 2011 and September 30, 2012 were RMB17,769.6 million, RMB20,118.2 million, RMB28,965.9 million (US$4,608.9 million) and RMB33,891.4 million (US$5,392.6 million), respectively. After giving effect to this offering on a pro forma basis, we would have outstanding borrowings (including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes) of RMB million (US$ million) as of September 30, 2012.

Our substantial indebtedness could have important consequences to you. For example, it could:

- limit our ability to satisfy our obligations under the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the Convertible Bonds and other debt;
- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;

- limit our flexibility in planning for or reacting to changes in our businesses and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and
- increase the cost of additional financing.

In the future, we may from time to time incur substantial additional indebtedness and contingent liabilities. Although the indentures governing the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes restrict us and our Restricted Subsidiaries from incurring additional debt and contingent liabilities, these restrictions are subject to important exceptions and qualifications. If we or our subsidiaries incur additional debt, the risks that we face as a result of our already substantial indebtedness and leverage could intensify.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. We anticipate that our operating cash flow will be sufficient to meet our anticipated operating expenses and to service our debt obligations as they become due. However, we may not generate sufficient cash flow for these purposes. If we are unable to service our indebtedness, we will be forced to adopt alternative strategies. These may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

In addition, the terms of the indentures governing the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes prohibit us from incurring additional indebtedness unless we are able to satisfy certain financial ratios, and contain other restrictions. Our ability to meet our financial ratios may be affected by events beyond our control. We cannot assure you that we will be able to meet these ratios. Certain of our financing arrangements also impose operating and financial restrictions on our business. See "Description of other material indebtedness." Such restrictions in the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and our other financing arrangements may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities we believe to be desirable, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in our business or the economy in general. Any of these factors could materially and adversely affect our ability to satisfy our obligations under the Notes, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and other debt.

If we are unable to comply with the restrictions and covenants in our debt agreements, the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the trust deed governing the Convertible Bonds or the Indenture governing the Notes, there could be a default under the terms of these agreements, which could cause repayment of our debt to be accelerated

If we are unable to comply with the restrictions and covenants in the Indenture governing the capitalize Notes, or our current or future debt and other agreements (including the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the trust deed governing the Convertible Bonds), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to us, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, some of our debt agreements, including the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes and the trust deed governing the Convertible Bonds, contain cross-acceleration or cross-default provisions. As a result, our default under one debt agreement may cause the acceleration of debt, including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes, or result in a default under our other debt agreements. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay in full all of our indebtedness, or that we would be able to find alternative financing. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

Our operations are restricted by the terms of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes, which could limit our ability to plan for or to react to market conditions or meet our capital needs, which could increase your credit risk

The indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes include a number of significant restrictive covenants. These covenants restrict, among other things, our ability, and the ability of our restricted subsidiaries, to:

- incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- declare dividends on capital stock or purchase or redeem capital stock;
- make investments or other specified restricted payments;
- issue or sell capital stock of Restricted Subsidiaries;
- guarantee indebtedness of Restricted Subsidiaries;
- sell assets;
- create liens;
- enter into sale and leaseback transactions;
- enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants could limit our ability to plan for or react to market conditions or to meet our capital needs. Our ability to comply with these covenants may be affected by events beyond our control, and we may have to curtail some of our operations and growth plans to maintain compliance.

A trading market for the Notes may not develop, and there are restrictions on resales of the Notes

The Notes are a new issue of securities for which there is currently no trading market. The Notes will not be designated for trading on the PORTAL Market of the Financial Industry Regulatory

Authority, Inc. Although approval in-principle has been received for the listing of the Notes on the SGX-ST, we cannot assure you that we will be able to obtain or maintain such listing on the SGX-ST, or that a liquid trading market will develop. We have been advised that the Initial Purchasers intend to make a market in the Notes, but the Initial Purchasers are not obligated to do so and may discontinue such market making activity at any time without notice. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, you will only be able to resell your Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act. See "Transfer restrictions." We cannot predict whether an active trading market for the Notes will develop or be sustained.

The ratings assigned to the Notes may be lowered or withdrawn in the future

The Notes have been provisionally assigned a rating of by Standard and Poor's Ratings Services and by Moody's Investors Service. The ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We cannot assure you that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. We have no obligation to inform holders of the Notes of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

The liquidity and price of the Notes following the offering may be volatile

The price and trading volume of the Notes may be highly volatile. Changes in our revenues, earnings and cash flows and proposals of new investments, strategic alliances or acquisitions, interest rates, prices for comparable companies, government regulations applicable to our industry and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. We cannot assure you that these developments will not occur in the future.

Certain facts and statistics are derived from publications not independently verified by us, the Initial Purchasers or our or their respective advisors

Facts and statistics in this offering memorandum relating to China's economy and the property industry are derived from various official or other publications available in China. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, the Initial Purchasers or our or their respective advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside China. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

There may be less publicly available information about us than is available in certain other jurisdictions

There may be less publicly available information about companies listed in Hong Kong than is regularly made available by public companies in certain other countries. In addition, our financial statements are prepared and presented in accordance with HKFRS, which differ in certain respects from U.S. GAAP which might be material to the financial information contained in this offering memorandum. We have not prepared a reconciliation of our consolidated financial statements and related footnotes between HKFRS and other GAAP. See "Summary of certain differences between HKFRS and U.S. GAAP."

We will follow the applicable corporate disclosure standards for debt securities listed on the SGX-ST, which may be different from those applicable to debt securities listed in certain other countries

We will be subject to reporting obligations in respect of the Notes to be listed on the SGX-ST. The disclosure standards imposed by the SGX-ST may be different than those imposed by securities exchanges in other countries or regions such as the United States or Hong Kong. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

Risks relating to the Subsidiary Guarantees and the Collateral

Our initial Subsidiary Guarantors do not currently have significant operations

Although we conduct substantially all of our business operations through our PRC subsidiaries, none of our current PRC subsidiaries will provide a Subsidiary Guarantee either upon issuance of the Notes or at any time thereafter. No future subsidiaries that may be organized under the laws of the PRC will provide a Subsidiary Guarantee at any time in the future. As a result, the Notes will be effectively subordinated to all the debt and other obligations, including contingent obligations and trade payables, of the PRC subsidiaries. In addition, the Collateral will not include the capital stock of our existing or future PRC subsidiaries.

The initial Subsidiary Guarantors that will guarantee the Notes do not have significant operations. We cannot assure you that the initial Subsidiary Guarantors or any subsidiaries that may become Subsidiary Guarantors in the future would have the funds necessary to satisfy our financial obligations under the Notes if we are unable to do so.

The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees

Under bankruptcy laws, fraudulent transfer laws, insolvency laws or unfair preference or similar laws in the BVI and other jurisdictions where future Subsidiary Guarantors may be established or where insolvency proceedings may be commenced with respect to any such Subsidiary Guarantor, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things and where applicable, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

(1) incurred the debt with the intent to hinder, delay or defraud creditors (whenever the transaction took place, and irrespective of insolvency);

(2) put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given; or

(3) received no consideration, or received consideration in money or money's worth that is significantly less than the consideration supplied by the guarantor.

In the case of (2) and (3) above, a guarantee will only be voidable if it was entered into at a time when the guarantor was insolvent, or if it became insolvent as a consequence of doing so. Insolvency in this context under BVI law means that the guarantor is unable to pay its debts as they fall due. Additionally, a guarantee will only be voidable if it is given within the six-month period preceding the commencement of liquidation or within the two-year period, if the guarantor and the beneficiary are connected entities.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the jurisdiction which are being applied. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debt as they became absolute and matured.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantors. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees will be limited to the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the guarantee, as it relates to such Subsidiary Guarantor, voidable under such applicable insolvency or fraudulent transfer laws. We cannot assure you that such limitation will be effective in preserving the enforceability of any of the Subsidiary Guarantees.

If a court voided a Subsidiary Guarantee, subordinated such guarantee to other indebtedness of the Subsidiary Guarantor, or held the Subsidiary Guarantee unenforceable for any other reason, holders of the Notes would cease to have a claim against that Subsidiary Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of such Subsidiary Guarantor, and would solely be creditors of us and any Subsidiary Guarantor whose guarantee was not voided or held unenforceable. We cannot assure you that, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the Notes.

The charge of certain Collateral may in certain circumstances be voidable

The charge of the Collateral may be voidable as a preference under insolvency or fraudulent transfer or similar laws of the Cayman Islands and the BVI at any time within six months of the creation of the charge or, under some circumstances, within a longer period. Charges of capital stock of future Subsidiary Guarantors may also be voidable as a preference under relevant insolvency or fraudulent transfer or similar laws. In addition, the charge of certain Collateral may be voided based on the analysis set forth under "—The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees."

If the charges of the Collateral were to be voided for any reason, holders of the Notes would have only an unsecured claim against us.

The value of the Collateral will likely not be sufficient to satisfy our obligations under the Notes

The Collateral will consist only of the capital stock of the initial Subsidiary Guarantors. The security interest in respect of certain Collateral may be released upon the disposition of such Collateral and any proceeds from such disposition may be applied, prior to repaying any amounts due under the Notes, to repay other debt or to make investments in properties and assets that will not be charged as additional Collateral.

The ability of the Collateral Agent, on behalf of the holders of the Notes, to foreclose on the Collateral upon the occurrence of an Event of Default or otherwise, will be subject in certain instances to perfection and priority issues. Although procedures will be undertaken to support the validity and enforceability of the security interests, we cannot assure you that the Trustee or holders of the Notes will be able to enforce the security interest.

The value of the Collateral in the event of a liquidation will depend upon market and economic conditions, the availability of buyers and similar factors. No independent appraisals of any of the Collateral have been prepared by or on behalf of us in connection with this offering of the Notes. Accordingly, we cannot assure you that the proceeds of any sale of the Collateral following an acceleration of the Notes would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes. By their nature, some or all of the Collateral, in particular, the capital stock of the existing or any future Subsidiary Guarantor, may be illiquid and may have no readily ascertainable market value. Likewise, we cannot assure you that the Collateral will be saleable or, if saleable, that there will not be substantial delays in its liquidation.

Subject to the Intercreditor Agreement, the Collateral will be shared on a *pari passu* basis by the holders of the Notes, the holders of the Convertible Bonds, the holders of the 2014 Notes, the holders of the 2017 Notes, the holders of the 2015 Notes and the holders of the 2018 Notes. Accordingly, in the event of a default on the Notes, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes or the 2018 Notes and a foreclosure on the Collateral, any foreclosure proceeds would be shared by holders of secured indebtedness in proportion to the outstanding amounts of each class of secured indebtedness. The value of the Collateral securing the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors is unlikely to be sufficient to satisfy the Company's and each of the Subsidiary Guarantor Pledgors' obligations under the Notes, the Subsidiary Guarantees and other pari passu secured indebtedness, and the Collateral securing the Notes and such Subsidiary Guarantee may be reduced or diluted under certain circumstances, including the issuance of Additional Notes and the disposition of assets comprising the Collateral, subject to the terms of the Indenture and the Intercreditor Agreement.

The Intercreditor Agreement may impact our ability and the ability of the Subsidiary Guarantors to pay amounts due under the Notes and the Subsidiary Guarantees and may limit the rights of holders of the Notes to the Collateral

If so instructed by the holders of the Notes, the Convertible Bonds, the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes or other permitted pari passu secured indebtedness (or their trustees or representatives) given under and in accordance with the Intercreditor Agreement, the Intercreditor/Collateral Agent is required to take action to enforce the Collateral. Any such enforcement action will adversely affect our entitlement to receive dividend or other distributions from the Collateral, which will, in turn, have an adverse impact on our ability to fulfill our payment obligations under the Notes. Similarly, the Subsidiary Guarantors' ability to pay under the Subsidiary Guarantees will be adversely affected.

The Intercreditor Agreement limits the ability of holders of the Notes to enforce the Collateral, as only the Intercreditor/Collateral Agent is permitted to take enforcement actions. The Intercreditor/Collateral Agent, pursuant to the Intercreditor Agreement, the Security Documents and underlying indentures, has duties with respect to the Collateral pledged, assigned or granted. Under certain circumstances, such duties may conflict with the interests of the holders of the Notes and other secured parties.

If an Event of Default occurs under the Notes, the Convertible Bonds, the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes or other permitted pari passu secured indebtedness, the holders of such indebtedness must decide whether to take any enforcement action with respect to the Collateral. Thereafter they may, through their respective trustee or representative, instruct the Intercreditor/Collateral Agent to take such action pursuant to the terms of the Intercreditor Agreement and the Security Documents. Such action may be adverse to holders of the Notes. In that event, the holders of the Notes would retain only the remedy to sue for payment on the Notes and the Subsidiary Guarantees.

Capitalization

The following table sets forth on an actual basis our consolidated cash and cash equivalents and capitalization as of September 30, 2012 and as adjusted to give effect to the Notes now being issued after deducting the underwriting discounts and commission and other estimated expenses of this offering. The following table should be read in conjunction with the selected consolidated financial and other data, the audited consolidated financial statements and related notes included elsewhere in this offering memorandum. Except as otherwise disclosed in this offering memorandum, there has been no material change in our capitalization since September 30, 2012.

	As of September 30, 2012	
(in millions)	Actual	
	RMB	US$
Cash and cash equivalents[1]	8,853.3	1,408.7
Short-term borrowings[2][3]		
Bank borrowings-secured	5,554.3	883.8
Bank borrowings-unsecured	1,864.3	296.6
Convertible Bonds[4]	923.9	147.0
Total short-term borrowings	8,342.5	1,327.4
Long-term borrowings[3][5][6]		
Bank borrowings-secured	10,387.7	1,652.8
Bank borrowings-unsecured	1,030.0	163.9
2014 Notes	2,363.5	376.1
2017 Notes	3,593.3	571.7
2015 Notes	2,531.5	402.8
2018 Notes	5,642.9	897.9
Notes to be issued	-	-
Total long-term borrowings	25,548.9	4,065.2
Equity attributable to owners of the Company		
Issued capital (HK$0.1 par value per share, 18,229,660,154 shares issued and fully paid)	1,771.6	281.9
Share premium	17,597.1	2,799.9
Reserves[4]	1,333.7	212.2
Equity component of Convertible Bonds	29.8	4.7
Retained earnings	13,837.5	2,201.7
Total equity attributable to owners of the Company	34,569.7	5,500.4
Total capitalization[7]	68,461.1	10,893.0

Notes:

(1) Cash and cash equivalents exclude restricted cash of RMB4,051.3 million (US$644.6 million).

(2) Short-term borrowings include the current portion of long-term borrowings.

(3) We continue to enter into short-term and long-term borrowings in the ordinary course of business, including construction and project loans.

(4) This amount excludes the equity component of the Convertible Bonds.

(5) As of September 30, 2012, our consolidated capital commitments were RMB19,873.0 million (US$3,162.1 million) and our contingent liabilities, most of which were in the form of guarantees that we have provided to our customers in relation to their purchase of our properties, amounted to approximately RMB19,708.4 million (US$3,135.9 million). See "Management's discussion and analysis of financial conditions and results of operations—Liquidity and capital resources—Contingent liabilities" and "—Capital commitments."

(6) Long-term borrowings exclude the current portion of long-term borrowings.

(7) Total capitalization equals total short-term borrowings and total long-term borrowings plus equity attributable to owners of the Company.

(8) Subsequent to September 30, 2012, we have drawn down on several offshore facility agreements in an aggregate principal amount of approximately US$168.7 million. See "Description of other material indebtedness—Offshore facility agreements."

Selected consolidated financial and other data

The following tables present our selected financial and other data. The selected financial data as of and for each of the fiscal years ended December 31, 2010 and 2011 is derived from our audited consolidated financial statements for those years and as of the dates indicated. The selected financial data as of and for the fiscal year ended December 31, 2009 is derived from our audited consolidated financial statements as of and for the year ended December 31, 2010. The 2009 financial information as contained therein was restated to reflect the change in accounting policy as described below. The selected financial data as of September 30, 2012 and for the nine months ended September 30, 2011 and 2012 (except for EBITDA data) is derived from our unaudited but reviewed interim financial information included elsewhere in this offering memorandum. The unaudited but reviewed interim financial information as of September 30, 2012 and for the nine months ended September 30, 2011 and 2012 contains all adjustments that our management believes are necessary for the fair presentation of such information. Results for interim periods are not indicative of results for the full year.

Our financial information has been prepared and presented in accordance with HKFRS, which differ in certain material respects from generally accepted accounting principles in the United States ("U.S. GAAP"). For a discussion of some of these differences, see "Summary of certain differences between HKFRS and U.S. GAAP." The summary financial data below should be read in conjunction with "Management's discussion and analysis of financial condition and results of operations" and the consolidated financial information and the related notes included elsewhere in this offering memorandum.

During the year ended December 31, 2010, we adopted a new accounting policy for recording land use rights held for development and subsequent sale, details of which are described in note 2 to our audited consolidated financial statements as of and for the year ended December 31, 2010 included elsewhere in this offering memorandum. Previously, land use rights held for development and subsequent sale were classified as prepaid operating leases and payments were amortized on a straight line basis over the period of the lease in accordance with HKAS 17 "Lease". Amortization of leasehold land during the development phase was capitalized as part of the construction cost of the property. Amortization charges incurred prior to development and following completion of the property were recognized in profit or loss. Subsequent to the change in accounting policy, land use rights which are held for development and subsequent sale are classified as inventories and included in "Properties under development" or "Completed properties held for sale" under "Current assets" or "Non-current assets" in accordance with HKAS 2 "Inventories" and measured at the lower of cost and net realizable value. We accounted for this change in accounting policy retrospectively for 2009 by restating the financial information contained in our audited consolidated financial statements as of and for the year ended December 31, 2010, and present such restated financial information throughout this offering memorandum. We restated such financial information by reversing the amortization charged in prior years. See "Management's discussion and analysis of financial condition and results of operations—Critical accounting policies—Land use rights cost." The selected financial data as of and for the fiscal year ended December 31, 2009 below has been so restated.

Selected consolidated statement of comprehensive income information

(in millions, except percentages)	For the year ended December 31,				For the nine months ended September 30,		
	2009	2010	2011	2011	2011	2012	2012
	(RMB) (restated)	(RMB) (audited)	(RMB) (audited)	(US$) (unaudited)	(RMB) (unaudited)	(RMB) (unaudited)	(US$) (unaudited)
Revenue	17,585.7	25,804.1	34,748.3	5,528.9	19,240.0	23,522.4	3,742.7
Cost of sales	(12,967.6)	(17,452.9)	(22,752.6)	(3,620.3)	(13,230.6)	(14,239.3)	(2,265.7)
Gross profit	4,618.1	8,351.2	11,995.7	1,908.7	6,009.5	9,283.1	1,477.1
Other gains—net	188.7	40.9	43.1	6.9	35.7	38.3	6.1
Selling and marketing costs	(324.6)	(621.5)	(1,128.4)	(179.5)	(760.2)	(1,371.3)	(218.2)
Administrative expenses	(695.8)	(833.2)	(1,319.5)	(210.0)	(861.8)	(1,101.5)	(175.3)
Operating profit	3,786.5	6,937.4	9,590.9	1,526.0	4,423.3	6,848.7	1,089.7
Finance income	70.5	138.5	101.3	16.1	394.4	97.7	15.5
Finance costs	(722.4)	(363.2)	(221.6)	(35.3)	(277.0)	(398.2)	(63.4)
Finance costs—net	(651.9)	(224.8)	(120.2)	(19.1)	117.4	(300.5)	(47.8)
Share of (loss)/profit of an associate	-	(48.1)	120.9	19.2	144.4	(77.8)	(12.4)
Fair value changes on derivative financial instruments	251.4	55.2	15.2	2.4	(147.6)	73.6	11.7
Profit before income tax	3,385.9	6,719.8	9,606.7	1,528.6	4,537.3	6,544.1	1,041.3
Income tax expense	(1,149.8)	(2,402.0)	(3,768.6)	(599.6)	(1,670.7)	(2,690.3)	(428.1)
Profit for the year/period	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,853.8	613.2
Other comprehensive income:							
Currency translation differences	-	-	-	-	-	(7.9)	(1.3)
Profit and total comprehensive income for the year/period	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,845.9	611.9
Profit attributable to:							
—Owners of the Company	2,190.2	4,290.6	5,813.2	925.0	2,865.1	3,849.3	612.5
—Non-controlling interests	45.9	27.2	25.0	4.0	1.5	4.4	0.7
	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,853.8	613.2
Total comprehensive income to:							
Owners of the Company	2,190.2	4,290.6	5,813.2	925.0	2,865.1	3,845.0	611.8
Non-controlling interests	45.9	27.2	25.0	4.0	1.5	0.9	0.1
	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,845.9	611.9
Dividends	740.3	1,604.8	2,163.5	344.2	-	-	-
Other Financial Data (unaudited)							
EBITDA[1]	4,105.6	7,434.4	10,442.5	1,661.5	5,038.9	7,190.2	1,144.1
EBITDA Margin[2]	23.3%	28.8%	30.1%	30.1%	26.2%	30.6%	30.6%

Selected consolidated balance sheet information

(in millions)	As of December 31, 2009	2010	2011	2011	As of September 30, 2012	2012
	(RMB) (restated)	(RMB) (audited)	(RMB) (audited)	(US$) (unaudited)	(RMB) (unaudited)	(US$) (unaudited)
ASSETS						
Non-current assets						
Property, plant and equipment	3,878.4	5,552.5	8,055.3	1,281.7	9,211.6	1,465.7
Investment property	141.2	133.6	126.0	20.0	120.2	19.1
Intangible assets	13.4	18.5	18.0	2.9	22.0	3.5
Land use rights	1,102.0	1,096.0	1,326.1	211.0	1,298.5	206.6
Available-for-sale financial assets	-	-	-	-	-	-
Properties under development	13,195.3	17,398.6	26,551.4	4,224.7	23,832.8	3,792.1
Investment in an associate	-	83.8	204.8	32.6	127.0	20.2
Deferred income tax assets	892.9	1,137.2	1,299.3	206.7	1,391.0	221.3
Other assets	2,040.0	-	-	-	-	-
	21,263.2	25,420.2	37,581.3	5,979.7	36,003.1	5,728.6
Current assets						
Properties under development	20,247.1	23,761.4	28,370.0	4,514.1	40,890.2	6,506.2
Completed properties held for sale	5,107.7	8,079.4	12,876.3	2,048.8	16,548.9	2,633.2
Inventories	329.4	206.0	248.8	39.6	346.0	55.1
Trade and other receivables	7,058.5	12,372.8	12,535.5	1,994.6	15,739.4	2,504.4
Prepaid taxes	1,509.9	2,388.5	3,305.1	525.9	4,050.4	644.5
Restricted cash	3,815.3	4,758.8	4,649.0	739.7	4,051.3	644.6
Cash and cash equivalents	4,608.7	5,094.3	7,744.4	1,232.2	8,853.3	1,408.7
	42,676.6	56,661.1	69,729.2	11,094.9	90,479.5	14,396.6
Total assets	63,939.8	82,081.2	107,310.4	17,074.6	126,482.6	20,125.2
EQUITY						
Capital and reserves attributable to the equity owners						
Share capital and premium	14,925.7	15,392.1	15,382.2	2,447.5	19,368.8	3,081.8
Reserves	1,093.2	993.0	1,367.9	217.7	1,363.5	217.0
Retained earnings	5,151.2	8,436.3	16,750.1	2,665.2	13,837.5	2,201.7
	21,170.1	24,821.4	28,990.2	4,612.7	34,569.8	5,500.5
Non-controlling interests	370.9	596.7	1,077.2	171.4	1,283.4	204.2
Total equity	21,540.9	25,418.1	30,067.3	4,784.1	35,853.2	5,704.8
LIABILITIES						
Non-current liabilities						
Bank borrowings	7,638.0	4,680.4	7,408.3	1,178.8	11,417.7	1,816.7
Senior notes	2,602.4	8,872.3	14,204.4	2,260.1	14,131.2	2,248.5
Convertible bond	4,278.5	-	884.1	140.7	-	-
Deferred government grants	107.8	107.8	189.5	30.2	189.5	30.2
Derivative financial instruments	990.1	-	-	-	-	-
Deferred income tax liabilities	383.4	671.9	785.2	124.9	661.2	105.2
	16,000.3	14,332.3	23,471.6	3,734.7	26,399.6	4,200.5
Current liabilities						
Advanced proceeds received from customers	14,039.7	21,729.6	27,865.0	4,433.7	35,185.6	5,598.5
Trade and other payables	6,563.2	9,077.2	12,810.3	2,038.3	14,224.8	2,263.4
Income tax payable	2,545.0	4,023.4	5,707.5	908.1	6,476.9	1,030.6
Bank borrowings	3,250.7	5,184.5	6,469.0	1,029.3	7,418.6	1,180.4
Derivative financial instruments	-	934.9	919.8	146.4	-	-
Convertible bond	-	1,381.1	-	-	923.9	147.0
	26,398.6	42,330.8	53,771.6	8,555.8	64,229.8	10,219.9
Total liabilities	42,398.9	56,663.2	77,243.2	12,290.5	90,629.4	14,420.4
Total equity and liabilities	63,939.8	82,081.2	107,310.4	17,074.6	126,482.6	20,125.2
Net current assets	16,278.0	14,330.2	15,957.6	2,539.1	26,249.7	4,176.7
Total assets less current liabilities	37,541.2	39,750.4	53,538.8	8,518.8	62,252.8	9,905.3

Notes:

(1) EBITDA for any period consists of operating profit plus finance income, depreciation expenses and amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA is not a standard measure under either U.S. GAAP or HKFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to service debt and pay taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See "Management's discussion and analysis of financial condition and results of operations—Non-GAAP financial measures" for a reconciliation of our profit for the year under HKFRS to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

Management's discussion and analysis of financial condition and results of operations

The following discussion should be read in conjunction with our consolidated financial information together with the accompanying notes included elsewhere in this offering memorandum. Our consolidated financial statements were prepared in accordance with HKFRS.

This section includes forward-looking statements that involve risks and uncertainties. All statements, other than statements of historical facts, included in this section that address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses we made in light of experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances.

Unless the context otherwise requires, references to "2009," "2010" and "2011" in this offering memorandum are to our financial years ended December 31, 2009, 2010 and 2011 respectively. References to "associate" or "associates" in this section are to associates as defined in HKFRS.

Overview

We are one of the leading integrated property developers in the PRC, with substantially all of our assets and operations based in the PRC. Since the commencement of our property development activities in 1997, we have benefited from, and we expect to continue to benefit from, the growth in the property sector associated with the economic development in the PRC, particularly in Guangdong Province, which is one of the most affluent provinces and fastest growing economies in the PRC. Our primary business has been the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. The majority of our products are targeted towards end-user customers. As an integrated property developer, our lines of business also include construction, installation, fitting and decoration as well as property management. Our residential home projects are generally located in the suburban areas of first-tier cities and in the newly urbanized town centers of second- and third-tier cities. In December 2011, we expanded our operations into Malaysia.

As of September 30, 2012, we had 114 projects at various stages of development. Of these projects, 65 were located in Guangdong Province: 13 in Guangzhou City, nine in Foshan City, 12 in Jiangmen City, seven in Zhaoqing City and the remaining in various other cities. We also had 48 projects located outside Guangdong Province, spanning nine provinces, two autonomous regions, two municipalities in the PRC and one in the State of Selangor, Malaysia.

As of September 30, 2012, our projects had an aggregate completed GFA of approximately 34,023,171 sq.m. We had an aggregate GFA under development of approximately 16,183,201 sq.m. and an aggregate GFA of approximately 38,828,967 sq.m. relating to properties held for future development as of the same date. We have obtained land use rights certificates, development and operation rights or land title in respect of the completed GFA, GFA under development and GFA held for future development. In addition, as of September 30, 2012, we had entered into land grant contracts or sale and purchase agreement in respect of land located in 21 cities in the PRC as well as one in the State of Selangor, Malaysia with an aggregate site area of approximately 8,970,507 sq.m. and an aggregate expected GFA of approximately 10,894,353 sq.m. for future development.

In addition, we are jointly developing the Asian Games City Project in Guangzhou City with several other PRC real estate developers which occupies an estimated site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 4.4 million sq.m. The Asian Games City Project will be developed through the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects, the site area or GFA data included in this offering memorandum. See "Business—Asian Games City Project" for more details.

We also develop hotels to complement our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to such residential projects and enhanced our brand recognition. As of September 30, 2012, we had developed and were operating seven five-star hotels and two four-star hotel, as well as 23 hotels which were developed in accordance with the five-star rating standard set forth in the "Star-Rating Standard for Tourist Hotels" (旅遊飯店星級的劃分與評定) issued by the PRC National Tourism Administration. In addition, we have 15 hotels under construction in accordance with the five-star standard and one hotel under construction in accordance with the four-star standard set forth in the "Star-Rating Standard for Tourist Hotels."

Certain income statement items

Revenue

Our revenue comprises primarily proceeds from the sale of properties and provision of services after the elimination of intra-group transactions. Our revenue is primarily generated from our four business segments, consisting of property development, construction, fitting and decoration, property management and hotel operation.

The table below sets forth the revenue by segments and their percentage of the total revenue:

	For the year ended December 31,						For the nine months ended September 30			
	2009		2010		2011		2011		2012	
	Amount	Percentage of total revenue	Amount	Percentage of total revenue	Amount	Percentage of total revenue	Amount	Percentage of total revenue	Amount	Percentage of total revenue
	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Property development	16,544,904	94.1	24,637,843	95.5	33,193,982	95.5	18,197,004	94.6	22,260,478	94.6
Construction, fitting and decoration	377,240	2.1	288,665	1.1	240,881	0.7	146,539	0.8	112,801	0.5
Property management	349,276	2.0	405,377	1.6	511,719	1.5	371,190	1.9	445,470	1.9
Hotel operation	314,284	1.8	472,220	1.8	801,723	2.3	525,321	2.7	703,690	3.0
Total	17,585,704	100.0	25,804,105	100.0	34,748,305	100.0	19,240,054	100.0	23,522,439	100.0

Revenue from property development represents proceeds from the sale of our properties. As we derive a substantial amount of our total revenue from the property development segment, our results of operations for a given period are dependent upon the type and GFA of properties we have completed during that period, the market demand for those properties and the price we are able to obtain for such properties. Conditions in the property markets in which we operate change from period to period and are significantly affected by the general economic, political and regulatory developments in the PRC. See "—Key factors affecting our performance."

We recognize revenue from the sale of properties when the construction has been completed and the properties have been delivered to the purchasers with the collectability of related receivables reasonably assured. For each of the years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, we recognized revenue of RMB16,544.9 million, RMB24,637.8 million, RMB33,194.0 million (US$5,281.6 million) and RMB22,260.5 million (US$3,542.0 million) in connection with the delivery of an aggregate GFA of 3,488,786 sq.m., 4,938,849 sq.m., 5,895,762 sq.m. and 3,419,088 sq.m. of property, respectively. Our revenue, recognized upon the delivery of properties, are often lower in the first half of a year than in the second half due to seasonal variations. As a result, our results of operations fluctuate and our interim results do not proportionally reflect our annual results.

Consistent with customary practice in the property development industry in the PRC, after satisfying the conditions for pre-sales according to PRC laws and regulations, we typically enter into purchase contracts with customers while the properties are still under development. See "Business—Property development—Pre-sales." Generally there is a time difference typically ranging from several months to one year between the time we commence pre-selling of properties under development and the delivery of properties to the purchasers. We do not recognize any revenue from the pre-sales of our properties until the development of such properties is completed and the properties are delivered to the purchasers, even though a portion of the purchase price for a property is typically paid at various stages prior to the delivery of properties. Before the delivery of a pre-sold property upon the completion of development, deposits, instalments and purchase price or portions thereof received from our customers are recorded as "advanced proceeds received from customers," a current liability on our balance sheet.

Revenue from construction services is recognized in the accounting period in which the services are rendered by reference to completion of the specific transaction and assessed on the basis of the contract costs incurred up to the end of the reporting period as a percentage of the total estimated costs for each contract. Revenue from decoration, property management and hotel operation is recognized in the accounting period in which the services are rendered. The revenue generated by certain of our subsidiaries comprising the construction, fitting and decoration, property management and hotel operation segments from services provided to our projects is eliminated in our consolidated financial statements. Revenue generated from construction services (after elimination upon consolidation) represents mainly revenue generated from Qingyuan Country Garden, a project developed by a related party, Qingyuan Country Garden Property Development Co., Ltd. See "Related party Transactions—Construction, fitting and decoration services" for more details. For each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, our construction, fitting and decoration segment generated revenue of RMB377.2 million, RMB288.7 million, RMB240.9 million (US$38.3 million) and RMB112.8 million (US$17.9 million), respectively; our property management segment generated revenue of RMB349.3 million, RMB405.4 million, RMB511.7 million (US$81.4 million) and RMB445.5 million (US$70.9 million), respectively; and our hotel operation segment generated revenue of RMB314.3 million, RMB472.2 million, RMB801.7 million (US$127.6 million) and RMB703.7 million (US$112.0 million), respectively.

Cost of sales

Cost of sales comprises the costs incurred from our four business segments. The table below sets forth the cost of sales by segments and their percentage of the total cost of sales:

	For the year ended December 31,						For the nine months ended September 30,			
	2009		2010		2011		2011		2012	
	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales
	(RMB in thousands) (restated)[(1)]	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Property development	12,083,914	93.2	16,495,112	94.5	21,523,889	94.6	12,369,565	93.5	13,197,848	92.7
Construction, fitting and decoration	301,792	2.3	217,892	1.2	189,507	0.8	124,564	0.9	87,985	0.6
Property management	259,309	2.0	322,796	1.9	447,699	2.0	326,185	2.5	389,025	2.7
Hotel operation	322,583	2.5	417,139	2.4	591,539	2.6	410,244	3.1	564,476	4.0
Total	12,967,598	100.0	17,452,939	100	22,752,634	100.0	13,230,558	100.0	14,239,334	100.0

Note:
(1) The data for the year ended December 31, 2009 have been restated to account for the change in accounting policy in 2010 for recording land use rights held for development and subsequent sale.

Cost of sales represents primarily the costs we incur directly for our property development activities which include construction, decoration and design costs, land use rights cost and business taxes and levies.

The table below sets forth for the periods indicated, the components of our cost of properties sold, and the percentage of the cost of properties sold represented by each component.

	For the year ended December 31,						For the nine months ended September 30,			
	2009		2010		2011		2011		2012	
	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales
	(RMB in thousands) (restated)[(1)]	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Construction, decoration and design costs	9,542,644	79.0	12,897,888	78.2	16,396,061	76.2	9,660,848	78.1	9,924,725	75.2
Land use rights cost	1,678,899	13.9	2,291,919	13.9	3,279,531	15.2	1,696,044	13.7	2,015,487	15.3
Business taxes and levies	862,371	7.1	1,305,305	7.9	1,848,297	8.6	1,012,673	8.2	1,257,636	9.5
Total	12,083,914	100.0	16,495,112	100.0	21,523,889	100.0	12,369,565	100.0	13,197,848	100.0

Note:
(1) The data for the year ended December 31, 2009 have been restated to account for the change in accounting policy in 2010 for recording land use rights held for development and subsequent sale.

Properties under development are stated at the lower of cost and net realizable value. Net realizable value takes into account the price ultimately expected to be realized and the anticipated costs to complete the properties. Completed properties remaining unsold at the end of each financial period are stated at the lower of cost and net realizable value.

Construction, Decoration and Design Costs. Construction, decoration and design costs comprise self-construction costs, outsourcing costs, fitting and decoration costs and design costs. The price of raw materials, the level of complexity of the construction and design and the luxury level in the decoration are the principal factors affecting the average construction costs. Therefore, construction costs of a property project may fluctuate if the conditions of the site require more complex designs and procedures or more expensive materials in order to provide the desired foundation support.

Land Use Rights Cost. During each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, substantially all of the land used in our projects or property developments, whether completed, under development or held for future development, was acquired after the promulgation of the PRC Rules Regarding the Grant of State-Owned Land Use Rights by Way of Tender, Auction and Listing for-Sale by the PRC Ministry of Land and Resources (the "New Land Acquisition Rules").

Under the New Land Acquisition Rules, after July 1, 2002, land use rights for the purposes of commercial use, tourism, entertainment and commodity building development in the PRC may only be granted by the government through a bidding process including a public tender, an auction or a listing-for-sale. In addition, under current regulations, grantees of land use rights are generally allowed to transfer the land use rights in secondary markets, except that if a transferor is a state-owned enterprise or a collectively-owned enterprise or the land use rights are obtained by way of allocation, such land use rights must be transferred through a public bidding process. See "Business—Property Development—Land acquisition" for a description of the land acquisition procedures. Consequently, if we acquire land through a bidding process in the future, our cost of land use rights will consist primarily of a lump-sum purchase price payable to the government or the other transferors as determined by the bidding process. Under the New Land Acquisition Rules, the relevant government authority shall be responsible for establishing a floor price for the bidding process on the basis of land value appraisals and government industrial policies. If we acquire land use rights from other grantees in secondary markets in the future, our cost of land use rights will be the negotiated purchase prices payable to such grantees.

During the year ended December 31, 2010, we adopted a new accounting policy for recording land use rights held for development and subsequent sale. We accounted for this change in accounting policy retrospectively for 2009 by restating the financial information as of and for the year ended December 31, 2009 contained in our audited consolidated financial statements as of and for the year ended December 31, 2010, and present such restated financial information throughout this offering memorandum. We restated such financial information by reversing the amortization charged in prior years. See "—Critical accounting policies—Land use rights cost."

***Business Taxes*.** Our PRC subsidiaries are subject to local business taxes. The effective business tax rate for each of our property development, construction, fitting and decoration, property management and hotel operation businesses as of September 30, 2012 was 5%, 3%, 5% and 5%, respectively. Business tax is levied on the revenue from the sales of properties or rendering of services. Accordingly, the total business tax recognized in our cost of sales increases or decreases along with the movement of revenue recognized.

Selling and marketing costs

Selling and marketing costs include advertising and promotion expenses relating to sales of properties, selling and marketing staff costs, including selling commissions for our sales staff, and other selling expenses.

Administrative expenses

Administrative expenses include primarily staff costs, amortization of land use rights, materials consumption cost, depreciation, property tax and donations. Upon the change in accounting policy for land use rights held for development and subsequent sale for the period commencing on or after January 1, 2010, such land use rights ceased to be amortized with retrospective adjustments to prior years. Unless otherwise indicated, the financial information for 2009 in this offering memorandum has been restated to reflect the adoption of this new accounting policy by reversing the amortization of land use rights held for development and subsequent sale, resulting in a decrease of administrative expenses of RMB159.8 million. See "—Critical accounting policies—Land use rights cost."

Finance costs

Finance costs consist primarily of interest costs as a result of bank borrowings and the issue of the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes. Our finance costs are charged to our consolidated statements of comprehensive income in the accounting period in which they are incurred. Prior to January 1, 2009, our borrowing costs were charged to the consolidated statement of comprehensive income in the accounting period in which they were incurred in accordance with HKAS 23. From January 1, 2009, pursuant to the revised HKAS 23, we started to capitalize our borrowing costs directly attributable to the acquisition, construction, or production of our assets as part of costs of assets. As a result, we recorded an increase in properties under development of RMB403.4 million and a decrease in finance costs of the same amount in our financial statements as of and for the year ended December 31, 2009. Finance costs fluctuate from period to period due primarily to fluctuations in our level of outstanding indebtedness, the interest rates on our borrowings and the capitalization of borrowing costs.

Derivative financial instruments

Our derivative financial instruments consist of the Equity Swap. We were a party to an Equity Swap with Merrill Lynch International dated February 15, 2008, for our shares having a value of US$250.0 million at such time. The Equity Swap became effective concurrently with the offering of our Convertible Bonds on February 22, 2008, was amended on January 5, 2011 and was scheduled to mature on February 22, 2013. Upon the effectiveness of the Equity Swap we transferred cash collateral of US$250.0 million by way of an outright transfer of such amount to Merrill Lynch International. Upon early termination or termination at maturity, if the final price of our shares is higher than the initial price, we would be entitled to receive a payment from Merrill Lynch International and if the final price is lower than the initial price, we would be required to make a payment to Merrill Lynch International (which would be netted against the return of the cash collateral). The initial price was determined shortly after the time the Equity Swap was entered into in accordance with a formula set out in the confirmation documenting the Equity Swap (the "Confirmation"). The final price would be determined by reference to a volume weighted average price determined based on the price at which Merrill Lynch International terminates or liquidates its hedge positions (subject to any price limit that we notify Merrill Lynch International of and certain other provisions of the Equity Swap) on a number of averaging dates determined in the manner set out in the Confirmation.

On March 2, 2012, we exercised our right to early termination and terminated the Equity Swap in whole. Measured by the termination price, the gain from the fair value change on the equity swap since January 1, 2012 to the termination date was approximately RMB73.6 million.

We are required by HKFRS to make a fair value assessment on the Equity Swap at each balance sheet date. In general, a fair value gain or loss, respectively, will be recognized if our share price on the current balance sheet date is higher or lower than the share price on the last balance sheet date. For the year ended December 31, 2008, we recorded a fair value loss on the Equity Swap of RMB1,241.5 million due to a decrease in our share price during such year. We had a fair value gain on the Equity Swap of RMB251.4 million, RMB55.2 million, RMB15.2 million (US$2.4 million) and RMB73.6 million (US$11.7 million) for the year ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, respectively, as a result of an increase in our share price during such periods.

Income tax expense

Enterprise Income Tax. Income tax expense represents PRC enterprise income tax accrued by our operating subsidiaries and provision for LAT. We are an exempted company in the Cayman Islands, and are not subject to Cayman Islands income tax. Our BVI companies holding our PRC subsidiaries are also not subject to BVI income tax. Our PRC subsidiaries are subject to enterprise income tax at a rate of 25% pursuant to the EIT Law. In August 2006, upon the conversion of Giant Leap Construction Co., one of our PRC subsidiaries, to a foreign investment enterprise, the local tax authority granted it a tax holiday (which exempts corporate income tax for two years followed by a tax reduction of 50% for the subsequent three years) commencing from 2006, the first cumulative profit-making year, net of losses carried forward. As a result, Giant Leap Construction Co. continued to enjoy its tax holiday until it expired on December 31, 2010.

Pursuant to the EIT Law, dividends distributed by our PRC subsidiaries to us or our non-PRC subsidiaries are subject to a withholding tax of 5% for enterprises incorporated in Hong Kong, subject to approval by the relevant authorities and 10% for enterprises incorporated outside of Hong Kong if we or our non-PRC subsidiaries, as the case may be, are deemed as a "non-resident enterprise."

LAT. The LAT expense recorded in our statement of comprehensive income for any given period represents the provision and payment for LAT with respect to the recognized revenue in that period.

Under PRC laws and regulations, our PRC subsidiaries engaging in property development are subject to LAT, which is collected by the local tax authorities. All income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as defined in the relevant tax laws, with certain exemptions available for the sale of ordinary standard residential houses if the appreciation value does not exceed 20% of the total deductible items as defined in the relevant tax laws. See "Regulation—Legal supervision relating to property sector in the PRC—H. Major taxes applicable to property developers—Land appreciation tax." Sales of commercial properties are not eligible for this exemption. Whether a property qualifies for the ordinary standard residential houses exemption is determined by the local government taking into consideration the property's plot ratio, aggregate GFA and sales price. Sales of properties with higher appreciation values are generally subject to higher LAT rates. On December 28, 2006, the State Administration of Taxation issued the Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知) which came into effect on February 1, 2007. Such notice provides further clarifications as to the settlement of LAT. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation. On May 19, 2010, the SAT issued the Circular on Issues Concerning Settlement of Land Appreciation Tax (關於土地增值稅清算有關問題的通知) to clarify and strengthen the settlement of the land appreciation tax. Furthermore, on May 25, 2010, the SAT issued the Notice on Strengthening the Collection of Land Appreciation Tax (關於加強土地增值稅徵管工作的通知), which requires that the minimum LAT prepayment rate shall be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region. We estimate and make provisions for the full amount of applicable LAT in accordance with the requirements set forth in the relevant PRC tax laws and regulations, but only pay a portion of such provisions each year as required by the local tax authorities under prevailing practice.

Our LAT expense for 2009, 2010 and 2011 and the nine months ended September 30, 2012 was RMB275.4 million, RMB873.4 million, RMB1,448.6 million (US$230.5 million) and RMB1,501.2 million (US$238.9 million), respectively. Our LAT provision balance as of September 30, 2012 was RMB2,575.4 million (US$409.8 million). The increase in LAT expense in 2010 was primarily due to the increase in revenue and the higher percentage of GFA sold in 2010 that was attributable to low-density units, which generally have higher selling prices than apartments.

Our effective income tax rate is affected by PRC enterprise income tax expense and LAT as described above. Our effective income tax rate is also affected by expenses incurred outside the PRC, such as the interest and other expenses incurred on the Convertible Bonds and senior notes, which are not deductible for purposes of PRC income tax. Our effective income tax rate was 34.0% in 2009, 35.7% in 2010, 39.2% in 2011 and 41.1% for the nine months ended September 30, 2012.

Non-controlling interests

Non-controlling interests represent our profits or losses after taxation that are attributable to minority shareholders of our non-wholly-owned subsidiaries.

Key factors affecting our performance

Our business, financial condition and results of operations are affected by a number of factors, many of which are beyond our control, including those set out below.

Economic growth, speed of urbanization and demand for residential properties in China

Economic growth, urbanization and rising standards of living in China have been the main driving forces behind the increasing market demand for residential properties. Since the second half of 2008, the global economic slowdown and turmoil in financial markets have resulted in adverse impact on the overall economy of China, including the PRC property market, from which we derive our entire revenue. Although the PRC property market started to recover in the second half of 2009, in large part due to stimulus measures adopted by the PRC government, we cannot assure you that the property market will continue to recover. Further, most of the stimulus measures adopted by the PRC government since the second half of 2008 have been revised or terminated. The economic conditions and volatility of the property prices may continue to impact our business and results of operations. At the current stage of the PRC's economic development, while the property industry is regarded by the PRC government as one of China's pillar industries, the property industry is significantly dependent on the overall economic growth and the resulting consumer demand for residential properties. Developments in the private sector, urbanization and the resulting demand for residential properties in China have in the past increased the sales of our properties. These factors will continue to have a significant impact on our results of operations.

In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these European nations to continue to service their sovereign debt obligations. On August 6, 2011, S&P downgraded the rating for long-term United States debt to "AA+" from "AAA" for the first time in 70 years. The downgrade of United States debt by S&P, coupled with the economic turmoil in Europe and other parts of the world could lead to another global economic downturn and financial market crisis. In addition, it is uncertain what effect the fiscal cliff, referring to the economic effects that could result from tax increases and spending cuts in the United States and a reduction in the country's budget deficit beginning in 2013, would have to the United States and the world economy and financial markets. It is difficult to determine the impact of any global economic slowdown and financial crisis on the property industry in China. If the global economic slowdown and financial market crisis continue or become more severe than currently estimated, our business prospects, revenues, cash flows and financial condition could be materially and adversely affected.

Regulatory measures in the property industry in China

PRC government policies and measures on property development and related industries have a direct impact on our business and results of operations. From time to time, the PRC government adjusts its macroeconomic control policies to encourage or restrict development in the private property sector through measures relating to, among other things, land grants, pre-sales of properties, bank financing and taxation. Prior to the second half of 2008, the PRC government took various measures to control money supply, credit availability and fixed assets investment with a view to preventing China's economy from overheating and to achieve more balanced and sustainable economic growth. Beginning in the second half of 2008, in view of the economic downturn, the PRC government has adopted measures to encourage consumption in the residential property market and support to property developers. However, due to significant improvement in economic conditions, most of the stimulus measures adopted by the PRC government since the second half of 2008 have been revised or terminated according to changes in market conditions. Since the fourth quarter of 2009, the PRC government has adjusted some of its policies and issued a number of measures in order to enhance regulation of the property market, restrain property purchases for investment or speculation purposes, keep property prices from rising too quickly in certain cities and curtail the overheating of the property market. The PRC government has continued to increase regulation over the property market since 2010. Policies restricting property purchases were adopted in nearly 50 cities in 2011, as compared to fewer than 25 cities in 2010. Regulations were promulgated at various levels to promote affordable housing. PRC regulatory measures in the real estate industry will continue to impact our business and results of operations. See "Regulation—Legal supervision relating to property sector in the PRC," "Risk factors—Risk relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth," "Industry overview—The property industry in the PRC—Property reforms" and "Regulation" for more details.

We are also highly susceptible to any regulations or measures adopted by PBOC that may restrict bank lending to enterprises, particularly to property developers. Moreover, a substantial portion of our purchasers depend on mortgage financing to purchase our properties. Regulations or measures adopted by the PRC government that are intended to restrict the ability of purchasers to obtain mortgages or that increase the costs of mortgage financing may decrease market demand for our properties and adversely affect our sales revenue.

Ability to acquire suitable land for future property development

Our continuing growth will depend in large part on our ability to acquire quality land at prices that can yield reasonable returns. Based on our current development plans, we believe we have sufficient land reserves for property developments for the next three to five years. Assuming that the PRC economy continues to grow at a relatively high speed and demand for residential properties remains strong, we expect that competition among developers for land reserves that are suitable for property development will intensify. In addition, the public tender, auction and listing-for-sale practice in respect of the grant of state-owned land use rights is also likely to increase competition for land development and to increase land acquisition costs. Furthermore, in November 2009, the PRC government raised the minimum down-payment of land premium to 50% and required the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions. In March 2010, the Ministry of Land and Resources promulgated a notice to strictly regulate the transfer of land for commercial buildings. According to the notice, the area of a parcel of land granted for commodity residential development should be strictly restricted in accordance with the catalog of restricted use of land and the minimum price of the land transfer should not be less than 70% of the benchmark price of the place where the land being transferred is located, and the real estate developer's bid deposit should not be less than 20% of the minimum transfer price. See "Regulation." These changes of policy may materially and adversely affect our cash flow and our ability to acquire suitable land for our operations.

Pre-sales

Pre-sales constitute the most important source of our operating cash inflow during our project development process. PRC law allows us to pre-sell properties before their completion upon satisfaction of certain requirements and requires us to use the pre-sales proceeds to develop the projects pre-sold. The amount and timing of cash inflows from pre-sales are affected by a number of factors, including timing and other restrictions on pre-sales imposed by the PRC government, market demand for our properties subject to pre-sales and the number of properties we have available for pre-sale. Reduced cash flow from pre-sales of our properties will increase our reliance on external financing and will impact our ability to finance our continuing property developments.

Access to and cost of financing

Bank borrowing is another important source of funding for our property developments. As of December 31, 2009, 2010 and 2011 and September 30, 2012, our outstanding bank borrowings amounted to RMB10,888.7 million, RMB9,864.9 million, RMB13,877.3 million (US$2,208.1 million) and RMB18,836.3 million (US$2,997.1 million), respectively. As commercial banks in China link the interest rates on their bank loans to benchmark lending rates published by PBOC, any increase in such benchmark lending rates will increase the interest costs related to our developments. Our access to capital and cost of financing are also affected by restrictions imposed from time to time by the PRC government on bank lending for property development.

We have also sought financing in the international capital markets through the offerings of the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes, which generally give us a longer maturity term but bear higher interest rates than bank borrowings. Access to and cost of financing in the international capital markets is subject to a number of factors, including the global economic conditions and liquidity in the credit markets.

Timing of property development

The number of property developments that a developer can undertake during any particular period is limited due to the substantial amount of capital required for land acquisitions and construction costs as well as limited land supply. Property developments may take many months, or possibly years, before any pre-sale occurs. While pre-sales generate positive cash flow for us, no sales revenue is recognized in respect of such presold properties until development and the property is delivered to the purchaser. We aim to time the launch of pre-sales of our properties to coincide with strong periods of expected demand. As market demand is not stable, sales revenue in a particular period therefore depends on our ability to gauge the expected demand in the market at the launch time for completion of a particular project. As a result, our results of operations have fluctuated in the past and are likely to continue to fluctuate in the future.

Price volatility of construction materials

Our results of operations are affected by price volatility of construction materials such as steel and cement. The cost of construction materials constitutes the most important item in our construction costs. With a view to achieving economies of scale and lowering our purchase costs, we seek to use centralized procurement for projects undertaken by our own construction companies. However, any increase the cost in construction materials will increase our construction costs. If we cannot pass the increased costs on to our customers, our profitability will suffer.

Changes in product mix

The prices and gross profit margins of our products vary by the types of properties we develop and sell. Our gross profit margin is affected by the proportion of sales revenue attributable to our higher gross margin products compared to sales revenue attributable to lower gross margin products. Typically, our low-density units have commanded higher selling prices and gross profit margins than apartment units. Historically, a substantial portion of the projects we have developed have had low plot ratios, permitting us to increase our sales of low density units. Due to regulations in the PRC, we can no longer develop stand-alone villas on land acquired after May 2006. More recently, we have begun acquiring land with higher plot ratios, which will require us to increase the proportion of apartments that we develop and sell. We believe that we have a diversified product portfolio, and we are currently developing strategies to address changes in product mix that may result from such higher plot ratios, such as offering decorated apartment products. If we are unable to successfully develop and execute such strategies, our profit margins may decline as the proportion of our sales comprising apartments increases.

LAT

Our property developments are subject to LAT with respect to the appreciated value of the related land and improvements on such land. LAT applies to both domestic and foreign investors of property in China, irrespective of whether they are corporate entities or individual investors. Our LAT expense recognized on our statements of comprehensive income for each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012 was RMB275.4 million, RMB873.4 million, RMB1,448.6 million (US$230.5 million) and RMB1,501.2 million (US$238.9 million), respectively. As of September 30, 2012, our LAT provision on our balance sheets was RMB2,575.4 million (US$409.8 million). We prepay LAT with reference to our pre-sales proceeds and the tax rates set out by local tax authorities. See "Risk factors—Risks relating to our business—The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations," "—Certain income statement items—Cost of sales" and "—Certain income statement items—Income tax expenses."

Generally, LAT on apartments is lower than LAT on low-density units, as apartments generally have lower selling prices.

Labor costs

In addition, with the overall improvement of living standards in the PRC as well as the PRC government's recent policies aiming to increase wages of migrant workers, we expect the trend of increasing labor costs to continue in the near future, which in turn will increase our operating costs.

Interim fluctuation of results of operations

Our results of operations tend to fluctuate from period to period. The number of properties that we can develop or complete during any particular period is limited due to the substantial amount of capital required for land acquisition, demolition, resettlement and construction, limited land supplies and lengthy development periods before positive cash flows may be generated. In addition, in recent years, we began to develop larger-scale property developments and, as a result, we develop properties in multiple phases over the course of several years. Typically, the selling prices of properties in such larger-scale property developments tend to increase as the overall development comes closer to completion, thus offering a more established residential community to the purchasers. Seasonal variations, as we disclosed in "Risk factors—Risks relating to our business—We face risks relating to fluctuations of results of operations from period to period," have also caused fluctuations in our interim revenue and profits, including quarterly and semi-annual results. As a result, our results of operations fluctuate and our interim results do not proportionally reflect our annual results.

Critical accounting policies

Critical accounting policies are those accounting policies that are reflective of significant judgments and uncertainties and that potentially yield materially different results under different assumptions and conditions.

Our consolidated financial statements have been prepared in accordance with HKFRS. HKFRS requires that we adopt accounting policies and make estimates that, our directors believe, are the most appropriate under the circumstances for the purposes of giving a true and fair view of our results and financial condition. In preparing our consolidated financial statements, we made certain estimates and assumptions about future events based on our experience. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities mainly include those related to property development activities. For more details about our critical accounting estimates and judgments, see note 4 to our audited financial information as of and for the year ended December 31, 2011 included elsewhere in this offering memorandum.

Revenue recognition. Revenue comprises primarily the proceeds from property development, construction, fitting decoration, property management and hotel operation after the elimination of intra-group transactions. Revenue from property sales is recognized when the construction has been completed and the properties have been delivered to the purchasers with the collectability of related receivables reasonably assured. Deposits and installments received on properties sold prior to the date of revenue recognition are included in our consolidated balance sheets as advanced proceeds received from customers under current liabilities. Revenue arising from construction services is recognized in the accounting period in which the services are rendered by reference to completion of the specific transaction and assessed on the basis of the contract costs incurred up to the end of the reporting period as a proportion of the total estimated costs for each contract. Revenues arising from decoration service, hotel operation and property management are recognized in the accounting period in which the services are rendered.

Land use rights cost. Land use rights cost typically comprises payments to government authorities for obtaining the right to occupy, use and develop land, certain fees for altering the intended use of land and resettlement costs. Prior to 2010, we recognized amortization charges for land use rights held for development for sale on a straight-line basis over the unexpired period of such rights and the remaining carrying amount was recognized as cost of sales when the relevant properties are sold. Land use rights for which we have obtained the land use rights certificates are recorded as "land use rights held for development for sale" on our consolidated balance sheet, and those for which we have obtained the construction permits are recorded under "current assets" and the remainder are recorded under non-current assets. If we have not obtained the land use rights certificates for a piece of land in which we have contractual interest, the cost incurred in relation to such land is recorded as "prepayments for land" under "trade and other receivables."

During the year ended December 31, 2010, we changed our accounting policy for recording land use rights which are held for development and subsequent sale. Land use rights which are held for development and subsequent sale meet the definition of both inventories under Hong Kong Accounting Standard ("HKAS") 2 "Inventories" and leasehold land under HKAS 17 "Leases." Previously, land use rights that are held for development and subsequent sale were classified as prepaid operating leases and payments were amortized on a straight line basis over the period of the lease in accordance with HKAS 17. Amortization of leasehold land during the development phase was capitalized as part of the construction cost of the property. Amortization charges incurred prior to development and following completion of the property were recognized in profit or loss. Subsequent to the change in accounting policy, land use rights which are held for development and subsequent sale are classified as inventories and included in "Properties under development" or "Completed properties held for sales" under "Current assets" or "Non-current assets" in accordance with HKAS 2 and measured at the lower of cost and net realizable value.

The adoption of this new accounting policy had the effect of deferring the recognition of expenses related to land use rights, which in turn had an impact on other financial statement items such as cost of sales, administrative expenses, income tax expenses, properties under development, completed properties held for sale and deferred tax assets. We believe that the new classification of land use rights as inventories results in a more relevant presentation of our financial position, and of our performance. The revised treatment reflects our intention regarding the use of the land use rights and we believe that it results in a presentation consistent with industry practice.

We accounted for this change in accounting policy retrospectively for 2009 by restating the financial information as of and for the year ended December 31, 2009 contained in our audited consolidated financial statements as of and for the year ended December 31, 2010, and present such restated financial information throughout this offering memorandum. We restated such financial information by reversing the amortization charged in prior years. The tables below set forth the effect of this restatement on our consolidated financial statements as of the dates and for the periods indicated:

	As of December 31, 2010	**As of December 31, 2009**	**As of January 1, 2009**
	RMB'000	**RMB'000**	**RMB'000**
Increase in completed properties held for sale	1,258,265	942,042	329,287
Increase in properties under development—current	6,748,794	5,222,742	5,764,433
Increase in properties under development—non-current	10,927,648	9,250,011	6,755,423
Decrease in land use right—current	(8,002,929)	(6,145,479)	(6,042,427)
Decrease in land use right—non-current	(10,443,892)	(8,956,706)	(6,621,918)
Decrease in deferred tax assets	(115,181)	(71,362)	(53,953)
Increase in retained earnings	(372,705)	(241,248)	(130,845)

	For the year ended December 31,	
	2010	**2009**
	RMB'000	**RMB'000**
Increase in cost of sales	15,175	31,988
Decrease in administrative expenses	(190,451)	(159,800)
Increase in income tax expense	43,819	17,409
Increase in profit attributable to the equity holders of the Company	131,457	110,403
Increase in earnings per share (basic and diluted)	RMB0.79 cents	RMB0.68 cents

Properties under development and completed properties held for sale. Properties under development which have either been pre-sold or which are intended for sale and are expected to be completed within a normal operating cycle are classified as current assets. Properties under development are stated at the lower of cost and net realizable value. Net realizable value for our properties under development is determined by reference to management estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion.

Development cost of a property comprises land use rights, construction costs, capitalized costs and professional fees incurred during the development period of a normal operating cycle. Upon completion, the properties are transferred to completed properties held for sale.

Completed properties remaining unsold at the end of each financial period are stated at the lower of cost and net realizable value. Net realizable value for our completed properties held for sale is determined by reference to management estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses.

Income taxes and deferred taxation. Significant judgment is required in determining the provision for income tax. Such determinations are often uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

Estimates for impairment of hotel assets. Management performs review for impairment of hotel assets whenever events or changes in circumstances indicate that the carrying amounts of the hotel assets may not be recoverable. In such cases, the recoverable amounts of hotel assets have been determined based on the value-in-use method. Value-in-use calculations require the use of significant estimates and assumptions on the projections of cashflows from the continuous use of the hotel assets. Assumptions used in determining the value-in-use of hotel assets mainly include: post-tax discount rate of 12%; 4% growth rate after lease-up period; occupancy rates of 60% to 70% after lease-up period; and lease-up period of six years.

Results of operations

The following table sets forth, for the periods indicated, certain items derived from our consolidated statements of comprehensive income.

Summary consolidated statement of comprehensive income information

(in millions, except percentages)	For the year ended December 31,				For the nine months ended September 30,		
	2009	2010	2011	2011	2011	2012	2012
	(RMB) (restated)[1]	(RMB) (audited)	(RMB) (audited)	(US$) (unaudited)	(RMB) (unaudited)	(RMB) (unaudited)	(US$) (unaudited)
Revenue	17,585.7	25,804.1	34,748.3	5,528.9	19,240.0	23,522.4	3,742.7
Cost of sales	(12,967.6)	(17,452.9)	(22,752.6)	(3,620.3)	(13,230.6)	(14,239.3)	(2,265.7)
Gross profit	4618.1	8,351.2	11,995.7	1,908.7	6,009.5	9,283.1	1,477.1
Other gains—net	188.7	40.9	43.1	6.9	35.7	38.3	6.1
Selling and marketing costs	(324.6)	(621.5)	(1,128.4)	(179.5)	(760.2)	(1,371.3)	(218.2)
Administrative expenses	(695.8)	(833.2)	(1,319.5)	(210.0)	(861.8)	(1,101.5)	(175.3)
Operating profit	3,786.5	6,937.4	9,590.9	1,526.0	4,423.3	6,848.7	1,089.7
Finance income	70.5	138.5	101.3	16.1	394.4	97.7	15.5
Finance costs	(722.4)	(363.2)	(221.6)	(35.3)	(277.0)	(398.2)	(63.4)
Finance costs—net	(651.9)	(224.8)	(120.2)	(19.1)	117.4	(300.5)	(47.8)
Share of (loss)/profit of an associate	-	(48.1)	120.9	19.2	144.4	(77.8)	(12.4)
Fair value changes on derivative financial instruments	251.4	55.2	15.2	2.4	(147.6)	73.6	11.7
Profit before income tax	3,385.9	6,719.8	9,606.7	1,528.6	4,537.3	6,544.1	1,041.3
Income tax expense	(1,149.8)	(2,402.0)	(3,768.6)	(599.6)	(1,670.7)	(2,690.3)	(428.1)
Profit for the year/period	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,853.8	613.2
Other comprehensive income:							
Currency translation differences	-	-	-	-	-	(7.9)	(1.3)
Profit and total comprehensive income for the year/period	2,236.1	4,317.8	5,838.2	928.9	2,886.6	3,845.9	611.9
Profit attributable to:							
—Owners of the Company	2,190.2	4,290.6	5,813.2	925.0	2,865.1	3,849.3	612.5
—Non-controlling interests	45.9	27.2	25.0	4.0	1.5	4.4	0.7
	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,853.8	613.2
Total comprehensive income to:							
Owners of the Company	2,190.2	4,290.6	5,813.2	925.0	2,865.1	3,845.0	611.8
Non-controlling interests	45.9	27.2	25.0	4.0	1.5	0.9	0.1
	2,236.1	4,317.8	5,838.2	928.9	2,866.6	3,845.9	611.9
Dividends	740.3	1,604.8	2,163.5	344.2	-	-	-
Other Financial Data (unaudited)							
EBITDA[2]	4,105.6	7,434.4	10,442.6	1,661.5	5,038.9	7,190.2	1,144.1
EBITDA Margin[3]	23.3%	28.8%	30.1%	30.1%	26.2%	30.6%	30.6%

Notes:

(1) During the year ended December 31, 2010, we adopted a new accounting policy for recording land use rights held for development and subsequent sale. We accounted for this change in accounting policy retrospectively for 2009 by restating the financial information as of and for the year ended December 31, 2009 contained in our audited consolidated financial statements as of and for the year ended December 31, 2010. We restated such financial information by reversing the amortization charged in prior years, and present such restated financial information throughout this offering memorandum.

(2) EBITDA for any period consists of operating profit plus finance income, depreciation expenses and amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA is not a standard measure under either U.S. GAAP or HKFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to service debt and pay taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See "Management's discussion and analysis of financial condition and results of operations—Non-GAAP financial measures" for a reconciliation of our profit for the year under HKFRS to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

(3) EBITDA margin is calculated by dividing EBITDA by revenue.

Nine Months Ended September 30, 2012 Compared to Nine Months Ended September 30, 2011

Revenue. Our revenue increased by 22.3% to RMB23,522.4 million (US$3,742.8 million) in the nine months ended September 30, 2012 from RMB19,240.1 million in the nine months ended September 30, 2011, primarily attributable to an increase in revenue from property development of 22.3%.

- Property Development. Revenue generated from property development increased by 22.3% to RMB22,260.5 million (US$3,542.0 million) in the nine months ended September 30, 2012 from RMB18,197.0 million in the nine months ended September 30, 2011. Recognized average selling price of property for the period increased by 29.9% to approximately RMB6,511 per sq.m. in the nine months ended September 30, 2012 from approximately RMB5,013 per sq.m. in the nine months ended September 2011, which has offset the impact on revenue due to a 5.8% decrease in total GFA sold to 3,419,088 sq.m. in the nine months ended September 30, 2012 from 3,629,896 sq.m. in the nine months ended September 30, 2011.

  The total GFA sold decreased primarily due to variations in delivery schedule of properties delivered in the nine months ended September 30, 2012. The recognized average selling price increased primarily due to the increase in average selling price of semi-detached houses and apartments.

The following table sets forth the revenue generated from each project and the percentage of the total revenue it represented in each of the nine months ended September 30, 2011 and 2012, respectively.

	For the nine months ended September 30,			
	2012		2011	
Property Development	**Revenue**	**Percentage of Revenue**	**Revenue**	**Percentage of Revenue**
	RMB'000	**%**	**RMB'000**	**%**
Country Garden Phoenix City	4,626,996	20.8	1,397,197	7.7
Heshan Country Garden	1,151,575	5.2	2,015,592	11.1
Country Garden-Phoenix City (Shenyang)	902,661	4.1	259,351	1.4
Country Garden City Garden	780,578	3.5	-	0.0
Changsha Country Garden	738,777	3.3	412,419	2.3
Xinhui Country Garden	682,015	3.1	420,760	2.3
Country Garden Spring City	657,823	3.0	-	0.0
Country Garden Grand Palace (Shunde)	655,842	2.9	-	0.0
Country Garden—Galaxy Palace	575,959	2.6	323,867	1.8
Xinhui Country Garden—Phase Four	531,134	2.4	-	0.0
Shaoguan Country Garden	488,408	2.2	969,032	5.3
Anqing Country Garden	471,077	2.1	102,948	0.6
Holiday Islands—Qingyuan	457,255	2.1	1,625,020	8.9
Yunfu Country Garden	457,101	2.1	-	0.0
Country Garden Grand Palace (Nansha)	449,710	2.0	20,338	0.1
Others	8,633,567	38.8	10,650,481	58.5
Total	22,260,478	100.0	18,197,004	100.0

- Construction, Fitting and Decoration. Revenue generated from construction, fitting and decoration decreased by 23.0% to RMB112.8 million (US$17.9 million) in the nine months ended September 30, 2012 from RMB146.5 million in the nine months ended September 30, 2011, primarily due to a decrease in the volume of construction, fitting and decoration services rendered to related parties.

- Property Management. Revenue generated from property management increased by 20.0% in the nine months ended September 30, 2012 to RMB445.5 million (US$70.9 million) from RMB371.2 million in the nine months ended September 30, 2011, primarily due to an increase in the cumulative GFA under management resulting from construction completion and delivery of our properties in line with the expansion of our operations.

- Hotel Operation. Revenue generated from hotel operation increased by 34.0% to RMB703.7 million (US$112.0 million) in the nine months ended September 30, 2012 from RMB525.3 million in the nine months ended September 30, 2011, primarily due to increased revenues from existing hotels and the opening of new hotels such as five-star rating standard Maritim Hotel, Shenyang in July 2011 and Country Garden Phoenix Hotel, Chizhou in June 2012 respectively. See "Business—Hotel development and operation."

Cost of Sales. Cost of sales increased by 7.6% to RMB14,239.3 million (US$2,265.7 million) in the nine months ended September 30, 2012 from RMB13,230.6 million in the nine months ended September 30, 2011. The increase in cost of sales was in line with the increase in revenue.

Gross Profit. Gross profit increased by 54.5% to RMB9,283.1 million (US$1,477.1 million) in the nine months ended September 30, 2012 from RMB6,009.5 million in the nine months ended September 30, 2011. Our gross profit margin in the nine months ended September 30, 2012 increased to 39.5% from 31.2% in the nine months ended September 30, 2011. Our gross profit and gross profit margin increased primarily due to an increase in recognized average selling price.

Other Gains—net. Other gains—net increased by 7.3% to RMB38.3 million (US$6.1 million) in the nine months ended September 30, 2012 from RMB35.7 million in the nine months ended September 30, 2011, primarily due to an increase of refund of land usage tax to RMB22.1 million in the nine months ended September 30, 2012 from RMB3.4 million in the nine months ended September 30, 2011.

Selling and Marketing Costs. Selling and marketing costs increased by 80.4% to RMB1,371.3 million (US$218.2 million) in the nine months ended September 30, 2012 from RMB760.2 million in the nine months ended September 30, 2011. The increase was primarily attributable to an increase in advertising costs from RMB324.9 million in the nine months ended September 30, 2011 to RMB620.4 million in the nine months ended September 30, 2012, as well as an increase in commissions we offered to our sales staff during the period.

Administrative Expenses. Administrative expenses increased by 27.8% to RMB1,101.5 million (US$175.3 million) in the nine months ended September 30, 2012 from RMB861.8 million in the nine months ended September 30, 2011, primarily due to an increase of employee benefit expenses to RMB353.3 million in the nine months ended September 30, 2012 from RMB256.2 million in the nine months ended September 30, 2011 as we increased salaries and bonuses for employees during the period.

Finance Costs—net. We recorded finance costs—net of RMB300.5 million (US$47.8 million) in the nine months ended September 30, 2012 as compared to a finance income—net of RMB117.4 million in the nine months ended September 30, 2011, primarily due to increased interest expenses to RMB2,373.2 million in the nine months ended September 30, 2012 from RMB1,761.0 million in the nine months ended September 30, 2011 because of increased bank borrowings, as well as a net foreign exchange loss on financing activities of RMB66.5 million in the nine months ended September 30, 2012 compared to a net foreign exchange gain on financing activities of RMB323.2 million in the nine months ended September 30, 2011. The increase in finance costs was partially offset by an increase of capitalized interest expenses to RMB2,041.6 million in the nine months ended September 30, 2012 from RMB1,484.2 million in the nine months ended September 30, 2011.

Share of Loss of An Associate. We recorded a share of loss of an associate of RMB77.8 million (US$12.4 million) in the nine months ended September 30, 2012, as compared to a share of profit of an associate of RMB144.4 million in the nine months ended September 30, 2011, in relation to the Asian Games City Project.

Fair Value Changes on Derivative Financial Instruments. We recognized fair value changes on our Equity Swap. See "—Certain income statement items—Derivative financial instruments" for more details. Based on the market price on September 30, 2011, the loss from the fair value change on the Equity Swap was RMB147.6 million. We terminated the Equity Swap in March 2012. Measured by the termination price, the gain from the fair value change on the equity swap since January 1, 2012 to the termination date was approximately RMB73.6 million (US$11.7 million).

Income Tax Expense. Income tax expense increased by 61.0% to RMB2,690.3 million (US$428.1 million) in the nine months ended September 30, 2012 from RMB1,670.7 million in the nine months ended September 30, 2011, primarily attributable to an increase in LAT from RMB518.2 million in the nine months ended September 30, 2011 to RMB1,501.2 million (US$238.9 million) in the nine months ended September 30, 2012 and an increase in PRC enterprise income tax from RMB992.6 million in the nine months ended September 30, 2011 to RMB1,404.8 million (US$223.5 million) in the nine months ended September 30, 2012. The increase in LAT expense was primarily due to the increase in revenue. The increase in PRC enterprise income tax was primarily due to an increase in profit before income tax. Our effective income tax rate increased from 36.8% in the nine months ended September 30, 2011 to 41.1% in the nine months ended September 30, 2012.

Total Comprehensive Income for the Period. Total comprehensive income increased by 34.4% to RMB3,845.9 million (US$611.9 million) in the nine months ended September 30, 2012 from RMB2,866.6 million in the nine months ended September 30, 2011. Our net profit margin increased to 16.3% in the nine months ended September 30, 2012 from 14.9% in the nine months ended September 30, 2011, as a result of the cumulative effects of the foregoing factors.

Non-controlling Interests. Profits attributable to non-controlling shareholders of our subsidiaries decreased to RMB0.9 million (US$0.1 million) in the nine months ended September 30, 2012 from RMB1.5 million in the nine months ended September 30, 2011.

2011 compared to 2010

Revenue. Our revenue increased by 34.7% to RMB34,748.3 million (US$5,528.9 million) in 2011 from RMB25,804.1 million in 2010, primarily attributable to an increase in revenue from property development of 34.7%.

- Property Development. Revenue generated from property development increased by 34.7% to RMB33,194.0 million (US$5,281.6 million) in 2011 from RMB24,637.8 million in 2010, primarily attributable to a 19.6% increase in total GFA sold to approximately 5,895,762 sq.m. in 2011 from approximately 4,928,607 sq.m. in 2010, as well as an increase in the recognized average selling price of property of 12.6% from approximately RMB4,999 per sq.m. in 2010 to approximately RMB5,630 per sq.m. in 2011.

  The total GFA sold increased significantly, primarily because properties completed and delivered in 2011 increased along with the overall increase in the scale of our operations both inside and outside Guangdong province. The recognized average selling price of our property increased mainly as a result of the strong performance of our projects both inside and outside Guangdong Province.

The following table sets forth the revenue generated from each project and the percentage of the total revenue it represented in each of the years ended December 31, 2011 and 2010, respectively.

	For the year ended December 31,			
	2011		2010	
Property Development	**Revenue**	**Percentage of Revenue**	**Revenue**	**Percentage of Revenue**
	RMB'000	**%**	**RMB'000**	**%**
Country Garden Phoenix City	3,009,085	9.1	4,833,136	19.6
Heshan Country Garden	2,387,135	7.2	991,786	4.0
Holiday Islands—Qingyuan	1,750,400	5.3	-	0.0
Shaoguan Country Garden	1,407,419	4.2	1,906,899	7.7
Country Garden-Galaxy Palace	1,270,332	3.8	889,339	3.6
Dalang Country Garden	1,056,160	3.2	-	0.0
Gaoming Country Garden	1,027,687	3.1	1,813,817	7.4
Country Garden Lakeside City	955,838	2.9	491,816	2.0
Wuhu Country Garden	844,951	2.5	566,381	2.3
Huanan Country Garden—Phases One to Five and Phase Seven	826,865	2.5	214,962	0.9
Country Garden—Hot Spring City	768,558	2.3	-	0.0
Xinhui Country Garden	758,200	2.3	587,865	2.4
Changsha Country Garden	732,357	2.2	877,883	3.6
Country Garden—Hill Lake City	700,835	2.1	-	0.0
Taizhou Country Garden	685,628	2.1	489,773	2.0
Others	15,012,531	45.2	10,974,186	44.5
Total	33,193,982	100.0	24,637,843	100.0

- Construction, fitting and Decoration. Revenue generated from construction, fitting and decoration decreased by 16.6% to RMB240.9 million (US$38.3 million) in 2011 from RMB288.7 million in 2010, primarily due to a decrease in the volume of construction, fitting and decoration services rendered to Qingyuan Country Garden Property Development Co., Ltd., a related party. See "Related party transactions—Construction, fitting and decoration services" for more details.

- Property Management. Revenue generated from property management increased by 26.2% in 2011 to RMB511.7 million (US$81.4 million) from RMB405.4 million in 2010, primarily due to an increase in the cumulative GFA under management resulting from construction, completion and delivery of properties such as Country Garden Phoenix City, Shaoguan Country Garden, Holiday Islands—Qingyuan and Country Garden—Galaxy Palace in 2011.

- Hotel Operation. Revenue generated from hotel operation increased by 69.8% to RMB801.7 million (US$127.6 million) in 2011 from RMB472.2 million in 2010, primarily due to increased revenues from existing hotels and the opening of three new hotels, including Country Garden Phoenix Hotel, Shaoguan, Country Garden Phoenix Hotel, Huangshan and Country Garden Phoenix Hotel, Chizhou in 2011.

Cost of Sales. Cost of sales increased by 30.4% to RMB22,752.6 million (US$3,620.3 million) in 2011 from RMB17,452.9 million in 2010, which was in line with the increase in revenue. Our average cost of sales on a per sq.m. basis increased to RMB3,651 per sq.m. in 2011 from RMB3,347 per sq.m in 2010. The increase in cost of sales was in line with the increase in total sales of properties.

Gross Profit. Gross profit increased by 43.6% to RMB11,995.7 million (US$1,908.7 million) in 2011 from RMB8,351.2 million in 2010. Our gross profit margin in 2011 increased to 34.5% from 32.4% in 2010. Our gross profit and gross profit margin increased primarily due to the increases in total GFA sold and recognized average selling price of property mainly as a result of increased sales in Guangdong Province.

Other Gains—net. Other gains—net increased by 5.4% to RMB43.1 million (US$6.9 million) in 2011 from RMB40.9 million in 2010, primarily due to an increase in return from our Equity Swap from RMB12.9 million in 2010 to RMB 26.6 million in 2011 as a result of our increase in dividend per share from 2010 to 2011.

Selling and Marketing Costs. Selling and marketing costs increased by 81.6% to RMB1,128.4 million (US$179.6 million) in 2011 from RMB621.5 million in 2010. The increase was primarily attributable to an increase in advertising expenses from RMB234.8 million in 2010 to RMB548.5 million in 2011, as we launched more advertisement to promote the sales of new projects launched in 2011.

Administrative Expenses. Administrative expenses increased by 58.4% to RMB1,319.5 million (US$209.9 million) in 2011 from RMB833.2 million in 2010, primarily due to an increase of salary expenses by 41.9% to RMB495.6 million in 2011 from RMB331.8 million in 2010.

Finance Costs—net. Finance costs—net decreased by 46.5% to RMB120.2 million (US$19.1 million) in 2011 from RMB224.8 million in 2010, primarily due to (i) an increase in capitalized interest expenses from RMB1,006.1 million in 2010 to RMB1,789.5 million (US$284.7 million) in 2011, mainly resulting from an increase in properties under construction, and (ii) foreign exchange gains on financing activities of RMB438.0 million (US$69.7 million) resulting from the increased amount of U.S. dollar settled senior notes and the Renminbi appreciating against the U.S. dollar in 2011. The decrease in finance costs—net was partially offset by the recognition of full-year interest expense on the 2017 Notes issued in April 2010 and the 2015 Notes issued in August 2010 as well as the interest expense on the 2018 Notes issued in February 2011.

Share of Profit of An Associate. We recorded a share of profit of an associate of RMB120.9 million (US$19.2 million) in 2011, which represents our share of profit in the Asian Games City Project as GFA previously pre-sold were completed and delivered and recognized as revenue in the Asian Games City JV's income statement in 2011.

Fair Value Changes on Derivative Financial Instruments. We recognized fair value changes on our Equity Swap. See "—Certain income statement items—Derivative financial instruments" for more details. Based on the market price on December 31, 2011, we recognized fair value gain on the Equity Swap of RMB15.2 million (US$2.4 million). The fair value gain on the Equity Swap in 2010 was RMB55.2 million.

Income Tax Expense. Income tax expense increased by 56.9% to RMB3,768.6 million (US$599.6 million) in 2011 from RMB2,402.0 million in 2010, primarily attributable to an increase in PRC enterprise income tax from RMB1,484.5 million in 2010 to RMB2,368.8 million (US$376.9 million) in 2011 and an increase in LAT from RMB873.4 million in 2010 to

RMB1,448.6 million (US$230.5 million) in 2011. The increase in PRC enterprise income tax was primarily due to an increase in profit before income tax. The increase in LAT expense was primarily due to the increase in revenue. Our effective income tax rate increased slightly from 35.7% in 2010 and 39.2% in 2011.

Profit and Total Comprehensive Income for the Year. Profit and total comprehensive income for the year increased by 35.2% to RMB5,838.2 million (US$928.9 million) in 2011 from RMB4,317.8 million in 2010. Our net profit margin increased to 16.8% in 2011 from 16.7% in 2010, as a result of the cumulative effects of the foregoing factors.

Non-controlling Interests. Profits attributable to non-controlling shareholders of our subsidiaries decreased to RMB24.9 million (US$4.0 million) in 2011 from RMB27.2 million in 2010, as a result of decreased profits from projects in which minority shareholders held an interest.

2010 compared to 2009

Revenue. Our revenue increased by 46.7% to RMB25,804.1 million in 2010 from RMB17,585.7 million in 2009, primarily attributable to an increase in revenue from property development of 48.9%.

- Property Development. Revenue generated from property development increased by 48.9% to RMB24,637.8 million in 2010 from RMB16,544.9 million in 2009, primarily attributable to a 41.3% increase in total GFA sold, to approximately 4,928,607 sq.m. in 2010 from approximately 3,488,784 sq.m. in 2009, as well as an increase in the recognized average selling price of property of 5.4% from approximately RMB4,742 per sq.m. in 2009 to approximately RMB4,999 per sq.m. in 2010.

  The total GFA sold increased significantly primarily because (i) properties completed and delivered in 2010 increased along with the overall increase in the scale of our operations both inside and outside Guangdong province, and (ii) most of the property sales revenue recognized in 2010 was attributable to sales contracts entered into after the first quarter of 2009, when the PRC property market started to recover from the slowdown caused by the global economic downturn commencing in 2008. The recognized average selling price increased primarily because the proportion of GFA sold in 2010 attributable to low-density units such as townhouses, which generally have higher selling prices than apartments, increased as compared to 2009.

The following table sets forth the revenue generated from each project and the percentage of the total revenue it represented in each of the years ended December 31, 2010 and 2009, respectively.

	For the year ended December 31,			
	2010		2009	
Property Development	**Revenue**	**Percentage of Revenue**	**Revenue**	**Percentage of Revenue**
	RMB'000	**%**	**RMB'000**	**%**
Country Garden Phoenix City	4,833,136	19.6	2,706,058	16.4
Shaoguan Country Garden	1,906,899	7.7	497,582	3.0
Gaoming Country Garden	1,813,817	7.4	1,470,502	8.9
Heshan Country Garden	991,786	4.0	766,219	4.6
Country Garden-Galaxy Palace	889,339	3.6	583,794	3.5
Changsha Country Garden	877,883	3.6	625,684	3.8
Anqing Country Garden	774,940	3.1	235,458	1.4
Taishan Country Garden	739,603	3.0	231,207	1.4
Zhaoqing Country Garden	694,765	2.8	484,562	2.9
Shunde Country Garden—including Country Garden West Court	643,855	2.6	175,413	1.1
Changshou Country Garden	641,292	2.6	293,061	1.8
Shaoguan Country Garden—Sun Palace	629,945	2.6	-	0.0
Shenyang Country Garden	628,585	2.6	879,814	5.3
Xinhui Country Garden	587,865	2.4	238,299	1.4
Wuhu Country Garden	566,381	2.3	401,916	2.4
Huiyang Country Garden	553,414	2.2	321,612	1.9
Shanwei Country Garden	549,656	2.2	-	0.0
Nansha Country Garden	549,066	2.2	445,037	2.7
Country Garden Lakeside City	491,816	2.0	398,193	2.4
Taizhou Country Garden	489,773	2.0	397,492	2.4
Others	4,784,027	19.4	5,393,000	32.6
Total	24,637,843	100.0	16,544,904	100.0

- Construction, fitting and Decoration. Revenue generated from construction, fitting and decoration decreased by 23.5% to RMB288.7 million in 2010 from RMB377.2 million in 2009, primarily due to a decrease in the volume of construction, fitting and decoration services rendered to Qingyuan Country Garden Property Development Co., Ltd., a related party. See "Related party transactions—Construction, fitting and decoration services" for more details.

- Property Management. Revenue generated from property management increased by 16.1% in 2010 to RMB405.4 million from RMB349.3 million in 2009, primarily due to an increase in the cumulative GFA under management resulting from construction, completion and delivery of properties such as Country Garden Phoenix City and Gaoming Country Garden in 2010.

- Hotel Operation. Revenue generated from hotel operation increased by 50.2% to RMB472.2 million in 2010 from RMB314.3 million in 2009, primarily due to the opening of two new hotels, including Country Garden Phoenix Hotel, Changshou, Chongqing and Country Garden Phoenix Hotel, Jingmen, in 2010, as well as increased revenues from existing hotels.

Cost of Sales. Cost of sales increased by 34.6% to RMB17,452.9 million in 2010 from RMB12,967.6 million in 2009, primarily due to an increase in construction, decoration and design costs, which was in line with the increase in the total GFA sold. Our average cost of sales on a per sq.m. basis decreased to RMB3,347 per sq.m. in 2010 from RMB3,464 per sq.m in 2009, primarily due to a decrease in average overhead costs mainly resulting from our economies of scale.

Gross Profit. Gross profit increased by 80.8% to RMB8,351.2 million in 2010 from RMB4,618.1 million in 2009. Our gross profit margin in 2010 increased to 32.4% from 26.3% in 2009. Our gross profit and gross profit margin increased primarily due to the increases in total GFA sold and recognized average selling price of property and the lower average cost of sale or a per sq.m basis in 2010 as compared to 2009.

Other Gains—net. Other gains—net decreased by 78.3% to RMB41.0 million in 2010 from RMB188.7 million in 2009. Other gains—net was relatively large in 2009 primarily due to a gain of RMB114.0 million arising from the disposal of our interest in The Rural Credit Cooperatives Union of Shunde in 2009.

Selling and Marketing Costs. Selling and marketing costs increased by 91.5% to RMB621.5 million in 2010 from RMB324.6 million in 2009. The increase was primarily attributable to an increase in advertisement expenses from RMB97.1 million in 2009 to RMB234.8 million in 2010, mainly for our 13 new projects launched for pre-sale in 2010 and for enhancing marketing activities to take advantage of strengthening market conditions.

Administrative Expenses. Administrative expenses increased by 19.7% to RMB833.2 million in 2010 from RMB695.8 million in 2009, primarily due to increased salary expenses. Our headcount was temporarily reduced in the first half of 2009 as part of our overall cost reduction measures in light of the slowdown in the PRC property market during this period. We hired additional employees as the PRC property market gradually recovered since the second half of 2009. As of December 31, 2009 and 2010, we had approximately 29,514 and 32,943 full-time employees, respectively.

Finance Costs—net. Finance costs—net decreased by 65.5% to RMB224.8 million in 2010 from RMB651.9 million in 2009, primarily due to (i) an increase in capitalized interest expenses from RMB403.4 million in 2009 to RMB1,006.1 million in 2010, mainly resulting from an increase in properties under construction, (ii) foreign exchange gains on financing activities of RMB110.1 million resulting from the increased amount of U.S. dollar settled senior notes and the Renminbi appreciating against the U.S. dollar in 2010, and (iii) a gain on the repurchase of Convertible Bonds of RMB61.9 million as the Convertible Bonds were repurchased at prices lower than their carrying value. The decrease in finance costs—net was partially offset by the recognition of full-year interest expense on the 2014 Notes issued in September 2009 as well as the interest expense on the 2017 Notes issued in April 2010 and the 2015 Notes issued in August 2010.

Share of Loss of An Associate. We recorded a share of loss of an associate of RMB48.1 million in 2010, which is related to the Asian Games City Project. The loss was related to the initial development costs incurred for the Asian Games City Project and interest expenses on its bank borrowings. In addition, the GFA of approximately 366,000 sq.m. that was pre-sold in 2010 has not been recognized as revenue in the Asian Games City JV's income statement in 2010.

Fair Value Changes on Derivative Financial Instruments. We recognize fair value changes on our Equity Swap. See "—Certain income statement items—Derivative financial instruments" for more details. Based on the market price on December 31, 2010, we recognized fair value gain on the Equity Swap of RMB55.2 million. The fair value gain on the Equity Swap in 2009 was RMB251.4 million.

Income Tax Expense. Income tax expense increased by 108.9% to RMB2,402.0 million in 2010 from RMB1,149.8 million in 2009, primarily attributable to an increase in PRC enterprise income tax from RMB684.7 million in 2009 to RMB1,484.5 million in 2010 and an increase in LAT from RMB275.4 million in 2009 to RMB873.4 million in 2010. The increase in PRC enterprise income tax was primarily due to an increase in profit before income tax. The increase in LAT expense was primarily due to the increase in revenue and the higher percentage of GFA sold in 2010 that was attributable to low-density units, which generally have higher selling prices than apartments. Our effective income tax rate increased slightly from 34.0% in 2009 and 35.7% in 2010.

Profit and Total Comprehensive Income for the Year. Profit and total comprehensive income for the year increased by 93.1% to RMB4,317.8 million in 2010 from RMB2,236.1 million in 2009. Our net profit margin increased to 16.7% for the year ended December 31, 2010 from 12.7% in 2009, as a result of the cumulative effects of the foregoing factors.

Non-controlling Interests. Profits attributable to non-controlling shareholders of our subsidiaries decreased to RMB27.2 million in 2010 from RMB45.9 million in 2009, as a result of decreased profits from projects in which minority shareholders held an interest.

Liquidity and capital resources

Cash flows

We operate in a capital intensive industry and have historically financed the development of our projects and other capital expenditures through a combination of internal funds, cash generated from our sales and pre-sale proceeds, borrowings from commercial banks in the PRC and Hong Kong, and proceeds from issuance of debt and equity securities, such as our IPO in April 2007, the issuance of Convertible Bonds in February 2008, the issuance of the 2014 Notes in September 2009, the issuance of the 2017 Notes in April 2010, the issuance of the 2015 Notes in August 2010, the issuance of the 2018 Notes in February 2011 and our share placement in February 2012. Our short-term liquidity relates to servicing our debt and funding working capital requirements. Sources of short-term liquidity include cash balances and receipts from our operations. Our long-term liquidity requirement includes partial funding of our investments in new property projects and repayment of long-term debt under the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and other long-term credit facilities. Sources of funding for our long-term liquidity requirements include new loans or debt issuance. We hold our cash and cash equivalents primarily in Renminbi, with the remaining in Hong Kong dollars and U.S. dollars.

The following table presents selected cash flow data from our consolidated cash flow statement for each of the three years ended December 31, 2009, 2010 and 2011 and nine months ended September 30, 2012.

(RMB in thousands)	Year ended December 31, 2009	2010	2011	Nine months ended September 30, 2012
Net cash (used in)/generated from operating activities	(791,270)	775,022	(2,486,862)	(5,153,227)
Net cash used in investing activities	(2,987,040)	(2,020,303)	(2,629,490)	(1,366,046)
Net cash generated from financing activities	5,383,325	1,834,862	7,993,307	7,628,187
Cash and cash equivalents at the end of the year/period	4,608,708	5,094,298	7,744,362	8,853,276

Cash flows from operating activities

Nine months ended September 30, 2012. Our net cash used in operating activities of RMB5,153.2 million was attributable to income tax paid of RMB2,504.4 million, interest paid of RMB2,406.7 million and cash used in operations of RMB242.1 million. Prior to changes in working capital, we had cash generated from operations of RMB9,125.4 million. Changes in working capital contributed to a net cash outflow of RMB9,367.5 million, comprising primarily (i) an increase in property under development and completed properties held for sale of RMB13,474.1 million, mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in trade and other receivables of RMB3,193.0 million, mainly due to an increase in receivables relating to property development activities, (iii) an increase in restricted cash of RMB977.5 million, mainly due to an increase in proceeds from pre-sales, (iv) an increase in prepaid taxes of RMB377.5 million, partially offset by (a) an increase advanced proceeds received from customers of RMB7,320.6 million, and (b) an increase in trade and other payables of RMB1,431.2 million, mainly due to an increase in other payables to third parties, representing the non-controlling interests in our non-wholly owned subsidiaries.

2011. Our net cash used in operating activities of RMB2,486.9 million was attributable to income tax paid of RMB2,868.0 million and interest paid of RMB2,104.8 million, partially offset by cash generated from operations of RMB2,485.9 million. Cash generated from operations prior to changes in working capital was RMB9,902.3 million. Changes in working capital contributed to a net cash outflow of RMB7,416.4 million, comprising primarily (i) an increase in property under development and completed properties held for sale of RMB18,363.9 million, mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in prepaid taxes of RMB182.0 million, (iii) an increase in trade and other receivables of RMB144.7 million, and (iv) an increase in inventories of RMB42.8 million, partially offset by (a) an increase in advanced proceeds received from customers of RMB6,135.4 million, (b) an increase in trade and other payables of RMB5,071.9 million, mainly due to the increase in properties under development and associated construction fees payable, and (c) a decrease in restricted cash of RMB109.8 million.

2010. Our net cash generated from operating activities of RMB775.0 million was attributable to cash generated from operations of RMB3,268.1 million, partially offset by income tax paid of RMB1,363.5 million and interest paid of RMB1,129.6 million. Cash generated from operations prior to changes in working capital was RMB7,242.9 million. Changes in working capital contributed to a net cash outflow of RMB3,974.8 million, comprising primarily (i) an increase in property under development and completed properties held for sale of RMB10,154.6 million, mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in trade and other receivables of RMB3,364.5 million, mainly due to shareholder loans to Asian Games City JV relating to the Asian Games City Project and increases in deposits and prepayments for land use rights, (iii) an increase in restricted cash of RMB943.5 million, mainly due to an increase in proceeds from our pre-sold properties, and (iv) an increase in prepaid taxes of RMB394.4 million, partially offset by (a) an increase in advanced proceeds received from customers of RMB7,689.9 million, and (b) an increase in trade and other payables RMB3,069.0 million, mainly due to the increase in properties under development and associated construction fees payable.

2009. Our net cash used in operating activities of RMB791.3 million was attributable to income tax paid of RMB1,802.4 million and interest paid of RMB788.2 million, partially offset by cash generated from operations of RMB1,799.4 million. Cash generated from operations prior to changes in working capital was RMB3,913.6 million. Changes in working capital contributed to a net cash outflow of RMB2,114.2 million, comprising primarily (i) an increase in trade and other receivables of RMB3,575.9 million, mainly due to increases in deposits and prepayments for land use rights, (ii) an increase in properties under development and completed properties held for sale of RMB2,957.2 million, mainly due to an increase in land use rights, and (iii) an increase in restricted cash of RMB1,087.2 million, mainly due to an increase in proceeds from our pre-sold properties and the collateral for bank borrowings of RMB288.1 million, partially offset by (a) an increase in advanced proceeds received from customers of RMB4,926.1 million, and (b) an increase in trade and other payables of RMB501.1 million.

Cash flows from investing activities

Nine months ended September 30, 2012. Our net cash outflow from investing activities of RMB1,366.0 million in the nine months ended September 30, 2012 was primarily attributable to purchases of property, plant and equipment of RMB1,484.3 million which mainly represented payment for construction of new hotels.

2011. Our net cash outflow from investing activities of RMB2,629.5 million in 2011 was primarily attributable to (i) purchases of property, plant and equipment of RMB2,783.4 million in relation to payment for construction of new hotels, and (ii) purchase of land use rights of RMB34.9 million, partially offset by (a) interest received of RMB101.3 million, and (b) government grants received of RMB81.7 million.

2010. Our net cash outflow from investing activities of RMB2,020.3 million in 2010 was primarily attributable to (i) purchases of property, plant and equipment of RMB2,066.3 million, (ii) equity injection in Asian Games City JV of RMB217.6 million, and (iii) purchase of land use rights relating to hotel properties of RMB23.5 million, partially offset by (a) proceeds from partial disposal of an associate of RMB85.7 million resulting from our transfer of a 13% interest in the Asian Games City JV to two PRC real estate developers pursuant to the Asian Games Equity Transfer Transactions, see "Business—Asian Games City Project," and (b) interest received of RMB76.6 million.

2009. We had net cash outflow from investing activities of approximately RMB2,987.0 million for the year ended December 31, 2009, primarily attributable to (i) prepayment for land use right for Asian Games City Project of RMB2,040.0 million, (ii) purchase of land use rights through the acquisition of subsidiaries of RMB347.4 million, and (iii) purchases of property, plant and equipment of RMB551.3 million.

Cash flows from financing activities

Nine months ended September 30, 2012. Our net cash inflow from financing activities of RMB7,628.2 million in the nine months ended September 30, 2012 was primarily attributable to (i) net proceeds from bank borrowings of RMB4,959.0 million, (ii) net proceeds from our share placement in February 2012 of RMB1,734.6 million, and (iii) return of the collateral from the termination of the Equity Swap in March 2012 of RMB729.0 million.

2011. Our net cash inflow from financing activities of RMB7,993.3 million in 2011 was primarily attributable to (i) proceeds from bank borrowings of RMB10,586.9 million and (ii) net proceeds from the issuance of the 2018 Notes of RMB5,770.4 million, partially offset by (a) repayments of bank borrowings of RMB6,619.5 million, (b) dividends paid to shareholders of RMB1,604.8 million, and (c) repurchases of the Convertible Bonds of RMB585.3 million.

2010. Our net cash inflow from financing activities of RMB1,834.9 million in 2010 was primarily attributable to (i) net proceeds from the issuance of the 2017 Notes and 2015 Notes of RMB6,294.7 million and (ii) proceeds from bank borrowings of RMB5,136.5 million, partially offset by (a) repayments of bank borrowings of RMB6,149.3 million and (b) repurchases of the Convertible Bonds of RMB3,371.7 million.

2009. Our net cash inflow from financing activities of approximately RMB5,383.3 million in 2009 was primarily attributable to (i) proceeds from bank borrowings of RMB9,567.6 million and (ii) net proceeds from the issuance of the 2014 Notes of RMB2,527.7 million, partially offset by repayments of bank borrowings of RMB6,505.2 million.

Capital resources

Property developments require substantial capital investment for land acquisition and construction and may take many months or years before positive cashflows can be generated. To date we have funded our growth principally from internal funds, borrowings from banks, proceeds from sales and pre-sales of our developed properties and proceeds from issuance of both debt and equity securities, such as our IPO in April 2007, the issuance of the Convertible Bonds in February 2008, the issuance of the 2014 Notes in September 2009, the issuance of the 2017 Notes in April 2010, the issuance of the 2015 Notes in August 2010 and the issuance of the 2018 Notes in February 2011. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies.

Since June 2003 commercial banks in the PRC have been prohibited under PBOC guidelines from advancing loans to fund payment of land premium. As a result, property developers may not use PRC bank loans to pay for land premium.

In an attempt to control the growth of the PRC property market, the PRC government in November 2009 raised the minimum down payment to 50% of the total land premium and on March 8, 2010, the Ministry of Land and Resources issued the circular on Strengthening Real Estate Land Supply and Supervision (關於加強房地產用地供應和監管有關問題的通知), under which the minimum price for a given land transfer is to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and pay the balance within one year of the contract date, subject to limited exceptions. Such policy may constrain our cash otherwise available for additional land acquisition and construction.

In addition to restrictions on land premium financing, the PRC government also encourages property developers to use internal funds to develop their property projects. Under guidelines issued by the China Banking Regulatory Commission in August 2004, commercial banks in China are not permitted to lend funds to property developers with an internal capital ratio, calculated by dividing the internal funds available by the total capital required for the project, of less than 35%, an increase of five percentage points from 30% as previously required. Such increase in internal capital ratio will increase the internally sourced capital requirement for property developers, including ourselves. In May 2009, as part of its measure to combat the impact of the current global economic downturn, the PRC government lowered this ratio to 20% for protected housing projects and ordinary commodity housing projects and to 30% for other property projects to stimulate property developments in China. However, the PRC government has recently announced a series of measures designed to stabilize the growth of the PRC economy and to stabilize the growth of specific sectors, including the property market, to a more sustainable level. See "Risk factors—Risks relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth."

We typically use internal funds and project loans from PRC banks to finance the initial construction costs for our property developments in the PRC. Additional cash is generated from pre-sales of properties when they meet the requirements of pre-sale under the national and local regulations. Such proceeds from pre-sales, together with the project loans, are the major sources of fund for the construction of our projects.

We intend to continue to fund our future development and debt servicing from existing financial resources and cash generated from operations. We may also raise additional funds through debt or equity offerings or sales or other dispositions of assets in the future to finance all or a portion of our future development, for debt servicing or for other purposes. Our ability to obtain adequate financing to satisfy our debt service requirements may be limited by our financial condition and results of operations and the liquidity of international and domestic financial markets. Any failure by us to achieve timely rollover, extension or refinancing of our short-term debt may result in our inability to meet our obligations in connection with debt service, accounts payable or other liabilities when they become due and payable. See "Risk factors—Risks relating to our business—We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations."

Borrowings

Bank borrowings

The following table sets forth our bank borrowings as of December 31, 2009, 2010 and 2011 and September 30, 2012:

(RMB in thousands)	As of December 31, 2009	2010	2011	As of September 30, 2012
Borrowings included in non-current liabilities:				
Bank borrowings				
—secured	7,819,753	6,539,228	9,910,250	15,080,520
—unsecured	2,604,750	2,841,020	2,859,501	2,364,990
Less: current portion of non-current borrowings	(2,786,500)	(4,699,878)	(5,361,450)	(6,027,793)
Non-current borrowings	7,638,003	4,680,370	7,408,301	
Borrowings included in current liabilities:				
Bank borrowings				11,417,717
—secured	288,065	100,000	885,400	861,457
—unsecured	176,096	384,658	222,140	529,365
Current portion of non-current borrowings	2,786,500	4,699,878	5,361,450	6,027,793
Current borrowings	3,250,661	5,184,536	6,468,990	7,418,615
Total	10,888,664	9,864,906	13,877,291	18,836,332

Our bank borrowings as of December 31, 2009, 2010 and 2011 and September 30, 2012 bore a weighted average effective interest of 6.73%, 5.52%, 7.21% and 9.08%, respectively.

As of September 30, 2012, most of our borrowings were secured by land use rights and properties that we owned and guaranteed by our subsidiaries. The maturity of our bank borrowings included in non-current liabilities as of December 31, 2009, 2010 and 2011 and September 30, 2012 is as follows:

(RMB in thousands)	As of December 31, 2009	2010	2011	As of September 30, 2012
Between 1 and 2 years	4,348,823	2,775,570	4,348,751	4,824,200
Between 2 and 5 years	2,839,180	1,504,800	2,661,350	5,949,517
Beyond 5 years	450,000	400,000	398,200	644,000
	7,638,003	4,680,370	7,408,301	11,417,717

Subsequent to September 30, 2012, we have, from time to time, in the ordinary course of business, entered into additional loan agreements to finance our property developments or for general corporate purposes. A substantial portion of these loans were PRC bank loans and were secured by land use rights and other assets and properties as well as guaranteed by certain of our

PRC subsidiaries. We have also entered into certain offshore facilities to finance our operations. See "Description of other material indebtedness—Offshore facility agreements."

Convertible Bonds and senior notes

We issued RMB denominated U.S. dollar settled 2.5% Convertible Bonds due 2013 with an aggregate principal amount of RMB3,595 million on February 22, 2008. The principal amount of the Convertible Bonds was increased to RMB4,314 million as a result of over-subscription. In September 2009, we issued 11.75% senior notes due 2014 with an aggregate principal amount of US$375,000,000, which remained outstanding as of September 30, 2012. In April 2010, we issued 11.25% senior notes due 2017 with an aggregate principal amount of US$550,000,000, which remained outstanding as of September 30, 2012. In August 2010, we issued 10.50% senior notes due 2015 with an aggregate principal amount of US$400,000,000, which remained outstanding as of September 30, 2012. In February 2011, we issued 11.125% senior notes due 2018 with an aggregate principal amount of US$900,000,000, which remained outstanding as of September 30, 2012.

We repurchased certain amount of the Convertible Bonds through a tender offer in April 2010 and through trading on the over-the-counter market. We also redeemed some of the Convertible Bonds on February 22, 2011 pursuant to bondholders that exercised their put option under the Convertible Bonds. As a result, the outstanding principal amount of the Convertible Bonds was reduced from RMB4,314.0 million to RMB781.0 million as September 30, 2012.

The Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes are currently guaranteed by certain of our subsidiaries as subsidiary guarantors, and are secured, on a *pari passu* basis, by pledges over the shares of certain of such subsidiary guarantors. Such collateral is expected to be shared on a *pari passu* basis among the holders of the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes and the Notes upon the issuance of the Notes. See "Description of other material indebtedness—Convertible Bonds," "Description of other material indebtedness—2014 Notes," "Description of other material indebtedness—2017 Notes," "Description of other material indebtedness—2015 Notes" and "Description of other material indebtedness—2018 Notes."

Restricted cash

Pursuant to relevant regulations, certain of our project companies are required to deposit a portion of proceeds from the pre-sales of properties into specific bank accounts. Before the completion of the pre-sold properties, the proceeds deposited in the escrow accounts may only be used for the restricted purposes of purchasing construction materials, equipment, making interim construction payments and paying taxes, with the prior approval of the relevant local authorities. Under the Equity Swap, we provided US$250.0 million as collateral to Merrill Lynch International. In addition, some of our secured borrowings and bills payable were secured by our bank deposits. As of December 31, 2009, 2010 and 2011 and September 30, 2012, our restricted cash amounted to RMB3,815.3 million (comprising guarantee deposits for construction of pre-sold properties of RMB1,820.2 million, collateral for the Equity Swap of RMB1,707.0 million and collateral for bank borrowings of RMB288.1 million), RMB4,758.8 million (comprising guarantee deposits for construction of pre-sold properties of RMB3,005.9 million, collateral for the Equity Swap of RMB1,658.5 million and collateral for bank borrowings of RMB94.5 million), RMB4,649.0 million (comprising guarantee deposits for construction of pre-sold properties of RMB2,871.6 million, collateral for the Equity Swap of RMB1,575.2 million and collateral for bank borrowings of RMB202.2 million) and RMB4,051.3 million (comprising guarantee deposits for construction of pre-sold properties of RMB3,273.9 million and collateral for bank borrowings of RMB777.4 million), respectively.

Contingent liabilities

As of September 30, 2012, we provided guarantees of approximately RMB17,902.9 million to PRC banks in respect of the mortgaged loans provided by the banks to purchasers of our developed properties. The majority of the guarantees are discharged upon the earlier of the issuance of the individual property ownership certificate to the owner of the property or the certificate of other rights of property to the mortgage bank which will generally be available within three months after we deliver the relevant property to the purchasers, or upon the full settlement of the mortgaged loans by the purchaser. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, we are responsible for repaying the outstanding mortgage principal together with accrued interest and penalty owed by the defaulted purchasers to the banks and we are entitled to take legal title to and possession of the relevant properties. Of the amounts as of September 30, 2012, approximately RMB33.0 million was to be discharged two years from the day the mortgage loans become due; and approximately RMB17,869.9 million was to be discharged upon the earlier of (i) issuance of the property ownership certificates which will generally be available within three months after the purchasers take possession of the relevant properties and (ii) the full repayment of the mortgage loans by the purchasers.

In addition, we provided guarantees for certain borrowings of the Asian Games City JV. As of September 30, 2012, the maximum exposure of our guarantees provided for the Asian Games City JV for its borrowings amounted to RMB1,805.5 million.

Capital commitments

As of September 30, 2012, our capital commitments in connection with our property development activities amounted to RMB19,873.0 million, primarily arising from contracted construction fees, land premium or other capital commitments for future property developments. We expect to fund such capital commitments principally from the pre-sale proceeds of our properties, bank and other borrowings and internally generated cash. The following table shows a breakdown of our capital commitments with respect to our property developments as of September 30, 2012:

	Amount	Percentage
	(RMB in thousands)	%
Contracted but not provided for		
Property, plant and equipment	11.1	0.0
Property development expenditure (including land premium)	19,861.9	100.0
	19,873.0	100.0

For additional information about our capital commitments, see note 27 to our consolidated financial information as of and for the nine months ended September 30, 2012 included elsewhere in this offering memorandum.

Market risk

Interest rate risk

We are subject to market risks due to fluctuations in interest rates. Our net profit is affected by changes in interest rates due to the impact such changes may have on interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities, including bank borrowings. In addition, an increase in interest rates would adversely affect our prospective purchaser's willingness and ability to purchase our properties, our ability to service loans that we have guaranteed and our ability to raise and service long-term debt and to finance our developments, any of which could adversely affect our business, financial condition and results of operations.

Currently, our borrowings primarily consist of loans from commercial banks, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes. As of December 31, 2009, 2010 and 2011 and September 30, 2012, our borrowings amounted to RMB17,769.6 million, RMB20,118.2 million, RMB28,965.9 million and RMB33,891.4 million, respectively. We currently do not have any derivative instruments to hedge our interest rate risk.

Borrowings issued at variable rates expose us to cash flow interest rate risk while borrowings issued at fixed rates expose us to fair value interest rate risk. In addition, any increase of benchmark lending rates published by PBOC may result in an increase in our interest costs, as most of our bank borrowings bear floating interest rates linked to PBOC-published rates. PBOC-published benchmark one-year lending rates, which directly affect the property mortgage rates offered by commercial banks in China, as of December 31, 2009, 2010 and 2011 and September 30, 2012 was 5.31%, 5.81%, 6.56% and 6.00%, respectively. We cannot assure you that PBOC will not raise lending rates in the future or that our business, financial condition and results of operations will not be adversely affected as a result of these adjustments.

Foreign exchange risk

We conduct most of our sales and purchases in Renminbi except for a small portion of our sales proceeds that are in other currencies. Our exposure to foreign exchange risk is principally due to our U.S. dollar-denominated debt and our bank deposits (including restricted cash) in foreign currencies, mainly Hong Kong dollars, U.S. dollars and Malaysian ringgit. As of September 30, 2012, we had U.S. dollar-denominated debt totaling approximately US$2,265 million, representing the 2014 Notes in the aggregate principal amount of US$375.0 million, the 2017 Notes in the aggregate principal amount of US$550.0 million, the 2015 Notes in the aggregate principal amount of US$400.0 million and the 2018 Notes in the aggregate principal amount of US$900.0 million, Hong Kong dollar-denominated debt totaling approximately HK$200 million, representing primarily outstanding amounts under certain term loans and no Malaysian ringgit-denominated debt. As of the same date, we had aggregate bank balances denominated in Hong Kong dollars of RMB327.4 million, in U.S. dollars of RMB157.3 million and other currencies of RMB4.1 million.

We recognize foreign exchange gain or loss on our statement of comprehensive income due to changes in value of assets and liabilities denominated in foreign currencies during the relevant accounting period.

Appreciation of the Renminbi against the U.S. dollar generally results in a gain arising from our U.S. dollar-denominated debt and a loss arising from our bank deposits in Hong Kong dollars and U.S. dollars. A depreciation of the Renminbi against the U.S. dollar would have the opposite effect. In addition, a depreciation of Renminbi would negatively affect the value of dividends paid by our PRC subsidiaries, which may in turn affect our ability to service foreign currency-denominated debts.

Fluctuations in the foreign exchange rate have had and will continue to have an impact on our business, financial condition and results of operations. See "Risk factors—Risks relating to the Notes—We may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly U.S. dollars."

Inflation

According to the China Statistical Bureau, China's overall national inflation rate, as represented by the general consumer price index, was approximately -0.7%, 3.3% and 5.4% in 2009, 2010 and 2011, respectively. Deflation could negatively affect our business as it would be a disincentive for prospective property buyers to make a purchase. Historically, we have not been materially affected by any inflation or deflation.

Non-GAAP financial measures

We use EBITDA and EBITDA margin to provide additional information about our operating performance. EBITDA refers to our operating profit plus finance income, depreciation, amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA margin is calculated by dividing EBITDA by revenue.

EBITDA is not a standard measure under either HKFRS or U.S. GAAP. As the property development business is capital intensive, capital expenditure requirements and levels of debt and interest expenses may have a significant impact on the profit for the year/period of companies with similar operating results. Therefore, we believe the investor community commonly uses this type of financial measure to assess the operating performance of companies in our market sector.

As a measure of our operating performance, we believe that the most directly comparable HKFRS and U.S. GAAP measure to EBITDA is operating profit. We operate in a capital intensive industry. We use EBITDA in addition to operating profit because operating profit includes many accounting items associated with capital expenditures, such as depreciation, as well as non-operating items, such as amortization of land use rights. These accounting items may vary between companies depending on the method of accounting adopted by a company. By minimizing differences in capital expenditures and the associated depreciation expenses as well as land use rights amortization, EBITDA provides further information about our operating performance and an additional measure for comparing our operating performance with other companies' results. Funds depicted by this measure may not be available for debt service due to covenant restrictions, capital expenditure requirements and other commitments.

The following table reconciles our operating profit under HKFRS to our definition of EBITDA for the periods indicated:

	For the year ended December 31,			For the nine months ended September 30,	
(RMB in millions)	**2009**	**2010**	**2011**	**2011**	**2012**
	(restated)				
Operating profit	3,786.5	6,937.4	9,590.9	6,843.7	4,423.3
Adjustments :					
Interest income	70.5	76.6	101.3	97.7	71.2
Depreciation	219.1	276.6	268.8	278.5	195.9
Amortization of land use rights[1]	26.9	29.4	39.0	27.5	21.3
Amortization of intangible assets	3.7	4.2	4.6	4.3	4.0
Exchange losses	(1.1)	110.2	438.0	(66.5)	323.2
EBITDA	4,105.6	7,434.4	10,442.5	7,190.2	5,038.9

Note:
(1) Represents amortization of land use rights for properties other than those held for development and subsequent sale, such as hotel properties. For further information, see "—Critical accounting policies—land use rights cost."

You should not consider our definition of EBITDA in isolation or construe it as an alternative to operating profit or as an indicator of operating performance or any other standard measure under HKFRS or U.S. GAAP. Our definition of EBITDA does not account for taxes and other non-operating cash expenses. Our EBITDA measures may not be comparable to similarly titled measures used by other companies. You should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

Industry overview

The information in the section below has been derived, in part, from various government publications unless otherwise indicated. We have endeavored to obtain the most recent sources available. This information has not been independently verified by us or the Initial Purchasers or any of our and their respective affiliates or advisors. The information may not be consistent with other information compiled within or outside the PRC.

The economy of the PRC

The PRC economy has grown significantly since the PRC government introduced economic reforms in the late 1970s. China's accession to the World Trade Organization in 2001 has further accelerated the reform of the PRC economy. In the past six years, China's nominal GDP has increased from approximately RMB21,631.4 billion in 2006 to approximately RMB47,288.2 billion in 2011 at a compound annual growth rate, or CAGR, of approximately 16.9%.

The table below sets out selected economic statistics for China for the years indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	21,631.4	26,581.0	31,404.5	34,090.3	40,151.3	47,288.2
Real GDP growth rate (%)	12.7	14.2	9.6	9.2	10.4	9.3
Per capita GDP (RMB)	16,499.7	20,169.5	23,707.7	25,607.5	30,015.0	35,181.2
Foreign Direct Investment (US$ in billions)	72.7	83.5	108.3	94.1	105.7	116.0
Fixed Asset Investment (RMB in billions)	10,999.8	13,732.4	17,282.8	22,459.9	27,812.2	31,148.5

Source: CEIC

Since 2004, with a view to preventing China's economy from overheating and to achieving more balanced and sustainable economic growth, the PRC government has taken various measures to control money supply, credit availability and fixed assets investment. In particular, the PRC government has taken measures to discourage speculation in the residential property market and has increased the supply of affordable housing. See the section headed "Regulation".

The property industry in the PRC

Property reforms

Property reforms in the PRC did not commence until the 1990s, prior to which the PRC property development industry was part of the nation's planned economy. In the 1990s, China's property and housing sector began its transition to a market-based system. A brief timeline of key housing reforms is set out below:

1988 .... The PRC government amended the national constitution to permit the transfer of state-owned land use rights

1992 .... Public housing sales in major cities commenced

1994 .... The PRC government further implemented property reform and established an employer/employee-funded housing fund

1995	The PRC government issued regulations regarding the sales and pre-sales of property, establishing a regulatory framework for property sales
1998	The PRC government abolished state-allocated housing policy
	The Guangdong government issued regulations on the administration of pre-sales of commodity properties in Guangdong Province
1999	The PRC government extended maximum mortgage term to 30 years
	The PRC government increased maximum mortgage financing from 70% to 80%
	The PRC government formalized procedures for the sale of property in the secondary market
2000	The PRC government issued regulations to standardize the quality of construction projects, establishing a framework for administering construction quality
2001	The PRC government issued regulations relating to the sales of commodity properties
2002	The PRC government promulgated the Rules Regarding the Grant of State-Owned Land Use Rights by Way of Tender, Auction and Listing-For-Sale
	The PRC government eliminated the dual system for domestic and overseas home buyers in China
2003	The PRC government promulgated rules for more stringent administration of property loans with a view to reducing the credit and systemic risks associated with such loans
	The State Council issued a notice for sustainable and healthy development of the property market
2004	The State Council issued a notice requiring that, with respect to property development projects (excluding ordinary standard residential houses), the proportion of capital funds should be increased from 20% to 35%. The Ministry of Construction amended Administrative Measures on the Pre-sale of Commercial Housing in Cities. CBRC issued the Guideline for Commercial Banks on Risks of Real Estate Loans to further strengthen the risk management of commercial banks on property loans
2005	The PRC government instituted additional measures to discourage speculation in certain regional markets including increasing the minimum required down payment to 30% of the total purchase price, eliminating the preferential mortgage interest rate for residential housing, imposing a business tax of 5% for sales within two years of purchase, and prohibiting reselling unfinished properties before they are completed
2006 to mid-2008	The PRC government implemented additional land supply, bank financing, foreign investment and other measures to curtail fast increases in property prices, to encourage the development of middle- to low-end housing and to promote healthy development of the PRC property industry
	The PRC government issued regulations to urge the full and effective use of existing construction land and the preservation of farming land and rules to control financial institutions' property financings to further curtail speculation, over development and fast increases in property prices

Mid-2008 to third quarter of 2009	The PRC government implemented a number of measures to combat the global economic slowdown. These measures include the lowering of the PBOC benchmark bank lending rates, the internal capital ratio for property projects and the down payment requirements for purchasing residential properties
Fourth quarter of 2009	The PRC government adjusted some of its policies in order to enhance regulation in the property market, to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly in certain cities, including abolishing certain preferential treatment relating to business tax payable upon transfers of residential properties
2010	The PRC government issued a number of measures and policies to curtail the overheating of the property market. Such policy adjustments include abolishment of certain preferential treatment relating to business taxes payable upon transfers of residential properties by property owners, suspending the grant of mortgage loans to non-residents who cannot provide any proof of local tax or social security payments for more than one year, and limiting the number of residential properties that one family can purchase in certain areas, such as Guangzhou, Shenzhen, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian. The PRC government also clarified certain issues with respect to the calculation, settlement and collection of LAT in order to enforce the settlement and collection of LAT, and the criteria for commercial banks to identify the second residential property when approving mortgage loans
2011	The PRC government implemented measures aimed at further cooling the real estate property market. These measures include increasing the minimum down payment to at least 60% of the total purchase price, setting minimum mortgage lending interest rate of 110% of the benchmark rate, levying business tax on the full amount of transfer price if an individual owner transfers a residential property within five years of purchase. There are also other measures targeting certain cities restricting purchasers from acquiring second (or further) residential properties and restricting non-residents that cannot provide any proof of local tax or social security payments for more than a specified time period from purchasing any residential properties and imposing property tax. In addition, certain cities, including Beijing, Shanghai, Qingdao, Chengdu and Jinan, have promulgated measures further limiting the number of residential properties one family is allowed to purchase. Between February and July 2011, the People's Bank of China (PBOC) raised the one-year benchmark lending rate by 75 basis points from 5.81% to 6.56%
January 2012 to May 2012	The PRC government continued to implement selected policies aimed at further cooling the real estate property market. The NDRC announced in February 2012 that the government intended to limit mortgage loans for home purchases by foreigners to reduce overseas investment in the local property market. However, the PRC government reiterated its support for first-time homebuyers, including the construction of affordable housing and the offer of differentiated loans by China's four biggest state-owned banks to first-time homebuyers and to fund affordable housing projects
May 2012 to November 2012	Beginning in May 2012, the PRC government began to implement selected measures to support the growth of the Chinese economy. In May 2012, the government lowered banks' reserve requirement ratio by 50 basis points for the second time, lowering the reserve requirement ratio for the country's largest financial institutions to 20%. The PRC government also lowered the PBOC one-year benchmark lending rate for the first time since December 2008, reducing the one-year benchmark lending rate by 56 basis points to 6.0%. In August 2012, the PRC

government began preparing the implementation of a broader property tax following initial trials in Shanghai and Chongqing, with tax governors from across the country undergoing a six-month training program organized by the State Administration of Taxation to prepare for the tax's implementation

Additional information on housing reforms and recent regulatory developments is set out in the section entitled "Regulation" in this offering memorandum.

The property reforms, together with the economic growth of China, an increase in disposable income, the emergence of the mortgage lending market and an increase in the urbanization rate, are key factors in sustaining the growth of China's property market. Government housing reforms continue to encourage private ownership and it is expected that the proportion of urban residents who own their private properties will continue to increase.

The table below sets out selected data relating to China's urbanization and disposable income of urban households in China for the periods indicated.

	2006	2007	2008	2009	2010	2011
Urban population (in millions)	582.9	606.3	624.0	645.1	669.8	690.8
Total population (in millions)	1,314.5	1,321.3	1,328.0	1,334.5	1,340.9	1,347.4
Urbanization rate (%)	44.3%	45.9%	47.0%	48.3%	49.9%	51.3%
Per capita disposable income of urban households (RMB)	12,719.2	14,908.6	17,067.7	18,858.1	21,033.4	23,979.2

Source: CEIC

The property market in China

Prices for property in China increased from 2006 to 2011, with the average price of residential properties in China increasing from approximately RMB3,119.3 per sq.m. in 2006 to approximately RMB4,993.2 per sq.m. in 2011, while the average price for commodity properties in the same period increased from approximately RMB3,366.8 per sq.m. in 2006 to approximately RMB5,357.1 per sq.m. in 2011.

In addition, investment in property development increased from approximately RMB1,942.3 billion in 2006 to approximately RMB6,179.7 billion in 2011.

The table below sets out selected data relating to the property market in China for the periods indicated.

	2006	2007	2008	2009	2010	2011
Investment in property development (RMB in billions)	1,942.3	2,528.9	3,120.3	3,624.2	4,825.9	6,179.7
Total GFA sold (sq.m. in millions)	618.6	773.5	659.7	947.6	1,047.6	1,093.7
GFA of residential properties sold (sq.m. in millions)	554.2	701.4	592.8	861.8	933.8	965.3
Average price of commodity properties (RMB per sq.m.)	3,366.8	3,863.9	3,800.0	4,681.0	5,032.0	5,357.1
Average price of residential properties (RMB per sq.m.)	3,119.3	3,645.2	3,576.0	4,459.0	4,725.0	4,993.2

Source: CEIC

Real estate sales revenue

The upward trend in the China property industry is evidenced by the growth of revenue from the sale of properties in China. According to CEIC, the total revenue from property development in the PRC increased from approximately RMB2,082.6 billion in 2006 to approximately RMB5,858.9 billion in 2011. During the same period, total GFA sold increased from approximately 618.6 million sq.m. in 2006 to approximately 1,093.7 million sq.m. in 2011.

The property market in Guangdong Province

Guangdong Province is located in the southern region of China. It has an area of approximately 178,000 sq.km. In 2011, Guangdong Province had a population of approximately 105.0 million. The real GDP growth rate of Guangdong Province exceeded the average national growth rate in each of the past 10 years and the per capita GDP of Guangdong Province was significantly higher than the national average. The table below sets out selected economic statistics of Guangdong Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	2,658.8	3,177.7	3,679.7	3,948.3	4,601.3	5,321.0
Real GDP growth rate (%)	14.8	14.9	10.4	9.7	12.5	10.0
Per capita GDP (RMB)	28,533.7	33,271.6	37,637.9	39,435.9	44,735.6	50,807.0
Per capita disposable income of urban households	17,725.6	19,618.9	21,678.5	24,116.5	26,896.9	30,218.8

Source: CEIC, Wind

According to the CEIC, properties with a total GFA of 61,405,634 sq.m. were completed in Guangdong Province in 2011, representing a CAGR of 7.3% since 2006. A total of 74,278,702 sq.m. of commodity property was sold, of which 67,065,967 sq.m. was residential property. The table below sets out selected data relating to the property market in Guangdong Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	43.1	42.6	43.6	50.6	56.6	61.4
GFA of residential properties completed (sq.m. in millions)	34.2	35.0	34.8	41.1	45.9	46.1
Total GFA sold (sq.m. in millions)	51.8	61.7	48.5	70.6	73.2	74.3
% of total GFA sold in the PRC	8.4%	8.0%	7.4%	7.5%	7.0%	6.8%
GFA of residential properties sold (sq.m. in millions)	46.9	56.0	43.6	65.7	65.5	67.1
Total sales revenue (RMB in billions)	251.3	365.2	288.8	459.9	548.1	585.3
Sales revenue from residential properties (RMB in billions)	215.4	318.4	249.6	417.7	459.0	507.1
Average price of commodity properties (RMB per sq.m.)	4,852.7	5,914.3	5,953.0	6,513.0	7,486.0	7,879.2
Average price of residential properties (RMB per sq.m.)	4,588.6	5,682.1	5,723.0	6,360.0	7,004.0	7,560.8

Source: CEIC

Guangzhou City

Guangzhou is the largest city in southern China and the capital of Guangdong Province, located in the central southern region of the province. In 2011, Guangzhou had a population of approximately 12.8 million. The city experienced a high GDP growth rate for the six years from 2006 to 2011. Guangzhou's GDP reached approximately RMB1,242.3 billion in 2011, representing a per capita GDP of approximately RMB97,588.0. The table below sets out selected economic statistics of Guangzhou for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	607.4	714.0	828.7	913.8	1,074.8	1,242.3
Real GDP growth rate (%)	14.8	15.3	12.5	11.7	13.2	11.3
Per capita GDP (RMB)	63,100.0	69,672.9	76,439.5	79,383.0	87,458.0	97,588.0

Source: CEIC

Foshan City

Foshan is located in the central southern region of Guangdong Province, situated to the east of Guangzhou. In 2011, Foshan had a population of approximately 7.2 million. The city experienced a high GDP growth rate for the six years from 2006 to 2011. Foshan's GDP reached approximately RMB621.0 billion in 2011, representing a per capita GDP of approximately RMB86,073.2. The table below sets out selected economic statistics of Foshan for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	292.8	366.0	437.8	482.1	565.2	621.0
Real GDP growth rate (%)	19.3	19.2	15.2	13.5	14.3	11.4
Per capita GDP (RMB)	50,232.0	59,329.0	68,033.0	71,691.0	80,312.7	86,073.2

Source: CEIC

Jiangmen City

Jiangmen is located in the southern region of Guangdong Province, on the west side of the Pearl River Delta. In 2011, Jiangmen had a population of approximately 4.5 million. Jiangmen's GDP reached approximately RMB183.1 billion in 2011, representing a per capita GDP of approximately RMB41,062.5. The table below sets out selected economic statistics of Jiangmen for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	91.2	109.7	127.1	134.1	157.0	183.1
Real GDP growth rate (%)	15.6	15.1	10.8	9.7	14.5	13.0
Per capita GDP (RMB)	22,936.0	26,224.9	29,910.0	30,998.7	35,621.7	41,062.5

Source: CEIC

Zhaoqing City

Zhaoqing is located in the central-western region of Guangdong Province. In 2011, Zhaoqing had a population of approximately 4.0 million. Zhaoqing's GDP reached approximately RMB132.4 billion in 2011, representing a per capita GDP of approximately RMB33,642.0. The table below sets out selected economic statistics of Zhaoqing for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	51.6	62.0	76.1	86.2	108.6	132.4
Real GDP growth rate (%)	14.5	17.4	16.2	13.9	17.5	14.7
Per capita GDP (RMB)	13,991.0	16,441.2	20,041.5	22,554.1	27,986.6	33,642.0

Source: CEIC

Huizhou City

Huizhou is located in the southeastern region of Guangdong Province. In 2011, Huizhou had a population of approximately 4.6 million. Huizhou's GDP reached approximately RMB209.3 billion in 2011, representing a per capita GDP of approximately RMB45,330.9. The table below sets out selected economic statistics of Huizhou for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	93.5	111.8	130.4	141.5	173.0	209.3
Real GDP growth rate (%)	16.6	17.6	11.6	13.2	18.0	14.6
Per capita GDP (RMB)	25,043.0	28,288.3	31,747.6	33,141.7	38,650.0	45,330.9

Source: CEIC

Shaoguan City

Shaoguan is located in the northern region of Guangdong Province. In 2011, Shaoguan had a population of approximately 2.9 million. Shaoguan's GDP reached approximately RMB81.7 billion in 2011, representing a per capita GDP of approximately RMB28,759.9. The table below sets out selected economic statistics of Shaoguan for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	40.1	48.1	55.4	57.9	68.3	81.7
Real GDP growth rate (%)	14.7	14.9	10.8	10.1	12.5	12.1
Per capita GDP (RMB)	13,690.0	16,607.3	19,258.1	20,245.3	24,050.4	28,759.9

Source: CEIC

Qingyuan City

Qingyuan is located northwestern region of Guangdong Province. In 2011, Qingyuan had a population of approximately 3.7 million. Qingyuan's GDP reached approximately RMB100.3 billion in 2011, representing a per capita GDP of approximately RMB26,956.7. The table below sets out selected economic statistics of Qingyuan for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	43.2	55.8	65.2	71.5	87.0	100.3
Real GDP growth rate (%)	29.9	24.8	10.1	12.8	12.9	8.3
Per capita GDP (RMB)	11,991.0	15,322.4	17,812.9	19,479.0	23,569.0	26,956.7

Source: CEIC

Dongguan City

Dongguan is located in the central southern region of Guangdong Province, south of the provincial capital Guangzhou. In 2011, Dongguan had a population of approximately 8.3 million. Dongguan's GDP reached approximately RMB473.5 billion in 2011, representing a per capita GDP of approximately RMB57,469.8. The table below sets out selected economic statistics of Dongguan for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	262.7	316.0	370.4	376.4	424.6	473.5
Real GDP growth rate (%)	19.2	18.3	14.0	5.3	10.3	8.0
Per capita GDP (RMB)	39,468.0	45,057.3	50,470.8	48,987.6	52,798.2	57,469.8

Source: CEIC

The property market in Hunan Province

Hunan Province is located in the southern region of China, to the north of Guangdong Province. It has an area of approximately 211,875 sq.km. In 2011, Hunan Province had a population of approximately 66.0 million. The table below sets out selected economic statistics of Hunan Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	768.9	944.0	1,155.5	1,306.0	1,603.8	1,967.0
Real GDP growth rate (%)	12.8	15.0	13.9	13.7	14.6	12.8
Per capita GDP (RMB)	12,139.0	14,869.0	18,147.0	20,428.0	24,719.0	29,880.0
Per capita disposable income of urban households (RMB)	11,146.1	12,997.9	14,577.3	16,078.1	17,657.1	20,083.9

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 41.5 mm sq.m. were completed in Hunan Province in 2011, representing a CAGR of 19.4% since 2006. The total sales revenue amounted to approximately RMB185.7 billion, of which approximately RMB157.0 billion was from the sale of residential properties. The average price per sq.m. of commodity properties and residential properties in Hunan Province in 2011 was approximately RMB3,790.3 and RMB3,523.6, respectively, representing a CAGR of 14.5% and 16.3% respectively since 2006. The table below sets out selected data on the property market in Hunan Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	17.1	20.6	23.9	29.7	33.5	41.5
GFA of residential properties completed (sq.m. in millions)	14.0	16.8	20.4	25.0	28.3	32.8
Total GFA sold (sq.m. in millions)	20.2	27.3	26.6	35.1	44.7	49.0
% of total GFA sold in the PRC	3.3%	3.5%	4.0%	3.7%	4.3%	4.5%
GFA of residential properties sold (sq.m. in millions)	18.2	25.0	24.1	32.6	41.4	44.6
Total sales revenue (RMB in billions)	39.0	61.1	61.1	94.2	140.6	185.7
Sales revenue from residential properties (RMB in billions)	30.0	51.7	51.0	82.6	124.8	157.0
Average price of commodity properties (RMB per sq.m.)	1,928.4	2,233.1	2,302.0	2,680.0	3,146.0	3,790.3
Average price of residential properties (RMB per sq.m.)	1,655.2	2,068.0	2,113.0	2,532.0	3,014.0	3,523.6

Source: CEIC

Changsha City

Changsha is the capital of Hunan Province, located in the central eastern region of the province. In 2010, Changsha had a population of approximately 6.5 million. Changsha's GDP reached approximately RMB561.9 billion in 2011, representing a per capita GDP of approximately RMB68,315.0. The table below sets out selected economic statistics of Changsha for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	179.9	219.0	300.1	374.5	454.7	561.9
Real GDP growth rate (%)	14.8	15.6	15.1	13.7	14.7	12.5
Per capita GDP (RMB)	29,899.0	35,582.0	44,290.0	51,144.0	58,961.0	68,315.0

Source: CEIC

The property market in Jiangsu Province

Jiangsu Province is located along the east coast of China. It has an area of approximately 102,600 sq.km. In 2011, Jiangsu Province had a population of approximately 79.0 million. Jiangsu's per capita disposable income of urban households in 2011 was RMB28,972.0. The table below sets out selected economic statistics of Jiangsu Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	2,174.2	2,601.8	3,098.2	3,445.7	4,142.5	4,911.0
Real GDP growth rate (%)	14.9	14.9	12.7	12.4	12.7	11.0
Per capita GDP (RMB)	28,526.0	33,837.0	40,014.0	44,253.0	52,840.0	62,290.0
Per capita disposable income of urban households (RMB)	15,248.7	17,686.5	20,175.6	22,494.9	25,115.4	28,972.0

Source: CEIC, Wind

The table below sets out selected data on the property market in Jiangsu Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	59.3	63.4	90.7	84.4	87.0	84.5
GFA of residential properties completed (sq.m. in millions)	47.5	51.6	54.9	67.3	65.5	61.5
Total GFA sold (sq.m. in millions)	57.4	71.5	50.9	96.4	89.2	75.0
% of total GFA sold in the PRC	9.3%	9.2%	7.7%	10.2%	8.5%	6.9%
GFA of residential properties sold (sq.m. in millions)	53.2	67.7	47.3	90.3	81.1	67.7
Total sales revenue (RMB in billions)	219.2	305.8	246.7	510.6	554.0	522.4
Sales revenue from residential properties (RMB in billions)	179.5	259.7	200.9	434.1	453.7	415.9
Average price of commodity properties (RMB per sq.m.)	3,592.2	4,024.4	4,049.0	4,983.0	5,841.0	6,554.4
Average price of residential properties (RMB per sq.m.)	3,375.2	3,834.2	3,802.0	4,805.0	5,592.0	6,145.2

Source: CEIC

Zhenjiang City

Zhenjiang is located southwestern region of Jiangsu Province. In 2011, Zhenjiang had a population of approximately 2.7 million. Zhenjiang's GDP reached approximately RMB231.1 billion in 2011, representing a per capita GDP of approximately RMB73,981.0. The table below sets out selected economic statistics of Zhenjiang for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	104.5	125.9	149.2	167.2	198.8	231.1
Real GDP growth rate (%)	15.2	15.5	12.7	13.7	13.3	12.3
Per capita GDP (RMB)	35,076.0	41,848.0	49,235.0	54,732.0	64,284.0	73,981.0

Source: CEIC

The property market in Hubei Province

Hubei Province is located in the central region of China. It has an area of approximately 185,900 sq. km. In 2011, Hubei Province had a population of approximately 57.6 million. The table below sets out selected economic statistics of Hubei Province for the periods indicated.

Part 1	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	761.7	933.3	1,132.9	1,296.1	1,596.8	1,963.2
Real GDP growth rate (%)	13.2	14.6	13.4	13.5	14.8	13.8
Per capita GDP (RMB)	13,360.0	16,386.0	19,858.0	22,677.0	27,906.0	34,197.3
Per capita disposable income of urban households (RMB)	10,533.3	12,382.9	14,174.3	15,698.1	17,572.8	20,193.3

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 32.2 sq.m. were completed in Hubei Province in 2011, representing a CAGR of 12.1% since 2006. In 2011, the total sales revenue amounted to approximately RMB187.9 billion. The average price per sq.m. of commodity properties in Hubei Province in 2011 was approximately RMB4,486.4, representing a CAGR of 11.9% since 2006. The table below sets out selected data on the property market in Hubei Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	18.2	21.0	20.6	23.1	25.4	32.2
GFA of residential properties completed (sq.m. in millions)	16.0	18.1	18.0	20.1	21.3	26.5
Total GFA sold (sq.m. in millions)	20.4	25.4	19.4	27.2	35.1	41.9
% of total GFA sold in the PRC	3.3%	3.3%	2.9%	2.9%	3.3%	3.8%
GFA of residential properties sold (sq.m. in millions)	19.2	23.8	18.2	25.8	32.4	37.9
Total sales revenue (RMB in billions)	52.1	77.5	58.3	96.0	131.3	187.9
Sales revenue from residential properties (RMB in billions)	46.4	70.0	52.8	87.9	113.5	156.9
Average price of commodity properties (RMB per sq.m.)	2,555.7	3,053.1	3,001.0	3,532.0	3,743.0	4,486.4
Average price of residential properties (RMB per sq.m.)	2,422.1	2,937.5	2,898.0	3,413.0	3,506.0	4,142.1

Source: CEIC

Wuhan City

Wuhan is the capital of Hubei Province, located at the confluence of the Changjiang and Hanjiang Rivers. In 2010, Wuhan had a population of approximately 10.0 million. Wuhan's GDP reached approximately RMB676.2 billion in 2011, representing a per capita GDP of approximately RMB68,315.0. The table below sets out selected economic statistics of Wuhan for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	259.1	314.2	396.0	462.1	556.6	676.2
Real GDP growth rate (%)	14.8	15.6	15.1	13.7	14.7	12.5
Per capita GDP (RMB)	29,899.0	35,582.0	44,290.0	51,144.0	58,961.0	68,315.0

Source: CEIC

The property market in Anhui Province

Anhui Province is located in east China, across the basins of the Yangtze River and the Huaihe River. It has an area of approximately 139,400 sq.km. In 2011, Anhui Province had a population of approximately 59.7 million. The table below sets out selected economic statistics of Anhui Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	611.3	736.1	885.2	1,006.3	1,235.9	1,530.1
Real GDP growth rate (%)	12.5	14.2	12.7	12.9	14.6	13.5
Per capita GDP (RMB)	9,995.9	12,039.5	14,448.2	16,407.7	20,887.8	25,659.0
Per capita disposable income of urban households (RMB)	10,574.5	12,499.6	14,159.5	15,691.9	17,626.7	20,751.1

Source: CEIC, Wind

According to the CEIC, properties with a total GFA of 36,287,297 sq.m. were completed in Anhui Province in 2011. The total sales revenue amounted to approximately RMB220.0 billion. The average price per sq.m. of commodity properties in Anhui Province in 2011 was approximately RMB4,776.1, representing a CAGR of 15.5% since 2006.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	20.7	23.4	25.4	28.6	30.3	36.3
GFA of residential properties completed (sq.m. in millions)	17.3	20.1	21.3	23.5	24.1	24.2
Total GFA sold (sq.m. in millions)	21.7	29.0	26.2	37.9	39.1	43.3
% of total GFA sold in the PRC	3.5%	3.7%	4.0%	4.0%	3.7%	4.0%
GFA of residential properties sold (sq.m. in millions)	20.4	27.8	25.4	36.5	36.4	39.9
Total sales revenue (RMB in billions)	53.6	82.2	82.1	137.8	174.7	220.0
Sales revenue from residential properties (RMB in billions)	43.9	69.5	71.4	118.0	142.0	174.5
Average price of commodity properties (RMB per sq.m.)	2,321.9	2,664.4	2,949.0	3,420.0	4,205.0	4,776.1
Average price of residential properties (RMB per sq.m.)	2,152.8	2,504.8	2,808.0	3,235.0	3,899.0	4,371.2

Source: CEIC

Hefei City

Hefei is the largest city and the capital of Anhui Province, located in the central region of the province. In 2010, Hefei had a population of approximately 4.9 million. Hefei's GDP reached approximately RMB363.7 billion in 2011, representing a per capita GDP of approximately RMB48,563.0. The table below sets out selected economic statistics of Hefei for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	107.4	133.5	166.5	210.2	270.2	363.7
Real GDP growth rate (%)	17.5	18.1	17.2	17.8	17.5	15.4
Per capita GDP (RMB)	23,203.0	28,134.0	34,482.0	41,543.0	54,796.0	48,563.0

Source: CEIC

The property market in Liaoning Province

Liaoning Province is located in the southern district of northeastern region of China. It has an area of approximately 155,900 sq.km. In 2011, Liaoning Province had a population of approximately 43.8 million. The table below sets out selected economic statistics of Liaoning Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	930.5	1,116.4	1,366.9	1,521.2	1,845.7	2,222.7
Real GDP growth rate (%)	14.2	15.0	13.4	13.1	14.2	12.2
Per capita GDP (RMB)	21,914.0	26,057.0	31,739.0	35,149.0	42,355.0	50,760.0
Per capita disposable income of urban households (RMB)	11,230.0	13,438.4	15,836.3	17,757.7	20,014.6	22,879.8

Source: CEIC, Wind

According to the CEIC, the average price per sq.m. of commodity and properties Liaoning Province in 2011 was approximately RMB4,732.6 representing a CAGR of 9.0% since 2006. The table below sets out selected data on the property market in Liaoning Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	28.9	31.3	38.3	40.3	45.0	63.2
GFA of residential properties completed (sq.m. in millions)	24.5	26.9	32.6	33.9	36.9	52.6
Total GFA sold (sq.m. in millions)	30.1	38.3	40.9	53.8	68.0	75.4
% of total GFA sold in the PRC	4.9%	5.0%	6.2%	5.7%	6.5%	6.9%
GFA of residential properties sold (sq.m. in millions)	27.3	35.5	37.3	48.6	60.1	66.2
Total sales revenue (RMB in billions)	92.4	133.7	153.8	216.9	306.3	356.9
Sales revenue from residential properties (RMB in billions)	78.7	118.9	133.4	188.3	258.8	300.9
Average price of commodity properties (RMB per sq.m.)	3,073.4	3,490.2	3,758.0	4,034.0	4,505.0	4,732.6
Average price of residential properties (RMB per sq.m.)	2,883.6	3,354.6	3,575.0	3,872.0	4,303.0	4,542.9

Source: CEIC

Shenyang City

Shenyang is the capital of Liaoning Province, located in the central region of the province. In 2011, Shenyang had a population of approximately 7.2 million. Shenyang's GDP reached approximately RMB591.5 billion in 2011, representing a per capita GDP of approximately RMB72,637.0. The table below sets out selected economic statistics of Shenyang for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	252.0	322.1	386.0	426.9	501.8	591.5
Real GDP growth rate (%)	16.7	22.8	16.3	14.1	14.1	12.3
Per capita GDP (RMB)	33,798.0	41,767.0	49,166.0	54,654.0	62,357.0	72,637.0

Source: CEIC

The property market in Inner Mongolia

Inner Mongolia is located in the northern region of China. It has an area of approximately 1,183,000 sq.km. In 2011, Inner Mongolia had a population of approximately 24.8 million. The table below sets out selected economic statistics of Inner Mongolia for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	494.4	642.3	849.6	974.0	1,167.2	1,436.0
Real GDP growth rate (%)	19.1	19.2	17.8	16.9	15.0	14.3
Per capita GDP (RMB)	20,523.0	26,521.0	34,869.0	39,735.0	47,347.0	57,974.0
Per capita disposable income of urban households (RMB)	10,811.9	12,977.1	15,193.6	16,951.4	19,014.2	21,890.2

Source: CEIC, Wind

According to the CEIC, in 2011, the total sales revenue amounted to approximately RMB132.7 billion. The average price per sq.m. of commodity and residential properties in Inner Mongolia in 2011 was approximately RMB3,782.9 and RMB3,340.7 respectively, representing a CAGR of 15.9% and 15.5% respectively. The table below sets out selected data on the property market in Inner Mongolia for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	13.3	18.3	19.8	23.1	23.0	25.2
GFA of residential properties completed (sq.m. in millions)	11.0	15.5	16.7	19.6	18.7	19.4
Total GFA sold (sq.m. in millions)	14.3	20.9	24.0	25.8	30.6	35.1
% of total GFA sold in the PRC	2.3%	2.7%	3.6%	2.7%	2.9%	3.2%
GFA of residential properties sold (sq.m. in millions)	12.5	18.1	20.9	22.5	25.7	29.1
Total sales revenue (RMB in billions)	25.9	46.9	59.5	76.7	107.7	132.7
Sales revenue from residential properties (RMB in billions)	20.3	36.5	47.4	59.7	76.6	97.3
Average price of commodity properties (RMB per sq.m.)	1,811.4	2,246.5	2,483.0	2,972.0	3,521.0	3,782.9
Average price of residential properties (RMB per sq.m.)	1,626.8	2,014.5	2,265.0	2,649.0	2,983.0	3,340.7

Source: CEIC

The property market in Tianjin

Tianjin is located along the Hai He River, which connects to the Yellow and Yangtze Rivers via the Grand Canal in Tianjin.

In 2011, Tianjin had a population of approximately 13.6 million. Tianjin's GDP reached approximately RMB1,130.7 billion in 2011, representing a per capita GDP of approximately RMB85,213.0. The table below sets out selected economic statistics of Tianjin for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	446.3	525.3	671.9	752.2	922.4	1,130.7
Real GDP growth rate (%)	14.7	15.5	16.5	16.5	17.4	16.4
Per capita GDP (RMB)	42,141.0	47,970.0	58,656.0	62,574.0	72,994.0	85,213.0
Per capita disposable income of urban households (RMB)	15,476.0	17,828.2	21,174.0	23,565.7	26,942.0	29,916.0

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 21,027,954 sq.m. were completed in Tianjin in 2011. The total sales revenue amounted to approximately RMB139.4 billion. The average price per sq.m. of commodity properties in Tianjin in 2011 was approximately RMB8,744.8, representing a CAGR of 12.9%.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	15.2	17.0	18.0	19.0	21.0	21.0
GFA of residential properties completed (sq.m. in millions)	13.1	14.0	14.9	15.8	16.0	16.4
Total GFA sold (sq.m. in millions)	14.6	15.5	12.5	15.9	15.1	15.9
GFA of residential properties sold (sq.m. in millions)	2.4%	2.0%	1.9%	1.7%	1.4%	1.5%
% of total GFA sold in the PRC	13.3	14.0	11.4	14.6	13.5	13.7
Total sales revenue (RMB in billions)	69.6	90.0	75.3	109.5	124.6	139.4
Sales revenue from residential properties (RMB in billions)	62.0	78.2	63.6	96.5	103.4	116.7
Average price of commodity properties (RMB per sq.m.)	4,773.5	5,811.1	6,015.0	6,886.0	8,230.0	8,744.8
Average price of residential properties (RMB per sq.m.)	4,649.2	5,575.7	5,598.0	6,605.0	7,940.0	8,547.6

Source: CEIC

The property market in Chongqing

Chongqing is located on the edge of the Yungui Plateau, intersected by the Jialing River and the upper reaches of the Yangtze River. In 2011, Chongqing had a population of approximately 29.2 million. Chongqing's GDP reached approximately RMB1,001.1 billion in 2011, representing a per capita GDP of approximately RMB34,500.0. The table below sets out selected economic statistics of Chongqing for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	390.7	467.6	579.4	653.0	792.6	1,001.1
Real GDP growth rate (%)	12.4	15.9	14.5	14.9	17.1	16.4
Per capita GDP (RMB)	13,939.0	16,629.0	20,490.0	22,920.0	27,596.0	34,500.0
Per capita disposable income of urban households (RMB)	12,548.9	13,441.2	15,217.7	16,990.3	18,990.5	21,794.3

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 34,243,331 sq.m. were completed in Chongqing in 2011. The total sales revenue amounted Chongqing approximately RMB214.6 billion. The average price per sq.m. of commodity properties in Chongqing in 2011 was approximately RMB4,733.8, representing a CAGR of 15.8% since 2006.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	22.2	22.5	23.7	29.1	26.3	34.2
GFA of residential properties completed (sq.m. in millions)	17.0	17.7	19.5	23.8	21.8	28.3
Total GFA sold (sq.m. in millions)	22.3	35.5	28.7	40.0	43.1	45.3
GFA of residential properties sold (sq.m. in millions)	3.6%	4.6%	4.4%	4.2%	4.1%	4.1%
% of total GFA sold in the PRC	20.1	33.1	26.7	37.7	39.9	40.6
Total sales revenue (RMB in billions)	50.6	96.7	80.0	137.8	184.7	214.6
Sales revenue from residential properties (RMB in billions)	41.9	85.7	70.5	123.2	161.1	182.5
Average price of commodity properties (RMB per sq.m.)	2,269.2	2,722.6	2,785.0	3,442.0	4,280.9	4,733.8
Average price of residential properties (RMB per sq.m.)	2,081.3	2,588.2	2,640.0	3,266.0	4,040.4	4,492.3

Source: CEIC

The property market in Heilongjiang Province

Heilongjiang Province is located in the northeastern region of China. It has an area of approximately 454,600 sq. km. In 2011, Heilongjiang Province had a population of approximately 38.3 million. The table below sets out selected economic statistics of Heilongjiang Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Nominal GDP (RMB in billions)	621.2	710.4	831.4	858.7	1,036.9	1,258.2
Real GDP growth rate (%)	12.1	12.0	11.8	11.4	12.7	12.3
Per capita GDP (RMB)	16,255.0	18,580.0	21,740.0	22,447.0	27.076.0	32.819.0
Per capita disposable income of urban households (RMB)	9,721.9	10,882.2	12,264.1	13,689.9	15,095.6	17,118.5

Source: CEIC, Wind

The table below sets out selected data on the property market in Heilongjiang Province for the periods indicated.

	2006	2007	2008	2009	2010	2011
Total GFA completed (sq.m. in millions)	14.0	16.0	14.0	18.9	26.5	32.3
GFA of residential properties completed (sq.m. in millions)	11.5	12.4	11.6	15.8	22.0	24.0
Total GFA sold (sq.m. in millions)	14.8	17.1	14.9	20.2	27.2	34.3
% of total GFA sold in the PRC	2.4%	2.2%	2.3%	2.1%	2.6%	3.1%
GFA of residential properties sold (sq.m. in millions)	13.0	15.2	12.9	17.5	23.9	29.5
Total sales revenue (RMB in billions)	32.6	42.2	42.1	65.4	101.2	136.2
Sales revenue from residential properties (RMB in billions)	26.4	35.8	34.0	53.7	83.3	108.6
Average price of commodity properties (RMB per sq.m.)	2,195.6	2,471.3	2,832.0	3,241.0	3,719.0	3,966.4
Average price of residential properties (RMB per sq.m.)	2,035.2	2,354.2	2,642.0	3,067.0	3,492.0	3,682.8

Source: CEIC

The tourism industry in the PRC

China's tourism industry and hotel industry have benefited from the strong economic growth in China which has resulted in higher disposable incomes of urban households, reflecting a more affluent domestic customer base. In addition, the increased number of international travelers also contributed to the growth of China's tourism and hotel sectors. In 2011, there were 2,776.4 million visits, of which there were 2,641.0 million visits from domestic travelers and 135.4 million visits from international travelers, representing a compound annual growth rate, or CAGR, of 13.6% and 1.6% respectively since 2006. The majority of inbound international visits were from travelers from Hong Kong, Macau and Taiwan, which collectively accounted for 80.0% of total inbound international visits in 2011. The table below sets out the number of domestic visits and international visits in China from 2006 to 2011.

	Inbound visitors					
	2006	2007	2008	2009	2010	2011
Total visits (millions)	1,518.9	1,741.9	1,842.0	2,028.5	2,236.8	2,776.4
Total domestic visits (millions)	1,394.0	1,610.0	1,712.0	1,902.0	2,103.0	2,641.0
Total international visits (millions)	124.9	131.9	130.0	126.5	133.8	135.4
From Hong Kong and Macau (millions)	98.3	101.1	101.3	100.1	102.5	103.0
From Taiwan (millions)	4.4	4.6	4.4	4.5	5.1	5.3
Foreigners (millions)	22.2	26.1	24.3	21.9	26.1	27.1
Total increase / (decrease)	14.0%	14.7%	5.7%	10.1%	10.3%	24.1%

Source: CEIC

Tourism industry in Guangdong Province

In 2011, Guangdong Province received approximately 248.5 million visits, of which 215.2 million visits were from domestic travelers, and 33.3 million visits were from international travelers. The number of total visits has grown at a CAGR of 15.9% since 2006. Of the international visits, the majority were from Hong Kong, Macau and Taiwan, which collectively accounted for 24.1 million of the inbound visits in 2010. The table below sets out the number of inbound visits to Guangdong Province from 2006 to 2011.

	Inbound visitors					
	2006	**2007**	**2008**	**2009**	**2010**	**2011**
Total visits (millions)	118.7	139.4	138.5	182.0	215.6	248.5
Total domestic visits (millions)	97.8(1)	114.8	112.8(2)	154.6	184.2	215.2
Total international visits (millions)	20.9	24.6	25.7	27.5	31.4	33.3
From Hong Kong and Macau (millions)	12.9	15.4	16.9	18.5	20.9	NA
From Taiwan (millions)	2.6	2.9	2.7	2.8	3.2	3.1
Foreigners (millions)	5.3	6.3	6.1	6.2	7.3	7.5
Total increase / (decrease)	2.0%	17.4%	(0.6)%	31.4%	18.4%	15.3%

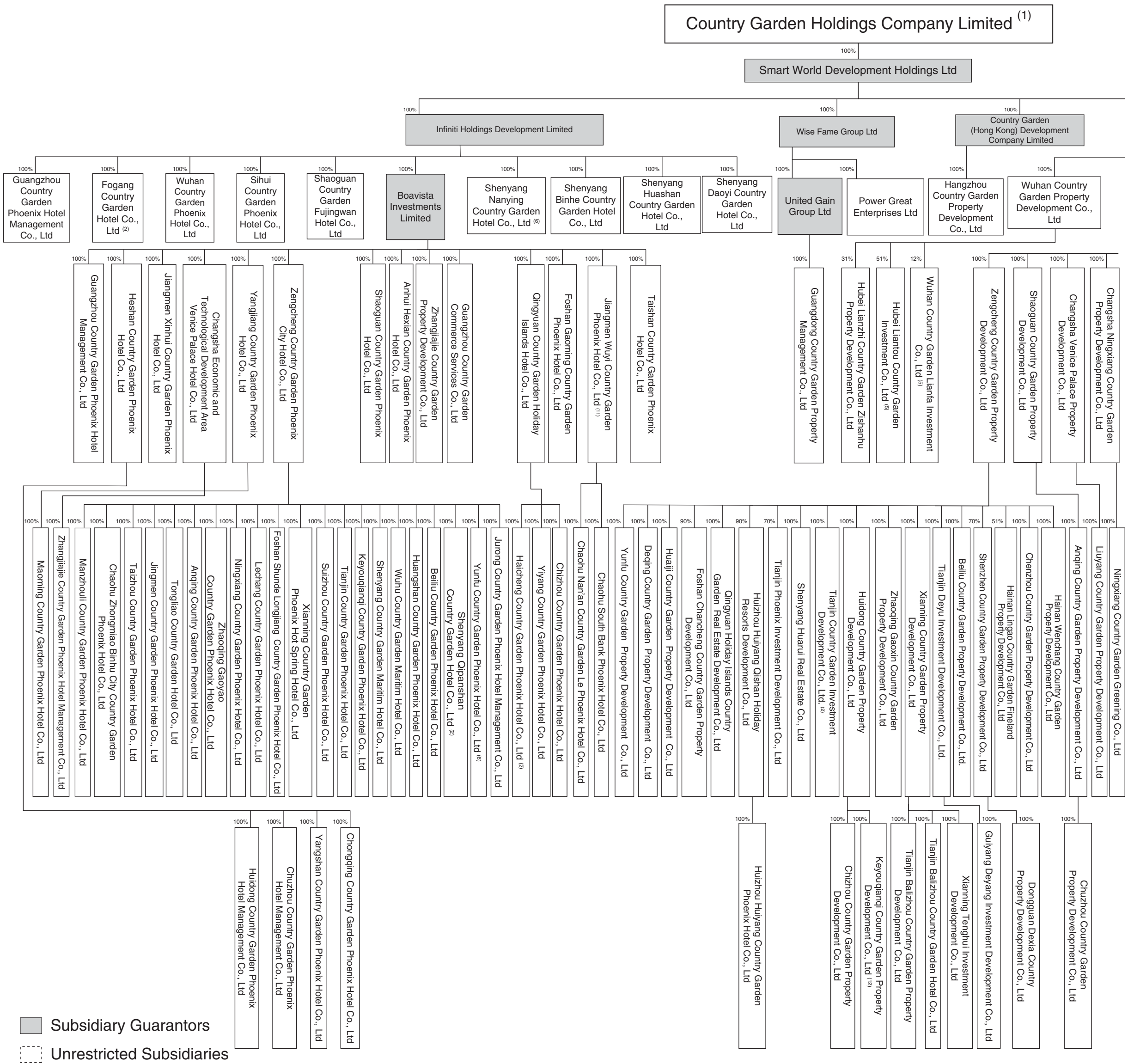
Source: CEIC

(1) Data for November and December 2006 not published. Figure has been annualized using data from January to October 2006

(2) Data for October, November and December 2008 not published. Figure has been annualized using data from January to September 2008

Corporate structure

The following chart shows our corporate structure as of September 30, 2012.



Notes:

(1) Our ultimate shareholders (other than public shareholders) are Yang Huiyan, Yang Erzhu, Su Rubo, Zhang Yaoyuan, Ou Xueming, who hold 57.49%, 5.59%, 3.95%, 4.69%, and 4.23%, respectively, of our Shares. See "Principal shareholders."

(2) This company is in the process of dissolution.

(3) Guangzhou Lihe Property Development Co., Ltd is the Asian Games City JV, which is the entity through which the Asian Games City Project will be implemented. See "Business—Asian Games City Project" for additional details.

(4) Formerly known as Wealthy Signet Sdn Bhd.

(5) The registered capital of the company has not been fully paid.

(6) The company is in the process of applying for an extension of its business license.

(7) Subsequent to September 30, 2012, we have incorporated the following PRC subsidiaries under this company: (a) Foshan Shunde Zhouhua Investment Co., Ltd., (b) Foshan Shunde Yunxing Investment Co., Ltd., and (c) Guiyang Huaxi Country Garden Property Development Co., Ltd.; and have obtained a 50% interest in Zhongshan Yahong Real Estate Development Co., Ltd.

(8) Subsequent to September 30, 2012, we have incorporated the following PRC subsidiaries under this company: (a) Danyang Country Garden Property Development Co., Ltd., and (b) Yixing Country Garden Property Development Co., Ltd.

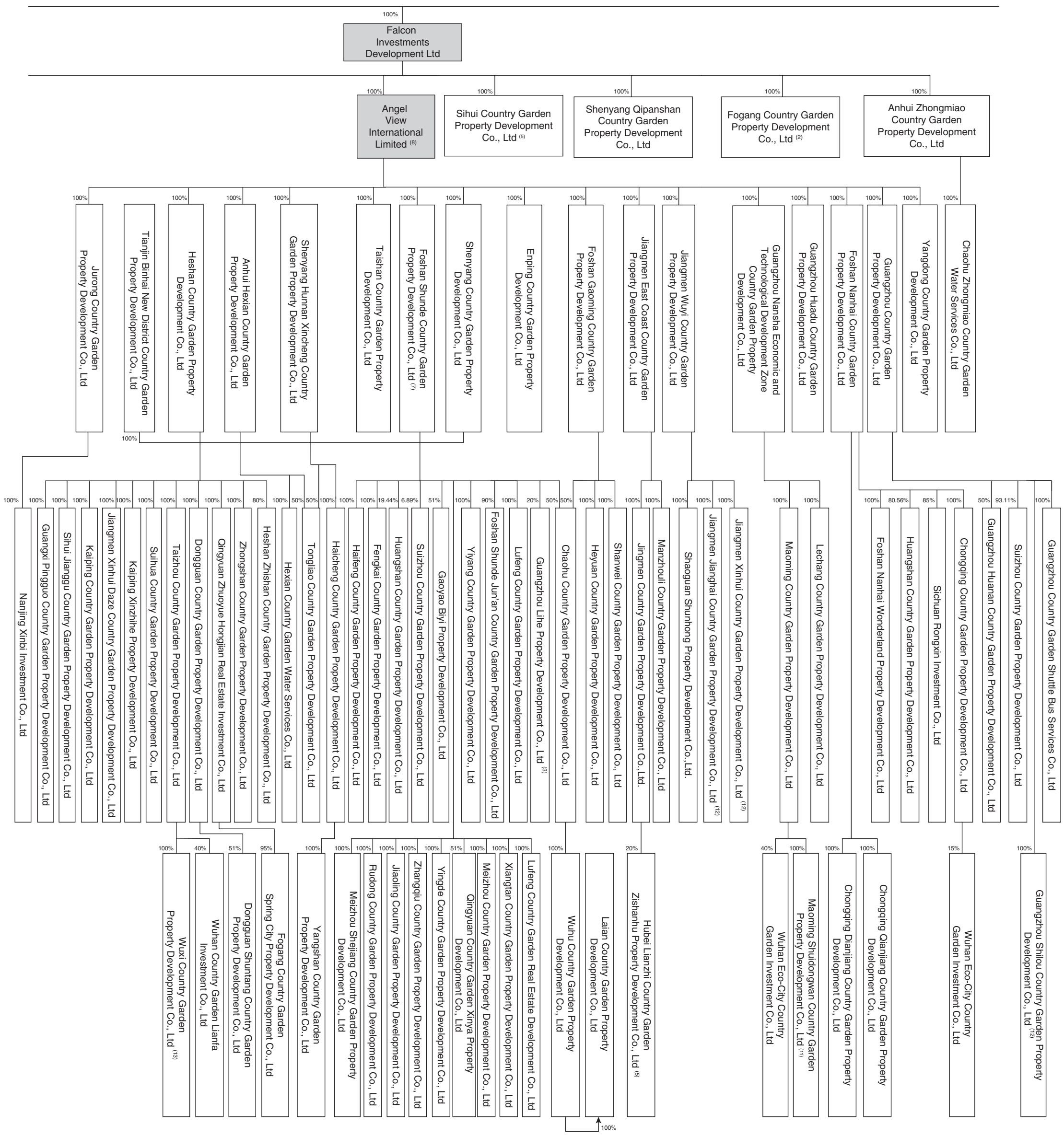
(9) Subsequent to September 30, 2012, we have incorporated Country Garden Danga Bay Sdn Bhd under this company and have designated it as an Unrestricted Subsidiary. In December 2012, we entered into a sale and purchase agreement, through Country Garden Danga Bay Sdn Bhd, with a Malaysian property developer to acquire certain parcels of land in Iskandar Malaysia.

(10) All of our interest in the company has been disposed of on November 2, 2012.

(11) The company is in the process of increasing its registered capital.

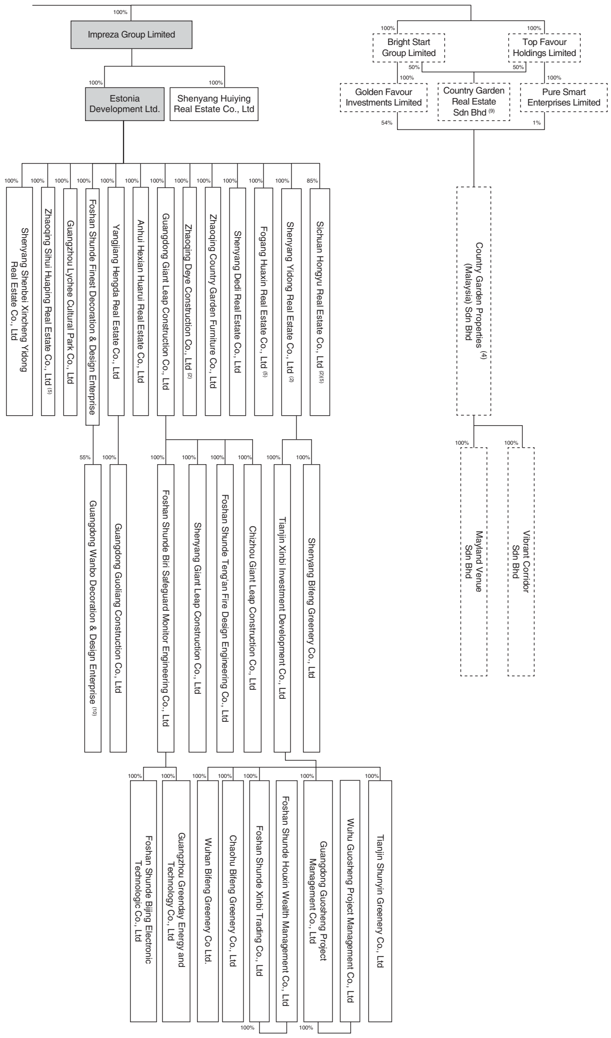
(12) The company's shares have been pledged pursuant to trust financing arrangements.

(13) Subject to a trust financing arrangement under which Ping An Trust Co., Ltd holds a 17.06% interest as security.



Subsidiary Guarantors

Unrestricted Subsidiaries



Subsidiary Guarantors

Unrestricted Subsidiaries

Business

Overview

We are one of the leading integrated property developers in the PRC, with substantially all of our assets and operations based in the PRC. Since the commencement of our property development activities in 1997, we have benefited from, and we expect to continue to benefit from, the growth in the property sector associated with the economic development in the PRC, particularly in Guangdong Province, which is one of the most affluent provinces and fastest growing economies in the PRC. Our primary business has been the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. The majority of our products are targeted towards end-user customers. As an integrated property developer, our lines of business also include construction, installation, fitting and decoration as well as property management. Our residential home projects are generally located in the suburban areas of first-tier cities and in the newly urbanized town centers of second- and third-tier cities. In December 2011, we expanded our operations into Malaysia.

As of September 30, 2012, we had 114 projects at various stages of development. Of these projects, 65 were located in Guangdong Province: 13 in Guangzhou City, nine in Foshan City, 12 in Jiangmen City, seven in Zhaoqing City and the remaining in various other cities. We also had 48 projects located outside Guangdong Province, spanning nine provinces, two autonomous regions, two municipalities in the PRC and one in the State of Selangor, Malaysia.

As of September 30, 2012, our projects had an aggregate completed GFA of approximately 34,023,171 sq.m. We had an aggregate GFA under development of approximately 16,183,201 sq.m. and an aggregate GFA of approximately 38,828,967 sq.m. relating to properties held for future development as of the same date. We have obtained land use rights certificates, development and operation rights or land title in respect of the completed GFA, GFA under development and GFA held for future development. In addition, as of September 30, 2012, we had entered into land grant contracts or sale and purchase agreement in respect of land located in 21 cities in the PRC as well as one in the State of Selangor, Malaysia with an aggregate site area of approximately 8,970,507 sq.m. and an aggregate expected GFA of approximately 10,894,353 sq.m. for future development.

In addition, we are jointly developing the Asian Games City Project in Guangzhou City with several other PRC real estate developers, which occupies a site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 4.4 million sq.m. The Asian Games City Project will be developed through the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects, the site area or GFA data included in this offering memorandum. See "—Asian Games City Project" for more details.

We also develop hotels to complement our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to such residential projects and enhanced our brand recognition. As of September 30, 2012, we had developed and were operating seven five-star hotels and two four-star hotel, as well as 23 hotels which were developed in accordance with the five-star rating standard set forth in the "Star-Rating Standard for Tourist Hotels" (旅遊飯店星級的劃分與評定) issued by the PRC National Tourism

Administration. In addition, we have 15 hotels under construction in accordance with the five-star standard and one hotel under construction in accordance with the four-star standard set forth in the "Star-Rating Standard for Tourist Hotels."

For the year ended December 31, 2011 and the nine months ended September 30, 2012, our total revenue was RMB34,748.3 million (US$5,528.9 million) and RMB23,522.4 million (US$3,742.8 million), respectively and our EBITDA was RMB10,442.5 million (US$1,661.5 million) and RMB7,190.2 million (US$1,144.1 million), respectively.

Our shares have been listed on the Hong Kong Stock Exchange since April 20, 2007 under stock code 2007. Our market capitalization as of September 30, 2012 was HK$55,053.6 million.

Recent developments

On December 4, 2012, we signed a sale and purchase agreement with a Malaysian property developer to acquire certain parcels of land in Iskandar Malaysia, in the State of Johor, Malaysia, with a total site area of approximately 222,577 sq.m. for a total consideration of approximately US$300.1 million. We plan to develop the land parcels for residential and commercial use. Our project company to hold the land title for this new acquisition has been designated as an Unrestricted Subsidiary, as defined under "Description of the Notes—Definitions."

Competitive strengths

We are one of the largest property developers in the PRC with one of the largest, geographically diversified, and low-cost land bank

As of September 30, 2012, we had an aggregate GFA under development and for future development in China of approximately 54,721,712 sq.m. for which we have obtained all the relevant land use rights certificates or development and operation rights, spanning ten provinces, two autonomous regions and two provincial level municipalities. In addition, as of September 30, 2012, we had entered into land grant contracts in respect of land in China with an aggregate site area of approximately 7,929,163 sq.m. for which we have applied for or were in the process of applying for land use rights certificates in 21 cities in China, with an aggregate expected GFA of approximately 10,563,581 sq.m. for future development. We expect that these new acquisitions will further increase the value and size of our land bank when we obtain the land use rights certificates.

We adopt a disciplined approach to land acquisition and development. We undertake market research and analysis as well as budget and financing planning prior to a land acquisition, which we believe enables us to exercise effective cost control. In addition, we continue to seek opportunities to acquire and develop land in close proximity to our existing mature projects. We believe such in-fill developments will lower potential execution risks given our experience with the local markets, service providers and target customers. For the three years ended December 31, 2009, 2010 and 2011 and nine months ended September 30, 2012, we estimate that our average unit land cost based on GFA was approximately 10% of our average unit selling price. We believe our low-cost land bank not only supports our future profitability but also gives us greater flexibility to diversify our product portfolio, to cater to a broader customer base, and to respond more effectively to changing market conditions.

We have an established business model which we believe has been successfully replicated in the markets where we operate

We focus on developing large-scale residential communities in the suburban areas of first-tier cities as well as the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We proactively seek to enhance the value of our properties by creating a better living environment through the provision of comprehensive community facilities and premium services in our master-planned communities. Our business model leverages on China's economic growth, increasing urbanization and rising standards of living. We believe that we have aligned our business development objectives with those of local governments, as our large-scale township developments raise the living standards of the local population and help improve the business environment of the local economies.

Over the last decade, we have successfully replicated our business model in 15 cities in Guangdong Province, with a total of 65 projects having an aggregate expected GFA of 49,197,097 sq.m. as of September 30, 2012. Since 2006, we have also started to implement our business model outside Guangdong Province, with a total of 48 projects, having an aggregate expected GFA of 39,547,786 sq.m. outside Guangdong Province in the PRC, and with one project in Malaysia having a total expected GFA of 290,456 sq.m. as of September 30, 2012. We believe the success of Changsha Country Garden, Country Garden—Galaxy Palace, Country Garden—Phoenix City (Jurong) and Anqing Country Garden, in particular, demonstrates our ability to replicate our business model and capitalize on our strong brand name in other provinces in China.

Our standardized operations enable us to provide high-quality and competitively priced products to our customers and to achieve quick asset turnover and attractive margins

We are one of the largest PRC property developers focusing on developing large-scale, multi-phase suburban residential communities in the PRC. We generally standardize principal features of our operations, such as land acquisition, project planning and design, procurement of raw materials, selection of contractors, sales and marketing and property management, which we believe enables us to:

- achieve economies of scale and increase operating efficiency through pooling internal resources, thereby helping to further improve our profit margins;
- ensure consistent product quality;
- strengthen our bargaining power with suppliers and contractors to obtain good quality supplies and services at relatively low costs, which help increase our pricing flexibility;
- smoothen project execution to achieve quick asset turnover; and
- respond rapidly to changes in market environment.

We believe that a combination of our strong brand recognition, high quality product mix and competitive pricing model have enabled us to pre-sell a substantial portion of the properties in our projects.

We maintain a robust liquidity position and have a strong credit profile

We actively manage our liquidity position by taking into account our development plans, capital needs and available cash and financing options. As of December 31, 2009, 2010 and 2011 and

September 30, 2012, our cash and cash equivalents amounted to RMB4.6 billion and RMB5.1 billion, RMB7.7 billion (US$1.2 billion) and RMB8.9 billion (US$1.4 billion) respectively. We believe our quick asset turnover model has enabled our projects to generate positive cash flow in a relatively short period after commencement of development to support further developments.

We believe we have developed a strong credit profile over the years relative to our peers and have become a preferred customer of a number of major commercial banks in the PRC. We also have access to the international capital markets through debt, equity and equity-linked offerings. While we have a strong credit profile, we closely monitor our leverage ratio with a view to maintaining a healthy capital structure.

We have a strong brand in Guangdong Province with increasing recognition nationwide

We believe our brand name "Country Garden" (碧桂園), as well as our guiding motto, "Country Garden—Giving you a five-star home" (碧桂園—給您一個五星級的家), have strong market recognition in Guangdong Province. We believe this market recognition is a result of our high quality products and services as we aim to provide our customers with not only pleasant and comfortable homes in a clean and safe environment, but also higher living standards supported by comprehensive community facilities and services such as restaurants and catering, shopping, sports and leisure, transportation, education and domestic assistance. This market recognition has helped us to achieve our leading position in the property market in Guangdong Province and to expand our operations into other PRC provinces. Since 2006, we have gradually expanded our operations into nine provinces, two autonomous regions and two provincial level municipalities beyond Guangdong in the PRC, and we believe we will receive increasing brand recognition in those markets. In 2006, we were one of the first two brands that were recognized by SAIC as "China's Well-Known Trademarks" in the property sector.

We aim to strengthen the confidence and trust of our customers in our products and services, and to secure repeat customers and referrals for us, through an emphasis on quality property management and post-sales services. We believe that our strong financial performance demonstrates the trust that we have built with our customers and the recognition of our brand name and the quality of our products.

We have a highly effective management structure, experienced management team and professional workforce

We believe we have a highly effective management structure. Our headquarters in Guangdong Province vertically manages the principal functions of our operations, including land acquisitions, project design, human resources, financing planning and raw material procurement. As we expand into markets outside Guangdong, we have delegated certain functions such as project management and marketing to our project companies to facilitate smooth project execution, thereby enabling them to cater to local characteristics, shorten development cycle and quickly respond to changes in local market conditions.

Our senior management team has extensive industry knowledge, management skills and operating experience. Most of our management have been with us since our inception. In particular, Yeung Kwok Keung, Yang Erzhu, Su Rubo, Zhang Yaoyuan and Ou Xueming, our co-founders, have remained as a cohesive team and have focused on our property development business since 1997. We believe management's interest is aligned with our interest given their substantial shareholding in our Company. As of September 30, 2012, our senior management (principally composed of our co-founders and their family members) in aggregate held an approximate 76.0% interest in our Company.

Business strategies

Continue to focus on core property development business with a well balanced mix of property developments within and outside Guangdong Province

We intend to continue to grow our core property development business. We will actively look for suitable opportunities to develop large-scale residential communities in suburban areas of first-tier cities in the PRC as well as attractive opportunities in the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We believe this strategy is not only in line with China's urbanization trend of expanding existing urban boundaries of major cities and creating new urban clusters around second- and third-tier cities, but also complements our successful formula of controlling costs through our low-cost land bank, large-scale production and quick asset turnover. We will also selectively look into opportunities outside of China, such as in Malaysia, as opportunities arises.

Since 2006, we have gradually expanded our operations outside Guangdong Province into nine other provinces, two autonomous regions and two provincial level municipalities in China, as well as into Malaysia. We believe our geographical diversification efforts have provided us with a well balanced mix of property developments within and outside Guangdong Province in the PRC. Guangdong Province, which is one of the most affluent provinces and fastest growing economies in China, will remain our principal market. Guangdong Province recorded a GDP per capita of approximately RMB50,807 in 2011, which is significantly higher than the national average. We intend to continue to leverage our local knowledge and market reputation in Guangdong Province to further grow our business there. At the same time, we will continue to develop our existing projects in markets outside Guangdong Province, which have seen increased average selling prices over the years. Where suitable opportunities arise, we will also acquire more land and enter into new markets with high growth potential, within or outside the PRC. In December 2011, we established a joint venture in Malaysia with a local Malaysian partner and acquired two pieces of land to develop the Serendah Project in the State of Selangor in Malaysia. In December 2012, we signed a sale and purchase agreement to acquire a 55-acre site of prime waterfront land in Iskandar, Johor, Malaysia.

We also intend to continue to develop high quality hotels in our large residential communities, as we believe they enhance the value and attractiveness of our residential community projects. We believe this strategy also improves our competitiveness during the land tender process, as high quality hotels are seen by local governments of second- and third-tier cities in the PRC as an important feature to attract visitors and improve the commercial appeal of the environment. We may consider engaging, and are currently in discussions with, certain international management firms to manage some of our hotels to further enhance the value of our hotel properties.

Continue to focus on developing properties having an attractive value-to-price ratio

We intend to continue to focus on our strategy of providing our customers with high-value properties at competitive prices. We will continue to leverage on our expertise and industry experience to develop large-scale integrated residential communities featuring value-added facilities and services that cater to a broad end user driven customer base. Our facilities include clubhouses, hotels, supermarkets, schools, clinics, sports and recreational facilities as well as food and beverage outlets, and our services include childcare, domestic assistance, property management, security and shuttle bus services for residents both within the projects as well as from projects to city centers. We endeavor to develop and refine our product design to accommodate changing market conditions and consumer preference. We will also encourage creativity and innovation in our product design through collaboration between our in-house experts and third-party professionals.

Maintain prudent financial management policies

We will continue to closely monitor our capital and cash positions, gauge our development scale and time our land acquisition and development schedule accordingly. We have budget and financing planning and cash management at the project level as well as the group level. We will continue to carefully manage our development cost for each project during the course of its development, with an emphasis on cost reduction and cost efficiency. We will actively manage our sales and pre-sales to ensure adequate cash flow for our ongoing capital requirements. We will also remain disciplined in our capital commitments and seek to maintain a balanced capital structure, as demonstrated through our share placement in February 2012.

Further strengthen our leading position and brand name recognition nationwide

We plan to further strengthen our leading position and our "Country Garden" brand name recognition in Guangdong Province and across China. To distinguish ourselves from our competitors, we plan to continue to promote the "five-star home" motto and apply this to the services offered to our existing and prospective customers to improve the living environment of our customers. We will continue to encourage our existing customers to refer potential purchasers to us through incentive schemes such as waiving property management fees.

Enhance effective internal management and controls

We intend to continue to adopt the best practices and standards in the industry for corporate governance and internal controls, drawing on senior management's expertise and experience to facilitate our operations and expansion. We intend to further streamline our internal management functions by clearly defining the responsibilities of each operating unit to ensure orderly and efficient operations and rapid responses to changes in market conditions.

We will continue to incentivize our management and employees and seek to attract and retain talent through a competitive remuneration package. We will continue to provide our employees with a variety of training and development programs to assist in their career development. We will also actively recruit new talent to optimize our human resources and enhance the productivity and competitiveness of our workforce.

Overview of our property developments

As of September 30, 2012, we had 114 projects at various stages of development. The following table sets forth the location of our projects as of such date.

Location	Number of projects	Location	Number of projects
Guangdong Province	**65**	**Anhui Province**	**9**
Guangzhou City	13	Hefei City	2
Foshan City	9	Chizhou City	1
Jiangmen City	12	Maanshan City	1
Yangjiang City	1	Huangshan City	1
Zhaoqing City	7	Anqing City	1
Huizhou City	2	Wuhu City	1
Shanwei City	2	Chuzhou City	2
Shaoguan City	3	**Liaoning Province**	**6**
Maoming City	2	Shenyang City	5
Qingyuan City	4	Anshan City	1
Yunfu City	1	**Inner Mongolia Autonomous Region**	**3**
Heyuan City	1	Hulunbei'er City	1
Zhongshan City	1	Xing'anmeng	1
Dongguan City	5	Tongliao City	1
Meizhou City	2	**Tianjin**	**3**
Hunan Province	**8**	**Hainan Province**	**3**
Changsha City	4	Wenchang City	1
Yiyang City	1	Lin'gao County	2
Xiangtan City	1	**Guangxi Zhuang Autonomous Region**	**2**
Chenzhou City	1	Yulin City	1
Zhangjiajie City	1	Baise City	1
Jiangsu Province	**3**	**Chongqing**	**1**
Taizhou City	1	**Heilongjiang Province**	**1**
Zhenjiang City	1	Suihua City	1
Wuxi City	1	**Zhejiang Province**	**1**
Hubei Province	**7**	Hangzhou City	1
Wuhan City	3	**Shandong Province**	**1**
Xianning City	2	Ji'nan City	1
Suizhou City	1	**Malaysia**	**1**
Jingmen City	1	Selangor	1

In addition, we are developing the Asian Games City Project in Guangzhou City with several other developers. The Asian Games City Project occupies a site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 4.4 million sq.m. The Asian Games City Project will be developed through the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects or the site area or GFA data included in this offering memorandum. See "—Asian Games City Project."

We have obtained all the relevant long-term title certificates or development and operation rights for land related to our completed properties and properties under development. Further, we have property interests derived from land use rights transfer agreements, compensation agreements, land grant contracts or sale and purchase agreement to develop residential properties in various cities in Guangdong Province, Anhui Province, Hubei Province, Jiangsu Province, Liaoning Province, Hunan Province, Chongqing Municipality and in the State of Selangor in Malaysia, with an aggregate site area of approximately 8,970,507 sq.m. As of September 30, 2012, we had not obtained land use rights certificates or land title in respect of these parcels of land and these land parcels were vacant land for future development purposes.

The relevant properties in a property development project are treated as completed when the local government authorities issue a Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report (房屋建築工程和市政基礎設施工程竣工驗收備案表). The relevant properties in a property development project in the PRC are treated as having received that certification when we have provided the relevant government authorities with, among other things, the following documents and when an official seal has been affixed to the inspection-for-completion form:

- Relevant approvals and acceptance documents from the bureau of planning, public security and fire services and environmental protection;
- Completed Construction Works Certified Report (建設工程竣工驗收報告);
- Construction Permit (建設工程施工許可證);
- Project Quality Assessment Report (工程質量評做報告);
- Quality Inspection Report on Investigation and Design Documentation (勘察、設計文件質量檢查報告); and
- Inspection Report on the Quality of Construction Projects (建設工程質量監督報告).

A property in the PRC is treated as "under development" immediately following the issuance of the Construction Permit until the time of issuance of the Certification of Completion.

Unless otherwise indicated, we have obtained the relevant land use rights certificates, development and operation rights or land title for our properties referred to in this offering memorandum. As our projects typically comprise multiple-phase developments that are developed on a rolling basis, a single project may include a number of phases that are variously completed, still under development or held for future development.

The site area information for an entire project is based on the relevant land use rights certificates, development and operation rights or land title. The aggregate GFA of an entire project is calculated by multiplying its site area by:

- the plot ratio specified in other approval documents from the local governments relating to the project;
- the maximum permissible plot ratio as specified in the relevant land grant contracts; or
- such lower plot ratio as we reasonably expect to be able to develop for such project.

The aggregate GFA of a project includes both saleable and non-saleable GFA. Non-saleable GFA refers to certain communal facilities, including transformer rooms and guard houses.

A property is treated as "sold" when the purchase contract with a customer has been executed and the property has been delivered to the customer. Delivery is deemed to take place on the date stated on the property delivery document. A property is treated as "pre-sold" when the purchase contract has been executed but the property has not yet been delivered to the customer.

The project names used in this offering memorandum are the names that we have used, or intend to use, to market our properties.

The following table sets forth the information of our 114 projects as of September 30, 2012:

					Completed property developments					Properties under development						Properties for future development			
Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed GFA(1)	Total completed saleable GFA(1)	Total saleable GFA sold and delivered(1)	Total saleable GFA pre-sold pending delivery(1)	Completion date	GFA under development(2)	Total saleable GFA under development(3)	Actual commencement date	Total saleable GFA pre-sold(3)	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development(4)	Estimated commencement date	Estimated pre-sale commencement date	Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Guangdong Province																			
Country Garden East Court (碧桂園東苑)	Guangzhou (Panyu)	low-rise apartment buildings, retail shops	269,222	100%	240,550	238,860	235,251	—	Jun-29-2002	—	—	—	—	—	—	28,672	2nd Quarter 2013	3rd Quarter 2014	2nd Quarter 2015
Shawan Country Garden (沙灣碧桂園)	Guangzhou (Panyu)	villas, townhouses, high-rise apartment buildings, parking spaces	278,834	100%	278,834	273,702	273,702	—	Dec-31-2009	—	—	—	—	—	—	—	—	—	—
Huanan Country Garden—Phases One to Five and Phase Seven (華南碧桂園—一至五期及七期)	Guangzhou (Panyu)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,075,096	100%	1,075,096	960,457	958,948	421	Dec-19-2011	—	—	—	—	—	—	—	—	—	—
Huanan Country Garden—Phase Six (華南碧桂園－六期)	Guangzhou (Panyu)	villas, townhouses, high-rise apartment buildings, retail shops, parking spaces	423,467	50%	408,391	407,612	407,552	—	Dec-20-2007	1,076	—	10/15/2004	—	—	4th Quarter 2012	14,000	4th Quarter 2012	—	2nd Quarter 2013
Licheng Country Garden (荔城碧桂園)	Guangzhou (Zengcheng)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	568,729	100%	568,729	550,765	544,457	—	Jun-30-2010	—	—	—	—	—	—	—	—	—	—
Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	4,596,527	100%	4,104,382	3,878,470	3,758,242	6,719	Jun-15-2012	334,413	330,968	4/29/2007	185,464	Apr-30-2008	4th Quarter 2013	157,732	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Nansha Country Garden (南沙碧桂園)	Guangzhou (Nansha)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	515,889	100%	515,889	491,002	489,750		Jun-28-2010	—	—	—	—	—	—	—	—	—	—
Country Garden Grand Palace (碧桂園豪庭)	Guangzhou (Nansha)	townhouses, high-rise apartment buildings, retail shops	166,557	100%	93,204	86,167	55,409	22,148	Sep-24-2012	73,353	69,197	4/22/2010	64,171	Aug-15-2011	4th Quarter 2012	—	—	—	—
Holiday Islands—Huadu (假日半島—花都)	Guangzhou (Huadu)	villas, townhouses, low-rise apartment buildings	444,382	100%	406,191	403,637	304,081	8,640	May-30-2012	17,230	—	5/11/2006	—	—	4th Quarter 2012	20,961	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Country Garden—Lychee Park (碧桂園·荔園)	Guangzhou (Zengcheng)	townhouses, low-rise apartment buildings, retail shops, parking spaces	88,837	100%	88,837	87,590	85,523		May-26-2010	—	—	—	—	—	—	—	—	—	—
Country Garden—Grand Garden (碧桂園·豪園)	Guangzhou (Zengcheng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,034,371	100%	437,994	386,711	347,946	1,547	Aug-20-2012	146,424	145,889	4/19/2010	59,316	Dec-9-2011	4th Quarter 2013	449,953	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Shilou Country Garden (石樓碧桂園)	Guangzhou (Panyu)	townhouses, high-rise apartment buildings	173,942	100%	—	—	—	—	—	147,029	139,151	12/29/2011	3,429	May-1-2012	2nd Quarter 2013	26,913	4th Quarter 2012	—	4th Quarter 2013
Country Garden Hill Lake Bay (碧桂園山湖灣)	Guangzhou (Nansha)	townhouses, high-rise apartment buildings	504,239	100%	—	—	—	—	—	242,353	236,218	6/28/2012		4th Quarter 2012	4th Quarter 2014	261,886	4th Quarter 2012	1st Quarter 2013	3rd Quarter 2015
Shunde Country Garden—including Country Garden West Court (順德碧桂園（含碧桂園西苑）)	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	2,580,435	100%	2,308,828	2,132,076	1,993,804	31,592	Jun-25-2012	162,004	61,977	6/18/2008		4th Quarter 2012	4th Quarter 2013	109,603	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Jun'an Country Garden (均安碧桂園)	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings	254,510	90%	224,458	214,110	213,246	—	Jun-20-2011	—	—	—	—	—	—	30,052	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Peninsula Country Garden (半島碧桂園)	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings	294,330	100%	294,330	287,043	286,021	1,022	Apr-16-2008	—	—	—	—	—	—	—	—	—	—
Gaoming Country Garden (高明碧桂園)	Foshan (Gaoming)	villas, townhouses, low-rise apartment buildings, retail shops	985,801	100%	908,091	897,206	856,464	8,467	Sep-29-2012	64,710	64,284	5/31/2006	2,361	Apr-28-2012	2nd Quarter 2013	13,000	1st Quarter 2013	—	2nd Quarter 2014
Nanhai Country Garden (南海碧桂園)	Foshan (Nanhai)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	553,574	100%	553,574	542,780	540,783	—	Mar-30-2011	—	—	—	—	—	—	—	—	—	—
Country Garden Wonderland (碧桂園山水桃園)	Foshan (Nanhai)	townhouses, low-rise apartment buildings, high-rise apartment buildings, parking spaces	144,508	100%	144,508	143,410	89,376	943	Jan-19-2012	—	—	—	—	—	—	—	—	—	—
Country Garden City Garden (碧桂園城市花園)	Foshan (Chancheng)	high-rise apartment buildings, retail shops, parking spaces	434,726	90%	141,863	137,945	79,110	57,614	Jun-29-2012	292,863	285,548	7/30/2010	123,794	Jan-12-2011	2nd Quarter 2013	—	—	—	—
Country Garden Grand Palace (碧桂園豪庭)	Foshan (Shunde)	townhouses, high-rise apartment buildings, retail shops, parking spaces	368,560	100%	230,188	225,646	175,717	133	May-28-2012	138,372	138,227	10/28/2010	46,373	Jun-16-2011	4th Quarter 2012	—	—	—	—

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA[1]	Total completed saleable GFA[1]	Total saleable GFA sold and delivered[1]	Total saleable GFA pre-sold pending delivery[1]	Completion date	Properties under development: GFA under development[2]	Total saleable GFA under development[3]	Actual commencement date	Total saleable GFA pre-sold[3]	Actual/ Estimated pre-sale commencement date	Estimated completion date	Properties for future development: GFA for future development[4]	Estimated commencement date	Estimated pre-sale commencement date	Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Ronggui Country Garden (容桂碧桂園)	Foshan (Shunde)	townhouses, high-rise apartment buildings	309,595	100%	—	—	—	—	—	309,595	307,125	6/22/2011	4,329	Jul-12-2012	4th Quarter 2013	—	—	—	—
Heshan Country Garden (鶴山碧桂園)	Jiangmen (Heshan)	villas, townhouses, low-rise apartment buildings, retail shops, parking spaces	2,074,360	100%	1,720,757	1,648,425	1,484,592	68,233	Jun-14-2012	146,015	145,385	5/20/2010	96,304	Mar-18-2011	1st Quarter 2013	207,588	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Wuyi Country Garden (五邑碧桂園)	Jiangmen (Pengjiang)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, parking spaces	955,145	100%	863,823	822,672	796,658	3,698	Jun-16-2012	91,322	87,928	1/28/2011	49,384	Sep-22-2011	2nd Quarter 2013	—	—	—	—
Xinhui Country Garden (新會碧桂園)	Jiangmen (Xinhui)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	588,519	100%	582,168	578,358	566,193	371	Mar-30-2012	6,351	—	11/10/2011	—	—	4th Quarter 2012	—	—	—	—
Taishan Country Garden (台山碧桂園)	Jiangmen (Taishan)	villas, townhouses, low-rise apartment buildings, retail shops, parking spaces	2,628,349	100%	754,657	732,996	541,191	64,412	Aug-30-2012	280,686	272,417	2/29/2008	52,909	Sep-9-2011	3rd Quarter 2013	1,593,006	4th Quarter 2012	1st Quarter 2013	4th Quarter 2017
Enping Country Garden (恩平碧桂園)	Jiangmen (Enping)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	293,355	100%	237,353	230,744	224,000	711	May-10-2012	44,727	44,633	10/17/2011	17,257	Apr-26-2012	4th Quarter 2012	11,275	4th Quarter 2012	—	2nd Quarter 2014
Country Garden—Park Prime (碧桂園·公園1號)	Jiangmen (Heshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	238,657	100%	158,612	155,948	55,531	83,112	Aug-30-2012	—	—	—	—	—	—	80,045	2nd Quarter 2013	1st Quarter 2014	4th Quarter 2014
Country Garden—Sunshine Coast (碧桂園·陽光水岸)	Jiangmen (Kaiping)	townhouses, low-rise apartment buildings, retail shops, parking spaces	48,718	100%	48,718	48,446	45,559	129	Dec-15-2010	—	—	—	—	—	—	—	—	—	—
Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	townhouses, high-rise apartment buildings, retail shops,parking spaces	477,520	100%	99,284	89,247	71,404	1,092	May-30-2012	164,236	164,236	1/18/2011	89,454	Jan-13-2012	4th Quarter 2013	214,000	4th Quarter 2012	1st Quarter 2013	2nd Quarter 2015
Xinhui Country Garden—Phase Four (新會碧桂園一四期)	Jiangmen (Xinhui)	townhouses, high-rise apartment buildings, retail shops	405,937	100%	138,997	138,560	44,519	72,211	Jul-30-2012	263,041	261,999	1/7/2011	93,792	Mar-14-2012	2nd Quarter 2014	3,899	4th Quarter 2012	—	4th Quarter 2013
Country Garden—Hill Lake Grand Palace (碧桂園·山水豪園)	Jiangmen (Heshan)	townhouses, high-rise apartment buildings	760,359	80%	66,567	66,204	362	42,805	Sep-29-2012	102,531	96,466	2/18/2011	18,883	Dec-2-2011	3rd Quarter 2013	591,261	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Country Garden—Jade Bay (碧桂園.翡翠灣)	Jiangmen (Kaiping)	townhouses, high-rise apartment buildings, retail shops	684,622	100%	93,298	92,613	—	86,235	Aug-30-2012	191,272	190,123	9/30/2011	25,767	Dec-25-2011	2nd Quarter 2013	400,052	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Country Garden—Hill Lake Bay (碧桂園·山湖灣)	Jiangmen (Xinhui)	townhouses, high-rise apartment buildings	215,600	100%	—	—	—	—	—	27,231	27,100	7/27/2012		4th Quarter 2012	4th Quarter 2013	188,369	4th Quarter 2012	4th Quarter 2012	4th Quarter 2013
Yangdong Country Garden (陽東碧桂園)	Yangjiang (Yangdong)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	390,847	100%	390,847	370,202	368,654	—	Dec-21-2010	—	—	—	—	—	—	—	—	—	—
Zhaoqing Lanling Residence (肇慶藍領公寓)	Zhaoqing (Gaoxin)	low-rise apartment buildings, retail shops	185,721	100%	185,721	105,861	5,358	74	Jun-26-2009	—	—	—	—	—	—	—	—	—	—
Zhaoqing Country Garden (肇慶碧桂園)	Zhaoqing (Gaoyao)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops,parking spaces	465,815	51%	333,029	317,001	315,729	1,070	Apr-1-2011	63,729	63,729	8/15/2011	55,963	Dec-1-2011	4th Quarter 2012	69,057	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Sihui Country Garden (四會碧桂園)	Zhaoqing (Sihui)	townhouses, low-rise apartment buildings, retail shops	47,102	100%	47,102	45,492	44,225	—	Jun-30-2010	—	—	—	—	—	—	—	—	—	—
Zhaoqing Country Garden—Hill Lake Palace (肇慶碧桂園·山湖城)	Zhaoqing (Gaoyao)	townhouses, high-rise apartment buildings, retail shops, parking spaces	261,255	51%	204,702	202,181	173,109	15,319	Sep-18-2012	56,553	53,444	4/25/2010	5,615	Mar-19-2012	2nd Quarter 2013	—	—	—	—
Huaiji Country Garden (懷集碧桂園)	Zhaoqing (Huaiji)	townhouses, low-rise apartment buildings, retail shops	126,686	100%	126,686	125,544	125,125	—	Aug-24-2011	—	—	—	—	—	—	—	—	—	—
Deqing Country Garden (德慶碧桂園)	Zhaoqing (Deqing)	townhouses, low-rise apartment buildings, high-rise apartment buildings,retail shops, parking spaces	195,737	100%	162,642	159,376	84,886	31,726	Sep-19-2012	33,095	32,988	7/13/2011	4,205	Apr-30-2012	2nd Quarter 2013	—	—	—	—
Fengkai Country Garden (封開碧桂園)	Zhaoqing (Fengkai)	townhouses, high-rise apartment buildings, retail shops, parking spaces	185,212	100%	101,249	98,281	53,649	32,683	Jul-27-2012	83,963	81,269	10/14/2010	8,950	Feb-17-2012	2nd Quarter 2014	—	—	—	—
Huiyang Country Garden (惠陽碧桂園)	Huizhou (Huiyang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,021,199	90%	348,204	342,783	284,784	1,825	Oct-21-2011	275,765	261,077	6/30/2009	14,789	Dec-23-2011	2nd Quarter 2013	397,230	4th Quarter 2012	3rd Quarter 2013	4th Quarter 2016
Country Garden—Ten Miles Beach (碧桂園·十里銀灘)	Huizhou (Huidong)	townhouses, high-rise apartment buildings	5,141,063	100%	9,459	9,195	—	2,791	Jun-21-2012	1,298,404	1,229,135	6/14/2011	769,346	Jun-27-2011	4th Quarter 2012	3,833,200	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2015
Shanwei Country Garden (汕尾碧桂園)	Shanwei (Shanwei)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	794,182	100%	281,743	273,685	269,895	2,248	Jan-4-2012	171,283	165,425	4/13/2011	98,196	Oct-19-2011	4th Quarter 2012	341,156	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Haifeng Country Garden (海豐碧桂園)	Shanwei (Haifeng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	362,430	100%	156,516	151,021	—	129,681	Sep-28-2012	164,329	161,698	8/29/2011	113,666	Apr-25-2012	1st Quarter 2013	41,585	4th Quarter 2012	—	3rd Quarter 2013
Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	2,227,765	100%	1,254,818	1,224,883	1,117,834	55,543	Aug-30-2012	182,241	179,926	1/17/2007	110,984	Jan-13-2012	2nd Quarter 2013	790,706	1st Quarter 2013	4th Quarter 2013	4th Quarter 2015

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments					Properties under development						Properties for future development			
					Completed GFA[1]	Total completed saleable GFA[1]	Total saleable GFA sold and delivered[1]	Total saleable GFA pre-sold pending delivery[1]	Completion date	GFA under development[2]	Total saleable GFA under development[3]	Actual commencement date	Total saleable GFA pre-sold[3]	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development[4]	Estimated commencement date	Estimated pre-sale commencement date	Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,416,572	100%	205,590	200,712	161,546	13,996	Jul-27-2012	149,117	148,027	4/11/2008	7,018	Sep-6-2011	4th Quarter 2012	1,061,865	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Shaoguan Country Garden—Sun Palace (韶關碧桂園·太陽城)	Shaoguan (Xilian)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	3,460,361	100%	306,217	301,336	293,981	400	Aug-30-2012	251,469	251,005	12/28/2009	60,432	Jun-17-2011	1st Quarter 2013	2,902,675	4th Quarter 2012	1st Quarter 2013	4th Quarter 2024
Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	518,504	100%	309,264	293,472	220,648	15,823	Sep-29-2012	92,979	89,714	12/10/2011	3,637	Apr-23-2012	2nd Quarter 2013	116,261	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Country Garden City Garden (碧桂園城市花園)	Maoming (Dianbai)	townhouses, high-rise apartment buildings	198,658	100%	—	—	—	—	—	140,997	140,269	12/31/2011	56,753	Aug-13-2012	2nd Quarter 2013	57,661	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,271,012	100%	156,907	154,361	143,415	3,291	Jun-25-2012	68,735	68,648	12/20/2011	28,155	Jan-15-2012	1st Quarter 2013	1,045,370	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Holiday Islands—Qingyuan (假日半島—清遠)	Qingyuan (Qingcheng)	townhouses	435,668	100%	372,068	370,499	329,506	27,858	Aug-30-2012	63,600	63,428	5/18/2010	48,204	Sep-28-2010	4th Quarter 2012	—	—	—	—
Country Garden Spring City (碧桂園清泉城)	Qingyuan (Fogang)	townhouses, high-rise apartment buildings	511,640	100%	85,687	85,687	78,003	5,131	Jun-19-2012	185,611	185,611	4/2/2010	64,243	Apr-28-2011	3rd Quarter 2013	240,342	4th Quarter 2012	1st Quarter 2013	2nd Quarter 2014
Country Garden Shine Hill Lake City (碧桂園新亞山湖城)	Qingyuan (Qingchen)	townhouses, high-rise apartment buildings	1,145,923	51%	—	—	—	—	—	71,243	71,243	11/24/2011	45,136	Apr-1-2012	4th Quarter 2013	1,074,680	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	townhouses, high-rise apartment buildings, retail shops, parking spaces	483,836	100%	59,870	59,558	55,412	1,032	Sep-20-2011	226,400	178,178	2/24/2011	42,172	Oct-20-2011	1st Quarter 2013	197,566	1st Quarter 2013	2nd Quarter 2013	2nd Quarter 2014
Country Garden—Dongjiang Phoenix City (碧桂園.東江鳳凰城)	Heyuan (Yuancheng)	townhouses, high-rise apartment buildings, retail shops	910,540	100%	74,491	73,750	39,182	20,493	Jun-20-2012	293,312	288,407	5/31/2011	96,329	Sep-2-2011	4th Quarter 2013	542,737	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Country Garden Grand Lake (碧桂園秀麗湖)	Zhongshan (Wuguishan)	townhouses	79,981	100%	—	—	—	—	—	79,981	74,573	9/29/2010	37,726	Aug-2-2011	3rd Quarter 2013	—	—	—	—
Dalang Country Garden (大朗碧桂園)	Dongguan (Dalang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	377,334	100%	143,012	136,177	121,271	—	Aug-22-2012	234,322	232,459	9/25/2010	177,275	Sep-20-2011	4th Quarter 2012	—	—	—	—
Country Garden Grand Garden (碧桂園豪園)	Dongguan (Tangxia)	townhouses, high-rise apartment buildings, retail shops	302,896	70%	—	—	—	—	—	302,896	296,462	3/19/2012	—	4th Quarter 2012	3rd Quarter 2013	—	—	—	—
Country Garden Forest Hill Garden (碧桂園天麓山花園)	Tangria (Tangxia)	townhouses, high-rise apartment buildings, retail shops	439,550	100%	—	—	—	—	—	280,006	250,945	3/21/2012	11,225	Aug-14-2012	2nd Quarter 2014	159,544	1st Quarter 2013	1st Quarter 2014	1st Quarter 2015
Country Garden Times City (碧桂園時代城)	Dongguan (Tangxia)	high-rise apartment buildings, retail shops	124,846	51%	—	—	—	—	—	124,846	119,366	1/10/2012	—	Sep-26-2012	3rd Quarter 2013	—	—	—	—
Tangxia Country Garden (塘廈碧桂園)	Dongguan (Tangxia)	high-rise apartment buildings, retail shops	138,211	51%	—	—	—	—	—	—	—	—	—	—	—	138,211	1st Quarter 2013	3rd Quarter 2013	3rd Quarter 2014
Meijiang Country Garden (梅江碧桂園)	Meizhou (Meijiang)	townhouses, high-rise apartment buildings, retail shops	302,920	100%	—	—	—	—	—	302,920	296,484	2011-07-05	218,832	Dec-14-2011	3rd Quarter 2013	—	—	—	—
Shejiang Country Garden (畲江碧桂園)	Meizhou (Meixian)	townhouses, high-rise apartment buildings	236,359	100%	—	—	—	—	—	42,724	42,244	11/15/2011	10,845	Apr-16-2012	2nd Quarter 2013	193,635	1st Quarter 2013	1st Quarter 2014	1st Quarter 2015
Hunan Province																			
Changsha Country Garden (長沙碧桂園)	Changsha (Changsha)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,001,304	100%	860,304	813,953	706,349	40,085	May-18-2012	—	—	—	—	—	—	141,000	4th Quarter 2012	2nd Quarter 2013	3rd Quarter 2014
Country Garden—Hill Lake Palace (碧桂園·山湖城)	Changsha (Ningxiang)	townhouses, low-rise apartment buildings, retail shops	456,754	100%	314,366	286,878	157,233	13,231	Aug-26-2012	13,134	13,134	10/16/2008	—	4th Quarter 2012	2nd Quarter 2013	129,254	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Liuyang Country Garden (瀏陽碧桂園)	Changsha (Liuyang)	townhouses, low-rise apartment buildings, retail shops	961,205	100%	177,661	173,055	134,267	15,336	Jan-16-2012	151,354	151,107	3/28/2012	26,694	Mar-29-2012	2nd Quarter 2013	632,190	4th Quarter 2012	3rd Quarter 2013	4th Quarter 2014
Country Garden Wonderland (碧桂園·山水桃園)	Changsha (Ningxiang)	villas	133,730	100%	50,830	48,352	23,591	2,572	Jun-15-2012	42,813	42,681	11/30/2011	—	Dec-13-2011	2nd Quarter 2013	40,087	1st Quarter 2013	3rd Quarter 2013	4th Quarter 2014
Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,347,341	100%	195,118	192,366	145,788	23,346	May-29-2012	161,694	160,205	2/20/2012	48,067	Jun-1-2012	4th Quarter 2013	990,529	1st Quarter 2013	3rd Quarter 2013	4th Quarter 2014
Xiangtan Country Garden (湘潭碧桂園)	Xiangtan (Xiangtan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	256,292	100%	34,725	32,194	—	21,952	Jul-31-2012	125,751	103,376	5/31/2011	39,239	Sep-30-2011	2nd Quarter 2013	95,816	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA[1]	Total completed saleable GFA[1]	Total saleable GFA sold and delivered[1]	Total saleable GFA pre-sold pending delivery[1]	Completion date	Properties under development: GFA under development[2]	Total saleable GFA under development[3]	Actual commencement date	Total saleable GFA pre-sold[3]	Actual/ Estimated pre-sale commencement date	Estimated completion date	Properties for future development: GFA for future development[4]	Estimated commencement date	Estimated pre-sale commencement date	Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Country Garden—Jade Hill (碧桂園·翡翠山)	Chenzhou (Suxian)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	312,758	100%	—	—	—	—	—	157,015	154,260	2/15/2012	97,643	Jul-27-2012	2nd Quarter 2013	155,743	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Zhangjiajie Country Garden (張家界碧桂園)	Zhangjiajie (Yongding)	villas	265,525	100%	23,685	—	—	—	Sep-28-2010	31,226	31,142	7/20/2012	—	4th Quarter 2012	4th Quarter 2013	210,614	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Jiangsu Province																			
Taizhou Country Garden (泰州碧桂園)	Taizhou (Hailing)	townhouses, high-rise apartment buildings, parking spaces	734,041	100%	621,182	594,892	418,224	13,562	Sep-11-2012	93,593	64,774	6/27/2007	7,361	Dec-14-2011	4th Quarter 2013	19,266	4th Quarter 2012	1st Quarter 2013	1st Quarter 2014
Country Garden—Phoenix City (碧桂園·鳳凰城)	Zhenjiang (Jurong)	townhouses, high-rise apartment buildings, retail shops, parking spaces	3,050,533	100%	142,740	122,404	—	69,523	Sep-14-2012	810,695	798,749	1/11/2011	440,769	Apr-29-2011	2nd Quarter 2013	2,097,098	4th Quarter 2012	1st Quarter 2013	4th Quarter 2015
Country Garden—Triumph Palace (碧桂園凱旋華庭)	Wuxi (Xishan)	townhouses, high-rise apartment buildings, retail shops	295,015	100%	—	—	—	—	—	176,977	170,755	7/6/2011	114,624	Oct-27-2011	2nd Quarter 2013	118,038	4th Quarter 2012	2nd Quarter 2013	1st Quarter 2014
Hubei Province																			
Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	townhouses, low-rise apartment buildings, high-rise apartment buildings	760,265	100%	375,981	355,896	250,405	9,002	Apr-13-2012	290,261	274,549	1/30/2008	23,874	Jan-13-2011	4th Quarter 2013	94,023	4th Quarter 2012	1st Quarter 2013	1st Quarter 2014
Country Garden—Eco City (碧桂園·生態城)	Wuhan (Hongshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings	297,007	55%	—	—	—	—	—	297,007	286,672	6/27/2012	—	Sep-29-2012	4th Quarter 2013	—	—	—	—
Wuhan Country Garden Phase Three (武漢碧桂園三期)	Wuhan (Hannan)	townhouses, high-rise apartment buildings, retail shops	552,747	52%	—	—	—	—	—	—	—	—	—	—		552,747	2nd Quarter 2013	4th Quarter 2013	4th Quarter 2015
Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	906,277	100%	287,006	269,762	185,220	19,611	Jul-16-2012	132,401	130,779	11/29/2011	6,662	Jan-13-2012	4th Quarter 2013	486,870	4th Quarter 2012	2nd Quarter 2013	1st Quarter 2014
Country Garden—Hot Spring City (碧桂園·溫泉城)	Xianning (Xian'an)	townhouses, low-rise apartment buildings	1,130,088	100%	306,303	305,212	227,367	44,743	Jun-21-2012	56,159	55,821	5/19/2011	—	Sep-28-2012	2nd Quarter 2013	767,626	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,422,114	100%	354,970	350,020	294,397	5,950	Jun-25-2012	163,452	163,452	5/21/2008	33,675	Sep-28-2011	3rd Quarter 2013	903,692	4th Quarter 2012	1st Quarter 2013	4th Quarter 2015
Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	townhouses, low-rise apartment buildings, retail shops	571,222	100%	221,778	220,881	212,144	5,322	Aug-23-2012	132,694	127,762	5/12/2011	31,399	Jan-13-2012	4th Quarter 2012	216,750	4th Quarter 2012	1st Quarter 2013	1st Quarter 2014
Anhui Province																			
Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,077,733	100%	623,838	615,752	499,798	5,394	Aug-13-2012	171,164	163,518	12/13/2007	64,688	Oct-13-2011	2nd Quarter 2013	282,731	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	880,822	100%	331,399	302,137	254,784	6,881	May-30-2012	108,283	107,988	8/11/2008	24,646	Sep-26-2011	3rd Quarter 2013	441,140	4th Quarter 2012	1st Quarter 2013	4th Quarter 2014
Chizhou Country Garden (池州碧桂園)	Chizhou (Chizhou)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	385,716	100%	322,074	318,136	239,775	52,745	Aug-30-2012	55,744	54,242	8/24/2012	—	Jan-25-2011	4th Quarter 2012	7,898	4th Quarter 2012	—	4th Quarter 2013
Country Garden—Hill Lake City (碧桂園·如山湖城)	Maanshan (Hexian)	townhouses, high-rise apartment buildings	960,481	100%	649,923	625,407	185,209	—	Oct-21-2011	53,258	53,138	7/17/2012	—	4th Quarter 2012	3rd Quarter 2013	257,300	2nd Quarter 2013	1st Quarter 2014	1st Quarter 2015
Huangshan Country Garden (黃山碧桂園)	Huangshan (Huangshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	331,284	100%	289,876	268,959	235,023	896	Nov-30-2011	41,408	40,179	9/28/2011	5,717	Oct-20-2011	4th Quarter 2012	—	—	—	—
Anqing Country Garden (安慶碧桂園)	Anqing (Anqing)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,745,282	100%	520,343	474,581	378,453	27,430	Jun-25-2012	313,472	263,149	6/19/2008	180,630	Mar-25-2011	2nd Quarter 2013	911,467	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	2,086,640	100%	765,774	756,852	447,888	105,732	Jun-29-2012	78,332	13,080	6/27/2008	992	Mar-23-2012	4th Quarter 2012	1,242,534	4th Quarter 2012	4th Quarter 2013	4th Quarter 2018
Country Garden—Europe City (碧桂園.歐洲城)	Chuzhou (Nanqiao)	townhouses, high-rise apartment buildings, retail shops	1,462,017	100%	13,055	13,055	643	—	Sep-14-2012	432,621	419,738	10/12/2010	91,851	Jul-22-2011	4th Quarter 2012	1,016,341	4th Quarter 2012	1st Quarter 2013	1st Quarter 2015
Country Garden—City Garden (碧桂園.城市花園)	Chuzhou (Laian)	townhouses, high-rise apartment buildings	1,429,358	100%	7,503	—	—	—	Apr-29-2012	571,819	571,618	6/23/2011	175,371	Sep-30-2011	2nd Quarter 2013	850,036	4th Quarter 2012	1st Quarter 2013	4th Quarter 2015
Liaoning Province																			
Country Garden—Sun Palace (碧桂園·太陽城)	Shenyang (Daoyi)	townhouses, high-rise apartment buildings	1,060,024	100%	250,301	247,313	209,685	11,130	Aug-31-2012	195,202	188,394	11/6/2007	53,552	Sep-11-2009	4th Quarter 2013	614,521	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014

					Completed property developments					Properties under development						Properties for future development			
Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed GFA(1)	Total completed saleable GFA(1)	Total saleable GFA sold and delivered(1)	Total saleable GFA pre-sold pending delivery(1)	Completion date	GFA under development(2)	Total saleable GFA under development(3)	Actual commencement date	Total saleable GFA pre-sold(3)	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development(4)	Estimated commencement date	Estimated pre-sale commencement date	Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Shenyang Country Garden (瀋陽碧桂園)	Shenyang (Huashan)	townhouses, low-rise apartment buildings, retail shops, parking spaces	1,457,427	100%	336,821	333,520	217,479	7,690	Aug-10-2012	67,717	67,717	9/8/2007	—	1st Quarter 2013	4th Quarter 2013	1,052,889	1st Quarter 2013	2nd Quarter 2013	4th Quarter 2015
Country Garden—Galaxy Palace (碧桂園·銀河城)	Shenyang (Yuhong)	townhouses, low-rise apartment buildings, retail shops, high-rise apartment buildings, retail shops	2,143,365	100%	698,840	681,934	579,740	28,668	Aug-14-2012	448,889	387,930	11/3/2010	220,080	Feb-14-2011	4th Quarter 2013	995,636	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2015
Country Garden—Phoenix City (碧桂園·鳳凰城)	Shenyang (Sujiatun)	townhouses, low-rise apartment buildings, retail shops, high-rise apartment buildings, retail shops	1,583,946	100%	634,423	625,890	474,788	13,350	Jun-19-2012	450,616	444,688	6/26/2008	43,598	Apr-23-2012	2nd Quarter 2014	498,907	2nd Quarter 2013	4th Quarter 2013	2nd Quarter 2015
Country Garden Grand Garden (碧桂豪園)	Shenyang (Qipanshan)	townhouses	123,801	100%	72,531	72,498		642	Sep-10-2012	1,124	1,124	4/12/2011	—	Jul-8-2011	4th Quarter 2012	50,146	1st Quarter 2013	2nd Quarter 2013	1st Quarter 2014
Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	459,836	100%	60,327	58,203	50,096	2,403	Sep-30-2011	68,459	65,989	10/20/2011	30,211	Nov-3-2011	3rd Quarter 2013	331,050	4th Quarter 2012	1st Quarter 2013	4th Quarter 2015
Inner Mongolia Autonomous Region																			
Manzhouli Country Garden (滿洲里碧桂園)	Hulunbeier (Manzhouli)	townhouses, low-rise apartment buildings, retail shops, parking spaces	1,603,862	100%	83,864	83,569	67,891	1,389	Nov-30-2009	261,959	258,451	7/23/2007	5,786	Sep-20-2011	2nd Quarter 2014	1,258,039	2nd Quarter 2013	1st Quarter 2014	4th Quarter 2024
Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqi)	townhouses, low-rise apartment buildings	1,257,045	100%	261,876	248,056	147,774	40,053	Sep-29-2012	95,193	95,193	11/7/2007	37,207	Sep-16-2011	2nd Quarter 2013	899,976	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2016
Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,731,665	100%	182,879	182,184	150,708	2,498	Oct-29-2011	345,612	325,993	11/3/2007	98,038	May-30-2011	4th Quarter 2013	1,203,174	4th Quarter 2012	4th Quarter 2013	4th Quarter 2016
Tianjin Municipality																			
Country Garden—Deyu Office Building (碧桂園·德域大廈)	Tianjin (Tanggu)	offices	114,504	100%	—	—	—	—	—	—	—	—	—	—	—	114,504	1st Quarter 2013	3rd Quarter 2013	4th Quarter 2013
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,004,854	100%	165,453	149,813	79,554	65,559	Sep-18-2012	497,062	466,137	10/9/2010	144,122	Apr-13-2011	2nd Quarter 2014	342,339	4th Quarter 2012	3rd Quarter 2013	2nd Quarter 2015
Country Garden—Seashore City (碧桂園·濱海城)	Tianjin (Binhai New Area)	townhouses, high-rise apartment buildings	112,085	100%	—	—	—	—	—	—	—	—	—	—	—	112,085	4th Quarter 2012	3rd Quarter 2013	4th Quarter 2013
Hainan Province																			
Country Garden—Palm City (碧桂園·椰城)	Wenchang (Tanniu)	townhouses, high-rise apartment buildings	117,662	100%	—	—	—	—	—	47,508	40,225	2/22/2012	3,892	Mar-30-2012	4th Quarter 2012	70,154	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Country Garden Spring Town (碧桂園小城之春)	Lin'gao (Lin'gao)	high-rise apartment buildings, retail shops	34,775	51%	—	—	—	—	—	34,775	34,775	7/27/2011	7,334	Jul-27-2011	4th Quarter 2013				
Country Garden—Golden Beach (碧桂園·金沙灘)	Lin'gao (Lin'gao)	townhouses, high-rise apartment buildings	153,218	51%	—	—	—	—	—	—	—	—	—	—	—	153,218	4th Quarter 2012	1st Quarter 2013	1st Quarter 2014
Guangxi Zhuang Autonomous Region																			
Beiliu Country Garden (北流碧桂園)	Yulin (Beiliu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	374,753	100%	115,884	109,688	73,743	30,176	Jan-4-2012	107,227	106,357	9/25/2010	13,870	Dec-17-2011	1st Quarter 2014	151,642	4th Quarter 2012	1st Quarter 2013	2nd Quarter 2014
Pingguo Country Garden (平果碧桂園)	Baise (Pingguo)	townhouses, high-rise apartment buildings, retail shops	201,217	100%	—	—	—	—	—	86,794	77,802	3/15/2012	—	Aug-24-2012	2nd Quarter 2013	114,423	4th Quarter 2012	1st Quarter 2013	2nd Quarter 2014
Chongqing Municipality																			
Changshou Country Garden (長壽碧桂園)	Chongqing (Changshou)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	434,245	100%	416,245	395,282	363,472	1,136	Jun-25-2012	—	—	—	—	—		18,000	4th Quarter 2012	1st Quarter 2013	4th Quarter 2013
Heilongjiang Province																			
Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	townhouses, low-rise apartment buildings, retail shops, parking spaces	265,998	100%	149,298	148,875	116,818	20,237	Jul-27-2012	—	—	—	—	—		116,700	1st Quarter 2013	3rd Quarter 2013	3rd Quarter 2014
Zhejiang Province																			
Hangzhou Country Garden (杭州碧桂園)	Hangzhou (Xiasha)	townhouses, high-rise apartment buildings, retail shops, parking spaces	183,990	100%	—	—	—	—	—	183,990	176,196	4/14/2012	—	4th Quarter 2012	1st Quarter 2014	—	—	—	—

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA(1)	Completed property developments: Total completed saleable GFA(1)	Completed property developments: Total saleable GFA sold and delivered(1)	Completed property developments: Total saleable GFA pre-sold pending delivery(1)	Completed property developments: Completion date	Properties under development: GFA under development(2)	Properties under development: Total saleable GFA under development(3)	Properties under development: Actual commencement date	Properties under development: Total saleable GFA pre-sold(3)	Properties under development: Actual/ Estimated pre-sale commencement date	Properties under development: Estimated completion date	Properties for future development: GFA for future development(4)	Properties for future development: Estimated commencement date	Properties for future development: Estimated pre-sale commencement date	Properties for future development: Estimated completed date
			(sq.m.)	(%)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)		(sq.m.)	(sq.m.)		(sq.m.)			(sq.m.)			
Shandong Province																			
Country Garden—Phoenix City (碧桂園·鳳凰城)	Ji'nan (Zhangqiu)	townhouses, high-rise apartment buildings, retail shops	315,963	100%	—	—	—	—	—	141,393	130,658	7/30/2012	—	Sep-26-2012	3rd Quarter 2013	174,570	4th Quarter 2012	2nd Quarter 2013	1st Quarter 2014
Malaysia																			
Serendah Project (雙文丹項目)	Selangor (Serendah)	villas, townhouses	290,456	55%	—	—	—	—	—	—	—	—	—	—	—	290,456	4th Quarter 2012	2nd Quarter 2013	4th Quarter 2014
Total:			89,035,339		34,023,171	32,528,028	27,339,909	1,631,483		16,183,201	15,378,122		5,094,275			38,828,967			

Notes:
(1) "Completed GFA," "Total completed saleable GFA" and "Total saleable GFA sold" for completed property developments are based on the surveying reports issued by relevant government departments.
(2) "GFA under development" is based in the actual measurements by the project management department of the Group.
(3) "Total saleable GFA under development" and "Total saleable GFA pre-sold" for properties under development are derived from the Commodity Properties Pre-sale Permit.
(4) "GFA held for future development" for each project is the GFA expected to be built.

As of September 30, 2012, our project companies had entered into land grant contracts or land grant confirmation letters in respect of land in various cities in Guangdong Province, Anhui Province, Hubei Province, Jiangsu Province, Liaoning Province, Hunan Province, Chongqing Municipality and in the Selangor State in Malaysia.These parcels of land have an aggregate site area of approximately 8,970,507 sq.m., and an aggregate expected GFA of approximately 10,894,353 sq.m. We have not yet paid a portion of the land premium for certain parcels of such land. As of September 30, 2012, we had not obtained land use rights certificates or land title in respect of these parcels of land. We cannot assure you that we will obtain the land use rights certificates or land title in respect of these parcels of land in a timely manner or at all. Further, we have not commenced any construction or preparation of construction relating to these parcels of land, nor do we have any detailed plans for them.

The table below shows the location, site area and expected developable aggregate GFA, for each of these parcels of land as of September 30, 2012. The site area information for these parcels of land is based on the relevant land grant contracts, land transfer contracts, sale and purchase agreement or public auction confirmation.

Location	**Site Area**	**Expected developable aggregate GFA**
Guangdong Province		
Foshan City (Gaoming), Guangdong Province	387,933	663,703
Jiangmen City (Heshan), Guangdong Province	41,316	41,316
Zhaoqing City (Gaoyao), Guangdong Province	48,354	48,354
Shanwei City (Shanwei), Guangdong Province	317,542	252,681
Shaoguan City (Xilian), Guangdong Province	102,935	61,868
Zhaoqing City (Sihui), Guangdong Province	101,227	82,043
Maoming City (Maonan), Guangdong Province	30,944	18,156
Maoming City (Dianbai), Guangdong Province	2,259,447	1,766,380
Meizhou City (Jiaoling), Guangdong Province	163,329	175,800
Anhui Province		
Hefei City (Chaohu), Anhui Province	255,774	141,160
Chizhou City (Zhanqian), Anhui Province	30,364	33,400
Anqing City (Anqing), Anhui Province	328,864	920,819
Hefei City (Chaohu), Anhui Province	46,360	53,808
Chuzhou City (Laian), Anhui Province	109,625	197,324
Hubei Province		
Suizhou City (Chengnan), Hubei Province	92,407	99,094
Jingmen City (Duodao), Hubei Province	194,134	103,069
Ezhou City (Wutonghu), Hubei Province	234,792	375,667
Xianning City (Xian'an), Hubei Province	1,201,926	1,802,889
Jiangsu Province		
Zhenjiang City (Jurong), Jiangsu Province	918,801	1,653,842
Wuxi City (Xishan), Jiangsu Province	47,164	84,255
Nantong City (Rudong), Jiangsu Province	145,856	231,749
Wuxi City (Yixing), Jiangsu Province	170,709	221,922
Chongqing Municipality		
Chongqing City (Qianjiang), Chongqing Municipality	195,487	289,676
Chongqing City (Dianjiang), Chongqing Municipality	154,712	352,651
Liaoning Province		
Shenyang City (Yuhong), Liaoning Province	258,364	744,599
Hunan Province		
Changsha City (Liuyang), Hunan Province	90,797	147,356
Malaysia		
State of Selangor (Semenyih), Malaysia	1,041,344	330,772
Total	**8,970,507**	**10,894,353**

Description of our property projects

The following map shows the regions where our 113 projects in China are located as of September 30, 2012.

Guangdong

1. Country Garden East Court
2. Shawan Country Garden
3. Huanan Country Garden — Phases One to Five and Phase Seven
4. Huanan Country Garden — Phase Six
5. Licheng Country Garden
6. Country Garden Phoenix City
7. Nansha Country Garden
8. Holiday Islands — Huadu
9. Shunde Country Garden — including Country Garden West Court
10. Jun'an Country Garden
11. Peninsula Country Garden
12. Gaoming Country Garden
13. Nanhai Country Garden
14. Heshan Country Garden
15. Wuyi Country Garden
16. Xinhui Country Garden
17. Taishan Country Garden
18. Yangdong Country Garden
19. Zhaoqing Lanling Residence
20. Zhaoqing Country Garden
21. Shaoguan Country Garden
22. Huiyang Country Garden
23. Lechang Country Garden
24. Enping Country Garden
25. Shanwei Country Garden
26. Shaoguan Country Garden — Sun Palace
27. Sihui Country Garden
28. Maoming Country Garden
29. Yangshan Country Garden
30. Country Garden — Lychee Park
31. Zhaoqing Country Garden — Hill Lake Palace
32. Country Garden — Park Prime
33. Country Garden — Grand Garden
34. Country Garden — Sunshine Coast
35. Holiday Islands — Qingyuan
36. Country Garden Wonderland
37. Dalang Country Garden
38. Country Garden Grand Palace
39. Huaiji Country Garden
40. Country Garden City Garden
41. Country Garden Grand Palace
42. Deqing Country Garden
43. Yunfu Country Garden
44. Jianghai Country Garden
45. Xinhui Country Garden — Phase Four
46. Country Garden City Garden
47. Country Garden — Ten Miles Beach
48. Country Garden Spring City
49. Country Garden Grand Lake
50. Fengkai Country Garden
51. Haifeng Country Garden
52. Country Garden — Hill Lake Grand Palace
53. Ronggui Country Garden
54. Country Garden – Dongjiang Phoenix City
55. Meijiang Country Garden
56. Country Garden Grand Garden
57. Shilou Country Garden
58. Country Garden — Jade Bay
59. Country Garden Forest Hill Garden
60. Shejiang Country Garden
61. Country Garden Shine Hill Lake City
62. Country Garden — Hill Lake Bay
63. Country Garden Hill Lake Bay
64. Country Garden — Times City
65. Tangxia Country Garden

Guangxi

66. Beiliu Country Garden
67. Pingguo Country Garden

Hunan

68. Changsha Country Garden
69. Country Garden — Hill Lake Palace
70. Yiyang Country Garden
71. Liuyang Country Garden
72. Xiangtan Country Garden
73. Zhangjiajie Country Garden
74. Country Garden Wonderland
75. Country Garden — Jade Hill

Chongqing

76. Changshou Country Garden

Hubei

77. Wuhan Country Garden
78. Xianning Country Garden
79. Country Garden — Hot Spring City
80. Suizhou Country Garden
81. Jingmen Country Garden
82. Country Garden — Eco City
83. Wuhan Country Garden Phase Three

Jiangsu

84. Taizhou Country Garden
85. Country Garden — Phoenix City
86. Country Garden — Triumph Palace

Zhejiang

87. Hangzhou Country Garden

Anhui

88. Country Garden Lakeside City
89. Chizhou Country Garden
90. Country Garden — Hill Lake City
91. Huangshan Country Garden
92. Anqing Country Garden
93. Wuhu Country Garden
94. Chaohu Country Garden
95. Country Garden — Europe City
96. Country Garden — City Garden

Tianjin

97. Tianjin Country Garden
98. Country Garden – Deyu Office Building
99. Country Garden — Seashore City

Liaoning

100. Country Garden — Sun Palace
101. Shenyang Country Garden
102. Country Garden — Galaxy Palace
103. Country Garden — Phoenix City
104. Haicheng Country Garden
105. Country Garden Grand Garden

Inner Mongolia

106. Manzhouli Country Garden
107. Xing'anmeng Country Garden
108. Tongliao Country Garden

Heilongjiang

109. Suihua Country Garden

Hainan

110. Country Garden — Palm City
111. Country Garden Spring Town
112. Country Garden — Golden Beach

Shandong

113. Country Garden — Phoenix City

In addition, we had one project, Serendah Project, in the State of Selangor of Malaysia as of September 30, 2012, the project company of which is an Unrestricted Subsidiary, as defined under "Description of the Notes—Definitions."

The following sets forth brief descriptions of our 114 projects. The commencement date for a project or the commencement date for a phase of a project is the date we start construction of the first building of the project or phase of development. The completion date for a project or the completion date for a phase of a project is either the date we obtain the completion documents or the Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report (房屋建築工程和市政基礎設施工程竣工驗收備案表) from the local government authorities for the last building or phase of the project.

Guangzhou City, Guangdong Province

Country Garden East Court (碧桂園東苑)

Country Garden East Court is located at the intersection of Yushan West Road and 105 National Highway, Panyu, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 220,943 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 269,222 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 191,044 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 240,550 sq.m. Construction of these properties commenced on June 16, 2000 and was completed on June 29, 2002. The completed properties comprise 2,761 residential units with an aggregate saleable GFA of approximately 235,251 sq.m. as well as 56 retail shops with an aggregate saleable GFA of approximately 3,609 sq.m. As of September 30, 2012, 2,761 residential units with an aggregate saleable GFA of approximately 235,251 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 56 retail shops with an aggregate saleable GFA of approximately 3,609 sq.m.

As of September 30, 2012, there was no property under development in Country Garden East Court.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 29,899 sq.m. and had an expected aggregate GFA of approximately 28,672 sq.m.

As of September 30, 2012, the total development costs of Country Garden East Court (including the costs of land acquisition and construction) incurred were RMB701.4 million.

Country Garden East Court offers low-rise apartment buildings and retail shops. This development features Country Garden Farm, a commercial pedestrian street and fountain plaza.

Shawan Country Garden (沙灣碧桂園)

Shawan Country Garden is located at Shawan, Panyu, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 307,266 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 278,834 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 307,266 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 278,834 sq.m. Construction of these properties commenced on February 14, 2001 and was completed on December 31, 2009. The completed properties comprise 2,093 residential units with an aggregate saleable GFA of approximately 273,702 sq.m. As of September 30, 2012, 2,093 residential units with an aggregate saleable GFA of approximately 273,702 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of September 30, 2012, there was no property under development in Shawan Country Garden.

As of September 30, 2012, there was no property held for future development in Shawan Country Garden.

As of September 30, 2012, the total development costs of Shawan Country Garden (including the costs of land acquisition and construction) incurred were RMB1,025.3 million.

Shawan Country Garden offers various types of units, including villas, townhouses, high-rise apartment buildings and parking spaces.

Huanan Country Garden—Phases One to Five and Phase Seven (華南碧桂園—一至五期及七期)

Huanan Country Garden—Phases One to Five and Phase Seven is located on Ying Bin Road, Nan Cun Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,133,278 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,075,096 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,133,278 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,075,096 sq.m. Construction of these properties commenced on July 30, 1999 and was completed on December 19, 2011. The completed properties comprise 6,583 residential units with an aggregate saleable GFA of approximately 944,115 sq.m., as well as 161 retail shops with an aggregate saleable GFA of approximately 16,342 sq.m. As of September 30, 2012, 6,573 residential units with an aggregate saleable GFA of approximately 942,667 sq.m. as well as 160 retail shops with an aggregate saleable GFA of approximately 16,281 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 10 residential units with an aggregate saleable GFA of approximately 1,448 sq.m. and one retail shop with an aggregate saleable GFA of approximately 61 sq.m.

As of September 30, 2012, there was no property under development in Huanan Country Garden—Phases One to Five and Phase Seven.

As of September 30, 2012, there was no property held for future development in Huanan Country Garden—Phases One to Five and Phase Seven.

As of September 30, 2012, the total development costs of Huanan Country Garden—Phases One to Five and Phase Seven (including the costs of land acquisition and construction) incurred were RMB3,495.7 million.

Huanan Country Garden—Phases One to Five and Phase Seven offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. Huanan Country Garden—Phases One to Five and Phase Seven features a clubhouse, an auditorium, a swimming pool, tennis courts, a kindergarten, a primary school, badminton courts, basketball courts, Chinese restaurants, a supermarket, table-tennis rooms, snooker rooms and reading rooms.

Huanan Country Garden—Phase Six (華南碧桂園－六期)

Huanan Country Garden — Phase Six is located on Ying Bin Road, Nan Cun Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Huanan Country Garden Property Development Co., Ltd., a project company owned equally by us and Guangzhou Zhencheng Property Development Co., Ltd. The project occupies an aggregate site area of approximately 300,033 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 423,467 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 271,495 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 408,391 sq.m. Construction of these properties commenced on July 7, 2004 and was completed on December 20, 2007. The completed properties comprise 2,500 residential units with an aggregate saleable GFA of approximately 407,552 sq.m., as well as one retail shop with a saleable GFA of approximately 60 sq.m. As of September 30, 2012, 2,500 residential units with an aggregate saleable GFA of approximately 407,552 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised one retail shop with saleable GFA of approximately 60 sq.m.

As of September 30, 2012, there was no property under development in Huanan Country Garden—Phase Six.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 28,000 sq.m. and had an expected aggregate GFA of approximately 14,000 sq.m.

According to the articles of association of Guangzhou Huanan Country Garden Property Development Co., Ltd., dividend distribution of the company requires the approval of both joint venture partners.

As of September 30, 2012, the total development costs of Huanan Country Garden—Phase Six (including the costs of land acquisition and construction) incurred were RMB1,583.1 million.

Huanan Country Garden—Phase Six offers various types of units, including villas, townhouses, high-rise apartment buildings, retail shops and parking spaces.

Licheng Country Garden (荔城碧桂園)

Licheng Country Garden is located on Fuqian Road, Licheng Town, Zengcheng District, Guangzhou City, close to Licheng Municipal Plaza. It is being developed by Zengcheng Country Garden Property Development Co., Ltd. ("Zengcheng Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 808,391 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 568,729 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 808,391 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 568,729 sq.m. Construction of these properties commenced on August 31, 2001 and was completed on June 30, 2010. The completed properties comprise 3,302 residential units with an aggregate saleable GFA of approximately 520,062 sq.m., as well as 372 retail shops with an aggregate saleable GFA of approximately 19,438 sq.m. and 1,308 parking spaces with an aggregate saleable GFA of approximately 11,265 sq.m. As of September 30, 2012, 3,298 residential units with an aggregate saleable GFA of approximately 517,521 sq.m. as well as 368 retail shops with an aggregate saleable GFA of approximately 19,249 sq.m. and 525 parking spaces with an aggregate saleable GFA of approximately 7,687 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised four residential units with an aggregate saleable GFA of approximately 2,541 sq.m. and four retail shops with an aggregate saleable GFA of approximately 189 sq.m. and 783 parking spaces with an aggregate GFA of approximately 3,578 sq.m.

As of September 30, 2012, there was no property under development in Licheng Country Garden.

As of September 30, 2012, there was no property held for future development in Licheng Country Garden.

As of September 30, 2012, the total development costs of Licheng Country Garden (including the costs of land acquisition and construction) incurred were RMB2,165.0 million.

Licheng Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces.

Licheng Country Garden features a lake, a clubhouse, an outdoor swimming pool, tennis courts, badminton courts, a basketball court, table-tennis rooms, an outdoor children's playground, reading rooms, a supermarket, a kindergarten and a commercial street.

Country Garden Phoenix City (碧桂園鳳凰城)

Country Garden Phoenix City is located in Xintang Town, Zengcheng District, Guangzhou City, close to Guangshen Highway. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 6,139,895 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 4,596,527 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 5,806,062 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 4,104,382 sq.m. Construction of these properties commenced on November 5, 2001 and was completed on June 15, 2012. The completed properties comprise 23,229 residential units with an aggregate saleable GFA of approximately 3,769,029 sq.m., as well as 771 retail shops with an aggregate saleable GFA of approximately 90,192 sq.m. and 944 parking spaces with an aggregate saleable GFA of approximately 19,249 sq.m. As of September 30, 2012, 22,906 residential units with an aggregate saleable GFA of approximately 3,699,134 sq.m. as well as 642 retail shops with an aggregate saleable GFA of approximately 58,591 sq.m. and 38 parking spaces with an aggregate saleable GFA of approximately 517 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 323 residential units with an aggregate saleable GFA of approximately 69,895 sq.m. and 129 retail shops with an aggregate saleable GFA of approximately 31,601 sq.m. and 906 parking spaces with an aggregate GFA of approximately 18,732 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 238,232 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 334,413 sq.m. Construction of these properties commenced on April 29, 2007 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,906 residential units with an aggregate saleable GFA of approximately 330,968 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 95,600 sq.m. and had an expected aggregate GFA of approximately 157,732 sq.m.

As of September 30, 2012, the total development costs of Country Garden Phoenix City (including the costs of land acquisition and construction) incurred were RMB14,672.4 million.

Country Garden Phoenix City offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Phoenix Island, an international rental community tailored for foreigners, the five- star Guangzhou Country Garden Phoenix City Hotel (廣州碧桂園鳳凰城酒店), Phoenix City Bilingual School (鳳凰城中英文學校), Lychee Cultural Village (荔枝文化村), a transportation hub, a recreational center, Dongmen Retail Street and clubhouses.

Nansha Country Garden (南沙碧桂園)

Nansha Country Garden is located on Jingang Road, Guangzhou Nansha Development Zone, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd. ("Nansha Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 416,657 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 515,889 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 416,657 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 515,889 sq.m. Construction of these properties commenced on September 29, 2004 and was completed on June 28, 2010. The completed properties comprise 3,673 residential units with an aggregate saleable GFA of approximately 486,891 sq.m., as well as 85 retail shops with an aggregate saleable GFA of approximately 4,111 sq.m. As of September 30, 2012, 3,673 residential units with an aggregate saleable GFA of approximately 486,891 sq.m. as well as 80 retail shops with an aggregate saleable GFA of approximately 2,859 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised five retail shops with an aggregate saleable GFA of approximately 1,252 sq.m.

As of September 30, 2012, there was no property under development in Nansha Country Garden.

As of September 30, 2012, there was no property held for future development in Nansha Country Garden.

As of September 30, 2012, the total development costs of Nansha Country Garden (including the costs of land acquisition and construction) incurred were RMB1,672.9 million.

Nansha Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a clubhouse, Yangguang Plaza, a supermarket and a commercial street.

Country Garden Grand Palace (碧桂園豪庭)

Country Garden Grand Palace is located at East Side of Fengtian Residence Zone, Nansha District, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 63,726 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 166,557 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 38,740 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 93,204 sq.m. Construction of these properties commenced on April 22, 2010 and was completed on September 24, 2012. The completed properties comprise 743 residential units with an aggregate saleable GFA of approximately 83,114 sq.m., as well as 30 retail shops with an aggregate saleable GFA of approximately 3,053 sq.m. As of September 30, 2012, 518 residential units with an aggregate saleable GFA of approximately 54,780 sq.m. as well as six retail shops with an aggregate saleable GFA of approximately 629 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 225 residential units with an aggregate saleable GFA of approximately 28,334 sq.m. and 24 retail shops with an aggregate saleable GFA of approximately 2,424 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 24,986 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 73,353 sq.m. Construction of these properties commenced on April 22, 2010 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 597 residential units with an aggregate saleable GFA of approximately 67,973 sq.m. and 24 retail shops with an aggregate saleable GFA of approximately 1,224 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Grand Palace.

As of September 30, 2012, the total development costs of Country Garden Grand Palace (including the costs of land acquisition and construction) incurred were RMB851.1 million.

Country Garden Grand Palace offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Holiday Islands—Huadu (假日半島—花都)

Holiday Islands—Huadu is located at Shanqian Avenue, Chini Town, Huadu District, Guangzhou City. It is being developed by Guangzhou Huadu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 937,861 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 444,382 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 889,795 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 406,191 sq.m. Construction of these properties commenced on January 11, 2006 and was completed on May 30, 2012. The completed properties comprise 1,634 residential units with an aggregate saleable GFA of approximately 403,637 sq.m. As of September 30, 2012, 1,351 residential units with an aggregate saleable GFA of approximately 304,081 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 283 residential units with an aggregate saleable GFA of approximately 99,556 sq.m.

As of September 30, 2012, there was no property under development in Holiday Islands—Huadu.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 20,766 sq.m. and had an expected aggregate GFA of approximately 20,961 sq.m.

As of September 30, 2012, the total development costs of Holiday Islands—Huadu (including the costs of land acquisition and construction) incurred were RMB1,751.5 million.

Holiday Islands—Huadu offers various types of units, including villas, townhouses and low-rise apartment buildings, and is expected to offer high-rise apartment buildings in the future.

Country Garden—Lychee Park (碧桂園・荔園)

Country Garden—Lychee Park is located at Weiliu Road, Zengjiang Avenue, Zengcheng District, Guangzhou City. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 92,965 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 88,837 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 92,965 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 88,837 sq.m. Construction of these properties commenced on July 6, 2009 and was completed on May 26, 2010. The completed properties comprise 564 residential units with an aggregate saleable GFA of approximately 78,163 sq.m., as well as 167 retail shops with an aggregate saleable GFA of approximately 7,707 sq.m. and 122 parking spaces with an aggregate saleable GFA of approximately 1,720 sq.m. As of September 30, 2012, 563 residential units with an aggregate saleable GFA of approximately 77,816 sq.m. as well as 167 retail shops with an aggregate saleable GFA of approximately 7,707 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised one residential unit with a saleable GFA of approximately 347 sq.m. and 122 parking spaces with an aggregate GFA of approximately 1,720 sq.m.

As of September 30, 2012, there was no property under development in Country Garden—Lychee Park.

As of September 30, 2012, there was no property held for future development in Country Garden—Lychee Park.

As of September 30, 2012, the total development costs of Country Garden—Lychee Park (including the costs of land acquisition and construction) incurred were RMB465.1 million.

Country Garden—Lychee Park offers various types of units, including townhouses, low-rise apartment buildings and retail shops.

Country Garden—Grand Garden (碧桂園・豪園)

Country Garden—Grand Garden is located at Shitan Town, Zengcheng District, Guangzhou City. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 928,242 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,034,371 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 618,211 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 437,994 sq.m. Construction of these properties commenced on September 29, 2009 and was completed on August 20, 2012. The completed properties comprise 2,204 residential units with an aggregate saleable GFA of approximately 373,483 sq.m., as well as 163 retail shops with an aggregate saleable GFA of approximately 13,228 sq.m. As of September 30, 2012, 2,105 residential units with an aggregate saleable GFA of approximately 340,203 sq.m. as well as 126 retail shops with an aggregate saleable GFA of approximately 7,743 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 99 residential units with an aggregate saleable GFA of approximately 33,280 sq.m. and 37 retail shops with an aggregate saleable GFA of approximately 5,485 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 70,328 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 146,424 sq.m. Construction of these properties commenced on April 19, 2010 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,327 residential units with an aggregate saleable GFA of approximately 145,889 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 239,704 sq.m. and had an expected aggregate GFA of approximately 449,953 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Grand Garden (including the costs of land acquisition and construction) incurred were RMB3,295.7 million.

Country Garden—Grand Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Shilou Country Garden (石樓碧桂園)

Shilou Country Garden is located in Daling Village, Shilou Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Shilou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 93,340 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 173,942 sq.m.

As of September 30, 2012, there was no completed property in Shilou Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 59,684 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 147,029 sq.m. Construction of these properties commenced on December 29, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 471 residential units with an aggregate saleable GFA of approximately 139,151 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 33,656 sq.m. and had an expected aggregate GFA of approximately 26,913 sq.m.

As of September 30, 2012, the total development costs of Shilou Country Garden (including the costs of land acquisition and construction) incurred were RMB 855.1 million.

Shilou Country Garden offers townhouses, and is expected to offer high-rise apartment buildings in the future.

Country Garden Hill Lake Bay (碧桂園山湖灣)

Country Garden Hill Lake Bay is located at East Part of Jin'gang Avenue, Nansha District, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 283,441 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 504,239 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Hill Lake Bay.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 117,999 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 242,353 sq.m. Construction of these properties commenced on June 28, 2012 and is expected to be completed in the fourth quarter 2014. Upon completion, there will be 1,899 residential units with an aggregate saleable GFA of approximately 236,218 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 165,442 sq.m. and had an expected aggregate GFA of approximately 261,886 sq.m.

As of September 30, 2012, the total development costs of Country Garden Hill Lake Bay (including the costs of land acquisition and construction) incurred were RMB1,700.9 million.

Country Garden Hill Lake Bay is expected to offer townhouses, high-rise apartment buildings in the future.

Foshan City, Guangdong Province

Shunde Country Garden—including Country Garden West Court (順德碧桂園—含碧桂園西苑)

Shunde Country Garden is located at the Bridge of Bijiang, Beijiao Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd., our wholly- owned project company. The project occupies an aggregate site area of approximately 3,119,070 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,580,435 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 2,957,230 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 2,308,828 sq.m. Construction of these properties commenced on 1992 and was completed on June 25, 2012. The completed properties comprise 14,974 residential units with an aggregate saleable GFA of approximately 2,102,785 sq.m., as well as 36 retail shops with an aggregate saleable GFA of approximately 10,625 sq.m. and an office building with an aggregate saleable GFA of approximately 18,666 sq.m. As of September 30, 2012, 14,084 residential units with an aggregate saleable GFA of approximately 1,993,264 sq.m. as well as two retail shops with an aggregate saleable GFA of approximately 540 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 890 residential units with an aggregate saleable GFA of approximately 109,521 sq.m. and 34 retail shops with an aggregate saleable GFA of approximately 10,085 sq.m. an office building with an aggregate saleable GFA of approximately 18,666 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 118,176 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 162,004 sq.m. Construction of these properties commenced on June 18, 2008 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 118 residential units with an aggregate saleable GFA of approximately 61,977 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 43,664 sq.m. and had an expected aggregate GFA of approximately 109,603 sq.m.

As of September 30, 2012, the total development costs of Shunde Country Garden—including Country Garden West Court (including the costs of land acquisition and construction) incurred were RMB6,673.7 million.

Shunde Country Garden—including Country Garden West Court offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a four-star resort hotel, Shunde Country Garden Holiday Resort (順德碧桂園度假村) as well as four clubhouses, a fresh produce market, an international cultural plaza, Country Garden Hospital (碧桂園醫院) and Country Garden School (碧桂園學校).

Jun'an Country Garden (均安碧桂園)

Jun'an Country Garden is located on Cuihu Road, Jun'an Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Jun'an Country Garden Property Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 244,468 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 254,510 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 214,416 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 224,458 sq.m. Construction of these properties commenced on April 13, 2000 and was completed on June 20, 2011. The completed properties comprise

1,410 residential units with an aggregate saleable GFA of approximately 214,110 sq.m. As of September 30, 2012, 1,407 residential units with an aggregate saleable GFA of approximately 213,246 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised three residential units with an aggregate saleable GFA of approximately 864 sq.m.

As of September 30, 2012, there was no property under development in Jun'an Country Garden.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 30,052 sq.m. and had an expected aggregate GFA of approximately 30,052 sq.m.

As of September 30, 2012, the total development costs of Jun'an Country Garden (including the costs of land acquisition and construction) incurred were RMB771.0 million.

Jun'an Country Garden offers various types of units, including villas, townhouses and low-rise apartment buildings. A supermarket is in the proximity of this development.

Peninsula Country Garden (半島碧桂園)

Peninsula Country Garden is located next to the Jin Sha Bridge, Chencun Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd., our wholly- owned project company. The project occupies an aggregate site area of approximately 529,948 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 294,330 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 529,948 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 294,330 sq.m. Construction of these properties commenced on April 28, 2003 and was completed on April 16, 2008. The completed properties comprise 1,106 residential units with an aggregate saleable GFA of approximately 287,043 sq.m. As of September 30, 2012, 1,104 residential units with an aggregate saleable GFA of approximately 286,021 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised two residential units with an aggregate saleable GFA of approximately 1,022 sq.m.

As of September 30, 2012, there was no property under development in Peninsula Country Garden.

As of September 30, 2012, there was no property held for future development in Peninsula Country Garden.

As of September 30, 2012, the total development costs of Peninsula Country Garden (including the costs of land acquisition and construction) incurred were RMB947.5 million.

Peninsula Country Garden offers various types of units, including villas, townhouses and low-rise apartment buildings. This development features a luxurious clubhouse, a swimming pool, tennis courts, basketball courts, poker rooms and table-tennis rooms, as well as a supermarket and a commercial street.

Gaoming Country Garden (高明碧桂園)

Gaoming Country Garden is located at San Zhou Bai Ling Road, Gaoming District, Foshan City. It is being developed by Foshan Gaoming Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,774,595 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 985,801 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,529,340 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 908,091 sq.m. Construction of these properties commenced on July 28, 2004 and was completed on September 29, 2012. The completed properties comprise 5,038 residential units with an aggregate saleable GFA of approximately 892,165 sq.m., as well as 129 retail shops with an aggregate saleable GFA of approximately 5,041 sq.m. As of September 30, 2012, 4,910 residential units with an aggregate saleable GFA of approximately 851,423 sq.m. as well as 129 retail shops with an aggregate saleable GFA of approximately 5,041 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 128 residential units with an aggregate saleable GFA of approximately 40,742 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 232,252 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 64,710 sq.m. Construction of these properties commenced on May 31, 2006 and is expected to be completed in the second quarter 2013. Upon completion, there will be 239 residential units with an aggregate saleable GFA of approximately 64,284 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 13,003 sq.m. and had an expected aggregate GFA of approximately 13,000 sq.m.

As of September 30, 2012, the total development costs of Gaoming Country Garden (including the costs of land acquisition and construction) incurred were RMB3,980.5 million.

Gaoming Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, retail shops and parking spaces. This development features various amenities, such as reading rooms, poker rooms, tennis courts, basketball courts, swimming pools, table tennis rooms, a supermarket, commercial streets and Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店), a five-star hotel.

Nanhai Country Garden (南海碧桂園)

Nanhai Country Garden is located in Yayao Village, Dali Town, Nanhai District, Foshan City, near Guangfo Highway, Yayao Intersection and 325 National Highway. It is being developed by Foshan Nanhai Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 494,294 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 553,574 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 494,294 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 553,574 sq.m. Construction of these properties commenced on June 27, 2005 and was completed on March 30, 2011. The completed properties comprise 2,173 residential units with an aggregate saleable GFA of approximately 540,272 sq.m., as well as 20 retail shops with an aggregate saleable GFA of approximately 2,508 sq.m. As of September 30, 2012, 2,173 residential units with an aggregate saleable GFA of approximately 540,272 sq.m. as well as 15 retail shops with an aggregate saleable GFA of approximately 511 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised five retail shops with an aggregate saleable GFA of approximately 1,997 sq.m.

As of September 30, 2012, there was no property under development in Nanhai Country Garden.

As of September 30, 2012, there was no property held for future development in Nanhai Country Garden.

As of September 30, 2012, the total development costs of Nanhai Country Garden (including the costs of land acquisition and construction) incurred were RMB2,307.6 million.

Nanhai Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a clubhouse with swimming pools, tennis courts, basketball courts, a library, table-tennis rooms and a supermarket.

Country Garden Wonderland (碧桂園山水桃園)

Country Garden Wonderland is located at Lishui Town, Nanhai District, Foshan City. It is being developed by Foshan Nanhai Wonderland Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 87,246 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 144,508 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 87,246 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 144,508 sq.m. Construction of these properties commenced on December 22, 2009 and was completed on January 19, 2012. The completed properties comprise 1,245 residential units with an aggregate saleable GFA of approximately 143,410 sq.m. As of September 30, 2012, 956 residential units with an aggregate saleable GFA of approximately 89,376 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 289 residential units with an aggregate saleable GFA of approximately 54,034 sq.m.

As of September 30, 2012, there was no property under development in Country Garden Wonderland.

As of September 30, 2012, there was no property held for future development in Country Garden Wonderland.

As of September 30, 2012, the total development costs of Country Garden Wonderland (including the costs of land acquisition and construction) incurred were RMB723.5 million.

Country Garden Wonderland offers various types of units, including townhouses, low-rise apartment buildings and high-rise apartment buildings and parking spaces.

Country Garden City Garden (碧桂園城市花園)

Country Garden City Garden is located next to Lingnan Avenue, Chancheng District, Foshan City. It is being developed by Foshan Chancheng Country Garden Property Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 68,274 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 434,726 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 25,080 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 141,863 sq.m. Construction of these properties commenced on July 30, 2010 and was completed on June 29, 2012. The completed properties comprise 1,130 residential units with an aggregate saleable GFA of approximately 137,945 sq.m. As of September 30, 2012, 687 residential units with an aggregate saleable GFA of approximately 79,110 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 443 residential units with an aggregate saleable GFA of approximately 58,835 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 43,194 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 292,863 sq.m. Construction of these properties commenced on July 30, 2010 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,956 residential units with an aggregate saleable GFA of approximately 228,165 sq.m. and 35 retail shops with an aggregate saleable GFA of approximately 12,728 sq.m. and 1,900 parking spaces with an aggregate saleable GFA of approximately 44,655 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden City Garden.

As of September 30, 2012, the total development costs of Country Garden City Garden (including the costs of land acquisition and construction) incurred were RMB2,288.4 million.

Country Garden City Garden offers various types of units, including high-rise apartment buildings and retail shops, and is expected to offer parking spaces in the future. It will also feature a hotel developed to five-star rating standard.

Country Garden Grand Palace (碧桂園豪庭)

Country Garden Grand Palace is located at East Side of Xihua Road, Shibu, Longjiang Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 135,936 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 368,560 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 100,405 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 230,188 sq.m. Construction of these properties commenced on February 3, 2010 and was completed on May 28, 2012. The completed properties comprise 1,500 residential units with an aggregate saleable GFA of approximately 219,656 sq.m., as well as 68 retail shops with an aggregate saleable GFA of approximately 5,990 sq.m. As of September 30, 2012, 1,340 residential units with an aggregate saleable GFA of approximately 173,098 sq.m. as well as 35 retail shops with an aggregate saleable GFA of approximately 2,619 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 160 residential units with an aggregate saleable GFA of approximately 46,558 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 3,371 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 35,532 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 138,372 sq.m. Construction of these properties commenced on October 28, 2010 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 966 residential units with an aggregate saleable GFA of approximately 136,774 sq.m. and 20 retail shops with an aggregate saleable GFA of approximately 1,453 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Grand Palace.

As of September 30, 2012, the total development costs of Country Garden Grand Palace (including the costs of land acquisition and construction) incurred were RMB1,695.1 million.

Country Garden Grand Palace offers various types of units, including townhouses, high-rise apartment buildings, retail shops and parking spaces. It will also feature a hotel developed to five-star rating standard.

Ronggui Country Garden (容桂碧桂園)

Ronggui Country Garden is located at No.2 of Chaogui North Road, Xiaohuangpu Community, Ronggui Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 108,175 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 309,595 sq.m.

As of September 30, 2012, there was no completed property in Ronggui Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 108,175 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 309,595 sq.m. Construction of these properties commenced on June 22, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,526 residential units with an aggregate saleable GFA of approximately 304,321 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 2,804 sq.m.

As of September 30, 2012, there was no property held for future development in Ronggui Country Garden.

As of September 30, 2012, the total development costs of Ronggui Country Garden (including the costs of land acquisition and construction) incurred were RMB1,577.4 million.

Ronggui Country Garden offers various types of units, including townhouses, high-rise apartment buildings.

Jiangmen City, Guangdong Province

Heshan Country Garden (鶴山碧桂園)

Heshan Country Garden is located on Heshan Avenue, Shaping Town, Heshan District, Jiangmen City, across from Heshan Central Station and in the proximity of the commercial district of Heshan. It is being developed by Heshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 3,469,521 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,074,360 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 2,938,831 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,720,757 sq.m. Construction of these properties commenced on March 26, 2004 and was completed on June 14, 2012. The completed properties comprise 8,777 residential units with an aggregate saleable GFA of approximately 1,561,954 sq.m., as well as 506 retail shops with an aggregate saleable GFA of approximately 80,029 sq.m. and 236 parking spaces with an aggregate saleable GFA of approximately 6,442 sq.m. As of September 30, 2012, 7,883 residential units with an aggregate saleable GFA of approximately 1,426,379 sq.m. as well as 416 retail shops with an aggregate saleable GFA of approximately 58,213 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 894 residential units with an aggregate saleable GFA of approximately 135,575 sq.m. and 90 retail shops with an aggregate saleable GFA of approximately 21,816 sq.m. and 236 parking spaces with an aggregate GFA of approximately 6,442 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 296,861 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 146,015 sq.m. Construction of these properties commenced on May 20, 2010 and is expected to be completed in the first quarter 2013. Upon completion, there will be 590 residential units with an aggregate saleable GFA of approximately 143,579 sq.m. and 22 retail shops with an aggregate saleable GFA of approximately 1,806 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 233,830 sq.m. and had an expected aggregate GFA of approximately 207,588 sq.m.

As of September 30, 2012, the total development costs of Heshan Country Garden (including the costs of land acquisition and construction) incurred were RMB6,199.5 million.

Heshan Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Heshan (鶴山市碧桂園鳳凰酒店) and a commercial plaza.

Wuyi Country Garden (五邑碧桂園)

Wuyi Country Garden is located on Xihuan Road, Beixin Zone, Pengjiang District, Jiangmen City. It is being developed by Jiangmen Wuyi Country Garden Property Development Co., Ltd. ("Wuyi Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 1,510,843 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 955,145 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,470,998 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 863,823 sq.m. Construction of these properties commenced on August 16, 2004 and was completed on June 16, 2012. The completed properties comprise 4,301 residential units with an aggregate saleable GFA of approximately 821,638 sq.m., as well as 12 retail shops with an aggregate saleable GFA of approximately 1,034 sq.m. As of September 30, 2012, 4,208 residential units with an aggregate saleable GFA of approximately 796,658 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 93 residential units with an aggregate saleable GFA of approximately 24,980 sq.m. and 12 retail shops with an aggregate saleable GFA of approximately 1,034 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 39,846 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 91,322 sq.m. Construction of these properties commenced on January 28, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 942 residential units with an aggregate saleable GFA of approximately 87,928 sq.m.

As of September 30, 2012, there was no property held for future development in Wuyi Country Garden.

As of September 30, 2012, the total development costs of Wuyi Country Garden (including the costs of land acquisition and construction) incurred were RMB3,769.4 million.

Wuyi Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店), a hotel built to five-star standard, as well as kindergartens, primary schools, a supermarket and a commercial street.

Xinhui Country Garden (新會碧桂園)

Xinhui Country Garden is located at the intersection of Xin Hui Avenue and Xin Gang Road, Nan Xin District in the city center of Xinhui and in the proximity of Xinhui Central station, Jiangmen City. It is being developed by Jiangmen East Coast Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 356,762 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 588,519 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 353,781 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 582,168 sq.m. Construction of these properties commenced on November 7, 2005 and was completed on March 30, 2012. The completed properties comprise 3,576 residential units with an aggregate saleable GFA of approximately 557,117 sq.m., as well as 383 retail shops with an aggregate saleable GFA of approximately 21,241 sq.m. As of September 30, 2012, 3,565 residential units with an aggregate saleable GFA of approximately 554,940 sq.m. as well as 181 retail shops with an aggregate saleable GFA of approximately 11,253 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 11 residential units with an aggregate saleable GFA of approximately 2,177 sq.m. and 202 retail shops with an aggregate saleable GFA of approximately 9,988 sq.m.

As of September 30, 2012, there was no property under development in Xinhui Country Garden.

As of September 30, 2012, there was no property held for future development in Xinhui Country Garden.

As of September 30, 2012, the total development costs of Xinhui Country Garden (including the costs of land acquisition and construction) incurred were RMB2,135.9 million.

Xinhui Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店), which has been developed to five-star standard, a supermarket, Phoenix Commercial Plaza and a clubhouse.

Taishan Country Garden (台山碧桂園)

Taishan Country Garden is located in Shagang Hu Development Zone, Taicheng Town, Taishan District, Jiangmen City. It is being developed by Taishan Country Garden Property Development Co., Ltd. ("Taishan Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 4,277,222 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,628,349 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,538,246 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 754,657 sq.m. Construction of these properties commenced on March 31, 2006 and was completed on August 30, 2012. The completed properties comprise 3,217 residential units with an aggregate saleable GFA of approximately 706,292 sq.m., as well as 497 retail shops with an aggregate saleable GFA of approximately 26,704 sq.m. As of September 30, 2012, 2,553 residential units with an aggregate saleable GFA of approximately 529,733 sq.m. as well as 265 retail shops with an aggregate saleable GFA of approximately 11,458 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 664 residential units with an aggregate saleable GFA of approximately 176,559 sq.m. and 232 retail shops with an aggregate saleable GFA of approximately 15,246 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 449,346 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 280,686 sq.m. Construction of these properties commenced on February 29, 2008 and is expected to be completed in the third quarter 2013. Upon completion, there will be 1,405 residential units with an aggregate saleable GFA of approximately 270,521 sq.m. and 20 retail shops with an aggregate saleable GFA of approximately 1,896 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 2,289,631 sq.m. and had an expected aggregate GFA of approximately 1,593,006 sq.m.

As of September 30, 2012, the total development costs of Taishan Country Garden (including the costs of land acquisition and construction) incurred were RMB3,151.7 million.

Taishan Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店), and a commercial pedestrian street.

Enping Country Garden (恩平碧桂園)

Enping Country Garden is located at Shi Street, Chakeng Administration District, Enping District, Jiangmen City. It is being developed by Enping Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 419,241 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 293,355 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 374,229 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 237,353 sq.m. Construction of these properties commenced on November 1, 2007 and was completed on May 10, 2012. The completed properties comprise 1,111 residential units with an aggregate saleable GFA of approximately 225,313 sq.m., as well as 107 retail shops with an aggregate saleable GFA of approximately 5,431 sq.m. As of September 30, 2012, 1,077 residential units with an aggregate saleable GFA of approximately 218,937 sq.m. as well as 98 retail shops with an aggregate saleable GFA of approximately 5,063 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 34 residential units with an aggregate saleable GFA of approximately 6,376 sq.m. and nine retail shops with an aggregate saleable GFA of approximately 368 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 31,042 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 44,727 sq.m. Construction of these properties commenced on October 17, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 419 residential units with an aggregate saleable GFA of approximately 40,329 sq.m. and 44 retail shops with an aggregate saleable GFA of approximately 4,304 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 13,970 sq.m. and had an expected aggregate GFA of approximately 11,275 sq.m.

As of September 30, 2012, the total development costs of Enping Country Garden (including the costs of land acquisition and construction) incurred were RMB862.8 million.

Enping Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Park Prime (碧桂園・公園1號)

Country Garden—Park Prime is located at Opposite of Heshan Park, Heshan Avenue, Shanping Town, Heshan District. It is being developed by Heshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 134,897 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 238,657 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 114,530 sq.m. and had an aggregate GFA (including saleable and non-saleable

GFA) of approximately 158,612 sq.m. Construction of these properties commenced on July 9, 2009 and was completed on August 30, 2012. The completed properties comprise 1,181 residential units with an aggregate saleable GFA of approximately 149,556 sq.m., as well as 95 retail shops with an aggregate saleable GFA of approximately 6,392 sq.m. As of September 30, 2012, 370 residential units with an aggregate saleable GFA of approximately 51,248 sq.m. as well as 67 retail shops with an aggregate saleable GFA of approximately 4,283 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 811 residential units with an aggregate saleable GFA of approximately 98,308 sq.m. and 28 retail shops with an aggregate saleable GFA of approximately 2,109 sq.m.

As of September 30, 2012, there was no property under development in Country Garden—Park Prime.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 20,367 sq.m. and had an expected aggregate GFA of approximately 80,045 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Park Prime (including the costs of land acquisition and construction) incurred were RMB 457.9 million.

Country Garden—Park Prime offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Sunshine Coast (碧桂園・陽光水岸)

Country Garden—Sunshine Coast is located at Sanbu Zone, Kaiping District, Jiangmen City. It is being developed by Kaiping Xinzhihe Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 51,107 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 48,718 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 51,107 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 48,718 sq.m. Construction of these properties commenced on November 4, 2009 and was completed on December 15, 2010. The completed properties comprise 301 residential units with an aggregate saleable GFA of approximately 45,670 sq.m., as well as 29 retail shops with an aggregate saleable GFA of approximately 1,748 sq.m. and 86 parking spaces with an aggregate saleable GFA of approximately 1,028 sq.m. As of September 30, 2012, 292 residential units with an aggregate saleable GFA of approximately 44,364 sq.m. as well as 15 retail shops with an aggregate saleable GFA of approximately 647 sq.m. and 46 parking spaces with an aggregate saleable GFA of approximately 548 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised nine residential units with an aggregate saleable GFA of approximately 1,306 sq.m. and 14 retail shops with an aggregate saleable GFA of approximately 1,101 sq.m. and 40 parking spaces with an aggregate GFA of approximately 480 sq.m.

As of September 30, 2012, there was no property under development in Country Garden—Sunshine Coast.

As of September 30, 2012, there was no property held for future development in Country Garden—Sunshine Coast.

As of September 30, 2012, the total development costs of Country Garden—Sunshine Coast (including the costs of land acquisition and construction) incurred were RMB146.0 million.

Country Garden—Sunshine Coast offers various types of units, including townhouses, low-rise apartment buildings, retail shops and parking spaces.

Jianghai Country Garden (江海碧桂園)

Jianghai Country Garden is located at East Side of Administration Zone, Jianghai District, Jiangmen City. It is being developed by Jiangmen Jianghai Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 232,494 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 477,520 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 139,871 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 99,284 sq.m. Construction of these properties commenced on April 30, 2010 and was completed on May 30, 2012. The completed properties comprise 320 residential units with an aggregate saleable GFA of approximately 77,555 sq.m., as well as 82 retail shops with an aggregate saleable GFA of approximately 11,692 sq.m. As of September 30, 2012, 290 residential units with an aggregate saleable GFA of approximately 66,967 sq.m. as well as 32 retail shops with an aggregate saleable GFA of approximately 4,437 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 30 residential units with an aggregate saleable GFA of approximately 10,588 sq.m. and 50 retail shops with an aggregate saleable GFA of approximately 7,255 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 29,353 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 164,236 sq.m. Construction of these properties commenced on January 18, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,518 residential units with an aggregate saleable GFA of approximately 164,236 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 63,270 sq.m. and had an expected aggregate GFA of approximately 214,000 sq.m.

As of September 30, 2012, the total development costs of Jianghai Country Garden (including the costs of land acquisition and construction) incurred were RMB1,062.9 million.

Jianghai Country Garden offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Xinhui Country Garden—Phase Four (新會碧桂園一四期)

Xinhui Country Garden—Phase Four is located at South Side of Xinhui Country Garden, Xinhui District, Jiangmen City. It is being developed by Jiangmen Xinhui Country Garden Property

Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 183,325 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 405,937 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 113,754 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 138,997 sq.m. Construction of these properties commenced on March 24, 2010 and was completed on July 30, 2012. The completed properties comprise 938 residential units with an aggregate saleable GFA of approximately 132,943 sq.m., as well as 47 retail shops with an aggregate saleable GFA of approximately 5,617 sq.m. As of September 30, 2012, 158 residential units with an aggregate saleable GFA of approximately 44,519 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 780 residential units with an aggregate saleable GFA of approximately 88,424 sq.m. and 47 retail shops with an aggregate saleable GFA of approximately 5,617 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 64,418 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 263,041 sq.m. Construction of these properties commenced on January 7, 2011 and is expected to be completed in the second quarter 2014. Upon completion, there will be 2,287 residential units with an aggregate saleable GFA of approximately 259,171 sq.m. and 25 retail shops with an aggregate saleable GFA of approximately 2,828 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 5,153 sq.m. and had an expected aggregate GFA of approximately 3,899 sq.m.

As of September 30, 2012, the total development costs of Xinhui Country Garden—Phase Four (including the costs of land acquisition and construction) incurred were RMB1,484.2 million.

Xinhui Country Garden—Phase Four offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Country Garden—Hill Lake Grand Palace (碧桂園•山水豪園)

Country Garden—Hill Lake Grand Palace is located in Jiangjunpi, Zhishan Town, Heshan City. It is being developed by Heshan Zhishan Country Garden Property Development Co Ltd, a project company in which we hold a 80% interest. The project occupies an aggregate site area of approximately 510,092 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 760,359 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 147,694 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 66,567 sq.m. Construction of these properties commenced on February 18, 2011 and was completed on September 29, 2012. The completed properties comprise 302 residential units with an aggregate saleable GFA of approximately 66,204 sq.m. As of September 30, 2012, one residential unit with an aggregate saleable GFA of approximately 362 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 301 residential units with an aggregate saleable GFA of approximately 65,842 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 131,583 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 102,531 sq.m. Construction of these properties commenced on February 18, 2011 and is expected to be completed in the third quarter 2013. Upon completion, there will be 662 residential units with an aggregate saleable GFA of approximately 96,466 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 230,814 sq.m. and had an expected aggregate GFA of approximately 591,261 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Hill Lake Grand Palace (including the costs of land acquisition and construction) incurred were RMB656.2 million.

Country Garden—Hill Lake Grand Palace offers various types of units, including townhouses and high-rise apartment buildings.

Country Garden—Jade Bay (碧桂園 • 翡翠灣)

Country Garden—Jade Bay is located at No.268 of Kaiping Avenue, Changsha Sub-District, Kaiping City. It is being developed by Kaiping Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 644,846 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 684,622 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 183,444 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 93,298 sq.m. Construction of these properties commenced on July 15, 2011 and was completed on August 30, 2012. The completed properties comprise 430 residential units with an aggregate saleable GFA of approximately 92,131 sq.m., as well as 11 retail shops with an aggregate saleable GFA of approximately 482 sq.m. As of September 30, 2012, there was no property had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 430 residential units with an aggregate saleable GFA of approximately 92,131 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 482 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 182,486 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 191,272 sq.m. Construction of these properties commenced on September 30, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,186 residential units with an aggregate saleable GFA of approximately 188,823 sq.m. and 15 retail shops with an aggregate saleable GFA of approximately 1,300 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 278,916 sq.m. and had an expected aggregate GFA of approximately 400,052 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Jade Bay (including the costs of land acquisition and construction) incurred were RMB1,045.4 million.

Country Garden—Jade Bay offers various types of units, including townhouses, high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Country Garden—Hill Lake Bay (碧桂園 • 山湖灣)

Country Garden—Hill Lake Bay is located next to Daze No.1 Reservoir, Xinhui District, Jiangmen City. It is being developed by Jiangmen Xinhui Daze Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 107,044 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 215,600 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Hill Lake Bay.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 50,200 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 27,231 sq.m. Construction of these properties commenced on July 27, 2012 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 134 residential units with an aggregate saleable GFA of approximately 27,100 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 56,844 sq.m. and had an expected aggregate GFA of approximately 188,369 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Hill Lake Bay (including the costs of land acquisition and construction) incurred were RMB193.8 million.

Country Garden—Hill Lake Bay is expected to offer townhouses and high-rise apartment buildings in the future.

Yangjiang City, Guangdong Province

Yangdong Country Garden (陽東碧桂園)

Yangdong Country Garden is located at Hubin West Road, Yangdong Town, Yangjiang City, beside the Yangdong Central Station in proximity to Yangjiang City Center and Jiangcheng District. It is being developed by Yangdong Country Garden Property Development Co., Ltd. ("Yangdong Country Garden Co."), our wholly- owned project company. The project occupies an aggregate site area of approximately 580,352 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 390,847 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 580,352 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 390,847 sq.m. Construction of these properties commenced on April 29, 2005 and was completed on December 21, 2010. The completed properties comprise 1,951 residential units with an aggregate saleable GFA of approximately 347,743 sq.m., as well as 202 retail shops with an aggregate saleable GFA of approximately 22,459 sq.m. As of September 30, 2012, 1,951 residential units with an aggregate saleable GFA of approximately 347,743 sq.m. as well as 198 retail shops with an aggregate saleable GFA of approximately 20,911 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised four retail shops with an aggregate saleable GFA of approximately 1,548 sq.m.

As of September 30, 2012, there was no property under development in Yangdong Country Garden.

As of September 30, 2012, there was no property held for future development in Yangdong Country Garden.

As of September 30, 2012, the total development costs of Yangdong Country Garden (including the costs of land acquisition and construction) incurred were RMB1,387.3 million.

Yangdong Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店), Yanshan Lake City Plaza, a kindergarten and a commercial street.

Zhaoqing City, Guangdong Province

Zhaoqing Lanling Residence (肇慶藍領公寓)

Zhaoqing Lanling Residence is located inside the high-tech industrial park of Dawang District, Zhaoqing City. It is being developed by Zhaoqing Gaoxin Country Garden Property Development Co., Ltd. ("Zhaoqing Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 123,593 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,721 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 123,593 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 185,721 sq.m. Construction of these properties commenced on September 5, 2006 and was completed on June 26, 2009. The completed properties comprise 2,188 residential units with an aggregate saleable GFA of approximately 85,971 sq.m., as well as 254 retail shops with an aggregate saleable GFA of approximately 19,890 sq.m. As of September 30, 2012, as well as 96 retail shops with an aggregate saleable GFA of approximately 5,358 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 2,188 residential units with an aggregate saleable GFA of approximately 85,971 sq.m. and 158 retail shops with an aggregate saleable GFA of approximately 14,532 sq.m.

As of September 30, 2012, there was no property under development in Zhaoqing Lanling Residence.

As of September 30, 2012, there was no property held for future development in Zhaoqing Lanling Residence.

As of September 30, 2012, the total development costs of Zhaoqing Lanling Residence (including the costs of land acquisition and construction) incurred were RMB381.9 million.

Zhaoqing Lanling Residence offers various types of units, including low-rise apartment buildings and retail shops.

Zhaoqing Country Garden (肇慶碧桂園)

Zhaoqing Country Garden is located in Xiangshan District, Zhaoqing City. It is being developed by Gaoyao Biyi Property Development Co., Ltd., a project company in which we hold a 51% interest.

The project occupies an aggregate site area of approximately 653,967 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 465,815 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 531,667 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 333,029 sq.m. Construction of these properties commenced on September 19, 2006 and was completed on April 1, 2011. The completed properties comprise 1,504 residential units with an aggregate saleable GFA of approximately 315,535 sq.m., as well as 30 retail shops with an aggregate saleable GFA of approximately 1,466 sq.m. As of September 30, 2012, 1,498 residential units with an aggregate saleable GFA of approximately 314,263 sq.m. as well as 30 retail shops with an aggregate saleable GFA of approximately 1,466 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised six residential units with an aggregate saleable GFA of approximately 1,272 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 57,893 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 63,729 sq.m. Construction of these properties commenced on August 15, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 568 residential units with an aggregate saleable GFA of approximately 63,729 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 64,407 sq.m. and had an expected aggregate GFA of approximately 69,057 sq.m.

As of September 30, 2012, the total development costs of Zhaoqing Country Garden (including the costs of land acquisition and construction) incurred were RMB1,213.6 million.

Zhaoqing Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a hotel developed to the five-star rating standards, Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店). The development also features a kindergarten and a commercial street.

Sihui Country Garden (四會碧桂園)

Sihui Country Garden is located at Dongcheng Zone, Sihui District, Zhaoqing City. It is being developed by Sihui Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 56,106 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 47,102 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 56,106 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 47,102 sq.m. Construction of these properties commenced on May 27, 2009 and was completed on June 30, 2010. The completed properties comprise 256 residential units with an aggregate saleable GFA of approximately 44,225 sq.m., as well as 28 retail shops with an aggregate saleable GFA of approximately 1,267 sq.m. As of September 30, 2012, 256 residential units with an aggregate saleable GFA of approximately 44,225 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 28 retail shops with an aggregate saleable GFA of approximately 1,267 sq.m.

As of September 30, 2012, there was no property under development in Sihui Country Garden.

As of September 30, 2012, there was no property held for future development in Sihui Country Garden.

As of September 30, 2012, the total development costs of Sihui Country Garden (including the costs of land acquisition and construction) incurred were RMB158.7 million.

Sihui Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops.

Zhaoqing Country Garden—Hill Lake Palace (肇慶碧桂園 • 山湖城)

Zhaoqing Country Garden—Hill Lake Palace is located at Tanchang, Gaoyao District, Zhaoqing City. It is being developed by Gaoyao Biyi Property Development Co., Ltd., a project company in which we hold a 51% interest. The project occupies an aggregate site area of approximately 277,748 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 261,255 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 251,123 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 204,702 sq.m. Construction of these properties commenced on June 1, 2009 and was completed on September 18, 2012. The completed properties comprise 908 residential units with an aggregate saleable GFA of approximately 194,645 sq.m., as well as 102 retail shops with an aggregate saleable GFA of approximately 7,536 sq.m. As of September 30, 2012, 754 residential units with an aggregate saleable GFA of approximately 169,008 sq.m. as well as 73 retail shops with an aggregate saleable GFA of approximately 4,101 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 154 residential units with an aggregate saleable GFA of approximately 25,637 sq.m. and 29 retail shops with an aggregate saleable GFA of approximately 3,435 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 26,625 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 56,553 sq.m. Construction of these properties commenced on April 25, 2010 and is expected to be completed in the second quarter 2013. Upon completion, there will be 440 residential units with an aggregate saleable GFA of approximately 53,444 sq.m.

As of September 30, 2012, there was no property held for future development in Zhaoqing Country Garden—Hill Lake Palace.

As of September 30, 2012, the total development costs of Zhaoqing Country Garden—Hill Lake Palace (including the costs of land acquisition and construction) incurred were RMB885.5 million.

Zhaoqing Country Garden—Hill Lake Palace offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Huaiji Country Garden (懷集碧桂園)

Huaiji Country Garden is located at Qingshuitang, Huaicheng Town, Zhaoqing City. It is being developed by Huaiji Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 134,316 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 126,686 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 134,316 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 126,686 sq.m. Construction of these properties commenced on October 29, 2009 and was completed on August 24, 2011. The completed properties comprise 963 residential units with an aggregate saleable GFA of approximately 125,253 sq.m., as well as six retail shops with an aggregate saleable GFA of approximately 291 sq.m. As of September 30, 2012, 961 residential units with an aggregate saleable GFA of approximately 124,834 sq.m. as well as six retail shops with an aggregate saleable GFA of approximately 291 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised two residential units with an aggregate saleable GFA of approximately 419 sq.m.

As of September 30, 2012, there was no property under development in Huaiji Country Garden.

As of September 30, 2012, there was no property held for future development in Huaiji Country Garden.

As of September 30, 2012, the total development costs of Huaiji Country Garden (including the costs of land acquisition and construction) incurred were RMB346.9 million.

Huaiji Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops.

Deqing Country Garden (德慶碧桂園)

Deqing Country Garden is located next to Qingyun Mountain, Deqing County. It is being developed by Deqing Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 171,463 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 195,737 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 160,797 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 162,642 sq.m. Construction of these properties commenced on May 17, 2010 and was completed on September 19, 2012. The completed properties comprise 1,007 residential units with an aggregate saleable GFA of approximately 151,828 sq.m., as well as 131 retail shops with an aggregate saleable GFA of approximately 5,995 sq.m. and 84 parking spaces with an aggregate saleable GFA of approximately 1,553 sq.m. As of September 30, 2012, 582 residential units with an aggregate saleable GFA of approximately 81,803 sq.m. as well as 70 retail shops with an aggregate saleable GFA of approximately 2,602 sq.m. and 26 parking spaces with an aggregate saleable GFA of approximately 481 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 425 residential units with an aggregate saleable GFA of approximately 70,025 sq.m. and 61 retail shops with an aggregate saleable GFA of approximately 3,393 sq.m. and 58 parking spaces with an aggregate GFA of approximately 1,072 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 10,666 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 33,095 sq.m. Construction of these properties commenced on July 13, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 254 residential units with an aggregate saleable GFA of approximately 32,286 sq.m. and 12 retail shops with an aggregate saleable GFA of approximately 702 sq.m.

As of September 30, 2012, there was no property held for future development in Deqing Country Garden.

As of September 30, 2012, the total development costs of Deqing Country Garden (including the costs of land acquisition and construction) incurred were RMB521.5 million.

Deqing Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces.

Fengkai Country Garden (封開碧桂園)

Fengkai Country Garden is located in Fengchuan Dongtang, Jiangkou Town, Fengkai County, Zhaoqing City. It is being developed by Fengkai Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 168,010 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,212 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 138,162 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 101,249 sq.m. Construction of these properties commenced on October 14, 2010 and was completed on July 27, 2012. The completed properties comprise 541 residential units with an aggregate saleable GFA of approximately 95,366 sq.m., as well as 27 retail shops with an aggregate saleable GFA of approximately 2,915 sq.m. As of September 30, 2012, 325 residential units with an aggregate saleable GFA of approximately 53,649 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 216 residential units with an aggregate saleable GFA of approximately 41,717 sq.m. and 27 retail shops with an aggregate saleable GFA of approximately 2,915 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 29,848 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 83,963 sq.m. Construction of these properties commenced on October 14, 2010 and is expected to be completed in the second quarter 2014. Upon completion, there will be 740 residential units with an aggregate saleable GFA of approximately 81,269 sq.m.

As of September 30, 2012, there was no property held for future development in Fengkai Country Garden.

As of September 30, 2012, the total development costs of Fengkai Country Garden (including the costs of land acquisition and construction) incurred were RMB506.4 million.

Fengkai Country Garden offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Huizhou City, Guangdong Province

Huiyang Country Garden (惠陽碧桂園)

Huiyang Country Garden is located in the industrial district of Huiyang Sanhe Economic Development Zone, Huizhou City. It is being developed by Huizhou Huiyang Qishan Holiday Resorts Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 1,110,258 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,021,199 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 543,382 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 348,204 sq.m. Construction of these properties commenced on August 22, 2007 and was completed on October 21, 2011. The completed properties comprise 1,847 residential units with an aggregate saleable GFA of approximately 342,028 sq.m., as well as 15 retail shops with an aggregate saleable GFA of approximately 755 sq.m. As of September 30, 2012, 1,596 residential units with an aggregate saleable GFA of approximately 284,029 sq.m. as well as 15 retail shops with an aggregate saleable GFA of approximately 755 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 251 residential units with an aggregate saleable GFA of approximately 57,999 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 264,263 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 275,765 sq.m. Construction of these properties commenced on June 30, 2009 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,858 residential units with an aggregate saleable GFA of approximately 261,077 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 302,613 sq.m. and had an expected aggregate GFA of approximately 397,230 sq.m.

As of September 30, 2012, the total development costs of Huiyang Country Garden (including the costs of land acquisition and construction) incurred were RMB1,480.2 million.

Huiyang Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This project will also future a hotel developed to five-star rating standard.

Country Garden—Ten Miles Beach (碧桂園 • 十里銀灘)

Country Garden—Ten Miles Beach is located at Yapojiao, Renshan Town, Huidong District, Huizhou City. It is being developed by Huidong Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 1,883,631 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 5,141,063 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 20,339 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 9,459 sq.m. Construction of these properties commenced on June 14, 2011 and was completed on June 21, 2012. The completed properties comprise 30 residential units with an aggregate saleable GFA of approximately 9,195 sq.m. As of September 30, 2012, none of the completed property had been sold.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 448,137 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,298,404 sq.m. Construction of these properties commenced on June 14, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 12,772 residential units with an aggregate saleable GFA of approximately 1,219,391 sq.m. and 424 parking spaces with an aggregate saleable GFA of approximately 9,744 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 1,415,155 sq.m. and had an expected aggregate GFA of approximately 3,833,200 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Ten Miles Beach (including the costs of land acquisition and construction) incurred were RMB3,306.3 million.

Country Garden—Ten Miles Beach offers various types of units, including townhouses and high-rise apartment buildings. It also features a hotel developed to five-star rating standard, Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店), which commenced partial trial operation on June 8, 2012.

Shanwei City, Guangdong Province

Shanwei Country Garden (汕尾碧桂園)

Shanwei Country Garden is located in the Shanwei City, close to Pinqing Lake. It is being developed by Shanwei Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 449,387 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 794,182 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 241,857 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 281,743 sq.m. Construction of these properties commenced on September 12, 2008 and was completed on January 4, 2012. The completed properties comprise 1,585 residential units with an aggregate saleable GFA of approximately 269,394 sq.m., as well as 62 retail shops with an aggregate saleable GFA of approximately 4,291 sq.m. As of September 30, 2012, 1,582 residential units with an aggregate saleable GFA of approximately 268,487 sq.m. as well as 28 retail shops with an aggregate saleable GFA of approximately 1,408 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised three residential units with an aggregate saleable GFA of approximately 907 sq.m. and 34 retail shops with an aggregate saleable GFA of approximately 2,883 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 61,565 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 171,283 sq.m. Construction of these properties commenced on April 13, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 1,078 residential units with an aggregate saleable GFA of approximately 157,786 sq.m. and 93 retail shops with an aggregate saleable GFA of approximately 7,639 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 145,965 sq.m. and had an expected aggregate GFA of approximately 341,156 sq.m.

As of September 30, 2012, the total development costs of Shanwei Country Garden (including the costs of land acquisition and construction) incurred were RMB1,089.5 million.

Shanwei Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Haifeng Country Garden (海豐碧桂園)

Haifeng Country Garden is located in New District, North of Haifeng County, Shanwei City. It is being developed by Haifeng Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 370,847 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 362,430 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 272,580 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 156,516 sq.m. Construction of these properties commenced on March 11, 2011 and was completed on September 28, 2012. The completed properties comprise 636 residential units with an aggregate saleable GFA of approximately 147,937 sq.m., as well as 63 retail shops with an aggregate saleable GFA of approximately 3,084 sq.m. As of September 30, 2012, there was no property had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 636 residential units with an aggregate saleable GFA of approximately 147,937 sq.m. and 63 retail shops with an aggregate saleable GFA of approximately 3,084 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 57,340 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 164,329 sq.m. Construction of these properties commenced on August 29, 2011 and is expected to be completed in the first quarter 2013. Upon completion, there will be 997 residential units with an aggregate saleable GFA of approximately 158,220 sq.m. and 69 retail shops with an aggregate saleable GFA of approximately 3,478 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 40,927 sq.m. and had an expected aggregate GFA of approximately 41,585 sq.m.

As of September 30, 2012, the total development costs of Haifeng Country Garden (including the costs of land acquisition and construction) incurred were RMB628.6 million.

Haifeng Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Shaoguan City, Guangdong Province

Shaoguan Country Garden (韶關碧桂園)

Shaoguan Country Garden is located in Lashi Ba, Zhen Jiang District, Shaoguan City, in the proximity of the commercial center. It is being developed by Shaoguan Shunhong Property Development Co., Ltd. ("Shaoguan Shun Hong Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 3,122,915 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,227,765 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 2,046,015 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,254,818 sq.m. Construction of these properties commenced on January 17, 2007 and was completed on August 30, 2012. The completed properties comprise 5,930 residential units with an aggregate saleable GFA of approximately 1,188,686 sq.m., as well as 169 retail shops with an aggregate saleable GFA of approximately 36,197 sq.m. As of September 30, 2012, 5,514 residential units with an aggregate saleable GFA of approximately 1,105,300 sq.m. as well as 137 retail shops with an aggregate saleable GFA of approximately 12,534 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 416 residential units with an aggregate saleable GFA of approximately 83,386 sq.m. and 32 retail shops with an aggregate saleable GFA of approximately 23,663 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 323,248 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 182,241 sq.m. Construction of these properties commenced on January 17, 2007 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,276 residential units with an aggregate saleable GFA of approximately 173,217 sq.m. and 94 retail shops with an aggregate saleable GFA of approximately 6,709 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 753,652 sq.m. and had an expected aggregate GFA of approximately 790,706 sq.m.

As of September 30, 2012, the total development costs of Shaoguan Country Garden (including the costs of land acquisition and construction) incurred were RMB5,160.0 million.

Shaoguan Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development also features a commercial street, a five-star rating standard hotel, Country Garden Phoenix Hotel, Shaoguan (韶關碧桂園鳳凰酒店).

Lechang Country Garden (樂昌碧桂園)

Lechang Country Garden is located in Meile Road, Lechang District, Shaoguan City. It is being developed by Lechang Country Garden Property Development Co., Ltd. The project occupies an aggregate site area of approximately 868,579 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,416,572 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 270,146 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 205,590 sq.m. Construction of these properties commenced on October 23, 2007 and was completed on July 27, 2012. The completed properties comprise 1,315 residential units with an aggregate saleable GFA of approximately 198,268 sq.m., as well as 54 retail shops with an aggregate saleable GFA of approximately 2,444 sq.m. As of September 30, 2012, 1,081 residential units with an aggregate saleable GFA of approximately 159,877 sq.m. as well as 44 retail shops with an aggregate saleable GFA of approximately 1,669 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 234 residential units with an aggregate saleable GFA of approximately 38,391 sq.m. and 10 retail shops with an aggregate saleable GFA of approximately 775 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 151,667 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 149,117 sq.m. Construction of these properties commenced on April 11, 2008 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 860 residential units with an aggregate saleable GFA of approximately 148,027 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 446,766 sq.m. and had an expected aggregate GFA of approximately 1,061,865 sq.m.

As of September 30, 2012, the total development costs of Lechang Country Garden (including the costs of land acquisition and construction) incurred were RMB947.1 million.

Lechang Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. It also features a hotel, Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店), developed to five-star rating standard.

Shaoguan Country Garden—Sun Palace (韶關碧桂園•太陽城)

Shaoguan Country Garden—Sun Palace is located in Furlong Avenue, Fujian District, Shaoguan City. It is being developed by Shaoguan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 2,207,337 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 3,460,361 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 411,938 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 306,217 sq.m. Construction of these properties commenced on March 10, 2008 and was completed on August 30, 2012. The completed properties comprise 1,630 residential units with an aggregate saleable GFA of approximately 297,196 sq.m., as well as 79 retail shops with an aggregate saleable GFA of approximately 4,140 sq.m. As of September 30, 2012, 1,606 residential units with an aggregate saleable GFA of approximately 291,695 sq.m. as well as 50 retail shops with an aggregate saleable GFA of approximately 2,286 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 24 residential units with an aggregate saleable GFA of approximately 5,501 sq.m. and 29 retail shops with an aggregate saleable GFA of approximately 1,854 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 226,386 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 251,469 sq.m. Construction of these properties commenced on December 28, 2009 and is expected to be completed in the first quarter 2013. Upon completion, there will be 1,656 residential units with an aggregate saleable GFA of approximately 248,280 sq.m. and 54 retail shops with an aggregate saleable GFA of approximately 2,725 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 1,569,013 sq.m. and had an expected aggregate GFA of approximately 2,902,675 sq.m.

As of September 30, 2012, the total development costs of Shaoguan Country Garden—Sun Palace (including the costs of land acquisition and construction) incurred were RMB1,842.6 million.

Shaoguan Country Garden—Sun Palace offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops. It will also feature a hotel developed to five-star rating standard.

Maoming City, Guangdong Province

Maoming Country Garden (茂名碧桂園)

Maoming Country Garden is located at West Side of Huanshi West Road, Maonan District, Maoming City. It is being developed by Maoming Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 532,574 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 518,504 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 418,599 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 309,264 sq.m. Construction of these properties commenced on March 4, 2009 and was completed on September 29, 2012. The completed properties comprise 1,485 residential units with an aggregate saleable GFA of approximately 290,269 sq.m., as well as 66 retail shops with an aggregate saleable GFA of approximately 3,203 sq.m. As of September 30, 2012, 1,168 residential units with an aggregate saleable GFA of approximately 217,648 sq.m. as well as 62 retail shops with an aggregate saleable GFA of approximately 3,000 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 317 residential units with an aggregate saleable GFA of approximately 72,621 sq.m. and four retail shops with an aggregate saleable GFA of approximately 203 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 87,865 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 92,979 sq.m. Construction of these properties commenced on December 10, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 543 residential units with an aggregate saleable GFA of approximately 89,714 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 26,109 sq.m. and had an expected aggregate GFA of approximately 116,261 sq.m.

As of September 30, 2012, the total development costs of Maoming Country Garden (including the costs of land acquisition and construction) incurred were RMB1,094.8 million.

Maoming Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden City Garden (碧桂園城市花園)

Country Garden City Garden is located at Huancheng East Road, Binhai New District, Maoming City. It is being developed by Maoming Shuidongwan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 332,949 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 198,658 sq.m.

As of September 30, 2012, there was no completed property in Country Garden City Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 227,993 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 140,997 sq.m. Construction of these properties commenced on December 31, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 652 residential units with an aggregate saleable GFA of approximately 140,269 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 104,956 sq.m. and had an expected aggregate GFA of approximately 57,661 sq.m.

As of September 30, 2012, the total development costs of Country Garden City Garden (including the costs of land acquisition and construction) incurred were RMB463.8 million.

Country Garden City Garden offers various types of units, including townhouses and high-rise apartment buildings. It will also feature a hotel developed to five-star rating standard.

Qingyuan City, Guangdong Province

Yangshan Country Garden (陽山碧桂園)

Yangshan Country Garden is located at South of New City District, Yangshan County, Qingyuan City. It is being developed by Yangshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 599,619 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,271,012 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 175,200 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 156,907 sq.m. Construction of these properties commenced on December 1, 2008 and was completed on June 25, 2012. The completed properties comprise 1,070 residential units with an aggregate saleable GFA of approximately 149,599 sq.m., as well as 122 retail shops with an aggregate saleable GFA of approximately 4,762 sq.m. As of September 30, 2012, 1,032 residential units with an aggregate saleable GFA of approximately 143,415 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 38 residential units with an aggregate saleable GFA of approximately 6,184 sq.m. and 122 retail shops with an aggregate saleable GFA of approximately 4,762 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 71,965 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 68,735 sq.m. Construction of these properties commenced on December 20, 2011 and is expected to be completed in the first quarter 2013. Upon completion, there will be 424 residential units with an aggregate saleable GFA of approximately 68,648 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 352,454 sq.m. and had an expected aggregate GFA of approximately 1,045,370 sq.m.

As of September 30, 2012, the total development costs of Yangshan Country Garden (including the costs of land acquisition and construction) incurred were RMB636.0 million.

Yangshan Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Holiday Islands—Qingyuan (假日半島—清遠)

Holiday Islands—Qingyuan is located at Shijiao Town, Qingcheng District, Qingyuan City. It is being developed by Qingyuan Holiday Islands Country Garden Real Estate Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 698,428 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 435,668 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 588,068 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 372,068 sq.m. Construction of these properties commenced on November 11, 2009 and was completed on August 30, 2012. The completed properties comprise 1,614 residential units with an aggregate saleable GFA of approximately 370,499 sq.m. As of September 30, 2012, 1,461 residential units with an aggregate saleable GFA of approximately 329,506 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 153 residential units with an aggregate saleable GFA of approximately 40,993 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 110,360 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 63,600 sq.m. Construction of these properties commenced on May 18, 2010 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 275 residential units with an aggregate saleable GFA of approximately 63,428 sq.m.

As of September 30, 2012, there was no property held for future development in Holiday Islands—Qingyuan.

As of September 30, 2012, the total development costs of Holiday Islands—Qingyuan (including the costs of land acquisition and construction) incurred were RMB1,831.0 million.

Holiday Islands—Qingyuan offers various types of units, including townhouses.

Country Garden Spring City (碧桂園清泉城)

Country Garden Spring City is located Lianyao Village, Shuitou Town, Fogang County, Qingyuan City. It is being developed by Fogang Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 699,761 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 511,640 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 205,452 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 85,687 sq.m. Construction of these properties commenced on April 2, 2010 and was completed on June 19, 2012. The completed properties comprise 404 residential units with an aggregate saleable GFA of approximately 85,687 sq.m. As of September 30, 2012, 370 residential units with an aggregate saleable GFA of approximately 78,003 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 34 residential units with an aggregate saleable GFA of approximately 7,684 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 331,598 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,611 sq.m. Construction of these properties commenced on April 2, 2010 and is expected to be completed in the third quarter 2013. Upon completion, there will be 774 residential units with an aggregate saleable GFA of approximately 185,611 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 162,711 sq.m. and had an expected aggregate GFA of approximately 240,342 sq.m.

As of September 30, 2012, the total development costs of Country Garden Spring City (including the costs of land acquisition and construction) incurred were RMB1,128.9 million.

Country Garden Spring City offers various types of units, including townhouses, and is expected to offer high-rise apartment buildings in the future. It also features a hotel developed to five-star rating standard, Country Garden Holiday Hot Springs Hotel, Fogang (佛岡碧桂園假日溫泉酒店).

Country Garden Shine Hill Lake City (碧桂園新亞山湖城)

Country Garden Shine Hill Lake City is located in Baijiadusong Village, High-Tech Zone, Qingyuan City. It is being developed by Qingyuan Country Garden Xinya Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 1,045,884 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,145,923 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Shine Hill Lake City.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 163,931 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 71,243 sq.m. Construction of these properties commenced on November 24, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 254 residential units with an aggregate saleable GFA of approximately 71,243 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 881,953 sq.m. and had an expected aggregate GFA of approximately 1,074,680 sq.m.

As of September 30, 2012, the total development costs of Country Garden Shine Hill Lake City (including the costs of land acquisition and construction) incurred were RMB2,777.2 million.

Country Garden Shine Hill Lake City offers townhouses, and is expected to offer high-rise apartment buildings in the future.

Yunfu City, Guangdong Province

Yunfu Country Garden (雲浮碧桂園)

Yunfu Country Garden is located in Jinshan District, Chengbei, Yunfu City. It is being developed by Yunfu Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 341,627 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 483,836 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 89,519 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 59,870 sq.m. Construction of these properties commenced on May 7, 2010 and was completed on September 20, 2011. The completed properties comprise 244 residential units with an aggregate saleable GFA of approximately 59,558 sq.m. As of September 30, 2012, 232 residential units with an aggregate saleable GFA of approximately 55,412 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 12 residential units with an aggregate saleable GFA of approximately 4,146 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 180,416 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 226,400 sq.m. Construction of these properties commenced on February 24, 2011 and is expected to be completed in the first quarter 2013. Upon completion, there will be 1,184 residential units with an aggregate saleable GFA of approximately 173,076 sq.m. and 72 retail shops with an aggregate saleable GFA of approximately 5,102 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 71,692 sq.m. and had an expected aggregate GFA of approximately 197,566 sq.m.

As of September 30, 2012, the total development costs of Yunfu Country Garden (including the costs of land acquisition and construction) incurred were RMB733.8 million.

Yunfu Country Garden offers various types of units, including townhouses, high-rise apartment buildings and retail shops, and is expected to offer parking spaces in the future. It will also feature a hotel developed to five-star rating standard.

Heyuan City, Guangdong Province

Country Garden—Dongjiang Phoenix City (碧桂園．東江鳳凰城)

Country Garden—Dongjiang Phoenix City is located at the intersection of Yanjiang Road and Jianshe Avenue, Yuancheng District, Heyuan City. It is being developed by Heyuan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 552,738 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 910,540 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 123,761 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 74,491 sq.m. Construction of these properties commenced on May 9, 2011 and was completed on June 20, 2012. The completed properties comprise 244 residential units with an aggregate saleable GFA of approximately 63,105 sq.m., as well as 112 retail shops with an aggregate saleable GFA of approximately 10,645 sq.m. As of September 30, 2012, 139 residential units with an aggregate saleable GFA of approximately 39,182 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 105 residential units with an aggregate saleable GFA of approximately 23,923 sq.m. and 112 retail shops with an aggregate saleable GFA of approximately 10,645 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 186,299 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 293,312 sq.m. Construction of these properties commenced on May 31, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,726 residential units with an aggregate saleable GFA of approximately 272,999 sq.m. and 195 retail shops with an aggregate saleable GFA of approximately 15,408 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 242,678 sq.m. and had an expected aggregate GFA of approximately 542,737 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Dongjiang Phoenix City (including the costs of land acquisition and construction) incurred were RMB1,557.9 million.

Country Garden—Dongjiang Phoenix City offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Zhongshan City, Guangdong Province

Country Garden Grand Lake (碧桂園秀麗湖)

Country Garden Grand Lake is located next to Xiuli Lake, Changmingshui Village, Wugui Mountain, Zhongshan City. It is being developed by Zhongshan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 109,862 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 79,981 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Grand Lake.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 109,862 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 79,981 sq.m. Construction of these properties commenced on September 29, 2010 and is expected to be completed in the third quarter 2013. Upon completion, there will be 100 residential units with an aggregate saleable GFA of approximately 74,573 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Grand Lake.

As of September 30, 2012, the total development costs of Country Garden Grand Lake (including the costs of land acquisition and construction) incurred were RMB563.4 million.

Country Garden Grand Lake offers various types of units, including townhouses.

Dongguan City, Guangdong Province

Dalang Country Garden (大朗碧桂園)

Dalang Country Garden is located at the intersection of Langdong Road and Langchang Road of Dalang Town, Donguan City. It is being developed by Dongguan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 236,660 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 377,334 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 169,053 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 143,012 sq.m. Construction of these properties commenced on April 27, 2010 and was completed on August 22, 2012. The completed properties comprise 538 residential units with an aggregate saleable GFA of approximately 131,086 sq.m., as well as 53 retail shops with an aggregate saleable GFA of approximately 5,091 sq.m. As of September 30, 2012, 512 residential units with an aggregate saleable GFA of approximately 118,565 sq.m. as well as 45 retail shops with an aggregate saleable GFA of approximately 2,706 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 26 residential units with an aggregate saleable GFA of approximately 12,521 sq.m. and 8 retail shops with an aggregate saleable GFA of approximately 2,385 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 67,607 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 234,322 sq.m. Construction of these properties commenced on September 25, 2010 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 2,608 residential units with an aggregate saleable GFA of approximately 232,459 sq.m.

As of September 30, 2012, there was no property held for future development in Dalang Country Garden.

As of September 30, 2012, the total development costs of Dalang Country Garden (including the costs of land acquisition and construction) incurred were RMB1,563.3 million.

Dalang Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden Grand Garden (碧桂園豪園)

Country Garden Grand Garden is located at No.88 of Gaoyu South Road, Pingshan Village, Tangxia Town, Dongguan City. It is being developed by Dongguan Dexia Country Garden Property Development Co., Ltd, a project company in which we hold a 70% equity interest. The project occupies an aggregate site area of approximately 111,104 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 302,896 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Grand Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 111,104 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 302,896 sq.m. Construction of these properties commenced on March 19, 2012 and is expected to be completed in the third quarter 2013. Upon completion, there will be 2,521 residential units with an aggregate saleable GFA of approximately 293,943 sq.m. and 56 retail shops with an aggregate saleable GFA of approximately 2,519 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Grand Garden.

As of September 30, 2012, the total development costs of Country Garden Grand Garden (including the costs of land acquisition and construction) incurred were RMB782.4 million.

Country Garden Grand Garden is expected to offer townhouses, high-rise apartment buildings, retail shops in the future.

Country Garden Forest Hill Garden (碧桂園天麓山花園)

Country Garden Forest Hill Garden is located at West Side of Huanshi East Road, Shitanpu, Tangxia Town, Dongguan City. It is being developed by Dongguan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 209,258 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 439,550 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Forest Hill Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 129,216 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 280,006 sq.m. Construction of these properties commenced on March 21, 2012 and is expected to be completed in the second quarter 2014. Upon completion, there will be 1,988 residential units with an aggregate saleable GFA of approximately 244,716 sq.m. and 95 retail shops with an aggregate saleable GFA of approximately 6,229 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 80,042 sq.m. and had an expected aggregate GFA of approximately 159,544 sq.m.

As of September 30, 2012, the total development costs of Country Garden Forest Hill Garden (including the costs of land acquisition and construction) incurred were RMB835.5 million.

Country Garden Forest Hill Garden offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Country Garden Times City (碧桂園時代城)

Country Garden Times City is located at No.1 of Huayuan New Street, Tangxia Town, Gongguan City. It is being developed by Dongguan Shuntang Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 24,087 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 124,846 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Times City.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 24,087 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 124,846 sq.m. Construction of these properties commenced on January 10, 2012 and is expected to be completed in the third quarter 2013. Upon completion, there will be 932 residential units with an aggregate saleable GFA of approximately 76,133 sq.m. and 238 retail shops with an aggregate saleable GFA of approximately 43,233 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Times City.

As of September 30, 2012, the total development costs of Country Garden Times City (including the costs of land acquisition and construction) incurred were RMB330.1 million.

Country Garden Times City offers various types of units, including high-rise apartment buildings and retail shops.

Tangxia Country Garden (塘廈碧桂園)

Tangxia Country Garden is located at No.1 of Huayuan New Street, Tangxia Town, Gongguan City. It is being developed by Dongguan Shuntang Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 48,280 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 138,211 sq.m.

As of September 30, 2012, there was no completed property in Tangxia Country Garden.

As of September 30, 2012, there was no property under development in Tangxia Country Garden.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 48,280 sq.m. and had an expected aggregate GFA of approximately 138,211 sq.m.

As of September 30, 2012, the total development costs of Tangxia Country Garden (including the costs of land acquisition and construction) incurred were RMB251.6 million.

Tangxia Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Meizhou City, Guangdong Province

Meijiang Country Garden (梅江碧桂園)

Meijiang Country Garden is located at Yuemei Road, West Side of Jiaying University's west gate, Meizhou City. It is being developed by Meizhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 194,616 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 302,920 sq.m.

As of September 30, 2012, there was no completed property in Meijiang Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 194,616 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 302,920 sq.m. Construction of these properties commenced on July 5, 2011 and is expected to be completed in the third quarter 2013. Upon completion, there will be 1,739 residential units with an aggregate saleable GFA of approximately 287,247 sq.m., 50 retail shops with an aggregate saleable GFA of approximately 3,581 sq.m., and a composite building with an aggregate saleable GFA of approximately 5,656 sq.m.

As of September 30, 2012, there was no property held for future development in Meijiang Country Garden.

As of September 30, 2012, the total development costs of Meijiang Country Garden (including the costs of land acquisition and construction) incurred were RMB682.3 million.

Meijiang Country Garden offers various types of units, including townhouses, high-rise apartment buildings, retail shops.

Shejiang Country Garden (畲江碧桂園)

Shejiang Country Garden is located in Central Avenue, High-Tech industrial Park, Shejiang Town, Meizhou City. It is being developed by Meizhou Shejiang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 166,030 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 236,359 sq.m.

As of September 30, 2012, there was no completed property in Shejiang Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 58,187 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 42,724 sq.m. Construction of these properties commenced on November 15, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 238 residential units with an aggregate saleable GFA of approximately 42,244 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 107,843 sq.m. and had an expected aggregate GFA of approximately 193,635 sq.m.

As of September 30, 2012, the total development costs of Shejiang Country Garden (including the costs of land acquisition and construction) incurred were RMB167.5 million.

Shejiang Country Garden offers various types of units, including townhouses, high-rise apartment buildings. It will also feature a hotel developed to four-star rating standard.

Changsha City, Hunan Province

Changsha Country Garden (長沙碧桂園)

Changsha Country Garden is located at the north end of Xingsha Avenue, Changsha City. It is being developed by Changsha Venice Palace Property Development Co., Ltd. ("Changsha Venice Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 1,724,298 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,001,304 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,626,125 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 860,304 sq.m. Construction of these properties commenced on March 1, 2006 and was completed on May 18, 2012. The completed properties comprise 3,703 residential units with an aggregate saleable GFA of approximately 790,711 sq.m., as well as 108 retail shops with an aggregate saleable GFA of approximately 23,242 sq.m. As of September 30, 2012, 3,079 residential units with an aggregate saleable GFA of approximately 706,349 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 624 residential units with an aggregate saleable GFA of approximately 84,362 sq.m. and 108 retail shops with an aggregate saleable GFA of approximately 23,242 sq.m.

As of September 30, 2012, there was no property under development in Changsha Country Garden.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 98,173 sq.m. and had an expected aggregate GFA of approximately 141,000 sq.m.

As of September 30, 2012, the total development costs of Changsha Country Garden (including the costs of land acquisition and construction) incurred were RMB3,424.1 million.

Changsha Country Garden offers various types of units, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店), a hotel built to the five-star standard, bilingual schools and a commercial plaza.

Country Garden—Hill Lake Palace (碧桂園 • 山湖城)

Country Garden—Hill Lake Palace is located at Jinzhou Avenue, Ningxiang County, Changsha City. It is being developed by Changsha Ningxiang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 821,252 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 456,754 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 585,410 sq.m. and had an aggregate GFA (including saleable and non-saleable

GFA) of approximately 314,366 sq.m. Construction of these properties commenced on November 12, 2007 and was completed on August 26, 2012. The completed properties comprise 1,167 residential units with an aggregate saleable GFA of approximately 280,013 sq.m., as well as 43 retail shops with an aggregate saleable GFA of approximately 6,865 sq.m. As of September 30, 2012, 688 residential units with an aggregate saleable GFA of approximately 157,233 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 479 residential units with an aggregate saleable GFA of approximately 122,780 sq.m. and 43 retail shops with an aggregate saleable GFA of approximately 6,865 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 24,379 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 13,134 sq.m. Construction of these properties commenced on October 16, 2008 and is expected to be completed in the second quarter 2013. Upon completion, there will be a composite building with an aggregate saleable GFA of approximately 13,134 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 211,462 sq.m. and had an expected aggregate GFA of approximately 129,254 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Hill Lake Palace (including the costs of land acquisition and construction) incurred were RMB1,030.3 million.

Country Garden—Hill Lake Palace offers various types of units, including townhouses, low-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店), a hotel built to the five-star standard.

Liuyang Country Garden (瀏陽碧桂園)

Liuyang Country Garden is located at the Shishuang Avenue, Liuyang District, Changsha City. It is being developed by Liuyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 785,605 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 961,205 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 256,687 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 177,661 sq.m. Construction of these properties commenced on December 9, 2008 and was completed on January 16, 2012. The completed properties comprise 908 residential units with an aggregate saleable GFA of approximately 170,923 sq.m., as well as 39 retail shops with an aggregate saleable GFA of approximately 2,132 sq.m. As of September 30, 2012, 720 residential units with an aggregate saleable GFA of approximately 132,919 sq.m. as well as 25 retail shops with an aggregate saleable GFA of approximately 1,348 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 188 residential units with an aggregate saleable GFA of approximately 38,004 sq.m. and 14 retail shops with an aggregate saleable GFA of approximately 784 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 62,096 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 151,354 sq.m. Construction of these properties commenced on March 28, 2012 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,294 residential units with an aggregate saleable GFA of approximately 148,402 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 2,705 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 466,822 sq.m. and had an expected aggregate GFA of approximately 632,190 sq.m.

As of September 30, 2012, the total development costs of Liuyang Country Garden (including the costs of land acquisition and construction) incurred were RMB932.5 million.

Liuyang Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden Wonderland (碧桂園 • 山水桃園)

Country Garden Wonderland is located at No.288 of Ouzhou North Road, Jinzhou New District, Changsha City. It is being developed by Changsha Ningxiang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 160,229 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 133,730 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 54,670 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 50,830 sq.m. Construction of these properties commenced on September 30, 2010 and was completed on June 15, 2012. The completed properties comprise 188 residential units with an aggregate saleable GFA of approximately 48,352 sq.m. As of September 30, 2012, 102 residential units with an aggregate saleable GFA of approximately 23,591 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 86 residential units with an aggregate saleable GFA of approximately 24,761 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 61,018 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 42,813 sq.m. Construction of these properties commenced on November 30, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 164 residential units with an aggregate saleable GFA of approximately 42,681 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 44,541 sq.m. and had an expected aggregate GFA of approximately 40,087 sq.m.

As of September 30, 2012, the total development costs of Country Garden Wonderland (including the costs of land acquisition and construction) incurred were RMB300.0 million.

Country Garden Wonderland offers various types of units, including villas.

Yiyang City, Hunan Province

Yiyang Country Garden (益陽碧桂園)

Yiyang Country Garden is located at the Kangfu Avenue, Yiyang City. It is being developed by Yiyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 687,424 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,347,341 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 339,926 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 195,118 sq.m. Construction of these properties commenced on April 2, 2009 and was completed on May 29, 2012. The completed properties comprise 831 residential units with an aggregate saleable GFA of approximately 187,940 sq.m., as well as 73 retail shops with an aggregate saleable GFA of approximately 4,426 sq.m. As of September 30, 2012, 656 residential units with an aggregate saleable GFA of approximately 145,788 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 175 residential units with an aggregate saleable GFA of approximately 42,152 sq.m. and 73 retail shops with an aggregate saleable GFA of approximately 4,426 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 37,000 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 161,694 sq.m. Construction of these properties commenced on February 20, 2012 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,318 residential units with an aggregate saleable GFA of approximately 156,315 sq.m. and 29 retail shops with an aggregate saleable GFA of approximately 3,890 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 310,497 sq.m. and had an expected aggregate GFA of approximately 990,529 sq.m.

As of September 30, 2012, the total development costs of Yiyang Country Garden (including the costs of land acquisition and construction) incurred were RMB1,294.7 million.

Yiyang Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future.

Xiangtan City, Hunan Province

Xiangtan Country Garden(湘潭碧桂園)

Xiangtan Country Garden is located at the intersection of Yuntao North Road and Shuiyun Road, Xiasha Economic Development Zone, Hangzhou City. It is being developed by Xiangtan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 173,804 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 256,292 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 64,063 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 34,725 sq.m. Construction of these properties commenced on May 31, 2011 and was completed on July 31, 2012. The completed properties comprise 110 residential units with an aggregate saleable GFA of approximately 32,194 sq.m. As of September 30, 2012, there was no property had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 110 residential units with an aggregate saleable GFA of approximately 32,194 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 61,833 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 125,751 sq.m. Construction of these properties commenced on May 31, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 810 residential units with an aggregate saleable GFA of approximately 96,958 sq.m. and 72 retail shops with an aggregate saleable GFA of approximately 6,418 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 47,908 sq.m. and had an expected aggregate GFA of approximately 95,816 sq.m.

As of September 30, 2012, the total development costs of Xiangtan Country Garden (including the costs of land acquisition and construction) incurred were RMB386.7 million.

Xiangtan Country Garden offers various types of units, including townhouses, and is expected to offer low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Chenzhou City, Hunan Province

Country Garden—Jade Hill(碧桂園•翡翠山)

Country Garden—Jade Hill is located at the intersection of Qingnian Avenue and Guanshan Avenue, Suxian District, Chenzhou City. It is being developed by Chenzhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 130,858 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 312,758 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Jade Hill.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 98,535 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 157,015 sq.m. Construction of these properties commenced on February 15, 2012 and is expected to be completed in the second quarter 2013. Upon completion, there will be 947 residential units with an aggregate saleable GFA of approximately 149,357 sq.m. and 80 retail shops with an aggregate saleable GFA of approximately 4,903 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 32,323 sq.m. and had an expected aggregate GFA of approximately 155,743 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Jade Hill (including the costs of land acquisition and construction) incurred were RMB307.0 million.

Country Garden—Jade Hill offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Zhangjiajie City, Hunan Province

Zhangjiajie Country Garden (張家界碧桂園)

Zhangjiajie Country Garden is located in Banping Village, Yongding District, Zhangjiajie City. It is being developed by Zhangjiajie Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 584,665 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 265,525 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 16,650 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 23,685 sq.m. Construction of these properties commenced on August 24, 2009 and was completed on September 28, 2010. As of September 30, 2012, the completed properties with an aggregate GFA of 23,685 sq.m. were not for sale.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 78,691 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 31,226 sq.m. Construction of these properties commenced on July 20, 2012 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 120 residential units with an aggregate saleable GFA of approximately 31,142 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 489,324 sq.m. and had an expected aggregate GFA of approximately 210,614 sq.m.

As of September 30, 2012, the total development costs of Zhangjiajie Country Garden (including the costs of land acquisition and construction) incurred were RMB159.7 million.

Zhangjiajie Country Garden is expected to offer villas in the future. It will also feature a hotel developed to five-star rating standard.

Taizhou City, Jiangsu Province

Taizhou Country Garden (泰州碧桂園)

Taizhou Country Garden is located in the northeast of Hailing District, Taizhou City. It is being developed by Taizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 718,244 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 734,041 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 557,267 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 621,182 sq.m. Construction of these properties commenced on August 8, 2007 and was completed on September 11, 2012. The completed properties comprise 3,025 residential units with an aggregate saleable GFA of approximately 594,892 sq.m. As of September 30, 2012, 2,305 residential units with an aggregate saleable GFA of approximately 418,224 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 720 residential units with an aggregate saleable GFA of approximately 176,668 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 127,177 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 93,593 sq.m. Construction of these properties commenced on June 27, 2007 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 143 residential units with an aggregate saleable GFA of approximately 37,346 sq.m. and 64 retail shops with an aggregate saleable GFA of approximately 27,428 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 33,800 sq.m. and had an expected aggregate GFA of approximately 19,266 sq.m.

As of September 30, 2012, the total development costs of Taizhou Country Garden (including the costs of land acquisition and construction) incurred were RMB2,305.1 million.

Taizhou Country Garden offers various types of units, including townhouses and high-rise apartment buildings and parking spaces. It also features a hotel developed to five-star rating standard, Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店).

Zhenjiang City, Jiangsu Province

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at S122 Avenue, Development Zone, Jurong District, Zhenjiang City. It is being developed by Jurong Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 1,079,898 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 3,050,533 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 32,834 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 142,740 sq.m. Construction of these properties commenced on January 11, 2011 and was completed on September 14, 2012. The completed properties comprise 888 residential units with an aggregate saleable GFA of approximately 122,124 sq.m., as well as three retail shops with an aggregate saleable GFA of approximately 280 sq.m. As of September 30, 2012, there was no property had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 888 residential units with an aggregate saleable GFA of approximately 122,124 sq.m. and three retail shops with an aggregate saleable GFA of approximately 280 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 247,330 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 810,695 sq.m. Construction of these properties commenced on January 11, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 6,338 residential units with an aggregate saleable GFA of approximately 795,170 sq.m. and 43 retail shops with an aggregate saleable GFA of approximately 3,579 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 799,734 sq.m. and had an expected aggregate GFA of approximately 2,097,098 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Phoenix City (including the costs of land acquisition and construction) incurred were RMB3,247.9 million.

Country Garden—Phoenix City offers various types of units, including high-rise apartment buildings and retail shops, and is expected to offer townhouses in the future. It also features a hotel developed to five-star rating standard, Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店).

Wuxi City, Jiangsu Province

Country Garden—Triumph Palace (碧桂園凱旋華庭)

Country Garden—Triumph Palace is located at North of Xinhua Road or East of Runxi Road, Anzhen Town, Xishan District, Wuxi City. It is being developed by Wuxi Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 142,603 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 295,015 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Triumph Palace.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 93,347 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 176,977 sq.m. Construction of these properties commenced on July 6, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 1,220 residential units with an aggregate saleable GFA of approximately 167,229 sq.m. and 47 retail shops with an aggregate saleable GFA of approximately 3,526 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 49,256 sq.m. and had an expected aggregate GFA of approximately 118,038 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Triumph Palace (including the costs of land acquisition and construction) incurred were RMB1,248.0 million.

Country Garden—Triumph Palace offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Wuhan City, Hubei Province

Wuhan Country Garden (武漢碧桂園)

Wuhan Country Garden is located at Zilin Street of Hannan District, Wuhan City. It is being developed by Wuhan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 808,869 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 760,265 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 401,233 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 375,981 sq.m. Construction of these properties commenced on December 28, 2007 and was completed on April 13, 2012. The completed properties comprise 2,352 residential units with an aggregate saleable GFA of approximately 355,896 sq.m. As of September 30, 2012, 1,839 residential units with an aggregate saleable GFA of approximately 250,405 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 513 residential units with an aggregate saleable GFA of approximately 105,491 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 275,065 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 290,261 sq.m. Construction of these properties commenced on January 30, 2008 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 2,025 residential units with an aggregate saleable GFA of approximately 274,549 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 132,571 sq.m. and had an expected aggregate GFA of approximately 94,023 sq.m.

As of September 30, 2012, the total development costs of Wuhan Country Garden (including the costs of land acquisition and construction) incurred were RMB1,467.3 million.

Wuhan Country Garden offers various types of units, including townhouses, low-rise apartment buildings and high-rise apartment buildings. The development features a hotel developed to the five-star rating standard, Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店).

Country Garden—Eco City (碧桂園 • 生態城)

Country Garden—Eco City is located at No.2 of Huacheng Avenue, Huashan Town, Donghu High-Tech Industrial Development Zone. It is being developed by Wuhan Country Garden-Eco City Investment Co., Ltd, a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 371,456 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 297,007 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Eco City.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 371,456 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 297,007 sq.m. Construction of these properties commenced on June 27, 2012 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,710 residential units with an aggregate saleable GFA of approximately 286,672 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden—Eco City.

As of September 30, 2012, the total development costs of Country Garden—Eco City (including the costs of land acquisition and construction) incurred were RMB674.9 million.

Country Garden—Eco City is expected to offer townhouses, low-rise apartment buildings and high-rise apartment buildings in the future. It will also feature a hotel developed to five-star rating standard.

Wuhan Country Garden Phase Three (武漢碧桂園三期)

Wuhan Country Garden Phase Three is located next To Wujin Farm, Hannan District, Wuhan City. It is being developed by Wuhan Country Garden Lianfa Investment Co., Ltd, a project company in which we hold a 52% equity interest. The project occupies an aggregate site area of approximately 333,333 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 552,747 sq.m.

As of September 30, 2012, there was no completed property in Wuhan Country Garden Phase Three.

As of September 30, 2012, there was no property under development in Wuhan Country Garden Phase Three.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 333,333 sq.m. and had an expected aggregate GFA of approximately 552,747 sq.m.

As of September 30, 2012, the total development costs of Wuhan Country Garden Phase Three (including the costs of land acquisition and construction) incurred were RMB140.0 million.

Wuhan Country Garden Phase Three is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Xianning City, Hubei Province

Xianning Country Garden (咸寧碧桂園)

Xianning Country Garden is located in Pansizhou of Xian'an District, Xianning City. It is being developed by Xianning Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 778,399 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 906,277 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 473,752 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 287,006 sq.m. Construction of these properties commenced on January 15, 2008 and was completed on July 16, 2012. The completed properties comprise 1,610 residential units with an aggregate saleable GFA of approximately 264,555 sq.m., as well as 33 retail shops with an aggregate saleable GFA of approximately 5,207 sq.m. As of September 30, 2012, 1,251 residential units with an aggregate saleable GFA of approximately 184,858 sq.m. as well as seven retail shops with an aggregate saleable GFA of approximately 362 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 359 residential units with an aggregate saleable GFA of approximately 79,697 sq.m. and 26 retail shops with an aggregate saleable GFA of approximately 4,845 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 39,868 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 132,401 sq.m. Construction of these properties commenced on November 29, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,092 residential units with an aggregate saleable GFA of approximately 130,779 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 264,779 sq.m. and had an expected aggregate GFA of approximately 486,870 sq.m.

As of September 30, 2012, the total development costs of Xianning Country Garden (including the costs of land acquisition and construction) incurred were RMB913.7 million.

Xianning Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Hot Spring City (碧桂園•温泉城)

Country Garden—Hot Spring City is located at Yuzuo Village, Xian'an District, Xianing City. It is being developed by Xianning Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,471,013 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,130,088 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 483,627 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 306,303 sq.m. Construction of these properties commenced on February 7, 2010 and was completed on June 21, 2012. The completed properties comprise 1,647 residential units with an aggregate saleable GFA of approximately 305,212 sq.m. As of September 30, 2012, 1,292 residential units with an aggregate saleable GFA of approximately 227,367 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 355 residential units with an aggregate saleable GFA of approximately 77,845 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 113,362 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 56,159 sq.m. Construction of these properties commenced on May 19, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 186 residential units with an aggregate saleable GFA of approximately 55,821 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 874,023 sq.m. and had an expected aggregate GFA of approximately 767,626 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Hot Spring City (including the costs of land acquisition and construction) incurred were RMB1,054.3 million.

Country Garden—Hot Spring City offers various types of units, including townhouses and low-rise apartment buildings. This development features Country Garden Phoenix Hot Spring Hotel (碧桂園鳳凰温泉酒店), a hotel built to the five-star rating standard.

Suizhou City, Hubei Province

Suizhou Country Garden (隨州碧桂園)

Suizhou Country Garden is located at Chengnan District, Suizhou City. It is being developed by Suizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,258,814 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,422,114 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 483,865 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 354,970 sq.m. Construction of these properties commenced on

May 21, 2008 and was completed on June 25, 2012. The completed properties comprise 2,007 residential units with an aggregate saleable GFA of approximately 348,319 sq.m., as well as 30 retail shops with an aggregate saleable GFA of approximately 1,701 sq.m. As of September 30, 2012, 1,777 residential units with an aggregate saleable GFA of approximately 293,006 sq.m. as well as 25 retail shops with an aggregate saleable GFA of approximately 1,391 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 230 residential units with an aggregate saleable GFA of approximately 55,313 sq.m. and 5 retail shops with an aggregate saleable GFA of approximately 310 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 81,728 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 163,452 sq.m. Construction of these properties commenced on May 21, 2008 and is expected to be completed in the third quarter 2013. Upon completion, there will be 1,321 residential units with an aggregate saleable GFA of approximately 163,452 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 693,222 sq.m. and had an expected aggregate GFA of approximately 903,692 sq.m.

As of September 30, 2012, the total development costs of Suizhou Country Garden (including the costs of land acquisition and construction) incurred were RMB1,614.6 million.

Suizhou Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Jingmen City, Hubei Province

Jingmen Country Garden (荊門碧桂園)

Jingmen Country Garden is located at North Side of Fengyuan Road, Duodao District, Jingmen City. It is being developed by Jingmen Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 871,657 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 571,222 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 319,997 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 221,778 sq.m. Construction of these properties commenced on January 15, 2009 and was completed on August 23, 2012. The completed properties comprise 1,063 residential units with an aggregate saleable GFA of approximately 218,173 sq.m., as well as 55 retail shops with an aggregate saleable GFA of approximately 2,708 sq.m. As of September 30, 2012, 1,035 residential units with an aggregate saleable GFA of approximately 210,045 sq.m. as well as 46 retail shops with an aggregate saleable GFA of approximately 2,099 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 28 residential units with an aggregate saleable GFA of approximately 8,128 sq.m. and nine retail shops with an aggregate saleable GFA of approximately 609 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 262,079 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 132,694 sq.m. Construction of these properties commenced on May 12, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 628 residential units with an aggregate saleable GFA of approximately 127,762 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 289,582 sq.m. and had an expected aggregate GFA of approximately 216,750 sq.m.

As of September 30, 2012, the total development costs of Jingmen Country Garden (including the costs of land acquisition and construction) incurred were RMB869.8 million.

Jingmen Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店), a four-star rating hotel.

Chongqing Municipality

Changshou Country Garden (長壽碧桂園)

Changshou Country Garden is located at the eastern part of Taohuaxincheng, Changshou District, Chongqing Municipality. It is being developed by Chongqing Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 288,825 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 434,245 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 271,027 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 416,245 sq.m. Construction of these properties commenced on November 5, 2007 and was completed on June 25, 2012. The completed properties comprise 2,926 residential units with an aggregate saleable GFA of approximately 361,724 sq.m., as well as 174 retail shops with an aggregate saleable GFA of approximately 32,303 sq.m. and 70 parking spaces with an aggregate saleable GFA of approximately 1,255 sq.m. As of September 30, 2012, 2,890 residential units with an aggregate saleable GFA of approximately 344,116 sq.m. as well as 128 retail shops with an aggregate saleable GFA of approximately 19,195 sq.m. and nine parking spaces with an aggregate saleable GFA of approximately 161 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 36 residential units with an aggregate saleable GFA of approximately 17,608 sq.m. and 46 retail shops with an aggregate saleable GFA of approximately 13,108 sq.m. and 61 parking spaces with an aggregate GFA of approximately 1,094 sq.m.

As of September 30, 2012, there was no property under development in Changshou Country Garden.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 17,798 sq.m. and had an expected aggregate GFA of approximately 18,000 sq.m.

As of September 30, 2012, the total development costs of Changshou Country Garden (including the costs of land acquisition and construction) incurred were RMB1,169.6 million.

Changshou Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Hefei City, Anhui Province

Country Garden Lakeside City (碧桂園濱湖城)

Country Garden Lakeside City is located at Jingtanghe Village, Zhongmiao Town, Hefei City. It is being developed by Anhui Zhongmiao Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,482,345 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,077,733 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 1,056,858 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 623,838 sq.m. Construction of these properties commenced on December 13, 2007 and was completed on August 13, 2012. The completed properties comprise 3,881 residential units with an aggregate saleable GFA of approximately 590,493 sq.m., as well as retail shops with an aggregate saleable GFA of approximately 25,259 sq.m. As of September 30, 2012, 3,346 residential units with an aggregate saleable GFA of approximately 499,798 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 535 residential units with an aggregate saleable GFA of approximately 90,695 sq.m. and a commercial plaza with an aggregate saleable GFA of approximately 25,259 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 211,827 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 171,164 sq.m. Construction of these properties commenced on December 13, 2007 and is expected to be completed in the second quarter 2013. Upon completion, there will be 883 residential units with an aggregate saleable GFA of approximately 124,527 sq.m. and a supermarket with an aggregate saleable GFA of approximately 38,991 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 213,659 sq.m. and had an expected aggregate GFA of approximately 282,731 sq.m.

As of September 30, 2012, the total development costs of Country Garden Lakeside City (including the costs of land acquisition and construction) incurred were RMB2,097.8 million.

Country Garden Lakeside City offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Chaohu Country Garden (巢湖碧桂園)

Chaohu Country Garden is located at the North of Chaolu Road, Nan'an, Hefei City. It is being developed by Chaohu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 847,355 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 880,822 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 472,834 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 331,399 sq.m. Construction of these properties commenced on April 23, 2008 and was completed on May 30, 2012. The completed properties comprise 1,990 residential units with an aggregate saleable GFA of approximately 278,939 sq.m., as well as 294 retail shops with an aggregate saleable GFA of approximately 23,198 sq.m. As of September 30, 2012, 1,849 residential units with an aggregate saleable GFA of approximately 254,784 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 141 residential units with an aggregate saleable GFA of approximately 24,155 sq.m. and 294 retail shops with an aggregate saleable GFA of approximately 23,198 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 69,369 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 108,283 sq.m. Construction of these properties commenced on August 11, 2008 and is expected to be completed in the third quarter 2013. Upon completion, there will be 891 residential units with an aggregate saleable GFA of approximately 107,988 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 305,152 sq.m. and had an expected aggregate GFA of approximately 441,140 sq.m.

As of September 30, 2012, the total development costs of Chaohu Country Garden (including the costs of land acquisition and construction) incurred were RMB1,210.3 million.

Chaohu Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店), a hotel built to the five-star rating standard, which commenced partial trial operation on August 8, 2012.

Maanshan City, Anhui Province

Country Garden—Hill Lake City (碧桂園 • 如山湖城)

Country Garden-Hill Lake City is located at Rufangshan Road, Shiyang Street, Shiyang Town, Hexian, Maanshan City. It is being developed by Anhui Hexian Country Garden Property Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,406,926 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 960,481 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 926,495 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 649,923 sq.m. Construction of these properties commenced on May 9, 2008 and was completed on October 21, 2011. The completed properties comprise 4,597 residential units with an aggregate saleable GFA of approximately 625,407 sq.m. As of September 30, 2012, 984 residential units with an aggregate saleable GFA of approximately 185,209 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 3,613 residential units with an aggregate saleable GFA of approximately 440,198 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 109,101 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 53,258 sq.m. Construction of these properties commenced on July 17, 2012 and is expected to be completed in the third quarter 2013. Upon completion, there will be 270 residential units with an aggregate saleable GFA of approximately 53,138 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 371,330 sq.m. and had an expected aggregate GFA of approximately 257,300 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Hill Lake City (including the costs of land acquisition and construction) incurred were RMB2,288.1 million.

Country Garden—Hill Lake City offers various types of units, including townhouses and high-rise apartment buildings. This development features Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店), a hotel built to the five-star rating standard.

Anqing City, Anhui Province

Anqing Country Garden (安慶碧桂園)

Anqing Country Garden is located at Xincheng Business District, the East of Yingjiang District, Anqing City. It is being developed by Anqing Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,651,825 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,745,282 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 849,641 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 520,343 sq.m. Construction of these properties commenced on June 19, 2008 and was completed on June 25, 2012. The completed properties comprise 2,525 residential units with an aggregate saleable GFA of approximately 451,917 sq.m., as well as 100 retail shops with an aggregate saleable GFA of approximately 20,732 sq.m. and 74 parking spaces with an aggregate saleable GFA of approximately 1,932 sq.m. As of September 30, 2012, 2,107 residential units with an aggregate saleable GFA of approximately 376,888 sq.m. as well as three retail shops with an aggregate saleable GFA of approximately 267 sq.m. and 49 parking spaces with an aggregate saleable GFA of approximately 1,298 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 418 residential units with an aggregate saleable GFA of approximately 75,029 sq.m. and 97 retail shops with an aggregate saleable GFA of approximately 20,465 sq.m. and 25 parking spaces with an aggregate GFA of approximately 634 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 175,390 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 313,472 sq.m. Construction of these properties commenced on June 19, 2008 and is expected to be completed in the second quarter 2013. Upon completion, there will be 2,248 residential units with an aggregate saleable GFA of approximately 251,234 sq.m. and 162 retail shops with an aggregate saleable GFA of approximately 11,915 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 626,794 sq.m. and had an expected aggregate GFA of approximately 911,467 sq.m.

As of September 30, 2012, the total development costs of Anqing Country Garden (including the costs of land acquisition and construction) incurred were RMB2,726.5 million.

Anqing Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. The development features a hotel developed to the five-star rating standard, Country Garden Phoenix Hotel, Anqing (安慶碧桂園鳳凰酒店), which commenced partial trial operation on October 29, 2009.

Chizhou City, Anhui Province

Chizhou Country Garden (池州碧桂園)

Chizhou Country Garden is located at the opposite site of Chizhou Railway Station, Chizhou City. It is being developed by Chizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 436,795 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 385,716 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 403,375 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 322,074 sq.m. Construction of these properties commenced on January 27, 2008 and was completed on August 30, 2012. The completed properties comprise 1,894 residential units with an aggregate saleable GFA of approximately 318,136 sq.m. As of September 30, 2012, 1,337 residential units with an aggregate saleable GFA of approximately 239,775 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 557 residential units with an aggregate saleable GFA of approximately 78,361 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 25,868 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 55,744 sq.m. Construction of these properties commenced on August 24, 2012 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 493 residential units with an aggregate saleable GFA of approximately 54,242 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 7,551 sq.m. and had an expected aggregate GFA of approximately 7,898 sq.m.

As of September 30, 2012, the total development costs of Chizhou Country Garden (including the costs of land acquisition and construction) incurred were RMB1,039.4 million.

Chizhou Country Garden offers various types of units, including townhouses, low-rise apartment buildings and high-rise apartment buildings, and is expected to offer retail shops in the future. This development features Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Huangshan City, Anhui Province

Huangshan Country Garden (黃山碧桂園)

Huangshan Country Garden is located at Meilin Avenue, Huangshan Economic and Technological Development Zone, Huangshan City. It is being developed by Huangshan Country Garden

Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 322,029 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 331,284 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 296,949 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 289,876 sq.m. Construction of these properties commenced on January 6, 2008 and was completed on November 30, 2011. The completed properties comprise 2,001 residential units with an aggregate saleable GFA of approximately 252,276 sq.m., as well as 69 retail shops with an aggregate saleable GFA of approximately 16,683 sq.m. As of September 30, 2012, 1,898 residential units with an aggregate saleable GFA of approximately 234,178 sq.m. as well as 10 retail shops with an aggregate saleable GFA of approximately 845 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 103 residential units with an aggregate saleable GFA of approximately 18,098 sq.m. and 59 retail shops with an aggregate saleable GFA of approximately 15,838 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 25,079 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 41,408 sq.m. Construction of these properties commenced on September 28, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 367 residential units with an aggregate saleable GFA of approximately 36,625 sq.m. and 21 retail shops with an aggregate saleable GFA of approximately 3,554 sq.m.

As of September 30, 2012, there was no property held for future development in Huangshan Country Garden.

As of September 30, 2012, the total development costs of Huangshan Country Garden (including the costs of land acquisition and construction) incurred were RMB851.2 million.

Huangshan Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Wuhu City, Anhui Province

Wuhu Country Garden (蕪湖碧桂園)

Wuhu Country Garden is located at Longwo Lake, Sanshan District, Wuhu City. It is being developed by Wuhu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,490,508 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,086,640 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 933,384 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 765,774 sq.m. Construction of these properties commenced on June 25, 2008 and was completed on June 29, 2012. The completed properties comprise 4,584 residential units with an aggregate saleable GFA of approximately 756,852 sq.m. As of September 30, 2012, 2,883 residential units with an aggregate saleable GFA of approximately 447,888 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 1,701 residential units with an aggregate saleable GFA of approximately 308,964 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 94,257 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 78,332 sq.m. Construction of these properties commenced on June 27, 2008 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be and 39 retail shops with an aggregate saleable GFA of approximately 8,434 sq.m. and a supermarket with an aggregate saleable GFA of approximately 4,646 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 462,866 sq.m. and had an expected aggregate GFA of approximately 1,242,534 sq.m.

As of September 30, 2012, the total development costs of Wuhu Country Garden (including the costs of land acquisition and construction) incurred were RMB3,710.1 million.

Wuhu Country Garden offers various types of units, including townhouses, low-rise apartment buildings and high-rise apartment buildings, and is expected to offer retail shops in the future. This development features Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店), a hotel built to the five-star rating standard.

Chuzhou City, Anhui Province

Country Garden—Europe City (碧桂園．歐洲城)

Chuzhou Country Garden is located at Xuning Expressway, Wuyi Town, Chuzhou City. It is being developed by Chuzhou Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 818,764 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,462,017 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 33,536 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 13,055 sq.m. Construction of these properties commenced on December 24, 2010 and was completed on September 14, 2012. The completed properties comprise 22 residential units with an aggregate saleable GFA of approximately 13,055 sq.m. As of September 30, 2012, one residential unit with an aggregate saleable GFA of approximately 643 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 21 residential units with an aggregate saleable GFA of approximately 12,412 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 360,128 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 432,621 sq.m. Construction of these properties commenced on October 12, 2010 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 3,013 residential units with an aggregate saleable GFA of approximately 404,765 sq.m. and 78 retail shops with an aggregate saleable GFA of approximately 14,973 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 425,100 sq.m. and had an expected aggregate GFA of approximately 1,016,341 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Europe City (including the costs of land acquisition and construction) incurred were RMB1,506.1 million.

Country Garden—Europe City offers various types of units, including townhouses, high-rise apartment buildings. This development features Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店), a hotel built to the five-star rating standard.

Country Garden—City Garden (碧桂園 · 城市花園)

Country Garden—City Garden is located at West Side of 104 National Highway, Chahe Town, Laian County, Chuzhou City. It is being developed by Laian Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 853,309 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,429,358 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 25,399 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 7,503 sq.m. Construction of these properties commenced on June 23, 2011 and was completed on April 29, 2012. As of September 30, 2012, the completed properties with an aggregate GFA of 7,503 sq.m. were not for sale.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 293,285 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 571,819 sq.m. Construction of these properties commenced on June 23, 2011 and is expected to be completed in the second quarter 2013. Upon completion, there will be 5,587 residential units with an aggregate saleable GFA of approximately 571,618 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 534,625 sq.m. and had an expected aggregate GFA of approximately 850,036 sq.m.

As of September 30, 2012, the total development costs of Country Garden—City Garden (including the costs of land acquisition and construction) incurred were RMB922.7 million.

Country Garden—City Garden offers various types of units, including townhouses, high-rise apartment buildings.

Shenyang City, Liaoning Province

Country Garden—Sun Palace (碧桂園 • 太陽城)

Country Garden—Sun Palace is located in Shangxiao Village Daoyi Town, Shenbei District, Shenyang City. It is being developed by Shenyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 619,661 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,060,024 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 307,057 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 250,301 sq.m. Construction of these properties commenced on September 30, 2007 and was completed on August 31, 2012. The completed properties comprise 1,537 residential units with an aggregate saleable GFA of approximately 247,313 sq.m. As of September 30, 2012, 1,420 residential units with an aggregate saleable GFA of approximately 209,685 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 117 residential units with an aggregate saleable GFA of approximately 37,628 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 85,591 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 195,202 sq.m. Construction of these properties commenced on November 6, 2007 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 1,912 residential units with an aggregate saleable GFA of approximately 187,657 sq.m. and 1 retail shops with an aggregate saleable GFA of approximately 737 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 227,013 sq.m. and had an expected aggregate GFA of approximately 614,521 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Sun Palace (including the costs of land acquisition and construction) incurred were RMB1,677.8 million.

Country Garden—Sun Palace offers various types of units, including townhouses and high-rise apartment buildings.

Shenyang Country Garden (瀋陽碧桂園)

Shenyang Country Garden is located in Huashan Village, Huishan Agricultural High-tech Development Zone, Shenyang City. It is being developed by Shenyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,128,903 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,457,427 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 614,848 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 336,821 sq.m. Construction of these properties commenced on July 21, 2007 and was completed on August 10, 2012. The completed properties comprise 1,395 residential units with an aggregate saleable GFA of approximately 326,742 sq.m., as well as 29 retail shops with an aggregate saleable GFA of approximately 4,314 sq.m. and 90 parking spaces with an aggregate saleable GFA of approximately 2,464 sq.m. As of September 30, 2012, 817 residential units with an aggregate saleable GFA of approximately 216,688 sq.m. and 29 parking spaces with an aggregate saleable GFA of approximately 791 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 578 residential units with an aggregate saleable GFA of approximately 110,054 sq.m. and 29 retail shops with an aggregate saleable GFA of approximately 4,314 sq.m. and 61 parking spaces with an aggregate GFA of approximately 1,673 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 32,928 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 67,717 sq.m. Construction of these properties commenced on September 8, 2007 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 126 residential units with an aggregate saleable GFA of approximately 67,717 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 481,127 sq.m. and had an expected aggregate GFA of approximately 1,052,889 sq.m.

As of September 30, 2012, the total development costs of Shenyang Country Garden (including the costs of land acquisition and construction) incurred were RMB2,454.8 million.

Shenyang Country Garden offers various types of units, including townhouses, low-rise apartment buildings, retail shops and parking spaces, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店), a hotel built to the five-star rating standard.

Country Garden—Galaxy Palace (碧桂園 • 銀河城)

Country Garden—Galaxy Palace is located at Wanghe Road of Yuhong District, Shenyang City. It is being developed by Shenyang Huarui Real Estate Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,126,894 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,143,365 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 498,425 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 698,840 sq.m. Construction of these properties commenced on March 19, 2008 and was completed on August 14, 2012. The completed properties comprise 4,372 residential units with an aggregate saleable GFA of approximately 646,918 sq.m., as well as 187 retail shops with an aggregate saleable GFA of approximately 35,016 sq.m. As of September 30, 2012, 3,869 residential units with an aggregate saleable GFA of approximately 574,588 sq.m. as well as 29 retail shops with an aggregate saleable GFA of approximately 5,152 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 503 residential units with an aggregate saleable GFA of approximately 72,330 sq.m. and 158 retail shops with an aggregate saleable GFA of approximately 29,864 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 250,480 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 448,889 sq.m. Construction of these properties commenced on November 3, 2010 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 2,846 residential units with an aggregate saleable GFA of approximately 364,011 sq.m. and 116 retail shops with an aggregate saleable GFA of approximately 23,919 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 377,989 sq.m. and had an expected aggregate GFA of approximately 995,636 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Galaxy Palace (including the costs of land acquisition and construction) incurred were RMB5,387.6 million.

Country Garden—Galaxy Palace offers various types of units, including townhouses, high-rise apartment buildings and retail shops. This development features Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店), a hotel built to the five-star rating standard.

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at Dingxiang Street of Sujiatun District, Shenyang City. It is being developed by Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,219,639 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,583,946 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 537,453 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 634,423 sq.m. Construction of these properties commenced on September 24, 2007 and was completed on June 19, 2012. The completed properties comprise 4,810 residential units with an aggregate saleable GFA of approximately 618,583 sq.m., as well as 41 retail shops with an aggregate saleable GFA of approximately 7,307 sq.m. As of September 30, 2012, 3,849 residential units with an aggregate saleable GFA of approximately 474,788 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 961 residential units with an aggregate saleable GFA of approximately 143,795 sq.m. and 41 retail shops with an aggregate saleable GFA of approximately 7,307 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 161,703 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 450,616 sq.m. Construction of these properties commenced on June 26, 2008 and is expected to be completed in the second quarter 2014. Upon completion, there will be 2,875 residential units with an aggregate saleable GFA of approximately 433,282 sq.m. and 7 retail shops with an aggregate saleable GFA of approximately 11,406 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 520,483 sq.m. and had an expected aggregate GFA of approximately 498,907 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Phoenix City (including the costs of land acquisition and construction) incurred were RMB3,646.6 million.

Country Garden—Phoenix City offers various types of units, including townhouses, low-rise apartment buildings, retail shops, high-rise apartment buildings and retail shops. The development will feature a hotel developed to the five-star rating standard.

Country Garden Grand Garden (碧桂豪園)

Country Garden Grand Garden is located Mantang Street, Development Zone, Qipanshan, Shenyang City. It is being developed by Shenyang Qipanshan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 212,464 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 123,801 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 119,819 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 72,531 sq.m. Construction of these properties commenced on April 12, 2011 and was completed on September 10, 2012. The completed properties comprise 220 residential units with an aggregate saleable GFA of approximately 72,498 sq.m. As of September 30, 2012, there was no property had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 220 residential units with an aggregate saleable GFA of approximately 72,498 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 2,036 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,124 sq.m. Construction of these properties commenced on April 12, 2011 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 2 residential units with an aggregate saleable GFA of approximately 1,124 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 90,610 sq.m. and had an expected aggregate GFA of approximately 50,146 sq.m.

As of September 30, 2012, the total development costs of Country Garden Grand Garden (including the costs of land acquisition and construction) incurred were RMB521.8 million.

Country Garden Grand Garden offers townhouses.

Anshan City, Liaoning Province

Haicheng Country Garden (海城碧桂園)

Haicheng Country Garden is located at Tiexixinghai Administration District, Anshan City. It is being developed by Haicheng Country Garden Property Development Co., Ltd., our wholly owned project company. The project occupies an aggregate site area of approximately 429,894 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 459,836 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 98,740 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 60,327 sq.m. Construction of these properties commenced on October 25, 2007 and was completed on September 30, 2011. The completed properties comprise 294 residential units with an aggregate saleable GFA of approximately 56,683 sq.m., as well as 11 retail shops with an aggregate saleable GFA of approximately 1,163 sq.m. and eight parking spaces with an aggregate saleable GFA of approximately 357 sq.m. As of September 30, 2012, 258 residential units with an aggregate saleable GFA of approximately 50,096 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 36 residential units with an aggregate saleable GFA of approximately 6,587 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 1,163 sq.m. and eight parking spaces with an aggregate GFA of approximately 357 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 110,150 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 68,459 sq.m. Construction of these properties commenced on October 20, 2011 and is expected to be completed in the third quarter 2013. Upon completion, there will be 512 residential units with an aggregate saleable GFA of approximately 65,989 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 221,005 sq.m. and had an expected aggregate GFA of approximately 331,050 sq.m.

As of September 30, 2012, the total development costs of Haicheng Country Garden (including the costs of land acquisition and construction) incurred were RMB508.1 million.

Haicheng Country Garden offers various types of units, including townhouses, low-rise apartment buildings, retail shops and parking spaces, and is expected to offer high-rise apartment buildings in the future. The development will feature a hotel developed to the five-star rating standard.

Hulunbei'er City, Inner Mongolia Autonomous Region

Manzhouli Country Garden (滿洲里碧桂園)

Manzhouli Country Garden is located at the intersection of Xinjia East Road and Hubei Road, Manzhouli, Hulunbei'er City. It is being developed by Manzhouli Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,356,018 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,603,862 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 109,087 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 83,864 sq.m. Construction of these properties commenced on July 23, 2007 and was completed on November 30, 2009. The completed properties comprise 504 residential units with an aggregate saleable GFA of approximately 74,266 sq.m. and 344 parking spaces with an aggregate saleable GFA of approximately 9,303 sq.m. As of September 30, 2012, 412 residential units with an aggregate saleable GFA of approximately 58,810 sq.m. and 336 parking spaces with an aggregate saleable GFA of approximately 9,081 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 92 residential units with an aggregate saleable GFA of approximately 15,456 sq.m. and eight parking spaces with an aggregate GFA of approximately 222 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 401,395 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 261,959 sq.m. Construction of these properties commenced on July 23, 2007 and is expected to be completed in the second quarter 2014. Upon completion, there will be 1,246 residential units with an aggregate saleable GFA of approximately 220,278 sq.m. and 230 retail shops with an aggregate saleable GFA of approximately 34,559 sq.m. and 136 parking spaces with an aggregate saleable GFA of approximately 3,614 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 845,536 sq.m. and had an expected aggregate GFA of approximately 1,258,039 sq.m.

As of September 30, 2012, the total development costs of Manzhouli Country Garden (including the costs of land acquisition and construction) incurred were RMB1,021.2 million.

Manzhouli Country Garden offers various types of units, including townhouses, low-rise apartment buildings and parking spaces, and is expected to offer retail shops in the future. The development will feature a hotel developed to the five-star rating standard and a commercial street.

Tongliao City, Inner Mongolia Autonomous Region

Tongliao Country Garden (通遼碧桂園)

Tongliao Country Garden is located at Jianguo North Road, Tongliao City. It is being developed by Tongliao Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,942,519 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,731,665 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 248,931 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 182,879 sq.m. Construction of these properties commenced on November 3, 2007 and was completed on October 29, 2011. The completed properties comprise 994 residential units with an aggregate saleable GFA of approximately 162,965 sq.m., as well as 25 retail shops with an aggregate saleable GFA of approximately 17,776 sq.m. and 58 parking spaces with an aggregate saleable GFA of approximately 1,443 sq.m. As of September 30, 2012, 924 residential units with an aggregate saleable GFA of approximately 149,265 sq.m. and 58 parking spaces with an aggregate saleable GFA of approximately 1,443 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 70 residential units with an aggregate saleable GFA of approximately 13,700 sq.m. and 25 retail shops with an aggregate saleable GFA of approximately 17,776 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 504,175 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 345,612 sq.m. Construction of these properties commenced on November 3, 2007 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 2,132 residential units with an aggregate saleable GFA of approximately 325,993 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 1,189,413 sq.m. and had an expected aggregate GFA of approximately 1,203,174 sq.m.

As of September 30, 2012, the total development costs of Tongliao Country Garden (including the costs of land acquisition and construction) incurred were RMB1,201.9 million.

Tongliao Country Garden offers various types of units, including townhouses, low-rise apartment buildings, retail shops and parking spaces, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Xing'anmeng, Inner Mongolia Autonomous Region

Xing'anmeng Country Garden (興安盟碧桂園)

Xing'anmeng Country Garden is located at Keerqin Town of Keyouqianqi, Xing'anmeng. It is being developed by Keyouqianqi Country Garden Property Development Co., Ltd., our wholly owned project company. The project occupies an aggregate site area of approximately 1,259,396 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,257,045 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 399,287 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 261,876 sq.m. Construction of these properties commenced on September 20, 2007 and was completed on September 29, 2012. The completed properties comprise 1,650 residential units with an aggregate saleable GFA of approximately 248,056 sq.m. As of September 30, 2012, 923 residential units with an aggregate saleable GFA of approximately 147,774 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 727 residential units with an aggregate saleable GFA of approximately 100,282 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 251,782 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 95,193 sq.m. Construction of these properties commenced on November 7, 2007 and is expected to be completed in the second quarter 2013. Upon completion, there will be 388 residential units with an aggregate saleable GFA of approximately 95,193 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 608,327 sq.m. and had an expected aggregate GFA of approximately 899,976 sq.m.

As of September 30, 2012, the total development costs of Xing'anmeng Country Garden (including the costs of land acquisition and construction) incurred were RMB1,022.5 million.

Xing'anmeng Country Garden offers various types of units, including townhouses and low-rise apartment buildings, and is expected to offer high-rise apartment buildings in the future. This development will feature a hotel developed to the five-star rating standard and a commercial street.

Suihua City, Heilongjiang Province

Suihua Country Garden (綏化碧桂園)

Suihua Country Garden is located at Zhongxingxi Avenue, Beilin District, Suihua City. It is being developed by Suihua Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 262,400 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 265,998 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 164,618 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 149,298 sq.m. Construction of these properties commenced on September 25, 2008 and was completed on July 27, 2012. The completed properties comprise 1,082 residential units with an aggregate saleable GFA of approximately 131,129 sq.m., as well as 165 retail shops with an aggregate saleable GFA of approximately 14,903 sq.m. and 128 parking spaces with an aggregate saleable GFA of approximately 2,843 sq.m. As of September 30, 2012, 766 residential units with an aggregate saleable GFA of approximately 103,747 sq.m. as well as 130 retail shops with an aggregate saleable GFA of approximately 10,959 sq.m. and 88 parking spaces with an aggregate saleable GFA of approximately 2,112 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 316 residential units with an aggregate saleable GFA of approximately 27,382 sq.m. and 35 retail shops with an aggregate saleable GFA of approximately 3,944 sq.m. and 40 parking spaces with an aggregate GFA of approximately 731 sq.m.

As of September 30, 2012, there was no property under development in Suihua Country Garden.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 97,782 sq.m. and had an expected aggregate GFA of approximately 116,700 sq.m.

As of September 30, 2012, the total development costs of Suihua Country Garden (including the costs of land acquisition and construction) incurred were RMB432.4 million.

Suihua Country Garden offers various types of units, including townhouses, low-rise apartment buildings, retail shops and parking spaces.

Tianjin Municipality

Tianjin Country Garden (天津碧桂園)

Tianjin Country Garden is located at Balitai Town, Jinnan District, Tianjin City. It is being developed by Tianjin Balizhou Country Garden Property Development Co., Ltd., our wholly owned project company. The project occupies an aggregate site area of approximately 646,598 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,004,854 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 165,948 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 165,453 sq.m. Construction of these properties commenced on June 12, 2010 and was completed on September 18, 2012. The completed properties comprise 1,101 residential units with an aggregate saleable GFA of approximately 144,606 sq.m., as well as 38 retail shops with an aggregate saleable GFA of approximately 5,207 sq.m. As of September 30, 2012, 389 residential units with an aggregate saleable GFA of approximately 79,554 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 712 residential units with an aggregate saleable GFA of approximately 65,052 sq.m. and 38 retail shops with an aggregate saleable GFA of approximately 5,207 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 334,933 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 497,062 sq.m. Construction of these properties commenced on October 9, 2010 and is expected to be completed in the second quarter 2014. Upon completion, there will be 3,660 residential units with an aggregate saleable GFA of approximately 463,589 sq.m., 12 retail shops with an aggregate saleable GFA of approximately 1,689 sq.m. and a composite building with an aggregate GFA of 859 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 145,718 sq.m. and had an expected aggregate GFA of approximately 342,339 sq.m.

As of September 30, 2012, the total development costs of Tianjin Country Garden (including the costs of land acquisition and construction) incurred were RMB2,131.7 million.

Tianjin Country Garden offers various types of units, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Country Garden—Deyu Office Building (碧桂園•德域大廈)

Country Garden—Deyu Office Building is located at Bihexi Road, Tanggu District, Tianjin City. It is being developed by Tianjin Deyu Investment Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 16,595 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 114,504 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Deyu Office Building.

As of September 30, 2012, there was no property under development in Country Garden—Deyu Office Building.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 16,595 sq.m. and had an expected aggregate GFA of approximately 114,504 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Deyu Office Building (including the costs of land acquisition and construction) incurred were RMB237.5 million.

Country Garden—Deyu Office Building is expected to offer offices in the future.

Country Garden—Seashore City (碧桂園•濱海城)

Country Garden—Seashore City is located at The intersection of Zhongyang Avenue and Haibo Road, Binhai New Area, Tianjin City. It is being developed by Tianjin Binhai New District Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 98,413 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 112,085 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Seashore City.

As of September 30, 2012, there was no property under development in Country Garden—Seashore City.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 98,413 sq.m. and had an expected aggregate GFA of approximately 112,085 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Seashore City (including the costs of land acquisition and construction) incurred were RMB358.4 million.

Country Garden—Seashore City is expected to offer townhouses and high-rise apartment buildings in the future.

Yulin City, Guangxi Zhuang Autonomous Region

Beiliu Country Garden (北流碧桂園)

Beiliu Country Garden is located at No. 299, South 2nd Road, Beiliu City. It is being developed by Beiliu Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 369,432 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 374,753 sq.m.

As of September 30, 2012, the completed properties occupied an aggregate site area of approximately 164,017 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 115,884 sq.m. Construction of these properties commenced on February 2, 2010 and was completed on January 4, 2012. The completed properties comprise 618 residential units with an aggregate saleable GFA of approximately 106,702 sq.m., as well as 62 retail shops with an aggregate saleable GFA of approximately 2,986 sq.m. As of September 30, 2012, 436 residential units with an aggregate saleable GFA of approximately 72,978 sq.m. as well as 19 retail shops with an aggregate saleable GFA of approximately 765 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 182 residential units with an aggregate saleable GFA of approximately 33,724 sq.m. and 43 retail shops with an aggregate saleable GFA of approximately 2,221 sq.m.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 94,511 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 107,227 sq.m. Construction of these properties commenced on September 25, 2010 and is expected to be completed in the first quarter 2014. Upon completion, there will be 725 residential units with an aggregate saleable GFA of approximately 105,556 sq.m. and 16 retail shops with an aggregate saleable GFA of approximately 801 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 110,904 sq.m. and had an expected aggregate GFA of approximately 151,642 sq.m.

As of September 30, 2012, the total development costs of Beiliu Country Garden (including the costs of land acquisition and construction) incurred were RMB441.4 million.

Beiliu Country Garden offers various types of units, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. The development will feature a hotel developed to the five-star rating standard.

Pingguo City, Guangxi Zhuang Autonomous Region

Pingguo Country Garden (平果碧桂園)

Pingguo Country Garden is located in Nalao New Area, Jincheng Avenue, Pingguo, Baise City. It is being developed by Guangxi Pingguo Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 186,841 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 201,217 sq.m.

As of September 30, 2012, there was no completed property in Pingguo Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 134,989 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 86,794 sq.m. Construction of these properties commenced on March 15, 15, 2012 and is expected to be completed in the second quarter 2013. Upon completion, there will be 344 residential units with an aggregate saleable GFA of approximately 72,608 sq.m. and 68 retail shops with an aggregate saleable GFA of approximately 5,194 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 51,852 sq.m. and had an expected aggregate GFA of approximately 114,423 sq.m.

As of September 30, 2012, the total development costs of Pingguo Country Garden (including the costs of land acquisition and construction) incurred were RMB138.6 million.

Pingguo Country Garden offers various types of units, including townhouses, high-rise apartment buildings and retail shops.

Wenchang City, Hainan Province

Country Garden—Palm City (碧桂園 • 椰城)

Country Garden—Palm City is located in Tanbei Village, Tanniu Town, Wenchang City. It is being developed by Hainan Wenchang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 143,667 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 117,662 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Palm City.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 76,752 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 47,508 sq.m. Construction of these properties commenced on February 22, 2012 and is expected to be completed in the fourth quarter 2012. Upon completion, there will be 426 residential units with an aggregate saleable GFA of approximately 40,225 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 66,915 sq.m. and had an expected aggregate GFA of approximately 70,154 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Palm City (including the costs of land acquisition and construction) incurred were RMB122.4 million.

Country Garden—Palm City offers various types of units, including townhouses and high-rise apartment buildings.

Lingao City, Hainan Province

Country Garden Spring Town (碧桂園小城之春)

Country Garden Spring Town is located at West Side of No.3 Bridge, Lincheng Town, Lingao County. It is being developed by Hainan Lingao Country Garden Fineland Property Development Co Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 10,703 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 34,775 sq.m.

As of September 30, 2012, there was no completed property in Country Garden Spring Town.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 10,703 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 34,775 sq.m. Construction of these properties commenced on July 27, 2011 and is expected to be completed in the fourth quarter 2013. Upon completion, there will be 609 residential units with an aggregate saleable GFA of approximately 33,102 sq.m. and 23 retail shops with an aggregate saleable GFA of approximately 1,673 sq.m.

As of September 30, 2012, there was no property held for future development in Country Garden Spring Town.

As of September 30, 2012, the total development costs of Country Garden Spring Town (including the costs of land acquisition and construction) incurred were RMB77.1 million.

Country Garden Spring Town offers high-rise apartment buildings and retail shops.

Country Garden—Golden Beach (碧桂園•金沙灘)

Country Garden—Golden Beach is located in Longbowan, Bohou Town, Lingao County. It is being developed by Hainan Lingao Country Garden Fineland Property Development Co Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 142,472 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 153,218 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Golden Beach.

As of September 30, 2012, there was no property under development in Country Garden—Golden Beach.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 142,472 sq.m. and had an expected aggregate GFA of approximately 153,218 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Golden Beach (including the costs of land acquisition and construction) incurred were RMB372.6 million.

Country Garden—Golden Beach is expected to offer townhouses and high-rise apartment buildings in the future.

Hangzhou City, Zhejiang Province

Hangzhou Country Garden (杭州碧桂園)

Hangzhou Country Garden is located at the intersection of Yuntao North Road and Shuiyun Road, Xiasha Economic Development Zone, Hangzhou City. It is being developed by Hangzhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 65,711 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 183,990 sq.m.

As of September 30, 2012, there was no completed property in Hangzhou Country Garden.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 65,711 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 183,990 sq.m. Construction of these properties commenced on April 14, 2012 and is expected to be completed in the first quarter 2014. Upon completion, there will be 1,773 residential units with an aggregate saleable GFA of approximately 176,196 sq.m.

As of September 30, 2012, there was no property held for future development in Hangzhou Country Garden.

As of September 30, 2012, the total development costs of Hangzhou Country Garden (including the costs of land acquisition and construction) incurred were RMB1,345.4 million.

Hangzhou Country Garden is expected to offer townhouses, high-rise apartment buildings, retail shops and parking spaces in the future.

Jinan City, Shandong Province

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at No.230 of Furong Street, Zaoyuan Sub-District, Zhangqiu, Ji'nan City. It is being developed by Zhangqiu Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 267,262 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 315,963 sq.m.

As of September 30, 2012, there was no completed property in Country Garden—Phoenix City.

As of September 30, 2012, the properties under development occupied an aggregate site area of approximately 222,112 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 141,393 sq.m. Construction of these properties commenced on July 30, 2012 and is expected to be completed in the third quarter 2013. Upon completion, there will be 712 residential units with an aggregate saleable GFA of approximately 127,766 sq.m. and 30 retail shops with an aggregate saleable GFA of approximately 2,892 sq.m.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 45,150 sq.m. and had an expected aggregate GFA of approximately 174,570 sq.m.

As of September 30, 2012, the total development costs of Country Garden—Phoenix City (including the costs of land acquisition and construction) incurred were RMB747.1 million.

Country Garden—Phoenix City is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Selangor State , Malaysia

Serendah Project (雙文丹項目)

Serendah Project is located in Serendah Golf Resort, Serendah Selangor. It is being developed by Vibrant Corridor SDN. BHD., a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 678,119 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 290,456 sq.m.

As of September 30, 2012, there was no completed property in Serendah Project.

As of September 30, 2012, there was no property under development in Serendah Project.

As of September 30, 2012, the properties held for future development occupied an aggregate site area of approximately 678,119 sq.m. and had an expected aggregate GFA of approximately 290,456 sq.m.

As of September 30, 2012, the total development costs of Serendah Project (including the costs of land acquisition and construction) incurred were RMB273.0 million.

Serendah Project is expected to offer villas and townhouses in the future.

Property development

Our property development and project management procedures

We integrate our resources to conduct land acquisition, planning, project design and construction, sales and post-sales support, and a series of development works. These areas are coordinated and supervised by our central management and carried out by our various functional departments, subsidiaries, and affiliates. We have also established a regional project management structure with a view to further strengthening our project management capabilities and efficiency as our operations continue to grow both inside and outside Guangdong Province. Under this regional project management structure, we currently divide our property development operations in China into 19 regions. Each region has a designated regional director responsible for overseeing property development.

Site selection

Site selection is a fundamental step in our property development process. A team of full-time staff members is responsible for identifying sites for prospective property development. Our pre-acquisition site visits and investigations, in conjunction with research and analysis, enable us to understand the general trends and specific conditions of target property markets when assessing the suitability for development of a particular site. When selecting sites for our development projects, we usually apply the following criteria:

- geographical location of the development sites, for example, proximity and accessibility to city centers or business districts;
- property market conditions in the vicinity of the development site;
- local urban planning and specifications; and
- estimated cost, investment and financial return.

Our marketing and sales center and our design service providers are involved in the early stages of the site identification process. The marketing and sales center carries out research and analysis relating to potential market demand. Design services, including planning and concept design, are provided by Elite Architectural Co., which is our affiliate and principal design service provider.

Upon completion of the preliminary feasibility studies, our executive directors become closely involved in the assessment process by conducting on-site visits before deciding whether to proceed with the acquisition of a site.

Once we have decided to acquire a site, Elite Architectural Co. begins its preliminary site-planning work.

Land acquisition

Prior to July 2002, we acquired some of our land use rights through a land grant contract or a land transfer agreement entered into with local government authorities. Since July 1, 2002, the PRC government introduced regulations requiring that the land transferred from government authorities be sold by a public tender, auction or listing-for-sale. Prior to submitting a tender, we analyze the market and estimate the budget required to develop the project. To acquire a parcel of land, we first need to be successful in the public tender, auction or the listing-for-sale process.

As of September 30, 2012, we had an aggregate GFA under development and for future development of approximately 55,012,168 sq.m. for which we have obtained the relevant land use rights certificates, development and operation rights or land title. We estimate that our current land reserves will be sufficient for our development needs for the next three to five years.

In addition, as of September 30, 2012, our project companies had entered into land grant contracts or land transfer contracts in respect of land in various cities in Guangdong Province, five other provinces and one municipality in China, as well as in the State of Selangor in Malaysia, for which we have applied or were in the process of applying for land use rights certificates or land title. This land bank covers an aggregate site area of approximately 8,970,507 sq.m., with an aggregate expected GFA of approximately 10,894,353 sq.m. for future development.

In certain cases where we are interested in acquiring land in the PRC, we assist local governments in clearing the land and relocate the original residents so that the land is ready for tender, auction and listing-for-sale. In such cases, we enter into land clearance agreements with the relevant land authorities, under which we are reimbursed for expenses we incur for land clearance and relocation and we are entitled to a portion of the profit realized by the local government on the land sale. We do not control the timing of the sale of the land use rights in the land that we have cleared, nor do we set the price for which such land use rights are sold. Sales of the land use rights are conducted by the relevant local government land authorities, through a bidding, auction or listing-for-sale process. If we are interested in bidding for the land, we are required to go through the tender, auction and listing-for-sale process as with other developers and there can be no assurance that we will win the bid. See "Risk factors—Risks relating to our business—We may not receive full compensation for assistance we provide to local governments to clear land for government land sales."

Our ability to acquire land for development is subject to extensive regulations issued by the PRC central and local governments. Further to the requirement of public tender, auction and listing-for-sale, on September 28, 2007, the Ministry of Land and Resources issued a new regulation, which provides that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate or commence development on the land, effective November 1, 2007.

On November 18, 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office issued the "Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant" (關于進一步加强土地出讓收支管理的通知), which raises the minimum down payment for land premiums to 50% of the total premium and requires the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions.

On March 8, 2010, the Ministry of Land and Resources issued the "Circular on Strengthening Real Estate Land Supply and Supervision" (關于加强房地產用地供應和監管有關問題的通知) under which the minimum price for a given land transfer is required to be equal to at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be equal to at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and the total amount of land premium is to be paid in full within one year of the date of the land grant contract, subject to limited exceptions.

On May 23, 2012, the Ministry of Land and Resources issued the "Catalogue of Restricted Use of Land (2012 Version Supplement)" (限制用地項目目錄(2012年本增補本)) and the "Catalogue of Prohibited Use of Land (2012 Version Supplement)" (禁止用地項目目錄(2012年本增補本)) which provides that the area of a parcel of land granted for commodity housing development must not exceed seven hectares in small cities (towns), 14 hectares in medium cities or 20 hectares in large cities.

As a result of these regulations, property developers in the PRC are no longer allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land and commence development, which was the practice in many Chinese cities. The implementation of these regulations may increase land transfer prices and require property developers to maintain a higher level of working capital. We cannot assure you that we are able to acquire land suitable for development at a reasonable cost or that our cash flow position, financial condition or business plans will not be materially and adversely affected as a result of the implementation of these regulations. We believe that larger property developers like ourselves generally are in a better position to compete for large pieces of land because they normally are in a stronger financial condition.

Financing property developments and land premium

We finance our property developments through a combination of internal funds derived from sales proceeds and shareholder contributions as well as external financings mainly through bank loans and equity and debt financing in the international capital markets. We typically use internal funds and proceeds from capital markets financings to pay for the land acquisition costs and use internal funds and project loans from PRC banks to finance the initial construction costs for our property developments. External financing therefore is an important source of funding for our property development projects. As of September 30, 2012, our outstanding borrowings (including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes) amounted to RMB33,891.4 million. Our operations generate cash through pre-sales after the properties meet the requirements of pre-sale under PRC regulations. Such proceeds from pre-sales, together with the project loans, are the major sources of funding for the construction of our property developments.

On June 5, 2003, PBOC published the Notice on Further Strengthening the Management of Loans for Property Business (中國人民銀行關於進一步加強房地產信貸業管理的通知), which prohibits commercial banks from advancing loans to fund the payment of land premiums. As a result, property developers may not use PRC bank loans to pay for land premiums. Following the publication of this notice, we have paid land premiums from the proceeds from the sale of properties and not from any of our outstanding bank borrowings. We plan to continue to use the proceeds from the sale of our properties, our other internal funds and proceeds from capital market financing to finance our future land premium payments. In addition, pursuant to the Guidance on Risk Management of Property Loans of Commercial Banks (商業銀行房地產貸款風險管理指引), issued on September 2, 2004, any property developer applying for property development loans must have, as its own working capital, at least 35% of the project capital required for the development. In May 2009, to combat the impact of the global economic slowdown and to encourage domestic consumption, the State Council issued the "Notice for Adjusting the Capital Ratio for Fixed Assets Investment Projects" (國務院關於調整固定資產 投資項目資本金比例的通知). Under this notice, the internal capital ratio for protected housing projects and ordinary commodity housing projects was lowered from 35% to 20%, and the internal capital ratio for other property projects was lowered from 35% to 30%. However, in an attempt to control the growth of the PRC property market, the PRC government in November 2009 raised the minimum down payment to 50% of the total land premium and on March 8, 2010, the Ministry of Land and Resources issued the circular on Strengthening Real Estate Land Supply and Supervision (關於加強房地產用地供應和監管有關問題的通知) under which property developers are required to pay 50% of the land premium as a down payment within one month of signing a land grant contract and the total amount of land premium is to be paid in full within one year of the date of the land grant contract, subject to limited exceptions. Such policy may constrain our cash otherwise available for additional land acquisition and construction.

We obtain project loans from a number of commercial banks in the PRC, including major banks such as Agricultural Bank of China, Industrial and Commercial Bank of China, Bank of China, China Construction Bank and Guangdong Development Bank.

We cannot assure you that we will be able to continue to obtain sufficient bank loans or facilities in the future. See "Risk factors—Risks relating to our business—We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations."

Project design work

Our general design work is mainly undertaken by Elite Architectural Co., which is an affiliate of our controlling shareholder and provides services to us on a priority basis. Our landscaping and greenery design is mainly undertaken by Foshan Shunde Oasis Greenery Design Co., Ltd., an independent third party.

The design companies become involved in planning research and preliminary design work for a development project at the site selection and land acquisition stages. When determining the design of a particular property development, the designers and engineers generally consider the recommendations of our marketing and sales center regarding product mix, project location and market conditions, as well as the regulatory requirements regarding the design. Involving the design companies at an early stage allows for the formulation of a preliminary design when we are negotiating with the government, enabling us to commence construction shortly after the requisite approval to develop a parcel of land has been granted. The overall time needed to complete the development is therefore reduced.

Construction work and procurement

Construction work

The construction phase of a development project in the PRC begins once we obtain the Construction Permit for the project. The general project management department is responsible for the overall coordination and allocation of responsibilities in respect of the construction of each project area at different stages and supervises the progress of construction work. Prior to that, our project cost management department prepares the overall budget for a development at different stages. We set up a project company for each project to manage the whole property development project. The project company has a project manager, a project management department, a finance department and a sales department, all of which report to their corresponding functional departments at our headquarters.

Giant Leap Construction Co., our wholly-owned subsidiary, currently undertakes most of the construction work for our development projects in Guangdong Province. For the years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, construction costs attributable to Giant Leap Construction Co. amounted to 26.5%, 32.8%, 29.8% and 23.2% respectively, of our total construction costs. Apart from a few related parties and other third parties, we are the principal customer of Giant Leap Construction Co.

For property projects outside Guangdong Province, we generally outsource the construction work to third party contractors to leverage on their local expertise. In addition, when Giant Leap Construction Co. does not have adequate resources to deal with a particular development or when the projected profits from a project are not economically attractive, we outsource project construction work in whole or in part to independent third parties. In such outsourcing cases, we select construction contractors through a tender process organized by our project cost management department. On a selective basis, we may also consider acquiring or setting up local construction companies in our major markets outside Guangdong Province. We have so far established local construction companies for our projects in Anhui Province, Hubei Province, Jiangsu Province and Liaoning Province.

Under PRC national laws and regulations, a tender process is usually required to select the contractors for public construction projects. When a tender process is required for one of our projects, the Tender Law of the PRC (中華人民共和國招標投標法) will apply. Certain local governments may require that all construction projects go through a tender process.

Because of the growth in the number of our projects and their geographical coverage, we expect that we will continue to engage the services of independent construction contractors, particularly for projects outside Guangdong Province. See "Risk factors—Risks relating to our business—We rely on independent contractors." Without any long-term construction outsourcing contracts in place, we intend to work with a number of qualified contractor candidates in order to create a competitive environment among them.

Procurement

Currently, some of the construction work for our projects in the PRC is undertaken by Giant Leap Construction Co., our wholly-owned subsidiary. Some of the supplies, including equipment and material, for our construction work undertaken by Giant Leap Construction Co. are centrally procured through our procurement department. Our procurement department typically solicits price quotes from at least two prospective suppliers, negotiates the price and other terms with them and finalizes the purchase arrangements with the winning supplier by signing price confirmations for regular supplies and executing procurement contracts for major equipment and constructions. Each transaction is initiated by a purchase order from our procurement department, and the suppliers are asked to deliver the supplies to locations specified by the relevant project companies or to our central warehouse, which has a computerized record-keeping system for inventory. Our centralized procurement system gives us more bargaining power and better cost control, enabling us to benefit from economies of scale.

When we outsource the construction work for a project to a third party contractor, the contractor generally undertakes the procurement of key construction materials such as steel, cement, sand and stone according to the specifications provided in the construction contract. The total contractor fee takes into account the costs of these materials and the construction contract typically allows adjustment to the total contractor fees if at the time of purchases, the prices of such construction materials have fluctuated beyond the range stipulated in the construction contract.

Fitting and decoration work

The finishing of most of our projects includes fitting and decoration in accordance with the standards set out in our design specifications for the project. Our wholly-owned subsidiary, Finest Decoration Co., provides most of the fitting and decoration services for our projects in the PRC. Finest Decoration Co. will continue to provide fitting and decoration services exclusively for our projects in the future. We also outsource some components of the fitting and decoration work to independent third parties through a tender process.

Quality control

We have established procedures to ensure that the quality of our properties and services complies with relevant regulations and meets market standards. Quality control procedures are implemented by the relevant functional departments as well as by each project company. For each property development project, quality inspections and regulatory compliance reviews are carried out by the construction company, construction supervisory companies and our project management department.

In accordance with the PRC regulations, we engage the services of PRC-qualified third-party construction supervisory companies to supervise the construction of our property developments. These construction supervisory companies oversee, under a construction supervision contract, the progress and quality of the construction work of a property development throughout the construction phase. We select construction supervisory companies through a tender process.

Pre-sales

Pre-sale of our property units commences before the completion of a project or a project phase. Under the Law of the Administration of Urban Real Estate of the PRC and the Administrative Measures governing the Pre-sale of Urban Real Estate (城市商品房預售管理辦法), as amended in 2001 and 2004, we must comply with the following conditions before pre-sales of a particular property in the PRC can commence:

- the land premiums must have been fully paid and the land use rights certificates must have been obtained;

- the construction works planning permit and construction project building permit must have been obtained;
- the funds contributed to the development of the property developments where property units are to be pre-sold must reach 25% or above of the total amount to be invested in the project, the project must comply with the relevant governmental regulations and the expected completion date and delivery date of the construction work must have been ascertained; and
- pre-sale permits must have been obtained from the county-level construction bureau or property administration authority.

According to the Notice on Further Enhancing the Supervision of the Real Estate Market and Improving the Pre-sale System of Commodity Housing (關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知) issued by the MOHURD on April 13, 2010, the property developers are not allowed to charge the property purchasers any deposit, pre-payment or payment of the similar nature prior to obtaining the pre-sale permit.

Local governments have also implemented regulations relating to pre-sales of properties. Some of these regulations contain stricter requirements than the central government regulations. We are subject to these local regulations in areas where we have property developments.

Under PRC law, the proceeds from the pre-sales of our properties must be deposited in escrow accounts. Before the completion of the pre-sold properties, the monies deposited in these escrow accounts may only be used to purchase construction materials and equipment, make interim construction payments and pay taxes, subject to prior approval from the relevant local authorities. See the section headed "Regulation" to this offering memorandum for further information on regulations that relate to pre-sales.

Marketing and sales

Our marketing and sales center is responsible for formulating and implementing our marketing and sales strategies. We support our marketing and sales activities through cooperation with external professional marketing and sales service providers. As of September 30, 2012, our marketing and sales team comprised approximately 3,978 employees.

Our marketing and sales center is involved in our property development starting from the early stages and provides its input at key steps. When a potential project is identified by our investment department, our marketing and sales center conducts local property market research and studies the government's land policies. Before we decide to acquire land, our marketing and sales center provides the results of the research and analysis of the relevant parcels of land. During the land acquisition process, our marketing and sales center provides suggestions on the site plan and design. During the project design and construction processes, our marketing and sales center also works closely with our project design companies to formulate, modify and execute a design plan according to consumer preferences and market feedback. Our sales team regularly provides customer feedback to Elite Architectural Co. and other departments for future improvements.

Customers

Local residents in Guangdong Province have historically been our core customer base. We expect to gradually broaden our customer base geographically as our projects outside Guangdong

Province commence pre-sale and sale. We also sell our properties to residents in Hong Kong, Macau and neighboring provinces. We target a broad base of customers with varied income levels and backgrounds, with middle-class customers as our primary targets.

Payment arrangements

Our customers in the PRC, including those making pre-sales purchases, can pay with mortgage facilities arranged with banks. The mortgage payment terms for sales and pre-sales of properties are substantially the same. All purchasers are required to make a down payment of at least 30% of the purchase price when executing a purchase contract. A maximum 30-year mortgage loan for up to 70% of the purchase price may be available from the mortgage banks to the purchasers who are required to settle such amount within one or three months following the execution of the sales and purchase contract.

Mortgage financing is subject to extensive regulation in the PRC, including requirements with respect to minimum down payments and mortgage lending interest rates. See "Regulation—Legal supervision relating to property sector in the PRC—Property transactions—Mortgages of property" and "Risk factors—Risks relating to our business—Our sales and pre-sales will be affected if mortgage financing becomes more costly or otherwise unavailable."

If purchasers choose not to finance their purchase with mortgage loan facilities, they are typically required to pay at least 30% of the purchase price at the time of the execution of the sale and purchase contract. In the case of a pre-sale, the remaining balance is payable within one or three months following the time of the execution of the sale and purchase contract. In the case of properties sold after completion, the remaining balance generally is payable within one month following the execution of the sale and purchase contract. We also offer settlement of purchase price by instalments, under which purchasers are required to pay at least 40% of the purchase price at the time of the execution of the sale and purchase contract, with the balance to be paid by instalments over a period ranging from six months to five years. The purchase price for purchasers who settle by instalments is generally higher than those who do not do so and is generally higher for longer instalment periods, in order to compensate us for the additional credit risk that we may be exposed to.

In accordance with market practice, we provide guarantees to banks for mortgage loans offered to our customers. Generally, our guarantees are released upon the earlier of the issuance of the individual property ownership certificate (房產所有權證) to the owner of the property or the certificate of other rights of property (房地產他項權證) to the mortgage bank by the relevant housing administration department, which are generally available within three months after we deliver the relevant property to our customers, or the full settlement of the mortgaged loan by our customers. Prior to 2003, we also provided long-term guarantees for the mortgage loans of some of our customers. These long-term guarantees were provided to increase confidence of the mortgage banks in providing mortgages to our customers in the then less sophisticated PRC property market. These guarantees are discharged two years from the day the mortgaged loans become due.

In line with customary practice in the industry, we do not conduct independent credit checks on our customers but rely on the credit checks conducted by the mortgage banks. As of December 31, 2009, 2010 and 2011 and September 30, 2012, our outstanding guarantees of the mortgage loans of our customers amounted to RMB13,540.3 million, RMB18,664.1 million, RMB15,783.0 million (US$2,511.3 million) and RMB17,902.9 million (US$2,848.6 million), respectively. Historically, we have not experienced material losses due to default of purchases on the mortgages loans. See "Risk factors—Risks relating to our business—We guarantee the mortgages provided to our purchasers and, consequently, we are liable to the mortgagee banks if our purchasers default on their mortgage payments."

Property management

Through our wholly-owned property management subsidiary, Guangdong Management Co., we provide post-sales property management and services to the residents of each of the PRC projects we developed. Our property management subsidiary also provides services to certain projects that were not included among our projects in the Reorganization. As of September 30, 2012, we had approximately 14,309 staff members working for our 96 property management branches. We aim to continue to provide to purchasers of our properties comprehensive post-sales property management and services, including public security and assistance with the management of public order, maintenance of public facilities, cleaning of public areas, domestic assistance, gardening and landscaping, intra-community shuttle bus operations and other customer services. We believe we have established a market reputation for the quality of these services. For example, Guangdong Management Co. has been certified by the Ministry of Construction as a class-one property management company, the highest level a PRC property management company can achieve.

Typically, our property management contracts set out the scope and the quality requirements of the services provided by our property management companies. We prepare maintenance and renovation plans for the properties and public facilities that we manage. We are not permitted by law to assign the management duties in their entirety to a third party. However, we can outsource some of the responsibilities, such as cleaning and security services, to independent third parties. The property management contracts also set out the management fee arrangements. We may not increase management fees without the prior consent of a majority of the owners of the properties.

Under PRC law, property owners have a right to engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. See "Risk factors—Risks relating to our business—Our branding and marketing strategy as well as our financial condition could be adversely affected if owners of the projects that we have developed elect to stop using us to provide property management services" in this offering memorandum.

Hotel development and operation

We develop hotels to compliment our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to our residential projects and enhanced our brand recognition. As of September 30, 2012, our hotel operations consist of owning and operating seven five-star hotels, two four-star hotel and 23 hotels which we have developed in accordance with the five-star standard of the "Star-Rating Standard for Tourist Hotels." In addition, as of September 30, 2012, we had 15 hotels under construction in accordance with the five-star standard and one hotel under construction in accordance with the four-star standard of the "Star-Rating Standard for Tourist Hotels." Under PRC laws, hotels cannot apply for star hotel certification until after one year of operations. Generally, we apply for such star hotel certification for our hotels after their first year of operations.

While we believe that the demand for luxury hotels in China will increase as the economy of the region continues to grow and that our hotels and resorts will generate recurrent income for us in the long run, we do not focus on the revenue or profit contributions from our hotel business on a stand-alone basis. Rather, we believe that our hotel business assists in enhancing our brand name recognition in the property market and contributes to our overall marketing and sales strategies for, and the overall value of, our residential projects. Most of our hotels are currently owned and operated by our own hotel companies. We have engaged an international management firm with respect to our Maritim Hotel, Wuhu and Maritim Hotel, Shenyang. Our Maritim Hotel, Wuhu and Maritim Hotel, Shenyang commenced full operations in December 2010 and July 2011, respectively. In return for managing and operating these hotels, we agree to pay our hotel operating management partner a basic management fee based on a percentage of the respective hotel's net income, and an incentive fee with reference to the respective hotel's gross operating profit. We have also engaged another international firm to provide hotel staff training and marketing services for these two hotels. In addition, we have signed a letter of understanding and management agreement with an international management firm with respect to some of our hotels under development or planning. We may also consider engaging other international management companies to manage our hotels.

The availability of our hotel facilities to the residents of our property projects is usually seen as an attractive feature by potential purchasers of our properties.

Our commitment to building and running hotels in certain localities has received support from local governments, which seek to improve the local investment environment and attract more tourist traffic and business establishments to their jurisdictions.

The table below sets out details of our hotel developments and operations as of September 30, 2012.

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Holiday Resorts (順德碧桂園度假村)	Shunde Country Garden, Foshan, Guangdong Province	February 2000	201	Four-Star (in operation)
Phoenix City Hotel, Guangzhou (廣州鳳凰城酒店)	Country Garden Phoenix City, Guangzhou, Guangdong Province	November 2003	573	Five-Star (in operation)
Country Garden Holiday Islands Hotel (碧桂園假日半島酒店)	Qingyuan Holiday Islands Country Garden, Qingyuan, Guangdong Province	December 2004	225	Five-Star (in operation)
Country Garden Phoenix Hotel, Heshan (鶴山碧桂園鳳凰酒店)	Heshan Country Garden, Jiangmen, Guangdong Province	July 2005	283	Five-Star (in operation)

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[1]
Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店)	Yangdong Country Garden, Yangjiang, Guangdong Province	May 2007	342	Five-Star (in operation)
Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店)	Taishan Country Garden, Jiangmen, Guangdong Province	November 2007	337	Five-Star (in operation)
Country Garden Phoenix Hot Spring Hotel, Xianning (咸寧碧桂園鳳凰溫泉酒店)	Country Garden - Hot Spring City, Xianning, Hubei Province	November 2009	330	Five-Star (in operation)
Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店)	Gaoming Country Garden, Foshan, Guangdong Province	November 2009	336	Five-Star (in operation)
Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店)	Jingmen Country Garden, Jingmen, Hubei Province	October 2010	138	Four-Star (in operation)
Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店)	Wuyi Country Garden, Jiangmen, Guangdong Province	December 2005	95	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店)	Changsha Country Garden, Changsha, Hunan Province	October 2007	343	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店)	Zhaoqing Country Garden, Zhaoqing, Guangdong Province	February 2009	285	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店)	Xinhui Country Garden, Jiangmen, Guangdong Province	March 2009	374	According to five-star rating standard (in operation)

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[1]
Country Garden Phoenix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店)	Changshou Country Garden, Changshou, Chongqing Municipality	September 2010	335	According to five-star rating standard (in operation)
Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店)	Wuhu Country Garden, Wuhu, Anhui Province	December 2010	602	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店)	Wuhan Country Garden, Wuhan, Hubei Province	January 2011	331	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店)	Country Garden Lakeside City, Hefei, Anhui Province	January 2011	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店)	Huangshan Country Garden, Huangshan, Anhui Province	March 2011	378	According to five-star rating standard (in operation)
Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店)	Shenyang Country Garden, Shenyang, Liaoning Province	May 2011	50	According to five-star rating standard (in operation)
Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店)	Country Garden - Galaxy Palace, Shenyang, Liaoning Province	July 2011	631	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店)	Tianjin Country Garden, Balitai, Tianjin Municipality	August 2011	249	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Shaoguan (韶關碧桂園鳳凰酒店)	Shaoguan Country Garden, Shaoguan, Guangdong Province	August 2011	335	According to five-star rating standard (in operation)

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[1]
Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店)	Suizhou Country Garden, Suizhou, Hubei Province	October 2011	378	According to five-star rating standard (in operation)
Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店)	Country Garden - Hill Lake City, Maanshan, Anhui Province	November 2011	455	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店)	Lechang Country Garden, Shaoguan, Guangdong Province	November 2011	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店)	Country Garden - Hill Lake Palace, Changsha, Hunan Province	December 2011	129	According to five-star rating standard (in operation)
Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店)	Country Garden – Europe City, Chuzhou, Anhui Province	December 2011	333	According to five-star rating standard (in operation)
Country Garden Holiday Hot Springs Hotel, Fogang (佛岡碧桂園假日溫泉酒店)	Country Garden Spring City, Qingyuan, Guangdong Province	April 2012	11	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店)	Chizhou Country Garden, Chizhou, Anhui Province	June 2012	338	According to five-star rating standard (in operation)
Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店)	Taizhou Country Garden, Taizhou, Jiangsu Province	July 2012	331	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店)	Tongliao Country Garden, Tongliao, Inner Mongolia	July 2012	321	According to five-star rating standard (in operation)

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店)	Country Garden - Phoenix City, Zhenjiang, Jiangsu Province	September 2012	335	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Anqing (安慶碧桂園鳳凰酒店)[(2)]	Anqing Country Garden, Anqing, Anhui Province	2012	336	According to five-star rating standard (trial operation)
Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店)[(3)]	Country Garden - Ten Miles Beach, Huizhou, Guangdong Province	2012	339	According to five-star rating standard (trial operation)
Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店)[(4)]	Chaohu Country Garden, Hefei, Anhui Province	2012	336	According to five-star rating standard (trial operation)
Country Garden Phoenix Hotel, Yunfu (雲浮碧桂園鳳凰酒店)	Yunfu Country Garden, Yunfu, Guangdong Province	2013*	129	According to five-star rating standard (under construction)
Hilton Tianjin Binhai (天津濱海希爾頓酒店)	Independent Hotel, Tanggu, Tianjin Municipality	2014*	1,238	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Beiliu (北流碧桂園鳳凰酒店)	Beiliu Country Garden, Yulin, Guangxi Zhuang Autonomous Region	2013*	209	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Xinganmeng (興安盟碧桂園鳳凰酒店)	Xing’anmeng Country Garden, Xing’anmeng, Inner Mongolia	2013*	134	According to five-star rating standard (under construction)

Name of Hotel	Location	Opening Date	Number of Rooms	Star-rating[1]
Country Garden Phoenix Hotel, Yangshan (陽山碧桂園鳳凰酒店)	Yangshan Country Garden, Qingyuan, Guangdong Province	2013*	129	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Huiyang (惠陽碧桂園鳳凰酒店)	Huiyang Country Garden, Huizhou, Guangdong Province	2012	129	According to five-star rating standard (trial operation)
Hilton Foshan (佛山希爾頓酒店)	Country Garden City Garden, Foshan, Guangdong Province	2013*	600	According to five-star rating standard (under construction)
Country Garden International Resort, Zhangjiajie (張家界碧桂園鳳凰國際度假酒店)	Zhangjiajie Country Garden, Zhangjiajie, Hunan Province	2013*	1,047	According to five-star rating standard (under construction)
Hilton Wuhan Optics Valley (武漢光谷碧桂園希爾頓酒店)	Country Garden - Eco City, Wuhan, Hubei Province	2013*	510	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Haicheng (海城碧桂園鳳凰酒店)	Haicheng Country Garden, Anshan, Liaoning Province	2012	134	According to five-star rating standard (trial operation)
Country Garden Holiday Hotel, Meizhou (梅州碧桂園假日酒店)	Shejiang Country Garden, Meizhou, Guangdong Province	2013*	50	According to four-star rating standard (under construction)
Country Garden Phoenix Hotel, Kaiping (開平碧桂園鳳凰酒店)	Country Garden - Jade Bay, Jiangmen, Guangdong Province	2013*	290	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Maoming (茂名碧桂園鳳凰酒店)	Country Garden City Garden, Maoming, Guangdong Province	2013*	200	According to five-star rating standard (under construction)

* expected opening date

Notes:

(1) Hotels are only allowed to apply for star hotel certification after one year of operation.

(2) Country Garden Phoenix Hotel, Anqing commenced partial trial operation on October 29, 2009.

(3) Country Garden Silver Beach Hotel commenced partial trial operation on June 8, 2012.

(4) Country Garden Phoenix Hotel, Chaohu commenced partial trial operation on August 8, 2012.

Asian Games City Project

On December 22, 2009, we and two other major property developers in the PRC, Agile and R&F through our and their respective subsidiaries, signed a land grant contract with the PRC government to acquire the Asian Games City Project. The Asian Games City Project is located in the Panyu District of Guangzhou City. The project occupies a site area of approximately 2,639,520 sq.m. and is planned to be developed as part of the Asian Games City for offering residential and commercial properties with a total planned GFA of approximately 4,380,000 sq.m. The Asian Games City Project will be developed through the Asian Games City JV, in which we hold a minority equity interest. Part of the Asian Games City Project has been constructed or is under construction and the Asian Games City JV is in the process of applying for necessary government approvals for the development of the remaining properties of this project. We believe that our participation, alongside other major property developers, in this landmark project will enhance our position in the PRC property market and bolster our market share and position in Guangzhou City and Guangdong Province. We believe that the successful completion of the Asian Games City Project will reinforce our status as one of the leading property developers in the PRC.

Prior to June 24, 2010, we, Agile and R&F each held a 33%, 33% and 34% equity interest, respectively, in the Asian Games City JV and the corresponding payment obligations under the land grant contract. On June 24, 2010, we, Agile, Shimao, R&F and Citic South entered into certain agreements relating to the transfer of equity interests in the Asian Games City JV (the "Asian Games Equity Transfer Transactions"). As a result of the Asian Games Equity Transfer Transactions, we and our four joint venture partners each now hold a 20% equity interest, respectively, in the Asian Games City JV. As of September 30, 2012, our equity contribution to the Asian Games City JV totaled approximately HK$150.0 million. The cost for the acquisition of the land use rights and development of the Asian Games City Project is to be shared equally among us and our four joint venture partners. The total land premium for acquiring the land use rights for this project is RMB25.5 billion, of which RMB17.3 billion had been paid and outstanding land premium totaling RMB8.2 billion remained unsettled as of September 30, 2012. Management of the Asian Games City JV is in the progress of negotiating with relevant government authorities on the payment schedule for the outstanding land premium. As of the date of this offering memorandum, the Asian Games City JV has not obtained the land use rights certificates for approximately two million sq.m. of the site area of the Asian Games City Project.

To finance the Asian Games City Project, the Asian Games City JV has entered into loan facilities and trust financing arrangements under which we and our four joint venture partners provided guarantees. As of September 30, 2012, the maximum exposure of our guarantees for the Asian games City JV for its borrowings amounted to RMB1,805.5 million.

Competition

The property industry in the PRC is highly competitive. Competitive factors include the size of land reserves and the geographical location, the types of properties offered, brand recognition, price, and design product qualities. Our existing and potential competitors include major domestic state-owned and private property developers in the PRC, and, to a lesser extent, property developers from Hong Kong and elsewhere in Asia. A number of our competitors have greater financial, marketing, land and other resources than we have, as well as greater economies of scale, broader name recognition, a longer track record and more established relationships in certain markets. An example of our principal competitors include China Vanke Co., Ltd. (萬科企業股份有限公司), because they have a presence in the regions in which we operate. For more information on competition, please refer to the section headed "Risk factors—Risks Relating to Our Business—Increasing competition in the PRC may adversely affect our business, financial condition and results of operations."

Intellectual property rights

Foshan Shunde Country Garden Property Development Co., Ltd. ("Shunde Country Garden Co.") has registered the trademarks and service marks of "碧桂園" in the form of Chinese characters, as well as in the form of logos, with the PRC Trademark Office (中華人民共和國商標局) under various categories including construction, realty leasing, realty management and realty agency. Shunde Country Garden Co. has also registered the trademarks and service marks of "COUNTRY GARDEN" in the form of English characters with the PRC Trademark Office under various categories including advertisement, business management and human resource management.

Zhongshan Country Garden Real Estate Development Co., Ltd. has registered the trademarks and service marks of "秀麗湖" in the form of Chinese characters with the PRC Trademark Office under various categories including realty leasing, realty agency and advertisement.

On March 27, 2007, Shunde Country Garden Co. entered into a trademark license agreement with each of Qingyuan Country Garden Co., Jun'an Golf Club Co. and our original shareholders to grant them a non-exclusive right to use the "碧桂園" and certain other trademarks and service marks in respect of their businesses which, apart from Qingyuan Country Garden Co.'s business, are services ancillary to the housing properties constructed by us. Qingyuan Country Garden Co. has also granted Holiday Islands Hotel Co., our wholly-owned subsidiary, a non-exclusive right to use the trademarks and service marks of "假日半島 Holiday Islands" (with respect to which Qingyuan Country Garden Co. has applied to register as a trademark in the PRC) in its business operation pursuant to a trademark license agreement entered into between Qingyuan Country Garden and Holiday Islands Hotel Co. on March 27, 2007.

We also own the domain names "bgy.cn," "bgy.com.cn," "countrygarden.cn" and "countrygarden.com.cn." The information contained on our websites is not part of this offering memorandum.

Insurance

We maintain public liability and assets insurance policies for our properties, the common facilities and the hotel operating areas of our properties. In addition, we carry social insurance for our employees, and our property management subsidiaries also maintain property management liability insurance coverage in connection with their business operations. We do not, however, maintain insurance coverage for non-performance of contract during construction and other risks associated with construction and installation works during the construction period. Consistent with what we believe to be customary practice in the property development industry in China, we also do not maintain insurance against personal injuries or property damage that may occur during the construction of our properties, except that we carry accidental insurance (i.e., employer's liability insurance) against personal injuries that may occur to construction workers.

To help ensure construction quality and safety, we have a set of standards and specifications for the construction workers to follow during the construction process. We engage qualified supervision companies to oversee the construction process. Under PRC law, the owner or manager of properties under construction bears civil liability for personal injuries arising out of construction work unless the owner or manager can prove that it is not at fault. Since we have taken the above steps to prevent construction accidents and personal injuries, we believe that we will generally be able to demonstrate that we were not at fault as the property owner if a personal injury claim is brought against us.

We believe the terms of our insurance policies are in line with industry practice in the PRC. However, our insurance coverage may not be sufficient for losses and damages that may arise in our business operations. See "Risk factors—Risks relating to our business—We do not have insurance to cover potential losses and claims in our operations" and "Regulation."

Employees

As of December 31, 2009, 2010 and 2011 and September 30, 2012, we had approximately 29,514, 32,943, 35,206 and 38,134 full-time employees, respectively. The following table provides a breakdown of our employees by responsibilities as of September 30, 2012:

Administration and Human Resources Management	374
Marketing and Sales	3,978
Finance Management	864
Property Project Management	4,694
Construction, fitting and Decoration Management	4,734
Property Management	14,309
Hotel	7,784
Others	1,397
	38,134

The remuneration package of our employees includes salary, bonus and other cash subsidies. In general, we determine employee salaries based on each employee's qualification, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our determination on salary raise, bonus and promotion. We are subject to social insurance contribution plans organized by the PRC local governments. In accordance with the relevant national and local labor and social welfare laws and regulations, we are required to pay, on behalf of our employees, a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing reserve fund. We believe the salaries and benefits that our employees receive are competitive in comparison with market rates.

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We believe our relationship with our employees is good. We have not experienced significant labor disputes which adversely affected or are likely to have an adverse effect on the operations of our business had occurred.

Environmental matters

We are subject to a variety of laws and regulations concerning environmental protection. See "Risk factors—Risks relating to our business—Potential liability for environmental problems could result in substantial costs." As of the date of this offering memorandum, we are not in breach of any applicable environmental laws and regulations which has led to penalties imposed by the environmental authorities and there are no existing material legal proceedings, arbitrations or administrative penalties against us.

Legal proceedings

From time to time, we have been involved in legal proceedings or other disputes in the ordinary course of our business which are primarily disputes with our customers, contractors and employees, and we have not incurred significant legal costs and expenses in connection with these legal proceedings. We are not aware of any material legal proceedings, claims or disputes currently existing or pending against us that may have a material adverse impact on our business or our results of operations. See "Risk factors—Risks relating to our business—We may be involved in legal and other disputes arising out of our operations from time to time and may face significant liabilities as a result."

Regulation

Legal supervision relating to property sector in the PRC

A. Establishment of a property development enterprise

Pursuant to the "Law of the People's Republic of China on Administration of Urban Real Estate" (the "Urban Real Estate Law") (中華人民共和國城市房地產管理法) enacted by the Standing Committee of the National People's Congress on July 5, 1994, effective in January 1995 and as amended on August 2007 and in August 2009, a property developer is defined as "an enterprise which engages in the development and sale of property for the purposes of making profits." Under the "Regulations on Administration of Development of Urban Real Estate" (the "Development Regulations") (城市房地產開發經營管理條例) which was promulgated by the State Council and became effective on July 20, 1998, a property development enterprise must satisfy the following requirements: (1) having a registered capital of not less than RMB1 million and (2) having four or more full-time professional property/construction technicians and two or more full-time accounting officers with the relevant qualifications. The Development Regulations also stipulate that people's governments of the provinces, autonomous regions or municipalities directly under the central government may impose more stringent requirements regarding the registered capital and qualifications of professional personnel of a property development enterprise according to the local circumstances.

Pursuant to the Development Regulations, applications for registration of a property development enterprise have to be submitted to the department of administration of industry and commerce. The applicant must file a record with the property development authority in the location of the registration authority within 30 days of the receipt of its business license.

In May 2009, the State Council issued a "Notice on Adjusting the Percentage of Capital Fund for Investment Projects in Fixed Assets" (關於調整固定資產投資項目資本金比例的通知). The minimum internal capital ratio is 20% for ordinary commodity housing projects and affordable housing projects and 30% for other property projects.

B. Foreign-invested real estate enterprises

Foreign-invested real estate enterprises can be established in the form of sino-foreign equity joint venture, sino-foreign co-operative joint venture or wholly-owned foreign enterprise according to the laws and administrative regulations relating to foreign-invested enterprises. Prior to the application for registration to the department of administration of industry and commerce, the enterprise must be approved by the authorities of commerce and have obtained an approval certificate for establishing a foreign-invested enterprise.

Under the Catalogue of Guidance on Industries for Foreign Investment (2011 version) (the "Guidance Catalog") (外商投資產業指導目錄) (2011年修訂) which was jointly promulgated by MOFCOM and NDRC on December 24, 2011 and became effective on January 30, 2012, the real estate industry under restricted category covers the following:

- the development of a large scale of land lots to be operated by sino-foreign equity joint ventures or sino-foreign cooperative joint ventures only;
- the construction and operation of high-end hotels, premium office buildings, large theme parks and international conference centers; and
- real estate transactions in second-grade market, housing agents and brokerages.

Further, the construction and operation of villas by foreign investors is now in the prohibited category and other types of property development fall within the permitted category.

On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly enacted the "Circular on Standardizing the Admittance and Administration of Foreign Capital in the Real Estate Market", or "Circular No. 171" (關於規範房地產市場外資准入和管理的意見). According to this circular, foreign investment in property markets must comply with the following requirements:

(a) Foreign institutions or individuals purchasing property in China not for their own residential use shall follow the principle of commercial existence and apply for establishment of foreign-invested enterprises under the regulations of foreign investment in property. Foreign institutions and individuals can only carry on their business, pursuant to the approved business scope, after obtaining the approvals from relevant authorities and upon completion of the relevant registrations.

(b) If the total investment of a foreign-invested real estate development enterprise exceeds or equals US$10 million, the registered capital must not be less than 50% of the total investment. If the total investment is less than US$10 million, the amount of the registered capital shall follow the existing regulations.

(c) The commerce authorities and the department of administration of industry and commerce are in charge of granting approval for establishment and effecting registration of foreign-invested real estate enterprises and issuing approval certificates for foreign-invested enterprises and business licenses which are only effective for one year. After paying for the land use rights, the enterprises should apply for the land use rights certificate by presenting the above-mentioned approval certificates and business licenses. With the land use rights certificate, the enterprises will receive an official approval certificate for a foreign-invested enterprise from the commerce authorities, and shall replace the business license with one that has the same operational term as the formal approval certificate for foreign-invested enterprise in the department of administration of industry and commerce, and then apply for tax registration with the tax authorities.

(d) Transfers of projects of or shares in foreign-invested real estate enterprises, and the acquisitions of domestic real estate enterprises by foreign investors should strictly follow the relevant laws, regulations and policies to obtain approvals. Foreign investors should submit: (i) the guarantee letters for the performance of the State-owned Land Use Rights Grant Contracts, Construction Land Planning Permit and Construction Work Planning Permit; (ii) Certificate of Land Use Rights; (iii) the certification on alteration of archival files issued by construction authorities; and (iv) the certification on the payment of tax issued by the relevant tax authorities.

(e) When acquiring domestic real estate enterprises by way of share transfer or otherwise, or purchasing shares from Chinese parties in sino-foreign equity joint ventures, foreign investors should make proper arrangements for the employees, settle the bank loans and pay the consideration in one single payment with its internal fund. Foreign investors with unsound financial track records shall not be allowed to conduct any of the aforementioned activities.

On May 23, 2007, MOFCOM and SAFE jointly issued the "Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC,"

(關於進一步加强、規範外商直接投資房地產業審批和監管的通知) which stipulates the following requirements for the approval and supervision of foreign investment in the property sector:

- foreign investment in the PRC property sector relating to luxury properties should be strictly controlled;

- before obtaining approval for the establishment of property entities with foreign investment, (i) both the land use rights certificates and housing ownership rights certificates should have been obtained or, (ii) contracts for obtaining land use rights or housing ownership rights should be entered into;

- entities which have been set up with foreign investment, need to obtain approval before they expand their business operations into property development, and entities which have been set up for property development operations need to obtain new approval in order to expand their property business operations;

- acquisitions of property entities and foreign investment in the property sector by way of "round-trip" investment(返程投資) should be strictly regulated. Foreign-investors should not avoid approval procedures by changing actual controlling persons;

- parties to property entities with foreign investment, should not in any way guarantee a fixed investment return;

- registration shall be immediately effected according to applicable laws with MOFCOM regarding the setup of property entities with foreign-investment, approved by local PRC governmental authorities;

- foreign exchange administration authorities and banks authorized to conduct foreign exchange business should not effectuate foreign exchange settlements regarding capital account items to those who fail to file with MOFCOM or fail to pass the annual reviews; and

- for those property entities which are wrongfully approved by local authorities for their setups, (i) MOFCOM should carry out investigations and order punishment and corrections, and (ii) foreign exchange administrative authorities should not carry out foreign exchange registrations for them.

On July 10, 2007, the General Affairs Department of SAFE issued the "Notice Regarding the Publication of the List of the First Batch of Property Development Projects with Foreign Investment That Have Properly Registered with MOFCOM" (關於下發第一批通過商務部備案的外商投資房地產專案名單的通知) ("Notice No. 130"). This new regulation restricts the ability of foreign-invested property companies to raise funds offshore for the purposes of injecting such funds into the companies either through a capital increase or by way of shareholder loans. Notice No. 130 stipulates, among other things, that:

- SAFE will no longer process foreign debt registrations or applications for purchase of foreign exchange, submitted by real estate enterprises with foreign investment that obtained authorization certificates from and registered with MOFCOM on or after June 1, 2007; and

- SAFE will no longer process foreign exchange registrations (or change of such registrations) or applications for sale and purchase of foreign exchange submitted by real estate enterprises with foreign investment that obtained approval certificates from local government commerce departments on or after June 1, 2007 but that have not registered with MOFCOM.

In June 2008, to strengthen regulation of real estate enterprises with foreign investment, MOFCOM issued the "Notice Regarding Completing the Registration of Foreign Investment in the Real Estate Sector"(關於做好外商投資房地產業備案工作的通知) ("Notice No. 23"). According to Notice No. 23, when a foreign-invested real estate enterprise is established or increases its registered capital, the provincial level MOFCOM is required to verify all records regarding such foreign-invested real estate enterprise. Notice No. 23 also requires that each foreign-invested real estate enterprise undertake only one approved property project.

On August 29, 2008, SAFE issued the "Circular on the Relevant Operating Issues Concerning Improving the Administration of Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises," or "Circular No. 142" (關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知). Pursuant to Circular No. 142, Renminbi fund from the settlement of foreign currency capital of a foreign-invested enterprise must be used within the business scope of the enterprise, as approved by the examination and approval department of the government, and cannot be used for domestic equity investment unless it is otherwise provided for in other regulations.

Under the Guidance Catalog, real estate enterprises with foreign investment are restricted from developing whole land lots and constructing and operating high-end hotels, premium office buildings, international conference centers, and large theme parks in China. According to the "Interim Provisions on Approving Foreign-Invested Projects" (外商投資項目核准暫行管理辦法) promulgated by NDRC in October 2004, local authorities may examine and approve (i) foreign-invested projects with total investment less than US$100 million within the category of encouraged or permitted foreign investments and (ii) foreign-invested projects with total investment less than US$50 million within the category of foreign investments subject to restrictions. Approval from NDRC is required for foreign-invested projects with total investment of US$100 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$50 million or more within the category of foreign investments subject to restrictions. Further, apart from examination by NDRC, approval from the State Council is required for foreign-invested projects with total investment of US$500 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$100 million or more within the category of foreign investments subject to restrictions. Additional approval from the development and reform authority at provincial level is required for projects that are subject to restrictions. In July 2008, NDRC issued the "Notice on Further Reinforcing and Regulating the Administration of Foreign-Invested Projects," (關於進一步加强和規範外商投資項目管理的通知) which requires that any capital increase and reinvestment in projects by foreign-invested enterprises should obtain approval from NDRC or its local counterpart.

On April 6, 2010, the State Council issued the "Opinions on Further Enhancing the Utilization of Foreign Investment" (關於進一步做好利用外資工作的若干意見), which provides that, except for the projects required to be approved by relevant departments of the State Council pursuant to the "Catalog of Investment Projects Subject to Government Approvals" (政府核准的投資項目目錄), a project within the encouraged or permitted industry categories under the Guidance Catalog may be approved by local government authorities, provided that the total investment (including additional invested capital) for such project is no more than US$300 million.

On May 4, 2010, NDRC issued the "Circular on Doing a Good Job in Delegating the Power to Verify Foreign-invested Projects" (關於做好外商投資項目下放核准權限工作的通知), specifying that the power to verify foreign invested projects shall be delegated and project verification procedures shall be simplified. The circular provides that, except for the projects that are required to be verified by relevant departments of the State Council in accordance with the Catalog of Investment Projects Subject to Government Approvals, the foreign invested projects which are within the encouraged or permitted industry categories under the Guideline Catalog shall be verified by NDRC at the provincial level, provided that such projects have a total investment (including additional invested capital) of no more than US$300 million. In addition, the circular specifies that, after the power to verify is delegated, project application and verification documents and verification conditions and procedures shall still be determined in accordance with the Tentative Administrative Measures for Verification of Foreign-invested Projects. According to the circular, the power to verify the projects within the restricted category under the Guideline Catalog is not delegated for the time being.

On June 10, 2010, MOFCOM released the "Circular on Issues Concerning Delegating the Examination and Approval Authority for the Foreign Investment" (商務部關於下放外商投資審批權限有關問題的通知). Under the circular, local authorities are granted the power to examine, approve and administrate the establishment and replacement of (i) foreign-invested enterprises which are within the encouraged and permitted categories under the Guidance Catalog and have a total investment of no more than US$300 million, and (ii) foreign-invested enterprises which are within the restricted category under the Guidance Catalog and have a total investment of no more than US$50 million.

In November 2010, MOFCOM promulgated the "Notice on Strengthening Administration of the Approval and Registration of Foreign Investment into Real Estate Industry" (關於加強外商投資房地產業審批備案管理的通知), which reiterated a number of these limitations on foreign-invested real estate enterprises.

C. Qualifications of a property developer

(a) Classifications and assessment of a real estate development enterprise's qualification

Under the "Provisions on Administration of Qualifications of Real Estate Developers" (the "Provisions on Administration of Qualifications") (房地產開發企業資質管理規定) promulgated by the Ministry of Construction in March 2000, a property developer is required to apply for registration of its qualifications according to the Provisions on Administration of Qualifications. An enterprise cannot engage in the development and sale of property without a qualification classification certificate for property development.

In accordance with the Provisions on Administration of Qualifications, property developers are classified into four classes. Developers with class 1 qualification are subject to preliminary examination and approval by the construction authority under the government of the relevant province, autonomous region or municipality directly under the central government and then final approval by the construction authority under the State Council. Procedures for approval of developers with class 2 or lower qualification shall be formulated by the construction authority under the government of the relevant province, autonomous region or municipality directly under the central government. A developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the qualification examination authority.

After a newly established property developer reports its establishment to the property development authority, the latter shall issue a provisional qualification certificate to the eligible developer within 30 days of receipt of the report. The provisional qualification certificate shall be effective for one year from the date of its issuance. The property development authority can extend the validity period for not more than two years after considering the actual business condition of the enterprise. Property developers are required to apply for a qualification classification by the property development authority within one month before the expiry of the provisional qualification certificate.

(b) The business scope of a property developer

Under the Provisions on Administration of Qualifications, a developer of any qualification classification may only engage in the development and sale of property within its approved scope of business and may not engage in business which is limited to another classification. A class 1 property developer is not restricted as to the scale of a property project to be developed and may undertake a property development project anywhere in the country. A class 2 property developer or lower may undertake a project with a GFA of less than 250,000 sq.m. and its specific scope of business shall be as approved by the construction authority under the government of the relevant province, autonomous region or municipality.

(c) The annual inspection of a property developer's qualification

Pursuant to the Provisions on Administration of Qualifications, the qualification of a property developer is required to inspected annually. The construction authority under the State Council or its authorized institution is responsible for the annual inspection of a class 1 property developer's qualification. Procedures for annual inspection of developers of a class 2 or lower qualification shall be formulated by the construction authority under the people's government of the relevant province, autonomous region or municipality.

D. Development of a property project

(a) Land for property development

Under the "Interim Regulations of the People's Republic of China on Assignment and Transfer of the Right to Use State-Owned Land in Urban Areas" (the "Interim Regulations on Assignment and Transfer") (中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例) promulgated and enforced by the State Council on May 19, 1990, a system of grant and transfer of the right to use state-owned land is adopted. A land user is required to pay a premium to the state as consideration for the grant of the land use rights within a certain term, and the land user can transfer, lease, mortgage or otherwise commercially use the land use rights within the term of use. Under the Interim Regulations on Assignment and Transfer and the Urban Real Estate law, the land administration authority under the local government of the relevant city or county is required to enter into a land grant contract with the land user for the grant of the land use rights. The land user is required to pay the land premium as provided for by the land grant contract. After payment in full of the land premium, the land user is required to register with the land administration authority and obtain a land use rights certificate evidencing the acquisition of land use rights. The Development Regulations provide that land use rights for a site intended for property development shall be obtained through government grant except for land use rights which may be obtained through allocation pursuant to the PRC laws or the stipulations of the State Council.

Under the "Regulations on the Assignment of State-Owned Land Use Rights through Competitive Bidding, Auction and Listing-for-Sale" (招標拍賣掛牌出讓國有土地使用權規定) which were promulgated by the Ministry of Land and Resources on May 9, 2002 and became effective on July 1, 2002, land for commercial use, tourism, entertainment and commodity housing development is assigned by way of competitive bidding, public auction or listing-for-sale. The procedures are as follows:

(a) The land authority under the people's government of the city and county (the "assignor") shall make an announcement at least 20 days prior to the date of the proposed competitive bidding, public auction or listing-for-sale. The announcement should include basic particulars such as land parcel, the qualification requirements of the bidder and auction applicants, methods and criteria on confirming the winning tender or winning bidder, and other conditions such as the deposit for the bid.

(b) The assignor shall conduct a qualification verification of the bidding applicants and auction applicants, inform the applicants who satisfy the requirements set out in the announcement and invite them to attend the competitive bidding, public auction or listing-for-sale.

(c) After determining the winning tender or the winning bidder by either competitive bidding, public auction or listing-for-sale, the assignor and the winning tender or winning bidder are then required to enter into a confirmation. The assignor should return the bidding or tender deposits to other bidding or auction applicants.

(d) The assignor and the winning tender or winning bidder are required to enter into a contract for the grant of state-owned land use rights according to the time and venue set out in the confirmation. The deposit of the bid paid by the winning tender or winning bidder will be used to set off part of the land premium for the grant of the state-owned land use rights.

(e) The winning tender or winning bidder is required to apply for the land registration after paying off the land grant premium in accordance with the state-owned land use rights grant contract. The people's government above the city and county level should issue the "Land Use Permit for State-Owned Land."

According to the "Notice of the Ministry of Land and Resources on Strengthening the Administration of Land Supply and Promoting the Sustainable Sound Development of Real Estate Market" (關於加强土地供應管理促進房地產市場持續健康發展的通知) enacted by the Ministry of Land and Resources on September 4, 2003, land use for luxurious commodity houses shall be stringently controlled and applications for land use for building villas will not be accepted. On May 30, 2006, the Ministry of Land and Resources issued the "Urgent Notice of Further Strengthening the Administration of the Land" (the "Urgent Notice") (關於當前進一步從嚴土地管理的緊急通知) stipulating that land for property development must be assigned by way of competitive bidding, public auction or listing-for-sale, development projects for villas are not be permitted, and all supply of land for such purposes and the handling of related land use procedure will be ceased from issuance date of the notice.

Under the Urgent Notice, the land authority should rigidly execute the "Model Text of the State-owned Land Use Rights Assignment Contract" (國有土地使用權出讓合同示範文本) and "Model Text of the State-owned Land Use Rights Assignment Supplementary Agreement (for Trial Implementation)"

(國有土地使用權出讓合同補充協議示範文本(試行)) jointly promulgated by the Ministry of Land and Resources and SAIC. The document of the land grant should ascertain the requirement of planning, construction and land use such as the restriction of the dwelling size, plot ratio and the time limit of starting and completion. All these should be agreed in the land use rights grant contract.

Under the "Regulations on the Assignment of State-Owned Land for Construction Use Rights through Competitive Bidding, Auction and Listing-for-Sale" (招標招賣掛牌出讓國有建設用地使用權規定) which were promulgated by the Ministry of Land and Resource on September 28, 2007, and became effective on November 1, 2007, land for industrial use (including land for warehouses but not land for mining), commercial use, tourism, entertainment and commodity housing development or more than two competing users on one piece of land is required to be assigned by way of competitive bidding, public auction or listing-for-sale. The assignee should obtain the land use rights certificate after paying off the total premium. The relevant land use rights certificates will not be issued prior to full payment of the appropriate land premium, and no land use rights certificates will be issued pro rata based on partial payment received.

In November 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office jointly promulgated the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知). The notice raises the minimum down payment to 50% of the total land premium and requires the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions.

On March 8, 2010, the Ministry of Land and Resources promulgated the Circular on Strengthening Real Estate Land Supply and Supervision (the "Circular") (關於加強房地產用地供應和監管有關問題的通知). Under the Circular, price for a given land transfer is required to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be equal to at least 20% of the applicable minimum land premium. The Circular has made further strict provisions on land grant contract administration. The land grant contract shall be entered into within 10 working days after the land grant deal is closed, the down payment of 50% of the land premium (taking into account any deposits previously paid) shall be paid within one month as of the date of land grant contract, and the remaining shall be paid in accordance with provisions of the land grant contract within one year.

In September 2010, the Ministry of Land and Resources and MOHURD jointly promulgated the Notice on Further Strengthening Control and Regulation of Land and Construction of Property Development (關於進一步加強房地產用地和建設管理調控的通知), which stipulates, among other things, that: (i) at least 70% of land designated for construction of urban housing must be used for affordable housing, housing for resettlement of shanty towns and small to medium-sized ordinary commercial housing; in areas with high housing prices, the supply of land designated for small to medium-sized, price-capped housing must be increased; (ii) developers and their controlling shareholders are prohibited from participating in land auctions before the rectification of certain misconduct, including (1) illegal transfer of land use rights; (2) failure to commence required construction within one year from the delivery of land under land grant contracts due to such developers' own reasons; (3) noncompliance with the land development requirements specified in land grant contracts; and (4) crimes such as swindling land by forging official documents and illegal land speculation; (iii) developers are required to commence construction within one year from the date of delivery of land under the relevant land grant contract and complete construction within three years of commencement; (iv) development and construction of projects of low-density and large-sized housing must be strictly limited and the plot ratio of the planned GFA to the total site area of residential projects must be more than 1:1; and (v) the grant of two or more bundled parcels of lands and undeveloped land is prohibited.

In December 2010, the Ministry of Land and Resources promulgated the Notice on Strict Implementation of Policies Regarding Regulation and Control of Real Property Land and Promotion of the Healthy Development of Land Markets (關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知), which provides, among other things, that; (i) cities and counties that have less than 70% of their land supply designated for affordable housing, housing for redevelopment of shanty towns or small/medium residential units must not provide land for large-sized and high-end housing before the end of this year; (ii) land and resource authorities in local cities and counties will report to Ministry of Land and Resources and provincial land and resource authorities, respectively regarding land with a premium rate of more than 50%; (iii) land designated for affordable housing which is used for property development against relevant policies or involved illegal income will be confiscated and the relevant land use rights will be withdrawn. Moreover, changing the plot ratio without approval is strictly prohibited.

On January 26, 2011, the State Council circulated "Notice on Further Regulating the Real Estate Market" (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知), which provides for more stringent management of housing land supply, among other things, that participants or individuals bidding on any land unit shall show proof of funding sources.

According to the "Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2011" (關於切實做好2011年城市住房用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2011, construction for 10 million units of affordable housing units shall be implemented in 2011. It also requires that the target total supply of urban housing land shall not be lower than the annual average supply for the preceding two years.

According to the "Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2012" (關於做好2012年房地產用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2012, the target total supply of urban housing land shall not be lower than the annual average supply for the preceding five years.

According to the Circular on the Distribution of the Catalog for Restricted Land Use Projects (2012 Edition) and the Catalog for Prohibited Land Use Projects (2012 Edition) (關於印發（限制用地項目目錄）（2012年本）和（禁制用地項目目錄）（2012年本）的通知) promulgated by the Ministry of Land and Resources in May 2012, the transferred area of the residential housing projects should not exceed (i) seven hectares for small cities and towns, (ii) 14 hectares for medium-sized cities, and (iii) 20 hectares for large cities, and plot ratio must be more than 1.0.

(b) Property project development

i. Commencement of a property project and the idle land

Under the Urban Real Estate Law, those which have obtained the land use rights through an assignment must develop the land in accordance with the terms of use and within the period of commencement prescribed in the land use rights assignment contract. On June 1, 2012, the Ministry of Land and Resources revised and promulgated the "Measure for the Disposal of Idle Land" (閑置土地處置辦法), which further clarified the scope and definition of idle land, as well as the corresponding punishment measures compared to the old version. Pursuant to the new Measure for the Disposal of Idle Land, under the following circumstances, a parcel of land shall be defined as "idle land":

- any State-owned land for construction use, of which the holder of the land use right fails to start the construction and development thereof within one year after the commencement date of the construction and development work as agreed upon and prescribed in the contract for fee-based use of State-owned land for construction use, or the decision on allocation of State-owned land for construction use; and

- any State-owned land for construction use, of which the construction and development have been started but the area of land that is under construction and development is less than one third of the total area of land that should have been under construction and development or the amount invested is less than 25% of the total investment, and the construction and development of which has been suspended for more than one year.

If a parcel of land is deemed as idle land by a competent department of land and resources, unless otherwise prescribed by the new Measure for the Disposal of Idle Land, the land shall be disposed of in the following ways:

- where the land has remained idle for more than one year, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Collecting Charges for Idle Land to the holder of the land use right and collect the charges for idle land at the rate of 20% of the land assignment or allocation fee; and the said charges for idle land shall not be included in the production cost by the holder of the land use right; and

- where the land has remained idle for more than two years, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Taking Back the Right to Use the State-owned Land for Construction Use to the holder of the land use right.

On January 3, 2008, the State Council reiterated the abovementioned policies in the "Notice on Enhancing the Economical and Intensive Use of Land." (關於促進節約集約用地的通知) This notice states, among other things, that (i) policies in relation to the forfeiture of land use rights without compensation for land which has remained idle for more than two years shall be strictly implemented; (ii) if any land remains idle for one year, an idle land fee of 20% of the relevant land premium shall be levied; (iii) the prohibition of land supply for villa projects shall continue; (iv) the Ministry of Land and Resources and other authorities are required to research and commence the drafting of implementation rules concerning the levy of LAT on idle land; (v) in relation to the supply of residential land, planning conditions such as plot ratio limits and the number and type of units that can be constructed shall be taken into account in land grant contracts and allocation decisions to ensure that at least 70% of the total land grant for residential development will consist of low rental housing, economy housing, limited pricing housing and units of less than 90 sq.m. in size; and (vi) financial institutions are required to exercise caution when approving financing for any property developer who, after one year from the commencement date stipulated in the land grant contract, fails to complete at least one-third of the development of their project or provide at least 25% of the total investment in the project.

ii. Planning of a property project

According to the "Urban and Rural Planning Law of the People's Republic of China (replacing the previous "City Planning Law of the People's Republic of China" (中華人民共和國城市規劃法) since January 2008) (中華人民共和國城鄉規劃法), the "Administrative Measures on Planning of Grant and Transfer of Urban State-owned Land Use Rights" (城市國有土地使用權出讓轉讓規劃管理辦法) which were promulgated by the Ministry of Construction on December 4, 1992 and became effective on January 1, 1993 and the "Notice of the Ministry of Construction on Strengthening the Planning Administration of Grant of State-owned Land Use Rights" (關於加强國有土地使用權出讓規劃管理工作的通知) which was promulgated by the Ministry of Construction and became effective on December 26, 2002, after signing an assignment contract, a property developer shall apply for an Opinion on Construction Project's Site Selection and a Permit for Construction Site Planning from the city and county planning authority with the assignment contract. After obtaining a Permit for Construction Site Planning, a property developer shall organize the necessary planning and the design work with regard to planning and design requirements, and apply for a Permit for Construction Work Planning from city planning authority with the relevant approval documents.

On January 21, 2011, the "Regulations on the Expropriation of Buildings on State-owned Land and Compensation" (國有土地上房屋徵收與補償條例) was promulgated by the State Council, a summary of the important provisions is set forth below:

- Where a building of any entity or individual on state-owned land is expropriated for public interest, the owner of the expropriated building shall be fairly compensated;

- The people's government at the city or county level shall publish in a timely manner the public opinions solicited and the amendments made according to the public opinions;

- Before making a decision on building expropriation, the people's government at the city or county level shall make a social stability risk assessment according to the relevant provisions;

- The compensation granted to an owner by the people's government at the city or county level which makes the building expropriation decision shall include:

  (1) compensation for the value of the building expropriated;

  (2) compensation for the relocation or temporary settlement resulting from the building expropriation; and

  (3) compensation for the production or business interruption losses resulting from the building expropriation;

- The compensation for the value of the building expropriated shall not be less than the market price of real estate similar to the building expropriated on the date of announcement of the building expropriation decision;

- An owner may choose either monetary compensation or exchange of titles; and

- Compensation shall be made before relocation, and demolition and relocation with violence is prohibited.

iii. Construction of a property project

After obtaining the Permit for Construction Work Planning, a property developer is required to apply for a Construction Permit from the construction authority above the county level according to the "Measures for the Administration of Construction Permits for Construction Projects" (建築工程施工許可管理辦法) enacted by the Ministry of Construction on October 15, 1999 and revised and enforced on July 4, 2001.

iv. Completion of a property project

According to the Development Regulation, the "Regulation on the Quality Management of Construction Projects" (建設工程質量管理條例) enacted and enforced by the State Council on January 30, 2000, the "Administrative Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure" (房屋建築和市政基礎設施工程竣工驗收備案管理辦法) enacted by the Ministry of Construction in April 2000 and amended on October 19, 2009 and the "Interim Provisions on Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure" (房屋建築工程和市政基礎設施工程竣工驗收暫行規定) which were promulgated by the Ministry of Construction and became effective on June 30, 2000, after completion of work for a project, a property developer is required to apply for the acceptance examination to the property development authority under the people's government on or above the county level and report details of the acceptance examination, upon which the "Record of acceptance examination upon project completion" is issued. For a housing estate or other building complex project, an acceptance examination is required to be conducted upon completion of the whole project and where such a project is developed in phases, separate acceptance examination is required to be carried out for each completed phase.

E. Property transactions

(a) Transfer of property

According to the Urban Real Estate Law and the "Provisions on Administration of Transfer of Urban Real Estate" (城市房地產轉讓管理規定) enacted by the Ministry of Construction on August 7, 1995 and revised on August 15, 2001, a property owner may sell, give or otherwise legally transfer a property to another person or legal entity. When transferring a building, the ownership of the building and the land use rights attached to the site on which the building is situated are transferred simultaneously. The parties to a transfer are required to enter into a property transfer contract in writing and register the transfer with the property administration authority having jurisdiction over the location of the property within 90 days of the execution of the transfer contract.

Where the land use rights were originally obtained by assignment, the real property may only be transferred on the condition that: (a) the assignment price has been paid in full for the assignment of the land use rights as provided by the assignment contract and a land use rights certificate has been obtained; and (b) if development is to be carried out according to the assignment contract and is a project in which buildings are being developed, development representing more than 25% of the total investment has been completed.

If the land use rights were originally obtained by assignment, the term of the land use rights after transfer of the property shall be the remaining portion of the original term provided by the land use rights assignment contract after deducting the time that has been used by the former land users. In the event that the transferee intends to change the use of the land provided in the original assignment contract, consent shall first be obtained from the original assignor and the planning administration authority under the local government of the relevant city or county and an agreement to amend the land use rights assignment contract or a new land use rights assignment contract shall be signed in order to, inter alia, adjust the land use rights assignment price accordingly.

If the land use rights were originally obtained by allocation, transfer of the real property shall be subject to the approval of the government vested with the necessary approval power as required under the regulations of the State Council. If the people's government vested with the necessary approval power approves such a transfer, the transferee shall complete the formalities for transfer of the land use rights, unless the relevant statutes require no transfer formalities, and pay the transfer price according to the relevant statutes.

(b) Sale of commodity properties

Under the "Regulatory Measures on the Sale of Commodity Properties" (商品房銷售管理辦法) which were promulgated by the Ministry of Construction on April 4, 2001 and became effective on June 1, 2001, sale of commodity properties can include both pre-completion and post-completion sales.

i. Permit of Pre-Completion Sale of Commodity Properties

According to the Development Regulations and the "Measures for Administration of Pre-completion Sale of Commodity Properties" (the "Pre-completion Sale Measures") (城市商品房預售管理辦法) enacted by the Ministry of Construction on November 15, 1994 and revised on August 15, 2001 and July 20, 2004, the pre-completion sale of commodity properties is subject to a permit system, under which a property developer intending to sell a commodity building before its completion is required to make the necessary pre-completion sale registration with the property development authority of the relevant city or county to obtain a permit of pre-completion sale of commodity properties. A commodity building can only be sold before completion provided that: (a) the assignment price has been paid in full for the assignment of the concerned land use rights and a land use rights certificate has been issued; (b) a Permit for Construction Work Planning and a Permit for Construction of Work have been obtained; (c) the funds invested in the development of the commodity properties put to pre-completion sale represent 25% or more of the total investment in the project and the progress of work and the completion and delivery dates have been ascertained; and (d) the pre-completion sale has been registered and a Permit for Pre-completion Sale of Commodity Properties has been obtained.

In addition, according to the "Regulations on Administration of Pre-completion Sale of Commodity Properties of Guangdong Province" (廣東省商品房預售管理條例) enacted by the Standing Committee of Guangdong Provincial People's Congress on August 22, 1998 and revised on October 14, 2000, and the "Notice on Adjusting Conditions of Image and Progress for Commodity Building Pre-sale Project in Guangdong Province" (關於調整商品房預售項目工程形象進度條件的通知) issued by the Guangdong Provincial Construction Bureau in January 2001, the following conditions are required to be fulfilled for the pre-completion sale of commodity properties in Guangdong: (a) the property developer has obtained a real property development qualification certificate and a business license; (b) the construction quality and safety monitoring procedures have been performed; (c) the structural construction and the toping-out must have been completed in respect of properties of not more than seven stories (including seven stories), and at least two-third of the structural construction must have been completed in respect of properties of more than seven stories; (d) a special property pre-completion sale account with a commercial bank in the place where the project is located has been opened; and (e) the properties, pre-completion sale project and its land use rights are free from any third party rights.

ii. Management of pre-completion sale proceeds of commodity properties

According to the Pre-completion Sale Measures, the proceeds obtained by a property developer from the advance sale of commercial houses must be used for the construction of the relevant projects. The specific measures for the supervision on proceeds from the advance sale of commodity properties shall be formulated by the property administrative departments.

iii. Conditions of the sale of post-completion commodity properties

Under the "Regulatory Measures on the Sale of Commodity Properties," commodity properties can may be put to post-completion sale only when the following preconditions have been satisfied: (a) the real estate development enterprise offering to sell the post-completion properties has a enterprise legal person business license and a qualification certificate of a property developer; (b) the enterprise has obtained a land use rights certificate or other approval documents of land use; (c) the enterprise has the permit for construction project planning and the permit for construction; (d) the commodity properties have been completed and been inspected and accepted as qualified; (e) the relocation of the original residents has been well settled; (f) the supplementary essential facilities for supplying water, electricity, heating, gas, communication, etc. have been made ready for use, and other supplementary essential facilities and public facilities have been made ready for use, or the schedule for construction and delivery date thereof have been specified; and (g) the property management plan has been completed.

Before the post-completion sale of a commodity building, a property developer is required to submit the Real Estate Development Project Manual and other documents showing that the preconditions for post-completion sale have been fulfilled to the property development authority for making a record.

iv. Regulations on sale of commodity properties

According to the Development Regulations and the Pre-completion Sale Measures, for the pre-completion sale of a commodity property, the developer is required to sign a contract on the pre-sale of the commodity property with the purchaser. The developer shall, within 30 days upon signing the contract, apply for registration and record the contract for pre-completion sale commodity property to the relevant administrative departments governing the property and land administration department of the city or country governments. The property administrative department is required to take the initiative to apply network information technology to gradually implement the web-based registration of pre-sale contracts.

Pursuant to the "Circular of the General Office of the State Council on Forwarding the Opinion of the Ministry of Construction and Other Department on Doing a Good Job of Stabilizing House Prices" (國務院辦公廳轉發建設部等部門關於做好穩定住房價格工作意見的通知) on May 9, 2005, there are several regulations concerning commodity properties sales:

- The buyer of a commodity building is prohibited from conducting any transfer of the pre-sale of the commodity building that he has bought but is still under construction.

Before completion and delivery of an advance sale commodity building to the advance buyer, and before the advance buyer obtains the individual property ownership certificate, the property administration department shall not handle any transfer of the commodity building. If there is a discrepancy in the name of the applicant for property ownership and the name of the advance buyer in the advance sales contract, the property ownership registration administration shall not record the application of real estate ownership.

• A real name system for house purchase should be applied; and an immediate archival filing network system should be carried out for the pre-sale contracts of commodity properties.

On July 6, 2006, the Ministry of Construction, NDRC, and SAIC jointly enacted a "Notice on Reorganizing and Regulating Order in the Real Estate Transactions," (關於進一步整頓規範房地產交易秩序的通知) the details of which are as follows:

• The developer is required to start to sell the commodity properties within 10 days after receiving a "Permit for Pre-completion Sale of Commodity Properties." Without this permit, the pre-completion sale of commodity properties, as well as subscription (including reservation, registration and number-selecting) and acceptance of the any kind of pre-sale payments, is forbidden.

• The property administration authority should establish an immediate network system for pre-sale contracts of commodity properties and a system for the publication of property transaction information. The basic information of the commodity building, the schedule of the sale and the ownership status should be duly, truly and fully published in the network system and on the locale of sale. The advance buyer of a commodity building is prohibited from conducting any transfer of the advance sale of the commodity building that he has bought but is still under construction.

• Without the "Permit for Pre-completion Sale of Commodity Properties," no advertisement of the pre-completion sale of commodity properties can be published.

• Real estate enterprises with a record of serious irregularity or enterprises which do not satisfy the requirements of pre-completion sale of commodity properties are not allowed to take part in sale activities.

• The property administration authority should strictly carry out the regulations for the pre-completion sale contract registration and records and apply the real name system for property purchase.

On April 13, 2010, the MOHURD issued the "Notice on Further Enhancing the Supervision of the Real Estate market and Perfecting the Pre-sale System of Commodity Houses" (關於進一步加强房地產市場監管完善商品住房預售制度有關問題的通知). Pursuant to the notice, without the pre-sale approval, the commodity houses are not permitted to be pre-sold and the real estate developer is not allowed to charge the buyer any deposit or pre-payment or payment of the similar nature. In addition, the notice urges local governments to enact regulations on the sale of completed commodity properties in light of the local conditions, and encourages property developers to engage in the practice of selling completed commodity properties.

The "Provisions on Sales of Commodity Properties at Clearly Marked Price" (商品房銷售明碼標價規定) was promulgated by the NDRC on March 16, 2011 and became effective on May 1, 2011.

According to the provisions, any real estate developer or real estate agency ("real estate operators") is required to mark the selling price explicitly and clearly for both newly-build and second-hand commodity properties. The provisions require real estate operators to clearly indicate to the public the prices and relevant fees of commodity properties, as well as other factors affecting the prices of commodity properties. With respect to the real estate development projects that have received property pre-sale license or have completed the filing procedures for the sales of constructed properties, real estate operators shall announce all the commodity properties available for sales at once within the specified time limit. Furthermore, with regard to a property that has been sold, real estate operators are obliged to disclose this information and to disclose the actual transaction price. Real estate operators cannot sell commodity properties beyond the stated price or charge any other fees not explicitly marked. Moreover, real estate operators may neither mislead property purchasers with false or irregular price marking, nor engage in price fraud by using false or misleading price marking methods.

According to the "Regulation on Clear Pricing of Commercial Property" (商品房銷售明碼標價規定) which was promulgated by the NDRC in March 2011 and became effective in May 2011, the real estate developers are required to clearly mark the sales prices of houses.

(c) Mortgages of property

Under the Urban Real Estate Law and the "The Security Law of the People's Republic of China" (中華人民共和國擔保法) which was promulgated by the Standing Committee of the National People's Congress on June 30, 1995 and became effective on October 1, 1995, and the "Measures on the Administration of Mortgage of Buildings in Urban Areas" (城市房地產抵押管理辦法) which was promulgated by the Ministry of Construction in May 1997 and revised on August 15, 2001, mortgage refers to the act of a debtor, or a third party, who, without transferring the occupancy of the properties, charge those properties as security for the creditor's rights. When the debtor fails to pay his debt, the creditor has a right to obtain compensation, in accordance with the stipulations of the aforesaid law and regulation, by converting the properties into money or seek preferential payments from the proceeds from the auction or sale of the concerned properties. The obligation secured by a mortgagor shall not exceed the value of the properties mortgaged. After being mortgaged, the balance of value of the properties that exceeded the creditor's rights can be mortgaged for a second time, but the sum of the mortgage shall not exceed the value of the balance. When a mortgage is created on the ownership of a building on state-owned land legally obtained, a mortgage shall be simultaneously created on the land use rights of the land on which the building is erected. When the land use rights of state-owned lands acquired through means of assignment is mortgaged, the buildings on the land shall also be mortgaged at the same time. The land use rights of town and village enterprises cannot be mortgaged individually. When the buildings of the town and village enterprises are mortgaged, the land use rights occupied by the buildings shall also be mortgaged at the same time. The mortgagor and the mortgagee are required to sign a mortgage contract in writing. Within 30 days after a property mortgage contract has been signed, the parties to the mortgage are required to register the mortgage with the property administration authority at the location where the property is situated. A real estate mortgage contract shall become effective on the date of registration of the mortgage. If a mortgage is created on the real estate in respect of which a property ownership certificate has been obtained legally, the registration authority shall make an entry under the "third party rights" item on the original real estate ownership certificate and then issue a Certificate of Third Party Rights to Real Estate to the mortgagee. If a mortgage is created on the commodity building put to pre-completion sale or under construction, the registration authority shall record the details on the mortgage contract. If construction of a real property is completed during the term of a mortgage, the parties involved shall re-register the mortgage of the real property after the issuance of the certificates evidencing the ownership of the property.

In September 2010, PBOC and the CBRC jointly issued the "Notice on Relevant Issues Regarding the improvement of Differential Mortgage Loan Policies" (關於完善差別化住房信貸政策有關問題的通知), which provides, among other things, that (i) the minimum down payment is raised to 30% for all first home purchases; (ii) commercial banks in China shall suspend mortgage loans to purchasers (including the borrower, spouse and minor children) for their third or further residential property or to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period; and (iii) all property companies with records of being involved in abuse of land, changing the land-use purpose or nature of use of land, postponing the construction commencement or completion date, hoarding or other non-compliance will be restricted from obtaining bank loans for new projects or extension of credit facilities. In addition, certain cities have promulgated measures to restrict the number of residential properties one family is allowed to purchase, such as Guangzhou, Shenzhen, Changzhou, Shanghai, Beijing, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian.

In November 2010, MOHURD, the Ministry of Finance, CBRC and PBOC jointly promulgated the "Notice on Relevant Issues Concerning Policies of Regulation of Individual Housing Reserve Loan" (關於規範住房公積金個人住房貸款政策有關問題的通知), which provides that, among other things: (i) where a first-time house purchaser (including the borrower, his or her spouse and minor children) uses housing reserve loans to buy an ordinary house for self-use with a unit floor area: (a) equal to or less than 90 square meters, the minimum down payment shall be at least 20%, (b) more than 90 square meters, the minimum down payment shall be at least 30%; (ii) for a second-time house purchaser using housing reserve loans, the minimum down payment shall be at least 50% with the minimum lending interest rate of 110% of the benchmark rate; (iii) the second housing reserve loan will only be available to families whose per capital housing area is below the average in locality and such loan must only be used to purchase an ordinary house for self-use to improve residence conditions; and (iv) housing reserve loans to families for their third and further residential property will be suspended.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), requiring: (i) a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property; and (ii) in municipalities directly under the central government, cities listed on state plans, provincial capitals, and cities where the housing prices are overly high or increasing at an excessively high rate, purchasers (including their spouses and minor children) that are either local residents or non-local residents that can provide documentation certifying payment of local tax or social security for longer than a specified time period, are not permitted to purchase a second (or further) residential property, and purchasers (including their spouses and minor children) that are non-local residents that are unable to provide documentation certifying payment of local tax or social security for longer than a specified time period, are not permitted to purchase any residential properties. In order to implement the Notice on Further Strengthening Regulation and Control of Real Property Markets, certain cities, including Beijing, Shanghai, Chengdu, Qingdao and Jinan, have promulgated measures to restrict the number of residential properties one family is allowed to purchase.

The people's governments of certain cities, such as Beijing, Shanghai, Guangzhou, Tianjin, Nanjing, Chengdu, Wuxi, Qingdao, Hangzhou, Xi'an, Changzhou, Shenyang and Dalian, had respectively promulgated local measures for restriction of housing purchases to implement the Notice of the State Council on Issues Related to Further Enhancing the Regulation and Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作 有關問題的通知).

On January 27, 2011, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Adjustment of Policy of Business Tax on Re-sale of Personal Residential Properties" (財政部、國家稅務總局關於調整個人住房轉讓營業稅政策的通知) which repeals the Notice on Adjusting the Policy of Business Tax on Re-sale of Personal Residential Properties promulgated on December 22, 2009 and provides that transfer of residential properties by individuals within five years of purchase is subject to business tax based on the sales income, while the business tax levied on the transfer of non-ordinary residential properties by individuals after five years of purchase is based on the difference between the sales income and the purchase price. In the case of an ordinary residence, business tax is exempted if that transfer occurs after five years from the purchase date.

On January 27, 2011, Shanghai Municipal Government issued "Provisional Measure on levying of Property Tax on Part of Individual Residential Properties in Shanghai on a Trial Basis" (上海市開展對部分個人住房 徵收房產稅試點的暫行辦法). According to this provisional measure, property tax will be imposed on any second or more residential property purchased by Shanghai residents and any residential property purchased by non-Shanghai residents from January 28, 2011.

For Shanghai residents who purchased the second residential property after January 28, 2011, if the construction area per capita of all residential properties owned by the family is no more than 60 sq.m. (the "tax-free construction area"), such newly purchased residential property could be temporarily exempted from property tax; if the construction area per capita of all residential properties owned by the family is more than 60 sq.m., property tax will be levied on the construction area of the newly purchased residential properties, which exceeds the tax-free construction area. The property tax will be provisionally based on 70% of the market price of the taxable residential property with the tax rate at 0.6%. For the taxable residential property whose market price per square meter is no more than two times of the last year's average sales price of newly constructed commodity residential properties of Shanghai, the tax rate shall temporarily be 0.4%.

In February 2011, Shanghai municipal government announced that for taxable residential properties whose market price is no more than RMB28,426 sq.m., the tax rate is 0.4%.

On January 28, 2011, Chongqing Municipal Government issued "Provisional Measure on levying of Property Tax on Part of Individual Residential Properties on a Trial Basis" (重慶市政府對部分個人住房 徵收房產稅改革試點暫行辦法) and "Detailed Implementation Rules on Administration of Collection of Property Tax of Residential Property in Chongqing Municipality" (重慶市個人住房房產稅徵收管理實施細則). Within nine trial districts, property tax will be imposed on the detached commodity house, newly purchased high-end residential property and second ordinary residential property newly purchased by individuals who do not have local household registration (戶口), entities or jobs in Chongqing from January 28, 2011. The applicable tax rate of detached commodity house, high-end residential property and second ordinary residential property shall be 0.5%, 1% and 1.2%, respectively, based on the transaction prices of such properties. The applicable tax rate of second ordinary residential property newly purchased by individuals who do not have local household registration, entities or jobs in Chongqing is 0.5%. The provisional measure and its implementation rules also set detailed guidelines on tax exemption and administration on tax collection.

(d) Lease of buildings

On December 1, 2010, the Ministry of Housing and Urban-Rural Development issued the "Administrative Measures for Commodity Housing Tenancy" (商品房屋租賃管理辦法), according to which, the parties to a housing tenancy are required to go through the housing tenancy registration formalities with the competent construction (real estate) departments of the municipalities directly under the PRC central government, cities and counties where the housing is located within 30 days after the housing tenancy contract is signed. The relevant construction (real estate) departments are authorized to impose a fine below RMB1,000 on individuals, and a fine between RMB1,000 and RMB10,000 on other violators who are not natural persons who fail to comply with the regulations within the specified time limit. The above measures came into effect on February 1, 2011.

F. Property financing

PBOC issued the "Circular on Further Strengthening the Management of Loans for Property Business" (關於進一步加強房地產信貸業務管理的通知) on June 5, 2003 to specify the requirements for banks to provide loans for the purposes of property development and individual home mortgage as follows:

(a) The property loan by commercial banks to real estate enterprises shall be granted only under the title of property development loan and it is strictly forbidden to extend such loans as a current capital loan for property development project or other loan item. No lending of any type shall be granted to enterprises which have not obtained the land use rights certificates, construction land permit, construction planning permit and construction work permit;

(b) Commercial banks shall not grant loans to property developers to pay off land premium; and

(c) Commercial banks may only provide mortgage loans to individual buyers when the main structural buildings have been topped out. When a borrower applies for individual home loans for his first residential unit, the down payment remains at 20%. In respect of his loan application for an additional purchase of residential unit(s), the percentage of the first installment shall be increased.

Pursuant to the "Guidance on Risk Management of Property Loans of Commercial Banks" (商業銀行房地產貸款風險管理指引) issued by China Banking Regulatory Commission on September 2, 2004, any property developer applying for property development loans is required to have at least 35% of capital funds required for the development.

According to the "Notice of the People's Bank of China on the Adjustment of Commercial Bank Housing Loan Policies and the Interest Rate of Excess Reserve Deposit," (中國人民銀行關於調整商業銀行住房信貸政策和超額儲備金存款利率的通知) enacted by PBOC on March 16, 2005, starting from March 17, 2005, the down payment for individual homes increased from 20% to 30% in cities and areas where property prices grow too quickly. The commercial banks can independently determine scope of such property price rise according to specific situations in different cities or areas.

On May 24, 2006, the State Council passed the "Opinion of the Ministry of Construction and Other Departments on Adjusting the Housing Supply Control Structure and Stabilizing the Property Prices." (關於調整住房供應結構穩定住房價格的意見) The regulations provide the following:

(a) Tightening the control of advancing loan facilities. The commercial banks are not allowed to advance their loan facilities to property developers which do not have the required 35% or more of the total capital for the construction projects. The commercial banks should be prudent in granting loan facilities and revolving credit facilities in any form to the property developers who have a large number of idle land and unsold commodity properties. Banks should not accept mortgages of commodity properties remaining unsold for three years or longer;

(b) From June 1, 2006 and onward, purchasers need to pay a minimum of 30% of the purchase price as down payment, except for apartments with a floor area of 90 sq.m. or less for residential purposes, for which the existing requirement of 20% of the purchase price as down payment remains unchanged.

According to the Circular on Standardizing the Admittance and Administration of Foreign Capital in Real Estate Market, foreign-invested real estate enterprises which have not paid up their registered capital fully, or failed to obtain a land use rights certificate, or with under 35% of the capital for the project, will not be allowed to obtain a loan in or outside China, and foreign exchange administration departments will not approve any settlement of foreign loans by such enterprises.

On July 10, 2007, SAFE issued a circular indicating that, for foreign-invested enterprises in the property sector, it would not process any foreign debt registration or conversion of foreign debt that was approved by the local MOFCOM and filed with MOFCOM after June 1, 2007. See "—B. Foreign-invested real estate enterprises."

On September 27, 2007, PBOC and the CBRC issued the "Circular on Strengthening the Credit Management for Commercial Real Property," (關於加強商業性房地產信貸管理的通知) with a supplement issued in December 2007. The circular aims to tighten the control over property loans from commercial banks to prevent excessive credit granting. The measures adopted include:

- for a first time home buyer, increasing the minimum amount to 30% of the purchase price as down payment where the property has a unit floor area of 90 sq.m. or above and the purchaser is buying the property as for own residence;

- for a second time home buyer, increasing (i) the minimum amount of down payment to 40% of the purchase price and (ii) the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark bank lending interest rate. If a member of a family (including the buyer, his/her spouse and their children under 18) finances the purchase of a residential unit, any member of the family that buys another residential unit with loans from banks will be regarded as a second time home buyer;

- for a commercial property buyer, (i) requiring banks not to finance any purchase of pre-sold properties, (ii) increasing the minimum amount of down payment to 50% of the purchase price, (iii) increasing the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark bank lending interest rate, and (iv) limiting the terms of such bank loans to no more than 10 years, although commercial banks are allowed flexibility based on its risk assessment;

• for a buyer of commercial/residential dual-purpose properties, increasing the minimum amount of down payment to 45% of the purchase price, with the other terms to be decided by reference to commercial properties; and

• prohibiting commercial banks from providing loans to property developers which have been found by relevant government authorities to be holding excessive amounts of land and properties.

In addition, commercial banks are also prohibited from providing loans to projects that have less than 35% of capital funds (proprietary interests), or where there is failure to obtain land use rights certificates, construction land planning permits, construction works planning permits and construction permits. Commercial banks are also prohibited from accepting commercial premises that have been vacant for more than three years as collateral for loans. In principle, property development loans provided by commercial banks should only be used for projects in areas where the commercial bank is located. Commercial banks may not provide loans to property developers to finance the payment of land use rights grant fees.

According to the notice on "Issues on Enlarging the Floating Range of the Downward Movement of Interest Rates for Individual Mortgage Loans," (關於擴大商業性個人住房貸款利率下浮幅度等有關問題的通知) issued by PBOC on October 22, 2008 and effective on October 27, 2008, the PRC government lowered the minimum interest rate for individual mortgage loans to 70% of the corresponding PBOC benchmark bank lending rates. Further, the minimum down payment of residential properties was lowered to 20%.

In January 2010, the General Office of the State Council issued a "Circular on Facilitating the Stable and Healthy Development of Property Market" (關於促進房地產市場平穩健康發展的通知), adopting a series of measures to strengthen and improve the regulation of the property market, stabilize market expectations and facilitate the stable and healthy development of the property market. These include, among others, measures to increase the supply of affordable housing and ordinary commodity housing, provide guidance for the purchase of property, restrain speculation of property, and strengthen risk prevention and market supervision. Additionally, it explicitly requires a family (including a borrower, his or her spouse and children under 18), that has already purchased a residence through mortgage financing and has applied to purchase a second or additional residences through mortgage financing, to pay a minimum down payment of 40% of the purchase price.

On April 17, 2010, the State Council Issued Notice on Resolutely Curbing the Rapid Rising of the House Price in Certain Cities (堅决遏制部分城市房價過快上漲的通知) (the "April 17 Notice"), which provides that where the first home purchaser (including a borrower, his or her spouse and children under 18) purchases a residence with a unit floor area of more than 90 sq.m. for self use, the minimum down payment is required not to be less than 30%; where for the second home buyers that use mortgage financing, it is required that the minimum down payment is required to be 50% of the purchase price with minimum mortgage lending interest rate at the rate of 110% of the benchmark rate published by PBOC; where a third or further buyers that use mortgage financing, the minimum down payment and interest rate thereof is required to be substantially further raised. The April 17 Notice, further requires that in cities where property prices are overly high with excessive price hike and strained housing supply, commercial banks may in light of risk exposure suspend extending bank loans for a third or further buyers; also provision of housing loans shall be suspended to non-local residents who cannot present the local tax returns or social insurances certification of more than one year.

On May 26, 2010, the MOHURD, PBOC and the CBRC jointly issued the "Circular on Regulating the Criteria for Identifying the Second Residential Properties in Connection with Personal Commercial Housing Loans" (關於規範商業性個人住房貸款中第二套住房認定標準的通知), which provides, among others, that the number of residential properties owned by an individual property purchaser who is applying for mortgage loans is required to be determined by taking into account the total number of residential properties owned by the family of such purchaser (including the purchaser and his or her spouse and children under the age of 18 years). In addition, the circular depicts a number of circumstances under which different credit policies shall be applied in connection with purchases of the second or further residential property.

In September 2010, PBOC and the CBRC jointly issued the "Notice on Relevant Issues Regarding the improvement of Differential Mortgage Loan Policies" (關於完善差別化住房信貸政策有關問題的通知), which provides, among other things, that (i) the minimum down payment is increased to 30% for all first home purchases; (ii) commercial banks in China are required to suspend mortgage loans to purchasers (including the borrower, spouse and minor children) for their third or further residential property or to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period; and (iii) all property companies with records of being involved in abuse of land, changing the land-use purpose, postponing the construction commencement or completion date, hoarding or other non-compliance will be restricted from obtaining bank loans for new projects or extension of credit facilities. In addition, certain cities have promulgated measures to restrict the number of residential properties one family is allowed to purchase, such as Guangzhou, Shenzhen, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian.

In November 2010, MOHURD and SAFE jointly promulgated the "Notice on Further Regulating Administration of Purchase of Houses by Overseas Institutions and Individuals" (關於進一步規範境外機構和個人購房管理的通知), pursuant to which, a foreign individual can only purchase one house for self-use within the PRC and an overseas institution which has established a branch or representative office in the PRC can only purchase non-residential houses for business use in the city where it is registered within the PRC.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), which: (i) imposes a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property; and (ii) in municipalities directly under the central government, cities listed on state plans, provincial capitals, and cities where the housing prices are overly high or increasing at an excessively high rate, purchasers (including their spouses and minor children) that are local residents with two or more residential properties, non-local residents with one or more residential properties, or non-local residents that are unable to provide documentation are not permitted to certifying payment of local tax or social security for longer than a specified time period, purchase any residential properties. In order to implement the Notice on Further Strengthening Regulation and Control of Real Property Markets, certain cities, including Beijing, Shanghai, Chengdu, Qingdao and Jinan, have promulgated measures to restrict the number of residential properties one family is allowed to purchase.

G. Insurance of a property project

There are no mandatory provisions in the PRC laws, regulations and government rules which require a property developer to take out insurance policies for its property projects.

In light of the "Construction Law of the People's Republic of China" (中華人民共和國建築法) which was promulgated by the Standing Committee of the National People's Congress on November 1, 1997, and became effective on March 1, 1998), and which was subsequently amended on April 22, 2011 (with the amendments became effective on July 1, 2011), construction enterprises must maintain accident and casualty insurance for workers engaged in dangerous operations. In the "Opinions of the Ministry of Construction on Strengthening the Insurance of Accidental Injury in the Construction Work" (關於加強建築意外傷害保險工作的指導意見) promulgated by the Ministry of Construction on May 23, 2003, the Ministry of Construction further emphasized the importance of insurance to cover accidental injury in construction work and put forward detailed guidance. The "Guidance on the Insurance of Accidental Injury in the Construction Work of Guangdong Province" (廣東省建築意外傷害保險工作導則) enacted by the construction department of Guangdong Province on September 8, 2004 prescribes the scope, object, term, coverage, amount and premium of insurance for accidental injury. It further emphasizes that the persons who have already been insured for work-related injury insurances still need accidental injury insurance when he or she takes part in the on-site construction work. According to the common practice of the property industry in Guangdong, except for the accidental injury insurance, construction companies are usually required to submit insurance proposals in the course of tendering and bidding for construction projects.

Construction companies are required to pay for the insurance premium at their own costs and take out various types of insurance to cover their liabilities, such as property risks, third party's liability risk, performance guarantee in the course of construction and all-risks associated with the construction and installation work throughout the construction period. The requirements for insurance for all the aforementioned risks shall cease immediately after the completion and acceptance upon inspection of construction.

H. Major taxes applicable to property developers

(a) Income tax

According to the "PRC Enterprise Income Tax Law" (中華人民共和國企業所得稅法) which was promulgated by the National People's Congress on March 16, 2007 and became effective on January 1, 2008, a uniform income tax rate of 25% is applied towards foreign-invested enterprises and foreign enterprises which have set up production and operation facilities in the PRC as well as PRC enterprises.

Furthermore, the PRC Enterprise Income Tax Law and its implementation provide that an income tax rate of 10% is generally be applicable to dividends payable to non-PRC enterprise investors which are derived from sources within the PRC, unless there exists a tax treaty between the PRC and the relevant jurisdictions in which such non-PRC enterprise shareholders reside whereupon the relevant tax may be reduced or exempted.

(b) Business tax

Pursuant to the "Interim Regulations of the People's Republic of China on Business Tax" which was promulgated by the State Council on December 13, 1993 and became effective on January 1, 1994 as amended on November 10, 2008 and its "Detailed Implementation Rules on the Provisional Regulations of The People's Republic of China on Business Tax" issued by the Ministry of Finance on December 25, 1993, the tax rate on transfer of immovable properties, their superstructures and attachments is 5%.

(c) Land appreciation tax

According to the requirements of the "Provisional Regulations of The People's Republic of China on Land Appreciation Tax" (the "Land Appreciation Provisional Regulations") (中華人民共和國土地增值税暫行條例) which was promulgated on December 13, 1993 and became effective on January 1, 1994, and the "Detailed Implementation Rules on the Provisional Regulations of The People's Republic of China on Land Appreciation Tax" (the "Land Appreciation Detailed Implementation Rules") (中華人民共和國土地增值税暫行條例實施細則) which was promulgated and became effective on January 27, 1995, any appreciation gained from taxpayer's transfer of property is subject to LAT. LAT is set at four different rates: 30% on appreciation not exceeding 50% of the sum of deductible items; 40% on appreciation exceeding 50% but not exceeding 100% of the sum of deductible items; 50% on appreciation exceeding 100% but not exceeding 200% of the sum of deductible items; and 60% on appreciation exceeding 200% of the sum of deductible items. The deductible items include the following:

- amount paid for obtaining the land use rights;
- costs and expenses for development of land;
- costs and expenses of new buildings and ancillary facilities, or estimated prices of old buildings and constructions;
- related tax payable for transfer of property; and
- other deductible items as specified by MOF.

According to the requirements of the Land Appreciation Provisional Regulations, the Land Appreciation Detailed Implementation Rules and the Notice issued by the MOF in respect of the "Levy and Exemption of Land Appreciation Tax for Development and Transfer Contracts Signed before January 1, 1994" (關於對1994年1月1日前簽訂開發及轉讓合同的房地產徵免土地增值税的通知) which was announced by the MOF and State Administration of Taxation on January 27, 1995, LAT is exempted under any one of the following circumstances:

- For ordinary standard residential properties (i.e. residential properties built in accordance with the local standard for general civilian residential properties and not deluxe apartments, villas, resorts etc.) where the appreciation amount does not exceed 20% of the sum of deductible items;
- Where property taken over and repossessed according to laws due to the construction requirements of the State;
- Individuals who relocate as a result of redeployment of work or improvement of living standards transfer their self-used residential property where they have been living for 5 years or more, and after obtaining tax authorities' approval;
- For property transfer contracts which were signed before January 1, 1994, whenever the properties are transferred;
- If the property assignment contracts were signed before January 1, 1994 or the project proposal has been approved and that capital was injected for development in accordance with the conditions agreed, LAT shall be exempted if the properties are transferred for the first time within five years after January 1, 1994. The date of signing the contract shall be the date of signing the sale and purchase agreement. For particular property

projects approved by the Government for the development of the entire piece of land and long-term development, if the properties are transferred for the first time after the five-year tax-free period, after auditing being conducted by the local financial and tax authorities, and approved by the MOF and the State Administration of Taxation, the tax-free period would be appropriately prolonged.

After the issuance of the Land Appreciation Provisional Regulations and the Land Appreciation Detailed Implementation Rules, due to the relatively long period required for property development and transfer, many districts, while they were implementing the regulations and rules, did not mandatorily require the real estate enterprises to declare and pay LAT. Therefore, in order to assist the local tax authorities in the collection of LAT, the MOF, State Administration of Taxation, the Ministry of Construction and the Ministry of Land and Resource had separately and jointly issued several notices to restate the following: After the assignment contracts are signed, taxpayers should declare the tax to the local tax authorities where the property is located, and pay LAT in accordance in the amount calculated by the tax authority and within the specified time limit. For those who fail to acquire proof of tax payment or tax exemption from the tax authorities, the property administration authority shall not process the relevant title change procedures, and shall not issue the property title certificate.

The State Administration of Taxation also issued the "Notice issued by State Administration of Taxation in respect of the Serious Handling of Administration Work in relation to the Collection of Land Appreciation Tax" (關於認真做好土地增值稅徵收管理工作的通知) on July 10, 2002 to request local tax authorities to modify the management system of LAT collection and operation procedures, to build up a proper tax return system for LAT, and to improve the methods of pre-levying for the pre-sale of property. That notice also pointed out the preferential policy of LAT exemption for the first time transfer of properties under property development contracts signed before January 1, 1994 or a project proposal that has been approved and for which capital was injected for development has expired, and that such tax shall be levied again.

The State Administration of Taxation issued the "Notice of State Administration of Taxation in respect of the Strengthening of Administration Work in relation to the Collection of Land Appreciation Tax" (關於加強土地增值稅管理工作的通知) on August 2, 2004 and the "Notice of State Administration of Taxation in respect of the Further Strengthening of Administration Work in relation to the Collection of Land Appreciation Tax and Land Use Tax in Cities and Towns" (關於進一步加強城鎮土地使用稅和土地增值稅徵收管理工作的通知) on August 5, 2004. The aforesaid notices point out that the administration work in relation to the collection of LAT should be further strengthened. The preferential policy of LAT exemption for the first time transfer of properties under property development contracts signed before January 1, 1994 has expired and such tax shall be levied again. Where such taxes were still not levied, the situation should be corrected immediately. Also, the notice required that the system of tax declaration and tax sources registration in relation to LAT should be further improved and perfected.

On March 2, 2006, the MOF and State Administration of Taxation issued the "Notice of Certain Issues Regarding Land Appreciation Tax." (關於土地增值稅若干問題的通知) The notice clarifies the relevant issues regarding LAT as follows:

(a) Tax Collection and Exemption in the Sale of Ordinary Standard Residential Properties

The notice sets out the recognized standards for ordinary standard residential properties. Where any developers build ordinary standard residential properties or commercial properties, the value of land appreciation shall be assessed individually. No retroactive adjustment will be made in respect of ordinary standard residential properties for which application for tax exemption has been filed before the notice is issued and for which LAT exemption has been granted by the tax authority on the basis of the standards of ordinary residential properties originally set down by the people's government of the province, autonomous region or municipality directly under the Central Government.

(b) Advance Collection and Settlement of LAT

- All regions shall further improve the measures for the advance collection of LAT, and decide the advance collection rate in a scientific and reasonable manner, and adjust it at a proper time according to the level of value appreciation in the property industry and market conditions within the region and on the basis of the specific property categories, namely, ordinary standard residential properties, non-ordinary standard residential properties and commercial properties. After a project is completed, the relevant settlement shall be handled in a timely manner, with any overpayment refunded or any underpayment being made up.

- If any tax pre-payment is not paid within the advance collection period, overdue fines will apply as of the day following the expiration of the prescribed advance collection period.

- As to any property project that has been completed and gone through the acceptance, where the floor area of the property as transferred makes up 85% or more in the saleable floor area, the tax authority may require the relevant taxpayer to conduct the settlement of LAT on the transferred property according to the matching principles regarding the proportion between the income generated from the transfer of property and the deductible items. The specific method of settlement shall be prescribed by the local tax authority.

On December 28, 2006, the State Administration of Taxation issued the "Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises" (關於房地產開發企業土地增值稅清算管理有關問題的通知) which came into effect on February 1, 2007. The notice sets out further provisions concerning, among other things, the settlement of LAT by property developers by clarifying issues on responsibility for the settlement of LAT, requirements, materials to be submitted, auditing and verification, recognition of revenue of indirect sale and self-use properties, deductible items and the handling of transfer after tax is imposed and settled. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation.

Pursuant to the notice, a property developer shall settle and clear the LAT payment of its development projects that meet certain criteria with the tax authorities in accordance with the applicable LAT tax rates. The LAT is required to be settled for projects approved by the competent authorities; and for projects developed in different stages, the LAT is required to be settled in stages. LAT must be settled if (1) the property development project has been completed and fully sold; (2) the property developer transfers the whole incompleted development project; or (3) the land-use rights with respect to the project is transferred. In addition, the relevant tax authorities may require the developer to settle the LAT if either of the following criteria is met: (1) for completed property development projects, the transferred GFA represents more than 85% of total salable GFA, or the proportion represented is less than 85%, but the remaining salable GFA has been leased out or used by the developer; (2) the project has not been sold out for more than three years after obtaining the sale or pre-sale permit; (3) the developer applies for cancellation of the tax registration without having settled the relevant LAT; or (4) other conditions stipulated by the tax authorities.

The notice also indicates that if a property developer satisfies any of the following circumstances, the tax authorities will levy and collect LAT as per the levying rate no lower than the pre-payment rate with reference to the bearing rate of LAT of local enterprises with a similar development scale and income level: (i) failure to maintain an account book as required by law or administrative regulation; (ii) destroying the account book without authorization or refusing to provide taxation information; (iii) the accounts are disorganized or illegible, or cost materials, income vouchers and cost vouchers are damaged and incomplete, making it difficult to determine transferred income or amount of deductible items; (iv) failure to go through LAT settlement within the prescribed period without being remedied within the period required by the relevant tax authorities; (v) the basis for tax calculation as submitted is obviously low without justifiable cause. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation.

To further strengthen LAT collection, in May 2009, the State Administration of Taxation released the "Rules on the Administration of the Settlement of Land Appreciation Tax" (土地增值税清算管理規程), which became effective on June 1, 2009. The rules reiterated the circumstances under which the LAT must be settled, the criteria that are to be met for relevant tax authorities to require the settlement of LAT and the circumstances under which the tax authorities shall levy and collect LAT as prescribed by the aforesaid notice issued on December 28, 2006. The rules further stipulate detailed procedures for the examination and verification of settlement of LAT to be carried out by relevant tax authorities.

On May 19, 2010, the SAT issued the "Circular on Issuers Concerning Settlement of Land Appreciation Tax" (關於土地增值税清算有關問題的通知) to strengthen the settlement of LAT. The circular clarifies certain issues with respect to calculation and settlement of the land appreciation tax, such as (i) the recognition of the revenue upon the settlement of LAT, and (ii) the deduction of fees incurred in connection with the property development.

On May 25, 2010, the SAT issued the "Notice on Strengthening the Collection Land Appreciation Tax" (關於加強土地增值税征管工作的通知), which requires the minimum LAT prepayment rate be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region. According to the notice, the local tax bureaus shall determine the applicable LAT prepayment rates based on the types of the properties.

(d) Deed tax

Pursuant to the "Interim Regulations of the People's Republic of China on Deed Tax" (中華人民共和國契税暫行條例) which were promulgated by the State Council on July 7, 1997 and became effective on October 1, 1997, the transferee, whether an entity or individual, of the title to a land site or building in the PRC shall have to pay deed tax. The rate of deed tax is 3%–5%. Provincial, regional or municipal governments directly under the central government may, within the aforesaid range, determine and report their effective tax rates to the MOF and the State Administration of Taxation for the record.

In October 2008, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Adjustments to Taxation on Real Property Transactions" (關於調整房地產交易環節税收政策的通知), pursuant to which, from November 1, 2008, the rate of deed tax has been reduced to 1% for a first-time home buyer of an ordinary residence with a unit floor area less than 90 square meters. Individuals who sell or purchase residential properties are temporarily exempted from stamp duty and who sell residential properties are temporarily exempted from land value-added tax. However the aforesaid preferential policy regarding deed tax has been replaced by the "Notice on Adjustment of Preferential Policies Regarding Deed Tax and Individual Income Tax Incurred in Transfer of Real Property" (關於調整房地產交易環節契稅個人所得稅優惠政策的通知) jointly promulgated by Ministry of Finance, the State Administration of Taxation and MOHURD on September 29, 2010. Pursuant to the 2010 notice, where an individual purchases an ordinary house which is the only house for the family (including the purchaser, the spouse and minor children), deed tax is reduced by half and where an individual purchases an ordinary house with an GFA of 90 square meters or below which is the only house for the family, deed tax is levied at a rate of 1%.

(e) Urban land use tax

Pursuant to the "Provisional Regulations of the People's Republic of China Governing Land Use Tax in Cities and Towns" (中華人民共和國城鎮土地使用稅暫行條例) enacted by the State Council on September 27, 1988 and revised on December 31, 2006, the land use tax in respect of urban land is levied according to the area of the relevant land. The annual tax as of January 1, 2007 shall be between RMB0.6 and RMB30.0 per square meter of urban land, calculated according to the tax rate determined by local tax authorities.

(f) Property tax

Under the "Interim Regulations of the People's Republic of China on Property Tax" (中華人民共和國房產稅暫行條例) which were promulgated by the State Council on September 15, 1986 and became effective on October 1, 1986, property tax is 1.2% if it is calculated on the basis of the residual value of a building, and 12% if it is calculated on the basis of the rental.

On January 27, 2011, the government of Chongqing Municipality issued the "Interim Measures Concerning Pilot Property Tax Scheme on Certain Personal Residential Properties" (關於進行對部分個人住房徵收房產稅改革試點的暫行辦法) and the "Implementation Rules for Collecting Administration Regarding Property Tax on Personal Residential Properties" (重慶市個人住房房產稅徵收管理實施細則), each became effective on January 28, 2011. The Chongqing government will execute the pilot scheme to impose property tax on personal residential properties within the nine major districts of Chongqing Municipality in stages from January 28, 2011. The first batch of personal properties subject to property tax include (i) stand-alone residential properties (such as villas) owned by individuals, (ii) high-end residential properties purchased by individuals on or after January 28, 2011, the purchase prices per square meter of which are two or more times of the average price of new residential properties developed within the nine major districts of Chongqing in the last two years, and (iii) the second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals in Chongqing who are not employed in and do not own an enterprise in Chongqing. Stand-alone residential properties (such as villas) and high-end residential properties that are priced less than three times, three to four times or more than four times of the average price per square meter of new residential properties developed within the nine major districts in the last two years will be subject to property tax at 0.5%, 1% or 1.2%, respectively, of the property's purchase price. The second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals who are not employed in and do not own an enterprise in Chongqing will be subject to property tax at 0.5% of the property's purchase price. The following area will be deductible from the tax base: (i) 180 sq.m. for stand-alone residential properties (such as villas) purchased before January 28, 2011, and (ii) 100 sq.m. for stand-alone residential properties (such as villas) and high-end residential properties purchased on or after January 28, 2011. The deductible area will apply to only one taxable residential property for one family, but not to any non-resident individual who is not employed in and does not own an enterprise in Chongqing.

On January 27, 2011, the government of Shanghai Municipality issued the "Interim Measures on Pilot Property Tax Scheme on Certain Personal Residential Properties in Shanghai" (上海市開展對部分個人住房徵收房產稅試點的暫行辦法), which provides that, within the territory of the administrative regions of the Shanghai Municipality, property tax will be imposed on any purchase of a second (or further) residential property by local residents or any purchase of a residential property by non-local residents on or after January 28, 2011, at rates ranging from 0.4% to 0.6% based on 70% of the purchase price of the property. These measures became effective on January 28, 2011.

(g) Stamp duty

Under the "Interim Regulations of the People's Republic of China on Stamp Duty" (中華人民共和國印花稅暫行條例)enacted by the State Council on August 6, 1988 and enforced on October 1, 1988, for property rights transfer instruments, including those in respect of property ownership transfer, the rate of stamp duty is 0.05% of the amount stated therein; for permits and certificates relating to rights, including property title certificates and land use rights certificates, stamp duty is levied at RMB5 per item.

(h) Municipal maintenance tax

Under the "Interim Regulations of the People's Republic of China on Municipal Maintenance Tax" (中華人民共和國城市維護建設稅暫行條例) enacted by the State Council on February 8, 1985, any taxpayer, whether an entity or individual, of product tax, value-added tax or business tax is required to pay municipal maintenance tax. The tax rate shall be 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county or a town, and 1% for a taxpayer whose domicile is not in any urban area or county or town.

In October 2010, the State Council issued the "Notice on Unification of the Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and Individuals" (關於統一內外資企業和個人城市 維護建設稅和教育費附加制度的通知), pursuant to which, from December 1, 2010, municipal maintenance tax is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals. Pursuant to the "Notice on Relevant Issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-Invested Enterprises" (關於對外資企業徵收城市維護建設稅和教育費附加有關問題的 通知) promulgated by the Ministry of Finance and the State Administration of Taxation in November 2010, foreign-invested enterprises must pay municipal maintenance tax on any value added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises are exempted from municipal maintenance tax on any value-added tax, consumption tax and business tax incurrent before December 1, 2010.

(i) Education surcharge

Under the "Interim Provisions on Imposition of Education Surcharge" (徵收教育費附加的暫行規定) enacted by the State Council on April 28, 1986 and revised on June 7, 1990 and August 20, 2005, a taxpayer, whether an entity or individual, of product tax, value-added tax or business tax is required to pay an education surcharge, unless such taxpayer is instead required to pay a rural area education surcharge as provided by the "Notice of the State Council on Raising Funds for Schools in Rural Areas." (國務院關於籌措農村學校辦學經費的通知) Under the "Supplementary Notice Concerning Imposition of Education Surcharge" (國務院關於教育費附加徵收問題的補充通知) issued by the State Council on October 12, 1994, the Circular Concerning Temporary Exemption from Municipal Maintenance Tax and Education Surcharge For Enterprises with Foreign Investment and Foreign Enterprises and the Approval on Exemption of Municipal Maintenance Tax and Education Surcharge in Foreign Invested Freightage Enterprises, whether foreign-invested enterprises are subject to the education surcharge will be determined in accordance with notices issued by the State Council; and such tax is not applicable to enterprises with foreign investment for the time being, until further explicit stipulations are issued by the State Council.

Pursuant to the aforesaid Unification of Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and individuals (關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知), from December 1, 2010, an education surcharge is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals.

Pursuant to the aforesaid Notice on Relevant issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-invested Enterprises (關於對外資企業徵收城市維護建設稅和教育費附加有關問題的通知), foreign-invested enterprises must pay an education surcharge on any value-added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises are exempted from paying an education surcharge on any value-added tax, consumption tax and business tax incurred before December 1, 2010.

I. Measures on adjusting the structure of housing supply and stabilizing housing price

The General Office of the State Council enacted the "Circular on Stabilizing Housing Price" (關於切實穩定住房價格的通知) on March 26, 2005, requiring measures to be taken to restrain the housing price from increasing too fast and to promote the healthy development of the property market.

On May 9, 2005, the General Office of the State Council revised the Opinion of the Ministry of Construction and other Departments on Doing a Good Job of Stabilizing House Prices, which provides the following:

(a) Intensifying the planning and control and improving the supply structure of houses

Where the housing price is growing excessively and where the supply of ordinary commodity houses in the medium or low price range, and economical houses is insufficient, construction of residential properties should mainly involve projects of ordinary commodity houses in the medium or low price range and economical houses. The construction of low-density, upmarket houses shall be strictly controlled. With respect to construction projects of medium- or low-price ordinary commodity houses, before any grant of land, the municipal planning authority shall, according to the level of control required, set out conditions for planning and design such as height of buildings, plot ratio and green space. The property authority shall, in collaboration with other relevant authorities, set forth such controlling requirements as sale price, type and apartment sizes. Such conditions and requirements will be set out as preconditions of land assignment to ensure an effective supply of small or medium-sized houses at moderate and low prices. The local government must intensify the supervision of planning permit for property development projects. Housing projects that have not commenced within two years must be examined again, and those that turn out to be not in compliance with the planning permits will be revoked.

(b) Intensifying the control over the supply of land and rigorously enforcing the administration of land

Where the price of land for residential use and residential properties grows too rapidly, the proportion of land for residential use to the total land supply should be appropriately raised, and the land supply for the construction of ordinary commodity houses in the medium- or low-price range and economical house should be increased. Land supply for villa construction continues to be suspended, and land supply for high-end housing property construction is strictly restricted.

(c) Adjusting the policies of business tax on residential property house transfer and strictly regulating the collection and administration of tax

From June 1, 2005, the business tax on transfer of a residential property by an individual within two years of the purchase is levied on the basis of the full amount of the sale proceeds. Transfer of an ordinary residential property by an individual who sells two years or more after the purchase is exempted for business tax. For transfer of a house other than ordinary residential property by an individual two years or more after the purchase, the business tax is levied on the basis of the balance between the proceeds from selling the property and the purchase price.

(d) Rectifying and regulating for an orderly market

The buyer of a pre-completion commodity property is prohibited from conducting any transfer of the pre-sale commodity property that he has bought that is still under construction. A real name system for property purchase should be applied, and an immediate archival filing network system for advance sales contracts of commodity properties should be carried out.

On May 24, 2006, the State Council forwarded the "Opinion on Adjusting the Housing Supply Structure and Stabilizing Property Prices" (關於調整住房供應結構穩定住房價格的意見) (the "Opinion") of the Ministry of Construction and other relevant government authorities. The opinion provides the following:

(1) Adjusting the Housing Supply Structure

- Developers must focus on providing small- to medium-sized ordinary commodity properties at low- to mid-level prices to cater to the demands of local residents.

- As of June 1, 2006, newly approved and newly commenced building construction projects must have at least 70% of the total construction work area designated for small apartments with floor areas of 90 sq.m. or below (including economically affordable apartments). If municipalities directly under the central government, cities listed on state plans (計劃單列市) or provincial capital cities (省會城市) have special reasons to adjust such prescribed ratio, they must obtain special approval from the Ministry of Construction. Construction projects that have been approved but have not yet obtained a construction permit must follow the prescribed ratio.

(2) Further adjustments by tax, loan and land policies

- From June 1, 2006, business tax is levied on the full amount of the sale proceeds on conveyance of residential properties within a period of five years from the date of purchase. If an individual sells his ordinary standard apartment after five or more years from the date of purchase, business tax will normally be exempted. If an individual sells his non-ordinary apartment after five or more years from the date of purchase, business tax will be levied on the balance between the selling price and the purchase price.

- Commercial banks are not allowed to advance loan facilities to property developers which do not have the required 35% minimum of the total capital for the construction projects. Commercial banks should be prudent in granting loan facilities and/or revolving credit facilities in any form to the property developers who have a large number of idle lands and unsold commodity apartments. Banks shall not accept mortgages of commodity apartments remaining unsold for three years or more.

- According to regulations issued by CBRC, purchasers of homes equal to or smaller than 90 sq.m. are required to pay a minimum of 20% of the purchase price as down payment. If the purchased home is larger than 90 sq.m., a minimum of 30% of the purchase price as down payment is required, pursuant to a regulation from June 1, 2006. Furthermore, on September 27, 2007 PBOC and CBRC increased the minimum down payment for purchasers of second homes from 30% to 40% of the purchase price regardless of the size of the second home, if the purchaser obtained his or her first home through a mortgage. Moreover, the mortgage loan rates for subsequent mortgages are required to be not less than 1.1 times the corresponding PBOC benchmark lending rates. Monthly mortgage payments are limited to 50% of an individual borrower's monthly income.

- At least 70% of the total land supply for residential property development must be used for developing small-to-medium-sized low-cost public housing. Based on the restrictions of residential property size ratio and residential property price, land supply will be granted by way of auction to the property developer who offers the highest bid. Land supply for villa construction will continue to be suspended, and land supply for low-density and large-area housing property construction will be restricted.

- The relevant authorities will levy a higher surcharge against those property developers who have not commenced the construction work for longer than one year from the commencement date stipulated in the construction contract and will order them to set a date for commencing the construction work and a date of completion. The relevant authorities will confiscate without compensation the land from those property developers who have not commenced the construction work beyond two years from the commencement date stipulated in the construction contract without proper reasons. The relevant authorities will dispose of the idle land of those property developers who have suspended construction work for one year without an approval, who have invested less than one-fourth of the total proposed investment and who have developed less than one-third of the total proposed construction area.

(3) Reasonably Monitoring the Scope and Progress of Demolition of Urban Housing

- The management and reasonable control of the scope and progress of the demolition of urban housing should be strengthened to halt "excessive property growth triggered by passive means" (被動性住房需求的過快增長).

(4) Further Rectifying and Regulating the Order of the Property Market

- In order to ensure that the prescribed ratio regarding types and sizes is followed, the relevant authorities will need to re-examine the approval of those construction projects which have been granted planning permits but have not been commenced. The relevant authorities will ensure that no planning permit (規劃許可證), construction permit (施工許可證) or permit for pre-sale of commodity properties (商品房預售許可證) are issued to those construction projects which do not satisfy the regulatory requirements, in particular, the prescribed ratio requirement. If the property developers, without an approval, alter the architectural design, the construction items, and exceed the prescribed ratio, the relevant authorities have the power to dispose of the land and to confiscate the land in accordance with the law.

- The property administration authority and the administration of industry and commerce will investigate illegal dealings such as contract fraud cases in accordance with the law. The illegal conduct of pre-completion sale of commodity apartments without satisfying all the conditions is prohibited and an administrative penalty will be imposed on offenders in accordance with the law. For property developers which deliberately manipulate the supply of commodity housing, the relevant authorities will impose substantial administrative penalties, including revoking the business licenses of serious offenders and pursuing personal liability for individuals concerned.

(5) Gradually relieving the housing demands for low-income families

- To expedite the establishment of low-cost public housing supply systems in various cities and counties; to monitor and regulate the construction of economically affordable apartments; to aggressively develop the second-hand property market and property rental market.

(6) Improving information disclosure system and system for collecting property statistics

On July 6, 2006, the Ministry of Construction promulgated a supplemental Opinion on Carrying Out the Residential Property Size Ratio in Newly-Built Residential Buildings (Jianzhufang 2006 No. 165) (關於落實新建住房結構比例要求的若干意見) ("the Supplemental Opinion"). The Supplemental Opinion provides the following:

- As of June 1, 2006, of the newly approved and newly commenced construction projects in different cities, including town and counties, at least 70% of the total construction area must be used for building small apartments with unit floor area of 90 sq.m. or below (including economically affordable apartments). The relevant authorities in different localities must strictly follow the prescribed ratio requirement in their respective locality.

- The relevant authorities must ensure the conditions of newly built commodity apartments including the planning and the design, and must ensure that the property size ratio is adhered to. If a property developer has not followed the ratio requirement without providing proper reasons, the town planning authorities will not issue a planning permit. If the property developer has not followed the requirements of the planning permit, the relevant authority reviewing the planning documents will not issue a certification, the construction authority will not issue a construction permit, and the property authority will not issue a permit for pre-completion sale of the commodity apartments.

In the case of construction projects that were granted approval before June 1, 2006 but that were not granted a construction work permit by that date, the relevant local governments in different localities should ascertain the details of the projects and ensure that the prescribed residential property size ratio requirement is complied with.

On September 27, 2007, PBOC and CBRC further tightened mortgage lending by PRC banks, by increasing the amount of down payment a property purchase must make before seeking mortgage financing. See "—Legal supervision relating to property sector in the PRC—Property financing."

(e) Implementing restrictions on the payment terms for land use rights

On October 10, 2007, the Ministry of Land and Resources issued a regulation, which reiterated that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate or commence development on the land, effective on November 1, 2007.

Pursuant to the notice on Enlarging the Floating Range of the Downward Movement of Interest Rates for Individual Mortgage Loans, the PRC government lowered the minimum interest rate for individual mortgage loans to 70% of the corresponding PBOC benchmark bank lending rates. Further, the minimum down payment of residential properties was lowered to 20%. On October 22, 2008, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Adjustments to Taxation on Real Property Transactions," (關於調整房地產交易 環節稅收政策的通知) pursuant to which, from November 1, 2008, the rate of deed tax has been reduced to 1% for a first time home buyer of an ordinary residence with a unit floor area less than 90 sq.m., individuals who are to sell or purchase residential properties are temporarily exempted from stamp duty and individuals who are to sell residential properties are temporarily exempted from land value-added tax.

On December 20, 2008, the General Office of the State Council issued the "Several Opinions on Facilitating the Healthy Development of the Real Estate Market," (關於促進房地產市場健康發展的若干意見) which aims to, among other things, encourage the consumption of ordinary residential units and support property developers in changing market conditions. Pursuant to the opinion, in order to encourage the consumption of ordinary residential units, from January 1, 2009 to December 31, 2009, (i) business tax is imposed on the full amount of the sale price, upon the transfer of a non-ordinary residential unit by an individual within two years from the purchase date; (ii) for the transfer of a non-ordinary residential unit which has been held by the purchaser for more than two years from the purchase date and a ordinary residential unit which has been held by the purchaser for two years or less from the purchase date, the business tax is to be levied on the difference between the sale price and the purchase price; (iii) and in the case of an ordinary residential unit, business tax is fully exempted if that transfer occurs after two years from the purchase date. Furthermore, individuals with an existing ordinary residential unit that is smaller than the average size for their locality may buy a second ordinary residential unit under favorable loan terms similar to first time buyers. In addition, support for property developers to deal with the changing market is to be provided by increasing credit financing services to ''low-to medium-level price'' or ''small- to medium-sized'' ordinary commercial housing projects, particularly those under construction, and providing financial support and other related services to property developers with good credit standing for merger and acquisition activities.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), under which the transfer of all residential properties purchased and held by individuals for less than five years shall be subject to business tax based on total sale price from such transfer.

On January 27, 2011, the Ministry of Finance and the State Administration of Taxation jointly issued a new "Notice on Adjusting the Policy of Business Tax on Re-sale of Personal Residential Properties" (關於調整個人住房轉讓營業稅政策的通知), under which business tax is imposed on (i) the full amount of the transfer price upon the transfer of any residential property by an individual owner within five years from such individual owner's purchase and (ii) the difference between the transfer price and the original purchase price upon the transfer of any non-ordinary residential property by an individual owner more than five years from such individual owner's purchase. Business tax is exempted for ordinary residential properties if the transfer occurs after five years from the individual owner's purchase. This notice became effective on January 28, 2011.

Legal supervision relating to hotel sector in the PRC

A. Foreign invested hotel project

According to the Guidance Catalog, construction and operation of high-end hotels falls within the category of "Restricted Foreign Investment Industry." Construction and operation of common and economic hotels other than high-end hotels fall within the category of "permitted foreign investment industry." A foreign-invested enterprise investing in the hotel business can set up an enterprise in the form of sino-foreign equity joint venture, sino-foreign co-operative joint venture or wholly foreign-owned enterprise according to the Guidance Catalog and the requirements of the relevant laws and the administrative regulations on foreign-invested enterprises. A foreign-invested enterprise in the hotel business is required to apply for an approval with the relevant department of commerce, and obtain an approval certification for a foreign-invested enterprise before registering with the administration of industry and commerce.

B. Hotel management

The procedures involved in hotel construction in China including obtaining approval for land use, project planning and project construction shall also be subject to the aforementioned regulations relating to property project development. There is currently no special authority in China responsible for the daily management of hotel business. The supervision of daily management of hotel business belongs to different authorities in accordance with the respective business scopes of different hotels. The supervision mainly includes the following:

(a) Legal supervision on security and fire control

Pursuant to the "Measures for the Control of Security in the Hotel Industry" (旅館業治安管理辦法) issued by the Ministry of Public Security of the People's Republic of China and enforced on November 10, 1987, a hotel can operate only after obtaining an approval from the local public security bureau and a business license has been granted. The hotel enterprise should make a filing with the local public security bureau and its branches in the county or city, if hotel enterprise has any change including closing, transferring or merging of business, changing place of business and name, etc. Pursuant to the "Provisions on the Administration of Fire Control Safety of State Organs, Organizations, Enterprises and Institutions" (機關、團體、企業、事業單位消防安全管理規定) which were promulgated by the Ministry of Public Security on November 14, 2001 and became effective on May 1, 2002, hotels (or motels) are units which require special supervision on fire control and safety. When a hotel is under construction, renovation or re-construction, a fire control examination procedure is required and when the construction, renovation or re-construction project is completed, a hotel can only open for business after passing a fire control inspection.

(b) Supervision on public health

According to relevant regulations and rules in relation to public health, hotels fall in the scope of public health supervision. The operating enterprise should acquire the sanitation license. The measures for granting and managing the sanitation license are formulated by public health authority of province, autonomous region, and municipality directly under the central government. The sanitation license is signed by the relevant public health administration and the public health and epidemic prevention institutions grant the license. The sanitation license should be reviewed once every two years.

(c) Supervision on food hygiene

According to the relevant regulations and rules in relation to food hygiene supervision, hotels operating catering services should obtain food hygiene licenses. Food hygiene licenses are granted by food hygiene administrative bodies above county level. The purchase, reserve and processing of food, tableware, and service should meet relevant requirements and standards of food hygiene.

(d) Supervision on entertainment

According to the "Regulation on the Administration of Entertainment Venues" (娛樂場所管理條例) enacted by the State Council on January 29, 2006 and enforced on March 1, 2006, hotels that operate singing, dancing and game places for profits are required to apply to the relevant local competent departments for culture administration for entertainment commercial operation approval. The relevant local competent departments for entertainment administration shall issue a license for entertainment business operations, which verifies the number of consumers acceptable to the entertainment venues according to the prescriptions set down by the competent department governing entertainment administrations under the State Council if it approves the relevant local application. According to the regulations concerning broadcast, movie and TV, hotels above three-star or the second rank of the national standards may apply to local broadcast and television administration of the county or above for setting ground equipment receiving satellite signal to receive entertainment programs from abroad. After finishing setting ground equipment and gaining the approval from broadcast and television administration from the relevant provincial, regional and municipal government and the approval from state security administration, the permit of receiving foreign television program from satellite is issued.

(e) Supervision on disposition of sewage and pollutants

According to Regulations of the Ministry of Construction on the "Conditions for the Fifteen Items of Administrative Licensing that are Included in the Decisions of the State Council"

(建設部關於納入國務院決定的十五項行政許可的條件的規定) which were promulgated by the Ministry of Construction on October 15, and became effective on December 1, 2004, hotels that have been using or planning to use the city sewage system for water drainage should apply to the local city construction authority for a city water-draining permit.

(f) Supervision on special equipment security

Equipments such as elevators (lifts or escalators), boilers and pressure containers, are special equipments. According to the "Regulations on Security Supervisal of Special Equipment" (特種設備安全監察條例) which were promulgated by the State Council on March 11, 2003 and became effective on June 1, 2003, as amended on January 24, 2009, hotels are required to register with the special equipment security supervision authority of municipal government or city which has set up districts, and are required to apply for inspection regularly with the special equipment examination institution a month before the expiration of security examination according to the requirement of regular examination by technical security standard.

(g) Supervision on sale of tobacco and alcohol

According to law and regulations in relation to sale of tobacco, hotels that sell tobacco should apply to the tobacco monopoly administration for a Tobacco Monopoly Retail License. According to the "Measures for the Administration on Foreign Investment in Commercial Fields" (外商投資商業領域管理辦法) which were promulgated by Ministry of Commerce on April 16, 2004 and became effective on June 1, 2004, a foreign-invested enterprise that operates wholesale and retail is not allowed to operate in tobacco business. According to the "Measures for the Administration of Alcohol Circulation" (酒類流通管理辦法) which were promulgated by Ministry of Commerce on November 7, 2005 and became effective on January 1, 2006, an enterprise that sells alcohol is required to handle the archival filing and registration in the administrative department of commerce at the same level as the administrative department for industry and commerce where the registration is handled. The licensing system shall apply in those regions where the licensing administration of alcohol circulation has been carried out according to law.

Legal supervision relating to property management sector in the PRC

A. Foreign-invested real estate management enterprises

According to the Guidance Catalog, property management falls within the category of permitted foreign-invested industries. According to the Guidance Catalog and the relevant requirements under the laws and the administrative regulations on foreign-invested enterprises, a foreign-invested real estate management enterprise can be set up in the form of a sino-foreign equity joint venture, a sino-foreign cooperative joint venture or a wholly foreign owned enterprise. Before the administration of Industry and Commerce registers a foreign-invested enterprise as a foreign invested real estate management enterprise, the foreign invested real estate management enterprise should obtain an approval from the relevant department of commerce and receive a "foreign-invested enterprise approval certificate."

B. Qualifications of a real estate management enterprise

According to the "Regulation on Real Estate Management" (物業管理條例) enacted by the State Council on June 8, 2003 and enforced on September 1, 2003, as amended on August 26, 2007 and effective on October 1, 2007, the state implements a qualification scheme system in monitoring the real estate management enterprises. According to the "Measures for Administration of Qualifications of Real Estate Service Enterprises" (物業服務企業資質管理辦法) which were promulgated by the Ministry of Construction on March 17, 2004 and became effective on May 1, 2004, as amended on November 26, 2007, a newly established real estate service enterprise is required to, within 30 days from the date of receiving its business license, apply to the relevant local bureau in charge of the property management under the local government or to the municipalities directly under the central government for a grading assessment. The departments of qualification examination and approval will check and issue a "real estate service qualification certificate" corresponding to their grading assessment results.

According to the Measures for the Administration on Qualifications of Real Estate Service Enterprises, real estate service enterprise shall be classified as either class one, class two or class three. The competent construction department of the State Council is responsible for the issuance and administration of the qualification certificate for class one real estate service enterprises. The competent construction departments of the relevant provincial and regional government is responsible for issuing and administrating the qualification certificate for class two real estate service enterprises, and the competent realty departments of the relevant municipal government is responsible for issuing and administrating the qualification certificate for class two and three real estate service enterprises. The competent realty departments of the people's governments of the cities divided into districts shall be responsible for the issuance and administration of the qualification certificate of the class three real estate service enterprises.

The real estate service enterprises with class one qualification may undertake various property service projects. The real estate service enterprises with class two qualification may undertake the property service business of residential management projects of less than 300,000 sq.m. and non-residential management projects of less than 80,000 sq.m. The real estate service enterprises with class three qualification may undertake the property service business of residential projects of less than 200,000 sq.m. and non-residential projects under 50,000 sq.m.

C. Employment of a real estate service enterprise

According to the Regulation on Real Estate Management, owners may engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. If, before the formal employment of a property management company by the owners or the general meeting, the property developer shall enter into a preparation stage property services contract in writing with the real estate management enterprise.

Legal supervision relating to construction sector in the PRC

A. Foreign-invested construction enterprise

According to the Guidance Catalog, construction business falls within the category of permitted foreign investment industries. According to the "Regulations on the Administration of Foreign-invested Construction Enterprise" (外商投資建築業企業管理辦法) which were jointly promulgated by the Ministry of Construction and the Ministry of Foreign Economic Cooperation (now changed to MOFCOM) on September 27, 2002 and became effective on December 1, 2002, a foreign investor that establishes foreign-invested construction enterprises in China that carry on construction operations is required to (a) obtain the approval certification of foreign-invested enterprise; (b) register with SAIC or local administration of industry and commerce; and (c) obtain a qualification certificate of construction enterprise from construction administration authorities.

B. The qualification of a construction enterprise

According to Construction Law of the People's Republic of China and the "Provisions on the Administration of Qualifications of Enterprises in Construction Industry" (建築業企業資質管理規定) which were promulgated by the Ministry of Construction on April 18, 2001 and became effective on July 1, 2001, the enterprises in the construction industry shall be classified into different qualification classes pursuant to, amongst other things, the amount of its registered capital, net asset value, professional personnel, technical equipments and performance records of completed construction works. A construction enterprise can engage in construction activities within its approved scope after obtaining the construction qualification certificate.

According to above-mentioned Provisions on the Administration of Qualifications of Enterprises in Construction Industry, the qualifications will be divided into three categories, namely, that for undertaking the whole of a construction project, that for undertaking a specialized contract and that for undertaking a labor service by subcontract. The categories of qualifications for undertaking the whole of a construction project, undertaking a specialized contract and undertaking a labor service by subcontract are divided into several qualification types according to the nature of the project and technical features. Each qualification type is further divided into several classes according to the prescribed conditions.

The department in charge of construction under the State Council is responsible for the approval of the qualification of special class or first class enterprises for undertaking the whole of a construction project, and the qualification of the first class enterprises for undertaking the specialized contract. The administrative department in charge of construction of the relevant provincial, regional or municipal government at the place where the concerned enterprise is registered is responsible for the approval of the qualification of the second class or below enterprises for undertaking the whole of a construction project or undertaking a specialized contract or the qualification of an enterprise of labor service by subcontract.

The department in charge of construction implements the system of annual inspection on qualification for enterprises in the construction industry. The administrative department in charge of construction under the State Council is responsible for the annual inspection on the qualification of special class or the first class enterprises for undertaking the whole of a construction project, and the qualification of the first class enterprises for undertaking specialized contract. The administrative department in charge of construction of the people's government of the relevant provincial, regional or municipal government at the place where the concerned enterprise is registered, is responsible for the annual inspection on the qualification of the second class or below enterprises for undertaking the whole of a construction project or undertaking a specialized contract or the qualification of an enterprise of labor service by subcontract. According to the "Measures of the Ministry of Construction for the Implementation of the Relevant Qualification Administration Provided in the Provisions on the Administration of Foreign Funded Construction Enterprises" enacted by the Ministry of Construction and enforced on April 8, 2003, where a foreign enterprise purchases a domestic-funded construction enterprise, and the enterprise is restructured into a foreign-funded construction enterprise, the qualification of that enterprise is reviewed anew according to the standard it actually meets.

According to the Provisions on the Administration of Qualifications of Enterprises in Construction Industry, an enterprise which undertakes a project without obtaining the qualification certificate for enterprises in the construction industry shall be banned, and be imposed a fine of 2% to 4% of the contractual price of the project. If it obtains any illegal proceeds, such proceeds shall be confiscated.

C. The business scope of qualifications for a wholly foreign owned construction enterprise

According to the Regulations on the Administration of Foreign-invested Construction Enterprise, a wholly foreign owned construction enterprise is allowed to contract, within its scope of qualifications, the following projects: (a) a project that is to be constructed totally with the investment of a foreign country or the donation of a foreign country or the investment and donation of a foreign country; (b) a project funded by an international financial institution or granted through international bidding according to terms of loan; (c) a joint construction project of which foreign investment holds 50% or more, and a sino-foreign joint construction enterprise in which foreign investment holds less than 50% but which cannot be independently implemented by any Chinese construction enterprise due to technical difficulties and has been approved by the administrative department of construction of the relevant provincial, regional or municipal government; and (d) a construction project using Chinese investment but that cannot be independently implemented by any Chinese construction enterprise due to technical difficulties and for which the administrative department of construction of the relevant provincial, regional or municipal government has approved being jointly contracted by Chinese and foreign construction enterprises.

Regulation on foreign exchange registration of offshore investment by PRC residents

Pursuant to the "SAFE's Notice on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Inbound Investment via Overseas Special Purpose Vehicles" (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知), or Circular No. 75 issued on October 21, 2005, and its implementation rules, ("Circular No.19"), issued on May 20, 2011, (i) a PRC resident, including a PRC resident natural person or a PRC company, shall register with the local branch of SAFE before it establishes or controls an overseas special purpose vehicle, or SPV, for the purpose of overseas equity financing (including convertible debt financing); (ii) when a PRC resident contributes the assets of or its equity interests in a domestic enterprise into a SPV, or engages in overseas financing after contributing assets or equity interests into a SPV, such PRC resident shall register his or her interest in the SPV and the change thereof with the local branch of SAFE; and (iii) when the SPV undergoes a material event outside the PRC, such as change in share capital or merger and acquisition, the PRC resident shall, within 30 days from the occurrence of such event, register such change with the local branch of SAFE. Under Circular No. 75, failure to comply with the registration procedures set forth above may result in penalties, including restrictions on the PRC subsidiary's foreign exchange activities and its ability to distribute dividends to the SPV.

As a result, under Circular No. 75, if the PRC resident or the SPV described above engages in an overseas offering or otherwise undergoes a material event outside the PRC, such PRC resident and SPV are required to register such change with the local branch of SAFE within 30 days from the occurrence of such offering or event.

Management

The following table sets forth certain information with respect to our directors and senior management as of the date of this offering memorandum.

Name	Age	Title
Mr. Yeung Kwok Keung	58	Chairman and Executive Director
Ms. Yang Huiyan	31	Vice Chairman and Executive Director
Mr. Mo Bin	45	President and Executive Director
Ms. Yang Ziying	25	Executive Director
Mr. Yang Erzhu	61	Executive Director
Mr. Su Rubo	58	Executive Director
Mr. Zhang Yaoyuan	67	Executive Director
Mr. Ou Xueming	63	Executive Director
Mr. Yang Zhicheng	39	Executive Director
Mr. Yang Yongchao	38	Executive Director
Mr. Lai Ming, Joseph	68	Independent Non-Executive Director
Mr. Shek Lai Him, Abraham	67	Independent Non-Executive Director
Mr. Tong Wui Tung, Ronald	62	Independent Non-Executive Director
Mr. Huang Hongyan	42	Independent Non-Executive Director
Ms. Huang Xiao	45	Independent Non-Executive Director
Ms. Ng Yi Kum, Estella	55	Chief Financial Officer
Mr. Huen Po Wah	64	Company Secretary
Mr. Song Jun	45	Vice-President
Mr. Xie Shutai	48	Vice-President
Mr. Su Baiyuan	47	Vice-President
Mr. Liang Guokun	54	Vice-President

Directors

Our Board currently consists of 15 directors, five of whom are independent non-executive directors. Mr. Mo Bin was appointed as the president and an executive director of our Company in July 2010. Mr. Yang Erzhu was appointed as an executive director in November 2006. Ms. Yang Ziying was appointed as an executive director of our company in May 2011. Mr. Huang Hongyan and Ms. Huang Xiao were appointed as independent non-executive directors of our company in December 2012. All the remaining directors were appointed in December 2006.

Executive directors

Yeung Kwok Keung (楊國強), aged 58, is the chairman, an executive director, chairman of the nomination committee and corporate governance committee and a member of the remuneration committee of our Company. Mr. Yeung is responsible for the formulation of development strategies, investment planning and overall project planning as well as ensuring the board functioned properly with good corporate practice and procedures. From 1992 to 1997, he was the general manager of Shunde Sanhe Property Development Co., Ltd. (順德市三和物業發展有限公司). From 1986 to 1997, Mr. Yeung served as the general manager and the chairman of Shunde Beijiao Construction Company Limited (順德市北滘建築工程有限公司) and also served as the general manager of the Group from 1997 to 2003. He had been the chairman of the Group from 2003 to 2005 and became the chairman of our Company after its formation in 2006. Mr. Yeung has over 35 years of experience in construction and over 21 years of experience in property development. Mr. Yeung was recognized as "China Charity Outstanding Contributions Person", "Top Ten Contributions to China Real Estate" in 2009 and "China Real Estate Entrepreneur Charity Award" and "Person of China Real Estate" in 2010, as well as "Individual under non-collectively own category for helping poverty in Guangdong". Mr. Yeung is currently a member of the Standing Committee of the People's Political Consultative Conference of Guangdong Province (廣東省政協常務委員). Mr. Yeung is the father of Ms. Yang Huiyan and Ms. Yang Ziying and the uncle of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Yang Huiyan (*楊惠妍*), aged 31, is the vice chairman, an executive director and a member of the corporate governance committee of our Company. Ms. Yang graduated from Ohio State University with a degree in marketing and logistic. She joined the Group in 2005 and served as the manager of the procurement department. She is primarily responsible for the formulation of development strategies. Ms. Yang is the daughter of Mr. Yeung Kwok Keung, the sister of Ms. Yang Ziying and a cousin of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Mo Bin (莫斌), aged 45, is the president, an executive director and a member of the remuneration committee and corporate governance committee of our Company. Mr. Mo graduated from Hengyang Institute of Technology (衡陽工學院) (currently known as University of South China (南華大學)) with an undergraduate degree in industrial and civil architecture, obtained his postgraduate degree from Zhongnan University of Economics and Law (中南財經政法大學) and is a professor-grade senior engineer. Mr. Mo is primarily responsible for the management of daily operation and general administration of our Group. Prior to joining our Group, Mr. Mo was employed by an internationally competitive construction and property group in the mainland, China Construction Fifth Engineering Division Corp., Ltd. (中國建築第五工程局有限公司) , in a number of senior positions since 1989, most recently as director and general manager. Mr. Mo has over 23 years of extensive experience in property development, construction business, construction management, marketing, cost control and corporate management.

Yang Ziying **(*楊子瑩*)**, aged 25, is an executive director of our Company. Ms. Yang graduated from Ohio State University with a degree in psychology. Ms. Yang joined our Group in 2008 as an assistant to Chairman. She is primarily responsible for overseeing finances of our Group, including offshore and onshore financing. Prior to joining our Group, Ms. Yang worked in a renowned global investment bank. Ms. Yang is the daughter of Mr. Yeung Kwok Keung, the sister of MS. Yang Huiyan, and a cousin of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Yang Erzhu (*楊貳珠*), aged 61, is an executive director of our Company. Mr. Yang graduated from the School of Economic Management of Jinan University. He is primarily responsible for auditing the outsourcing of construction and assisting our chairman in investment planning. From 1994 to 1997, Mr. Yang served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Yang served as a deputy general manager of Shunde Beijiao Construction Company Limited. From 1999 to 2009, he served as a director and deputy general manager of Foshan Shunde Finest Decoration & Design Enterprise and has served as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Foshan

Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Yang has over 35 years of experience in construction and approximately 19 years of experience in property development.

Su Rubo (*蘇汝波*), aged 58, is an executive director of our Company. Mr. Su graduated from the School of Economic Management of Jinan University. He is primarily responsible for construction management, supervision and coordination of some of our property development projects. From 1994 to 1997, Mr. Su served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Su served as deputy general manager of Shunde Beijiao Construction Company Limited and has been serving as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Foshan Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Su has over 35 years of experience in construction and approximately 19 years of experience in property development and approximately 16 years of experience in procurement of construction materials.

Zhang Yaoyuan (*張耀垣*), aged 67, is an executive director of our Company. He is primarily responsible for construction management, supervision and coordination of some of our property development projects. From 1994 to 1997, Mr. Zhang served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Zhang served as manager and deputy general manager of Shunde Beijiao Construction Company Limited and has been serving as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Foshan Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Zhang has over 45 years of experience in construction and approximately 19 years of experience in the management of property development.

Ou Xueming (*區學銘*), aged 63, is an executive director of our Company. He is primarily responsible for construction management, supervision and coordination of some of our property development projects. From 1994 to 1997, Mr. Ou served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Ou served as deputy general manager of Shunde Beijiao Construction Company Limited and has been serving as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Ou has over 35 years of experience in construction and approximately 19 years of experience in the operation and management of property development.

Yang Zhicheng (*楊志成*), aged 39, is an executive director of our Company and our regional president. He is primarily responsible for the overall development and management of some of our property development projects. Prior to joining our Group in 1997, Mr. Yang served as a project manager of Shunde Sanhe Property Development Co., Ltd., the general manager of Foshan Shunde Jun'an Country Garden Property Development Co., Ltd. and the project general manager of our Group. Mr. Yang has approximately 19 years of experience in project development. Mr. Yang is a nephew of Mr. Yeung Kwok Keung and a cousin of Ms. Yang Huiyan, Ms. Yang Ziying and Mr. Yang Yongchao.

Yang Yongchao (*楊永潮*), aged 38, is an executive director of our Company and the general manager of our sales center. He is primarily responsible for our overall sales management. He has been responsible for the management of the sales center of Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Yang has approximately 16 years of experience in property sales management, market research, project planning proposal, pricing, marketing, sales and customer resource management. Mr. Yang is a nephew of Mr. Yeung Kwok Keung and a cousin of Ms. Yang Huiyan, Ms. Yang Ziying and Mr. Yang Zhicheng.

Independent non-executive directors

Lai Ming, Joseph (*黎明*), aged 68, is an independent non-executive director, chairman of the audit committee and a member of the remuneration committee and nomination committee of our Company. Mr. Lai is a fellow member of Hong Kong Institute of Certified Public Accountants ("HKICPA"), CPA Australia and the Chartered Institute of Management Accountants ("CIMA") and the Hong Kong Institute of Directors. Mr. Lai was one of the co-founders of the Hong Kong Branch of CIMA founded in 1973 and was its president in 1974/75 and 1979/80. He was the president of HKICPA in 1986. He is also an advisor to the Corporate Governance Committee of CPA Australia Hong Kong China Division. Mr. Lai is an independent non-executive director of Shinhint Acoustic Link Holdings Limited, Jolimark Holdings Limited and Guangzhou R&F Properties Co., Limited, all of which are companies whose shares are listed on the Hong Kong Stock Exchange. Mr. Lai also holds directorships in several private companies engaging in property development in Canada. He is also an independent non-executive director of Nan Fung Group Holdings Limited and Nan Fung Property Holdings Limited.

Shek Lai Him, Abraham (*石禮謙*) SBS, JP, aged 67, is an independent non-executive director, a member of the audit committee and remuneration committee of our Company. Mr. Shek graduated from the University of Sydney and holds a Bachelor of Arts degree and a Diploma in Education. He was appointed a Justice of the Peace in 1995 and was awarded the Silver Bauhinia Star by the government of HK SAR in 2007. He is a member of the Hong Kong Legislative Council representing the Real Estate and Construction Functional Constituency, a member of the Court of Hong Kong University of Science and Technology and the Court of University of Hong Kong, and a vice chairman of the Independent Police Complaints Council. Mr. Shek is an independent non-executive director of Midas International Holdings Limited, Lifestyle International Holdings Limited, NWS Holdings Limited, Titan Petrochemicals Group Limited, ITC Corporation Limited, ITC Properties Group Limited, Hop Hing Group Holdings Limited, Hsin Chong Construction Group Limited, MTR Corporation Limited, SJM Holdings Limited, Paliburg Holdings Limited, Lai Fung Holdings Limited, Chuang's Consortium International Limited, China Resources Cement Holdings Limited and Dorsett Hospitality International Limited, and a chairman and an independent non-executive director of Chuang's China Investments Limited, all of which are companies whose shares are listed on the Hong Kong Stock Exchange, as well as a director of The Hong Kong Mortgage Corporation Limited. Mr. Shek is also an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) and Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust), both trusts are listed on the Hong Kong Stock Exchange. Mr. Shek also holds directorships in several property-related private companies.

Tong Wui Tung, Ronald (*唐滙棟*), aged 62, is an independent non-executive director, chairman of the remuneration committee and a member of the audit committee and nomination committee of our Company. He has been practicing as a solicitor in Hong Kong for over 30 years and is a partner of the law firm, Messrs. Cheung, Tong & Rosa. He is also a Notary Public and a China Appointed Attesting Officer, and is admitted as a solicitor in several other jurisdictions. Mr. Tong is currently a non-executive director of Yip's Chemical Holdings Limited, a company whose shares are listed on the Hong Kong Stock Exchange.

Mr. Huang Hongyan (*黃洪燕*), aged 42, is an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of our Company. Mr. Huang graduated from the Department of Finance, the School of Economics of Jinan University and holds a Bachelor of International Finance degree, and is also qualified as a Chinese certified public accountant, a Chinese certified tax agent, a Chinese certified public valuer, a certified internal auditor and a corporate accountant. Currently, Mr. Huang serves as a general manager of Foshan Yestar Consulting Co., Ltd. and a director of Guangdong Jiayang Investment Co., Ltd. Mr. Huang is an independent non-executive director of Guangdong Vanward New Electric Co., Ltd., which is listed on the Shenzhen Stock Exchange, and Guangdong Rifeng Electric Cable Co., Ltd.

Ms. Huang Xiao (黃曉), aged 45, is an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of our Company. Ms. Huang graduated from Jinan University and holds a Bachelor of Accounting degree. Ms. Huang has also graduated from University of New South Wales, Australia and holds a Master of Commerce degree with a major in international accounting. Ms. Huang is qualified as a Chinese certified public accountant and a senior accountant. Currently, Ms. Huang serves as the officer of the examination and training department of Guangdong Provincial Institute of Certified Public Accountants, a member of registration committee of Guangdong Provincial Institute of Certified Public Accountants and a bidding assessment expert of Stated-owned Assets Supervision and Administration Commission, the People's Government of Guangdong Province.

Chief financial officer

Ng Yi Kum, Estella (伍綺琴), aged 55, is the chief financial officer of our Company with effect from January 2008. From September 2005 to November 2007, Ms. Ng was an executive director of Hang Lung Properties Limited, a company listed on the Hong Kong Stock Exchange. Prior to her joining Hang Lung Properties in 2003, she was employed by the Hong Kong Stock Exchange in a number of senior positions, most recently as Senior Vice President of its Listing Division. Prior to that she gained valuable auditing experience with Deloitte Touche Tohmatsu. Ms. Ng is a qualified accountant and holds a Master of Business Administration degree from the Hong Kong University of Science and Technology. She is an associate of The Institute of Chartered Accountants in England and Wales, The Institute of Chartered Secretaries and Administration and a Fellow of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. She has also contributed her time to various public service appointments including being a co-opted member of the Audit Committee of the Hospital Authority.

Company secretary

Huen Po Wah (禤寶華), aged 64, is our company secretary since March 2007. Mr. Huen is an associate of The Hong Kong Institute of Chartered Secretaries and also an associate of The Institute of Chartered Secretaries and Administrators. Mr. Huen is also a director of Fair Wind Secretarial Services Limited. Mr. Huen has over 30 years of experience in company management and secretarial fields and has served in many listed companies over the years.

Senior management

Song Jun (宋軍), aged 45, is a vice-president of our Company. Mr. Song graduated from the Chongqing College of Construction and Architecture (重慶建築工程學院), currently known as Chongqing University (重慶大學), with a degree in architecture and is a qualified PRC architect. Mr. Song is responsible for construction management, supervision and coordination of some of our property development projects. Prior to joining our Group in 1997, he worked in Hunan Province Jishou City Construction Institute (湖南省吉首市建築規劃勘察設計院) and Guangdong Elite

Architectural Co., Ltd. with responsibility for architectural design work. Since 1997, he served as project manager and a general manager of Shunde Country Garden Property Development Co., Ltd., and has been serving as vice president of our Group since 2005, responsible for the management of property development projects. Currently, Mr. Song is responsible for the operational management and sustainable development of some of our property development projects. Mr. Song has approximately 16 years of experience in the management of property development.

Xie Shutai (謝樹太), aged 48, is a vice-president of our Company. Mr. Xie graduated from Hunan University (湖南大學) with a degree in civil engineering and is a qualified PRC civil engineer. He is primarily responsible for the overall management and supervision of some of our property development projects, and also responsible for the overall management of our hotels and property management companies. Prior to joining us in 1997, he worked in Hengyang City Construction Institute (衡陽市建築設計研究院) from 1986 to 1991 responsible for structural design work. Mr. Xie worked in Shunde Sanhe Property Development Co., Ltd. from 1992 to 1997 responsible for property management. Since 1997, he has been working in Shunde Country Garden Property Development Co., Ltd. and Guangdong Country Garden Property Management Co., Ltd. with responsible for the overall property and hotel management of the Group. Mr. Xie has approximately 21 years of experience in property management and approximately 16 years of experience in hotel management.

Su Baiyuan **(蘇柏垣)**, aged 47, is a vice-president of our Company. Mr. Su graduated from Guangzhou Normal Institute (廣州師範學院) (currently known as Guangzhou University (廣州大學)) majoring in geography and obtained his postgraduate degree in human geography from Sun Yat-Sen University (中山大學). He is primarily responsible for investment development and the overall management of some of our property development projects. Prior to joining us in 2005, Mr. Su had over 12 years of experience in land planning and development as well as operational management.

Liang Guokun (梁國坤), aged 54, is a vice-president of our Company. Mr. Liang is primarily responsible for landscape design and gardening system management and supervision. Prior to joining our Group in 1999, Mr. Liang worked in Chung Shan Hot Spring Golf Club (中山溫泉高爾夫球會俱樂部) from 1985 to 1994. He also worked in Dongguan Yin Li Golf Club (東莞銀利外商俱樂部), Shenzhen Mission Hills Golf Club (深圳觀瀾湖高爾夫球會) and Shenzhen Longgang Green Club (深圳龍崗綠色俱樂部), currently known as Citic Green Golf Club (中信綠色高爾夫球會), in a number of senior positions. Mr. Liang had 28 years of experience in golf course design management and landscape design management.

Compensation of directors

Our executive directors receive remuneration in the form of salaries, discretionary bonuses, contributions to pension schemes and benefits in kind. The aggregate salary paid to our executive directors for each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, was RMB18.5 million, RMB19.8 million, RMB19.9 million and RMB10.0 million, respectively. In accordance with the rules and regulations in the PRC, our PRC based employees, including employees who are directors, participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which we and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. For the years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012, we contributed RMB51,000, RMB57,000, RMB300,000 and RMB382,000, respectively, to the plans in respect of our executive directors. The aggregate amounts of compensation (including salaries, discretionary bonuses, contributions to pension schemes and benefits in kind) which were paid to our executive directors during each of the three years ended December 31, 2009, 2010 and 2011, were RMB18.6 million, RMB19.8 million, RMB20.2 million and RMB10.4 million, respectively.

Save as disclosed above, no other amounts have been paid or are payable by us to the directors in respect of each of the three years ended December 31, 2009, 2010 and 2011 and the nine months ended September 30, 2012.

Audit committee

We have established an audit committee. The audit committee is to serve as a focal point for communication between our directors, our external auditors and our internal auditors (where an internal audit function exists) as regards their duties relating to financial and other reporting, internal controls, external and internal audits and such other financial and accounting matters as our board determine from time to time. The audit committee is to assist our board in providing an independent review of the effectiveness of our financial reporting process, internal control and risk management system, overseeing the audit process and performing other duties and responsibilities as may be assigned by our board from time to time. The members of the audit committee are five of our independent non-executive directors, namely Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Lai Ming, Joseph is the chairman of the audit committee.

Remuneration committee

We have established a remuneration committee. The primary duty of the remuneration committee is to review and formulate policies in respect of remuneration structure for all our directors and senior management and make recommendations to our board for its consideration. The remuneration committee consists of seven members, of whom two are executive directors being Mr. Yeung Kwok Keung and Mr. Mo Bin, and five are independent non-executive directors being Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Tong Wui Tung, Ronald is the chairman of the remuneration committee.

Corporate governance committee

We have established a corporate governance committee. The primary duty of the corporate governance committee is to review and develop policies and practices on corporate governance and make recommendations to our board for its consideration. The corporate governance committee consists of three members, of whom all three are executive directors, namely Mr. Yeung Kwok Keung, Ms. Yang Huiyan and Mr. Mo Bin. Mr. Yeung Kwok Keung is the chairman of the corporate governance committee.

Nomination committee

We have established a nomination committee. The primary duty of the nomination committee is to review the structure, size and composition of our board at least annually and make recommendations on any proposed changes to our board to complement our corporate strategy and to identify individuals suitably qualified to become our board members and select or make recommendations to our board on the selection of individuals nominated for directorships. The nomination committee consists of five members, an executive director, Mr. Yeung Kwok Keung and four independent non-executive directors, Mr. Lai Ming, Joseph, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Yeung Kwok Keung is the chairman of the nomination committee.

Directors' and chief executives' interests

As of September 30, 2012, the interests of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company as recorded in the register which were required to be kept under section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Name of director	Capacity	Number of ordinary shares	Percentage to issued share capital	Amount of debentures held
Ms. Yang Huiyan	Interest of Controlled Corporation(1)	10,481,739,707	57.49%	-
Mr. Yang Erzhu	Interest of Controlled Corporation(1)	1,019,733,743	5.59%	-
Mr. Zhang Yaoyuan . . .	Interest of Controlled Corporation(1)	856,072,771	4.69%	-
Mr. Ou Xueming	Interest of Controlled Corporation(1)	772,144,068	4.23%	-
Mr. Su Rubo	Interest of Controlled Corporation(1)	721,161,893	4.12%	-
Mr. Yang Yongchao . . .	Interest of Spouse(2)	3,554,425	0.01%	-
Mr. Yeung Kwok Keung	Interest of Controlled Corporation	-	-	US$11,300,000(3) US$11,000,000(4)

Notes:

(1) These shares represent shares held by Concrete Win Limited, Automic Group Limited, Easy Hope Holdings Ltd, Acura International Global Limited and Highlander Group Limited in which Ms. Yang Huiyan, Mr. Yang Erzhu, Mr. Su Rubo, Mr. Zhang Yaoyuan and Mr. Ou Xueming beneficially owns the entire issued share capital, respectively.

(2) These shares represent shares held by Ms. Su Yuming, who is the spouse of Mr. Yang Yongchao.

(3) These debentures represent 2017 Notes held by Joy House Enterprises Limited in which Mr. Yeung Kwok Keung beneficially owns 99% of the issued share capital.

(4) These debentures represent 2018 Notes held by Joy House Enterprises Limited in which Mr. Yeung Kwok Keung beneficially owns 99% of the issued share capital and by Kenpac Investments Limited in which Mr. Yeung Kwok Keung beneficially owns 90% of the issued share capital.

On November 30, 2012, the Company granted each of Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham, and Mr. Tong Wui Tung, Ronald, 1,000,000 share options under the Share Option Scheme (as described below).

Employee incentive scheme

We are in the process of setting up an employee incentive scheme (the "Employee Incentive Scheme"), under which we expect to acquire shares of the Company in the secondary market and grant them to our employees based on certain criteria. The purpose of the Employee Incentive Scheme is to motivate our employees and to enhance their performance and efficiency. As of September 30, 2012, the cumulative total number of shares of the Company acquired for purposes of the Employee Incentive Scheme were 97,316,635 shares. As of the date of this offering memorandum, no shares have been granted under the Employee Incentive Scheme.

Share option scheme

We adopted a share option scheme (the "Share Option Scheme") on March 20, 2007. The purpose of the Share Option Scheme is to provide incentives to our employees including our executive directors and non-executive directors (each a "participant"). Our board of directors may, at any time within 10 years after the date of adoption of the Share Option Scheme, make an offer to any participant. The subscription price for shares granted pursuant to the Share Option Scheme is the highest of:

- the closing price of the shares of the Company on the Hong Kong Stock Exchange on the business day on which an offer is made to a participant;
- the average of the closing prices of the shares on the Hong Kong Stock Exchange for the five business days immediately preceding the date on which such offer is made; and
- the nominal value of the shares of the Company.

The total number of shares which may be issued upon exercise of all options granted under the Share Option Scheme must not, in aggregate, exceed 10% of the issued share capital of the Company at the date of approval of the Share Option Scheme. The 10% limit may be refreshed with the approval by ordinary resolution of our shareholders. The maximum number of shares which may be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Share Option Scheme must not exceed 30% of our issued share capital.

The total number of shares issued and to be issued upon exercise of all options granted under the Share Option Scheme to each participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of issued shares of the Company. If shares issued and to be issued upon exercise of all options granted under the Share Option Scheme (including options exercised, cancelled and outstanding) to a participate who is a substantial shareholder or an independent non-executive director of the Company in any 12-month period, (i) represent in aggregate more than 0.1% of the total number of shares in issue and (ii) have an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK$5,000,000, the proposed grant of option must be approved by our shareholders by poll in a general meeting.

The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years from the date of grant of the relevant option. Our board of directors has the authority to determine the minimum period for which an option must be held before it can vest.

As of the date of this offering memorandum, 3,000,000 share options have been granted under the Share Option Scheme.

Principal shareholders

As of September 30, 2012, the interested persons, other than the directors or chief executive of the Company in the shares and the underlying shares of the Company representing 5% or more of the nominal value of shares comprised in the relevant share capital of the Company as recorded in the register kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
Concrete Win Limited	Beneficial Owner	10,481,739,707(1)	57.49%
Automic Group Limited	Beneficial Owner	1,019,733,743(2)	5.59%

Notes:

(1) These shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. Yang Huiyan.

(2) These shares are held by Automic Group Limited, the entire issued share capital of which is beneficially owned by Mr. Yang Erzhu.

Save as disclosed, none of the directors knows of any person (not being a director or chief executive of the Company) who will have an interest or short position in the shares or underlying shares of the Company as representing 5% or more of the nominal value of Shares comprised in the relevant share capital of the Company.

Related party transactions

The following discussion describes certain material related party transactions in 2009, 2010 and 2011 and the nine months ended September 30, 2012 between our consolidated subsidiaries and our directors, executive officers, original shareholders and associates and, in each case, the companies with which they are affiliated.

The following table summarizes our related party transactions for the periods indicated.

(RMB in thousands)	Year ended December 31, 2009	2010	2011	Nine months ended September 30, 2012
Construction, fitting and decoration service income				
Controlled by original shareholders[1]	366,825	244,017	230,495	73,627
Purchase of design service				
Controlled by original shareholders	226,385	203,270	255,511	264,495
Purchase of construction material and water				
Controlled by original shareholders and their close family members	95,852	122,028	37,288	17,414
Disposal of available-for-sale financial assets				
Controlled by original shareholders	143,995	-	-	-
Provide guarantee for borrowings				
Associate[2]	-	1,024,578	1,500,400	1,805,491
Key management compensation				
Salaries and other short-term employee benefits	27,345	30,511	32,034	12,396

Note:

(1) Our "original shareholders" in this section and elsewhere in this offering memorandum refer to Yang Huiyan, Yang Erzhu, Su Rubo, Zhang Yaoyuan and Ou Xueming.

(2) Our "Associate" is the Asian Games City JV.

As of December 31, 2009, 2010 and 2011 and September 30, 2012, we had the following significant balances with our related parties:

Balances due from related parties—	As of December 31, 2009	2010	2011	As of September 30, 2012
	(RMB in thousands)			
Included in amounts due from customers for contract work	175,110	325,010	381,992	427,613
Included in other receivables				
Controlled by original shareholders	144,403	106,383	53,392	483,491
Controlled by original shareholders and their close family members	-	-	53,030	53,030
Associate[1]	-	1,522,096	1,139,745	1,139,745
	144,403	1,628,479	1,246,167	1,676,266
Total	319,513	1,953,489	1,628,159	2,103,879
Balances due to related parties—				
Included in trade payables	173,693	39,842	84,348	31,114

Note:
(1) Represents shareholder loans we made to the Asian Games City JV.

Construction, fitting and decoration services

A substantial amount of our related party transactions consist of construction, fitting and decoration services we provided to related parties. Pursuant to various contracts, we provide construction services through our subsidiaries, Giant Leap Construction Co., to Qingyuan Country Garden Co., a company controlled by our original shareholders. We sell such construction services to Qingyuan Country Garden Co. with reference to market prices and on terms no more favorable than those offered by independent third parties for comparable services. In 2009, 2010 and 2011 and the nine months ended September 30, 2012, the aggregate services fees we received from Qingyuan Country Garden Co. amounted to RMB366.8 million, RMB244.0 million, RMB230.5 million and RMB73.6 million, respectively.

Purchase of design services

Our design work is mainly undertaken by Elite Architectural Co., which is controlled by one of our original shareholders. The design services are provided on terms (including but not limited to pricing) no less favorable than those offered by independent third parties for comparable services. In 2009, 2010 and 2011 and the nine months ended September 30, 2012, the total purchase prices amounted to RMB226.4 million, RMB203.3 million, RMB255.5 million and RMB264.5 million, respectively. In October 2012, the scope of Elite Architectural Co.'s services was broadened to cover survey work.

Purchase of cement products

We purchase cement products from Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pile Co."), a company controlled by our original shareholders, for some of our property development projects.

The cement products are sold to us on terms (including but not limited to pricing) no less favorable than those offered by Grand Pile Co. to independent third parties. In 2009, 2010 and 2011 and the nine months ended September 30, 2012, purchases of cement products from Grand Pile Co. amounted to RMB81.9 million, RMB106.5 million RMB 27.2 million and RMB9.6 million, respectively.

Purchase of water

We purchase water from Foshan Shunde Jiangkou Water Plant Co., Ltd. ("Jiangkou Water Plant Co."), and Zengcheng Crystal Water Plant Co., Ltd. ("Crystal Water Plant Co."), both of which are controlled by our original shareholders and their close family members.

Jiangkou Water Plant Co. and Crystal Water Plant Co. provide us with water for use in operations in the Panyu District, the Shunde District and the Zengcheng District. The water supplied are at rates no less favorable than rates chargeable by other water plants operated by independent third parties in the Panyu District, the Shunde District and the Zengcheng District. The amount we paid to Jiangkou Water Plant Co. and Crystal Water Plant Co. were RMB2.0 million and RMB11.9 million respectively in 2009, RMB3.7 million and RMB11.8 million respectively in 2010, RMB4.4 million and RMB5.7 million, and RMB3.1 million and RMB4.7 million, respectively, in the nine months ended September 30, 2012.

Purchase of lighting supply

On October 31, 2012, we entered into a framework agreement with Guangdong Shenghui Electronics Holdings Limited ("Guangdong Shenghui"), a company controlled by our original shareholders and their close family members, pursuant to which Guangdong Shenghui will supply lighting equipments, distribution board/control cabinet and provide relevant lighting design and installation work to our subsidiaries for a term commencing from October 31, 2012 to December 31, 2014. We estimate that the maximum total fee for such lighting services from Guangdong Shenghui for the year ended December 31, 2012 and each of the year ending December 31, 2013 and December 31, 2014 will not exceed RMB100.0 million, RMB150.0 million and RMB180.0 million, respectively.

Other related party transactions

Other related transactions include the purchase of construction materials (other than cement products) from our original shareholders and their close family members. Generally, the terms of such transactions (including but not limited to pricing or rates, as applicable) are no less favorable than those offered by independent third parties for comparable products and services.

For further information about our related party transactions, see note 28 to the consolidated financial information as of and for the nine months ended September 30, 2012 included elsewhere in this offering memorandum.

Description of other material indebtedness

To fund our existing property projects and to finance our working capital requirements, we have borrowed money from various banks. As of September 30, 2012, our total borrowings (including the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes and the 2018 Notes) totaled RMB33,891.4 million. We set forth below a summary of the material terms and conditions of these loans and other indebtedness.

Project loan agreements

Certain of our PRC subsidiaries have entered into loan agreements with various PRC banks, primarily Bank of China, Agricultural Bank of China, China Construction Bank, Industrial and Commercial Bank of China, and Guangdong Development Bank. These loans typically are project loans to finance the construction of our projects (the "project loans") and have terms ranging from one year to five years, which generally correspond to the construction periods of the particular projects.

Interest

The principal amounts outstanding under the project loans generally bear interest at floating rates calculated by reference to the relevant bank's benchmark interest rate per annum which in turn is generally linked to PBOC-published rates. Floating interest rates generally are subject to review by the banks annually. Interest payments generally are payable either monthly or quarterly and must be made on each payment date as provided in the particular loan agreement.

Covenants

Under these project loans, many of our subsidiary borrowers have agreed, among other things, not to take the following actions without first obtaining the lenders' prior consent:

- create encumbrances on any part of their properties or assets or deal with their assets in a way that may adversely affect their ability to repay their loans;
- grant guarantees to any third parties that may adversely affect their ability to repay their loans;
- make any major changes to their corporate structures, such as entering into joint ventures, mergers and acquisitions and reorganizations or change the company's status, such as liquidation and dissolution;
- alter the nature or scope of their business operations in any material respect;
- transfer part or all of the liabilities under the loans to a third party; and
- prepay the loan.

Dividend restriction

Pursuant to the project loans with Industrial and Commercial Bank of China, the Bank of East Asia, Bank of China, Agricultural Bank of China and Guangdong Development Bank, some of our PRC subsidiaries also agreed not to distribute any dividends:

- if the borrower's after-tax net profit is nil or negative;
- if the after-tax net profit is insufficient to cover losses in previous financial years;
- if the before-tax profit is not used to satisfy the relevant debt due during the same financial year; or
- before the principal amount of and accrued interest on the relevant project loan have been fully paid.

Guarantee and security

Certain of our PRC subsidiaries and associates have entered into guarantee agreements, mortgage contracts or pledge contracts, or a combination of them, with the PRC banks in connection with some of the project loans pursuant to which these subsidiaries and associates have guaranteed all liabilities of the subsidiary borrowers or have provided security, such as land use rights, under these project loans.

Customer guarantees

In line with industry practice, we provide guarantees to mortgagee banks in respect of mortgage loans taken out by purchasers of our properties. Such guarantee obligations typically terminate upon the delivery of the relevant property ownership certificates on the underlying property to the bank. As of September 30, 2012, the aggregate outstanding amount guaranteed was RMB17,902.9 million.

Convertible Bonds

On February 22, 2008, we issued an aggregate principal amount of RMB3,595,000,000 U.S. dollar settled 2.5% convertible bonds due 2013. The aggregate principal amount of the Convertible Bonds was increased to RMB4,314,000,000 on March 3, 2008, as a result of over-subscription. The Convertible Bonds will mature on February 22, 2013. We repurchased a certain amount of the Convertible Bonds through a tender offer in April 2010 and through trading on the over-the-counter market. As of the date of this offering memorandum, RMB781.0 million aggregate principal amount of the Convertible Bonds are outstanding.

Conversion

The Convertible Bonds are, at the option of the holders, convertible on or after April 3, 2008 up to the close of business on February 15, 2013 into our fully paid ordinary shares with a par value of HK$0.10 each at an initial conversion price of HK$9.05 per share with a fixed exchange rate of RMB0.922 to HK$1.00. The conversion price is subject to adjustment for, among other things, subdivision or consolidation of shares, bonus issues, rights issues, capital distributions and other dilutive events as described in the trust deed and the terms and conditions relating to the Convertible Bonds. On March 8, 2012, the conversion price was adjusted to HK$9.01 per share.

Optional redemption by holders

On February 22, 2011, the holder of each Convertible Bond had the right, at such holder's option, to require us to redeem, in whole or in part, the Convertible Bonds at an amount equal to the U.S. dollar equivalent of their RMB principal amount multiplied by 111.997%, together with any accrued but unpaid interest to the date of redemption (the "Put Option"). As a result of the exercise of the Put Option, we redeemed RMB522.6 million in principal amount of the Convertible Bonds on February 22, 2011. See "Management's discussion and analysis of financial condition and results of operations—Borrowings."

Optional redemption by us

At any time after March 8, 2011 and prior to February 22, 2013, we may redeem, in whole but not in part, the Convertible Bonds at a redemption price equal to the U.S. dollar equivalent of their early redemption amount (as determined based on a pre-set formula) on the redemption date, together with any accrued but unpaid interest to the date of redemption, if the closing price of our shares translated into Renminbi at the prevailing rate applicable to the relevant trading day for 20 out of 30 consecutive trading days, where the last day of such 30-day period falls within five trading days prior to the date upon which notice of such redemption is given, was at least 130% of the applicable early redemption amount divided by the conversion ratio. The conversion ratio is equal to the RMB principal amount of each Convertible Bond translated into H.K. dollars at the fixed rate of RMB0.922 to HK$1.00 divided by the applicable conversion price determined under the terms and conditions relating to the Convertible Bonds.

We may redeem all but not some of the Convertible Bonds at a redemption price equal to the U.S. dollar equivalent of their early redemption amount on the redemption date, together with any accrued but unpaid interest to the date of redemption, if at any time at least 90% in principal amount of the Convertible Bonds has already been converted, redeemed or purchased and cancelled.

Collateral

Our obligations under the trust deed constituting the Convertible Bonds are secured by the capital stock of certain of our subsidiaries, see "—2018 Notes—Collateral."

2014 Notes

On September 10, 2009, we entered into an indenture (the "2014 Indenture") pursuant to which we issued an aggregate principal amount of US$300,000,000 11.750% Senior Notes due 2014 (the "Initial Notes"). On September 23, 2009, we issued an additional aggregate principal amount of US$75,000,000 11.750% Senior Notes due 2014 under the 2014 Indenture, which were fungible with, and which we consolidated with, the Initial Notes (together with the Initial Notes, the "2014 Notes"). As of September 30, 2012, we had a total amount of US$375,000,000 principal amount of 2014 Notes outstanding.

Guarantee

The obligations pursuant to the 2014 Notes are guaranteed by our existing subsidiaries (the "2014 Subsidiary Guarantors") other than those organized under the laws of the PRC and certain other subsidiaries in the 2014 Indenture.

Each of the 2014 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2014 Notes.

Collateral

The 2014 Notes and the Subsidiary guarantees provided by the 2014 Subsidiary Guarantors are secured by the Shared Collateral (as defined below). See "—2018 Notes—Collateral."

Interest

The 2014 Notes bear an interest rate of 11.750% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2014 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

On March 10, 2010, we completed a consent solicitation to amend certain terms of the 2014 Notes to allow us to make investments (including the provision of guarantees) in the Asian Games City Project in proportion to our equity interest in the Asian Games City JV and to give us flexibility to incur certain indebtedness to take advantage of additional strategic opportunities and further develop our business plans. On March 12, 2010, we entered into a first supplemental indenture with the trustee for the 2014 Notes to give effect to these amendments. The Notes, when issued, will have substantially the same terms as the 2014 Notes as amended by the first supplemental indenture dated March 12, 2010.

Events of default

The 2014 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2014 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2014 Indenture or the holders of at least 25% of the outstanding 2014 Notes may declare the principal of the 2014 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2014 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2014 Notes is September 10, 2014.

At any time we may redeem the 2014 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2014 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to September 10, 2012, we may redeem up to 35% of the aggregate principal amount of the 2014 Notes at a redemption price equal to 111.750% of the principal amount of the 2014 Notes, plus any accrued and unpaid interest with the proceeds from sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2014 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2014 Subsidiary Guarantor under the 2014 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2014 Notes at a redemption price equal to 100% of the principal amount of the 2014 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2017 Notes

On April 22, 2010, we entered into an indenture ("the 2017 Indenture") pursuant to which we issued an aggregate principal amount of US$550,000,000 11.250% Senior Notes due 2017 (the "2017 Notes"). As of September 30, 2012, we had a total amount of US$550,000,000 principal amount of the 2017 Notes outstanding.

Guarantee

The obligations pursuant to the 2017 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes and the 2018 Notes (the "2017 Subsidiary Guarantors").

Each of the 2017 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2017 Notes.

Collateral

The 2017 Notes and the subsidiary guarantees provided by the 2017 Subsidiary Guarantors are secured by the Shared Collateral. See "—2018 Notes—Collateral."

Interest

The 2017 Notes bear an interest rate of 11.250% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2017 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2017 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2017 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2017 Indenture or the holders of at least 25% of the outstanding 2017 Notes may declare the principal of the 2017 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2017 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2017 Notes is April 22, 2017.

At any time and from time to time on or after April 22, 2014, we may redeem the 2017 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on April 22 of each of the years indicated below:

Period	Redemption Price
2014	105.6250%
2015	102.8125%
2016 and thereafter	100.0000%

At any time prior to April 22, 2014, we may redeem the 2017 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2017 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to April 22, 2013, we may redeem up to 35% of the aggregate principal amount of the 2017 Notes at a redemption price equal to 111.250% of the principal amount of the 2017 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2017 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2017 Subsidiary Guarantor under the 2017 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2017 Notes at a redemption price equal to 100% of the principal amount of the 2017 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2015 Notes

On August 11, 2010, we entered into an indenture (the "2015 Indenture") pursuant to which we issued an aggregate principal amount of US$400,000,000 10.500% Senior Notes due 2015 (the "2015 Notes"). As of September 30, 2012, we had a total amount of US$400,000,000 principal amount of the 2015 Notes outstanding.

Guarantee

The obligations pursuant to the 2015 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2017 Notes and the 2018 Notes (the "2015 Subsidiary Guarantors").

Each of the 2015 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2015 Notes.

Collateral

The 2015 Notes and the subsidiary guarantees provided by the 2015 Subsidiary Guarantors are secured by the Shared Collateral. See "—2018 Notes—Collateral."

Interest

The 2015 Notes bear an interest rate of 10.500% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2015 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2015 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2015 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2015 Indenture or the holders of at least 25% of the outstanding 2015 Notes may declare the principal of the 2015 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2015 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2015 Notes is August 11, 2015.

At any time prior to August 11, 2015, we may redeem the 2015 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus a premium and any accrued and unpaid interest, if any, to the redemption date.

At any time prior to August 11, 2013, we may redeem up to 35% of the aggregate principal amount of the 2015 Notes at a redemption price equal to 110.500% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest with the proceeds from sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2015 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2015 Subsidiary Guarantor under the 2015 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2015 Notes at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2018 Notes

On February 23, 2011, we entered into an indenture (the "2018 Indenture") pursuant to which we issued an aggregate principal amount of US$900,000,000 11.125% Senior Notes due 2018 (the "2018 Notes"). As of September 30, 2012, we had a total amount of US$900,000,000 principal amount of the 2018 Notes outstanding.

Guarantee

The obligations pursuant to the 2018 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes and the 2017 Notes (the "2018 Subsidiary Guarantors").

Each of the 2018 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2018 Notes.

Collateral

The capital stock of certain 2018 Subsidiary Guarantors (the "Shared Collateral") is currently pledged to secure on a *pari passu* basis our obligations under (i) a trust deed constituting the Convertible Bonds, (ii) the 2014 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the 2014 Indenture, (iii) the 2017 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2017 Notes, (iv) the 2015 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2015 Notes and (v) the 2018 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2018 Notes, subject to the Intercreditor Agreement. The Intercreditor Agreement governs the relationships among the holders of the Convertible Bonds, the holders of the 2014 Notes, the holders of the 2017 Notes, the holders of the 2015 Notes and the holders of the 2018 Notes in respect of the security interests created by the Shared Collateral that is shared on a *pari passu* basis among them. Additionally, the Intercreditor Agreement provides for the collateral agent to exercise remedies in respect thereof upon the occurrence of an event of default under the secured obligations and to act as specified in the Intercreditor Agreement. We expect the Trustee for the Notes to become a secured party under the Intercreditor Agreement by executing a supplement to the Intercreditor Agreement. The Shared Collateral may be released or reduced in the event of certain asset sales and certain other circumstances. In addition, we and each subsidiary guarantor pledgor may in the future incur additional permitted pari passu secured indebtedness which would be secured by the Shared Collateral on a *pari passu* basis with the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors relating to these securities, subject to the Intercreditor Agreement.

Interest

The 2018 Notes bear an interest rate of 11.125% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2018 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2018 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2018 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2018 Indenture or the holders of at least 25% of the outstanding 2018 Notes may declare the principal of the 2018 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2018 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2018 Notes is February 23, 2018.

At any time and from time to time on or after February 23, 2015, we may redeem the 2018 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on February 23 of each of the years indicated below:

Period	Redemption Price
2015	105.5625%
2016	102.7813%
2017 and thereafter	100.0000%

At any time prior to February 23, 2015, we may redeem the 2018 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2018 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to February 23, 2014, we may redeem up to 35% of the aggregate principal amount of the 2018 Notes at a redemption price equal to 111.125% of the principal amount of the 2018 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2018 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2018 Subsidiary Guarantor under the 2018 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2018 Notes at a redemption price equal to 100% of the principal amount of the 2018 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

Offshore facility agreements

We have entered into facility agreements with offshore banks and financial institutions, including, without limitation, The Bank of East Asia, Limited and The Hongkong and Shanghai Banking Corporation Limited. As of September 30, 2012, the aggregate outstanding amount under these loans totaled approximately RMB417.2 million (US$66.4 million).

In addition, we have entered into a facility agreement with Wing Lung Bank Limited in October 2012, a facility agreement with each of Hang Seng Bank Limited, JPMorgan Chase Bank, N.A., Hong Kong Branch, and Goldman Sachs Bank USA in November 2012. All such facilities have been drawn down subsequent to September 30, 2012 in the aggregate principal amount of approximately US$168.7 million.

Our offshore facilities have terms ranging from 12 months to 30 months.

Guarantee and security

One of our facilities under the facility agreement with Hang Seng Bank Limited is guaranteed by Angel View International Limited for up to US$40.0 million. Our loan with Goldman Sachs Bank USA will be guaranteed by the 2018 Subsidiary Guarantors. Our loan with Wing Lung Bank Limited is secured by a standby letter of credit from China Merchants Bank Co. Ltd. The other offshore loans are not guaranteed.

Interest

The principal amounts outstanding under these loans generally bear interest at floating rates calculated with reference to the London Interbank Offered Rate or Hong Kong Interbank Offered Rate.

Covenants

Other than our revolving loan and foreign exchange line with The Hongkong and Shanghai Banking Corporation Limited, our other loans contains customary covenants and restrictions, including, amongst others, negative pledge on assets (with certain exemptions), financial covenants including consolidated tangible net worth, consolidated net borrowings and interest coverage ratios.

Events of default

These offshore facilities contain certain customary events of default, including non-payment of principal or interest, cross default, insolvency and breaches of its terms. If an event of default occurs, all amounts outstanding including all interest accrued thereon may become immediately due and payable.

Trust financing

From time to time, our PRC subsidiaries enter into financing arrangements with local trust institutions. These local trust institutions provide trust loans for purposes of our project development in return for interest payments, and have terms ranging from 12 to 28 months. We have also entered into arrangements whereby our PRC subsidiaries' rights to receive dividends or the proceeds from property sales or accounts receivables were sold and repurchased after a period of time. Some of our trust loans and financing arrangements are guaranteed by our Company or secured by the relevant PRC subsidiaries' shares (through share pledge or ownership of shares) or land use rights in favor of the trust finance provider, or a combination of these. The trust loans and financing arrangements contain customary events of default, including non-payment of principal or interest and breaches of the terms of the arrangements. If an event of default has occurred, the trust finance provider may, without prior notice, exercise its rights to realize the security held under the share pledge agreement and land mortgage agreement, and demand payments from us as guarantor.