



## China Vanke Co., Ltd.

### Announcement Regarding The Guarantee Provided For A Bank Loan of Shenzhen Vanke Hong Project By Shenzhen Vanke

#### I. Overview of the guarantee

In order to meet the development needs of Shenzhen Vanke Hong Project, Shenzhen Haixuan Investment Development Company Limited (“Shenzhen Haixuan”), being the operator of the said project, applied for a loan of RMB130 million from the Shenzhen Fuyuan Sub-Branch of Industrial and Commercial Bank of China. Shenzhen Vanke Real Estate Co., Ltd (“Shenzhen Vanke”), a whole-owned subsidiary of China Vanke Co., Ltd. (the “Company”), proposed to provide for the said loans a joint liability guarantee of RMB130 million.

The resolution regarding the matters in relation to the provision of guarantee was passed at the board meeting of Shenzhen Vanke, with 3 votes in favour, 0 vote against and 0 abstention. Since the gearing ratio of Shenzhen Haixuan is over 70 per cent, the said guarantee is subject to the consideration and approval at a shareholders meeting of Shenzhen Vanke.

#### II. Basic information on the party being guaranteed

Name: Shenzhen Haixuan Investment Development Company Limited

Date of establishment: 7 July 1998

Registered office: First Floor, Block A, Linhai Resort, southwest of Lower Meilin, Futian District, Shenzhen

Legal representative: Du Jing

Registered capital: RMB10 million

Business scope: Property project development and operation (operation is carried out as permitted by valid qualification certificate)

Shenzhen Haixuan is a wholly-owned subsidiary of Shenzhen Vanke. Its major financial indicators are as follows:

Unit: RMB'000

	As at 31 December 2010	As at 28 February 2011
Total assets	1,093,620	1,196,780
Total liabilities	1,105,450	1,211,960
Incl: Total bank loans	490,000	490,000

Total current liabilities	615,450	721,960
contingency liabilities	Nil	Nil
Net assets	(11,830)	(15,180)
Revenue	0	0
Total profit	(16,830)	(3,350)
Net profit	(10,290)	(3,350)

### III. Main contents of the guarantee agreement

Shenzhen Haixuan applied for a loan of RMB130 million from the Shenzhen Fuyuan Sub-Branch of Industrial and Commercial Bank of China. Shenzhen Vanke proposed to provide for the said loans a joint liability guarantee of the entire amount of the said loans. The term of the guarantee begins on 31 March 2011 and ends on 10 December 2011.

### IV. Opinion of the board of directors

Shenzhen Haixuan is a wholly-owned subsidiary of the Company. The objective of the guarantee provided for the relevant bank loans of Shenzhen Haixuan by Shenzhen Vanke is to accelerate the development process of Shenzhen Vanke Hong Project. Shenzhen Vanke Hong Project, which is under construction, is making good progress and operation of the project is satisfactory. Shenzhen Haixuan has a strong repayment capacity. The said guarantee complies with the relevant requirements of the Company Law, the Articles of Association of the Company, and Notice Regarding the Regulation of the Provision of External Guarantees by Listed Companies (Document [2005] No. 120 issued by China Securities Regulatory Commission).

### V. Aggregate amount of external guarantees and amount of overdue guarantees

As at the date of this announcement, the balance of guarantees provided by the Company is RMB3,290 million, representing 7.44 per cent of the net asset value of the Company. The balance of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries amounts to RMB2,249 million, and the balance of guarantees provided by the Company and majority-owned subsidiaries for associated companies and joint ventures amounts to RMB1,041 million. The Company and its majority-owned subsidiaries do not have any external guarantees. The Company does not have any overdue guarantees nor guarantees involved in litigation.

Board of Directors  
China Vanke Co., Ltd.

Shenzhen, 1 April 2011