



中國奧園地產集團股份有限公司  
China Aoyuan Property Group Limited

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 3883)

**PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the results of the Group for the financial year ended 31 December 2008 is expected to show a decline as compared to that for the year 2007 mainly because of the current volatile global financial market and economic slowdown as well as the macro-economic control policy adopted by the PRC Government on the real estate industry and consumers adopted a wait and see approach and staying on the sideline, which posted an adverse impact on the property market in the PRC.

**Shareholders and potential investors of the Company are advised to exercise caution in dealing in shares of the Company.**

This announcement is made by China Aoyuan Property Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that the results of the Group for the financial year ended 31 December 2008 is expected to show a decline as compared to that for the year 2007, mainly due to the current volatile global financial market and economic slowdown as well as the macro-economic control policy adopted by the PRC Government on the real estate industry and consumers adopted a wait and see approach and staying on the sideline, which posted an adverse impact on the property market in the PRC. The cash flow of our Group remains normal, however, it is inevitable that our revenue and profit might substantially decline.

The Group is taking the following measures to improve our revenue and profit:

- (i) adjust the project construction plans and sales strategy according to the market situation and our funding position; and

(ii) stringent control of cost, including construction cost and administrative expenses, while internal management and human resources arrangement will be further improved.

The Company expects its audited consolidated results for the financial year ended 31 December 2008 will be finalised in around April 2009, the Board is not in a position to quantify for the time being. This profit warning announcement is only made based on the preliminary estimation by the management of the Company and the information currently available. The Company expects to announce its audited consolidated results for the financial year ended 31 December 2008 in around April 2009.

**Shareholders and potential investors of the Company are advised to exercise caution in dealing in shares of the Company.**

On behalf of the Board  
**China Aoyuan Property Group Limited**  
**Guo Zi Wen**  
*Chairman and CEO*

Hong Kong, 23 January 2009

*As at the date of this announcement, the directors comprising of (1) the executive directors namely Mr Guo Zi Wen, Mr Wu Jie Si, Mr Guo Zi Ning (Mr Guo Zi Ning is also the alternate director of Mr He Jianbing), Mr Zheng Jian Jun and Mr Hu Da Wei; (2) the non-executive directors namely Mr Paul Steven Wolansky, Mr Leung Ping Chung, Hermann (Mr Leung Ping Chung, Hermann is also the alternate director of Mr Paul Steven Wolansky) and Mr He Jianbing; (3) the independent non-executive directors namely Mr Song Xian Zhong, Mr Ma Kwai Yuen and Mr Tsui King Fai.*