

Giant Interactive Group Inc.  
Form 6-K  
May 19, 2008  
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## **Form 6-K**

# **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington D.C. 20549**

**REPORT OF FOREIGN ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the month of May 2008**

**Commission File Number: 001-33759**

## **GIANT INTERACTIVE GROUP INC.**

**2/F No. 29 Building, 396 Guilin Road**

**Shanghai 200233**

**People's Republic of China**

**(Address of principal executive office)**

## Edgar Filing: Giant Interactive Group Inc. - Form 6-K

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes  No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- N/A

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Giant Interactive Group Inc.

Form 6-K

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<u>Signature</u>	3
<u>Exhibit 99.1 2008 First Quarter Results Presentation dated May 16, 2008</u>	4

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Giant Interactive Group Inc.**

By: /s/ Eric He

Name: Eric He

Title: Chief Financial Officer

Date: May 19, 2008

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HK000NN7  
2008 First Quarter Results  
Presentation  
May 16, 2008  
2008 First Quarter Results

Presentation  
May 16, 2008

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Safe Harbor Statement and Currency  
Convenience Translation

Safe Harbor Statement and Currency

Convenience Translation

Safe Harbor Statement

Statements in this slide presentation contain "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements and among others, include our continued efforts to successfully develop and launch our new games and expand our distribution and marketing network.

These forward-looking statements are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside of our control. The financial information contained in this slide presentation should be read in conjunction with the consolidated financial statements and notes thereto included in our prospectus filed with the Securities and Exchange Commission on November 1, 2007, and is available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov). For additional information on these and other important factors that could adversely affect our business, financial condition, results of operations and prospects, see "Risk Factors" beginning on page 12 of our prospectus. Our actual results of operations for the first quarter of 2008 are not necessarily indicative of our operating results for any future periods. Any projections in this slide presentation are based on limited information currently available to us, which is subject to change. Although such projections and the factors influencing them will likely change, we undertake no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this slide presentation. Such information speaks only as of the date of this slide presentation.

Currency Convenience Translation

This slide presentation contains translations of certain Renminbi (RMB) amounts into US dollars (US\$) at the rate of US\$1.00 to RMB7.012, which was the noon buying rate as of March 31, 2008 in the City of New York for cable transfers in Renminbi per US

dollar as certified for customs purposes by the Federal Reserve Bank of New York. We make no representation that the Renminbi

or US dollar amounts referred to in this slide presentation could have been, or could be, converted into US dollars at such rate or at all.



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Giant Interactive Group  
A Leading Online Game Developer & Operator  
Giant Interactive Group  
A Leading Online Game Developer & Operator  
©



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4

Giant: NYSE Listed

Giant: NYSE Listed

Shanghai, China

Headquarters:

Over 4,000

including 3,000+ liaison

personnel

Employees:

www.ga-me.com

Investor Information:

About Giant:

Approximately 240M

Outstanding Shares:

US\$3.9B

May 15, 2008

Market Cap:

GA

Ticker:

November 1, 2007

NYSE IPO:

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Business Operation Updates  
Business Operation Updates  
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6  
Completed Rollout of Expansion Pack Neighboring Friends  
Giant Online commenced Open Beta, PCU of 237K on March 28,

2008

King of Kings III undergoing Engineering Testing

1

1

3

3

4

4

ZT Online reached PCU of over 1.5 million

2

2

Q1 2008 Business Highlights

Q1 2008 Business Highlights

Empire of Sports commenced European Private Launch

5

5

6

6

Expanded sales and marketing network

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7  
800,000  
1,000,000

1,200,000  
1,400,000  
1,600,000  
1,800,000  
Q4/07  
Q1/08  
Q1 2008  
1.64 Million PCU  
Q1 2008 R&D  
Focus  
Q1 2008 R&D  
Focus  
January 2008  
Congee  
boosts  
Exp  
points  
2x Exp points  
after server  
maintenance  
Take over  
enemy train  
station,  
teammates  
respawn  
there for  
30min  
Foot race  
for lovers  
Car insurance  
from four  
insurance  
companies for  
each country  
Destroy  
enemy  
train  
station  
and  
recover  
computer  
chip  
Golden  
Egg for  
sale to  
multiply  
virtual  
currency  
Boss  
invasions

with  
rewards  
Chat Box  
radar and  
guide  
Increase  
Exp points  
for missions  
Higher  
rank  
limit for  
roles  
Mining  
quests  
for  
items  
Skill  
books  
available  
for free  
Capture  
enemy  
power  
sources  
to  
increase  
train  
speed  
Lower level players  
can request  
apprenticeship from  
higher level players  
Valentine s  
Day  
lottery to  
receive real  
flowers sent  
to significant  
other  
Dance  
battle to  
the  
death  
Outfits can be  
upgraded to give  
players speed  
New  
motorcycle  
parts to  
upgrade

performance  
PK with  
allies  
now  
punished  
like  
teamkill  
Cross shard  
secret chat  
More support for  
commanders  
Eight foreign  
country invasion  
More skill books  
for free  
Chinese New  
Year lottery  
Q4 2007  
983,000 PCU  
February 2008  
March 2008  
Year of the Rat  
treasure  
More Exp  
points for  
car quests  
Join war to  
earn badges  
New map  
Lottery in  
every new  
shard post  
open beta  
PCU for Online Games<sup>1</sup>  
Horse carriage  
race  
Virtual red envelopes for Chinese  
New Year, free costumes  
Introduce naval  
battles  
Raise max  
level to 170  
1  
Online games include *ZT Online*, *ZT Online PTP*  
and *Giant Online*.  
Complete roll  
out of ZT  
Online:  
Neighboring  
Friends

Lock car  
quest  
colors  
Continuous Enhancements During Q1 2008



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8  
Expanded Marketing Penetration in Q1 '08  
?  
Over  
530  
liaison  
offices  
?  
Over  
3,000  
dedicated  
liaison  
personnel  
?  
Over  
270  
distributors  
?  
116,500  
retail  
outlets  
?  
Penetration  
of  
all  
large  
cities  
and  
almost  
all  
provinces  
in  
China  
?  
Focus  
on  
penetrating  
medium  
/  
small  
cities  
with  
continued  
internet  
and  
on-site  
promotional  
events  
?  
Expanded



advertising  
initiatives  
Q1 2008 Marketing and Distribution  
Network  
Q1 2008 Marketing and Distribution  
Network  
Maximize  
Maximize  
Player  
Player  
Awareness  
Awareness  
and  
and  
Game  
Game  
Recognition  
Recognition  
to  
to  
Improve  
Improve  
Penetration  
Penetration

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9  
325  
309

305  
295  
320  
0  
50  
100  
150  
200  
250  
300  
350  
400  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08  
1,405  
1,447  
986  
1,248  
1,318  
0  
200  
400  
600  
800  
1,000  
1,200  
1,400  
1,600  
1,800  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08  
Key Quarterly Operating Metrics  
Key Quarterly Operating Metrics  
Average Revenue per User (ARPU)  
Active Paying Accounts (APA)  
Peak Concurrent Users (PCU)  
Average Concurrent Users (ACU)  
512  
450  
546  
481  
515  
0  
100

200  
300  
400  
500  
600  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08  
1,073  
888  
983  
1,646  
874  
0  
200  
400  
600  
800  
1,000  
1,200  
1,400  
1,600  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08

Q407 figures onward include *ZT Online*, *ZT Online PTP*  
and *Giant Online*; before Q407, all figures are *ZT Online*  
only

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Key Financial Highlights  
Key Financial Highlights  
©



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11  
59.6  
48.6

54.1  
67.3  
41.7  
0  
10  
20  
30  
40  
50  
60  
70  
80  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08  
Profitable Growth and High Margins  
Profitable Growth and High Margins  
Net Revenue  
Net Income  
45.8  
32.6  
48.3  
38.7  
34.7  
0  
10  
20  
30  
40  
50  
60  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08  
Net Income Margin  
Gross Profit Margin  
85.70%  
89.60%  
88.80%  
89.20%  
91.20%  
80%  
85%  
90%  
95%  
1Q07



2Q07  
3Q07  
4Q07  
1Q08  
76.80%  
71.40%  
71.60%  
71.80%  
78.20%  
65%  
70%  
75%  
80%  
1Q07  
2Q07  
3Q07  
4Q07  
1Q08

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Q1 2008 Key Financial Highlights  
Q1 2008 Key Financial Highlights

0.20  
48.3  
45.8  
14.2  
60.0  
7.2  
67.3  
Q1 2008  
US\$  
1.38  
338.7  
321.0  
99.8  
420.8  
50.8  
471.6  
Q1 2008  
RMB  
11.6%  
36.5%  
29.7%  
139.5%  
45.5%  
81.5%  
48.7%  
Y-o-Y%  
(0.3%)  
1.39  
1.24  
Basic EPS  
1.5%  
333.8  
248.1  
Net Income  
15.1%  
278.9  
247.6  
Income from Operations  
6.3%  
93.9  
41.7  
Operating Expenses  
12.9%  
372.8  
289.2  
Gross Profit  
(18.1%)  
62.0  
28.0  
Cost of Services

8.5%

434.8

317.2

Total Net Revenue

Q-o-Q %

Q4 2007

RMB

Q1 2007

RMB

(In millions, except EPS data)

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Solid Balance Sheet  
Solid Balance Sheet

7,587.7  
6,305.5  
1,282.2  
1,282.2  
7,587.7  
7,373.5  
7,295.5  
December  
31, 2007  
RMB  
909.3  
738.0  
171.3  
171.3  
909.3  
877.1  
832.1  
March 31,  
2008  
US\$  
6,376.1  
5,175.1  
1,201.0  
1,201.0  
6,376.1  
6,150.2  
5,835.0  
March 31,  
2008  
RMB  
504.4  
Shareholders  
Equity  
795.0  
Total Liability and Shareholders  
Equity  
290.6  
Total Liabilities  
274.7  
Current Liabilities  
795.0  
Total Assets  
735.4  
Current Assets  
205.0  
Cash  
March 31,  
2007  
RMB  
(In millions)