



China Vanke Co., Ltd.

Announcement Regarding The Guarantee Provided For A Bank Loan of Shanghai Guangfulin Project By Shanghai Vanke

I. Overview of the guarantee

In order to meet the development needs of Shanghai Guangfulin Project, Shanghai Jingyuan Property Development Company Limited (“Shanghai Jingyuan”), being the operator of the said project, proposed to apply for a loan of RMB340 million from the Shanghai Branch of China Construction Bank. Shanghai Vanke Real Estate Co., Ltd (“Shanghai Vanke”), a wholly-owned subsidiary of China Vanke Co., Ltd. (the “Company”), proposed to provide for the said loans a credit guarantee of RMB153 million in proportion to Shanghai Vanke’s equity holding in Shanghai Jingyuan.

The resolution regarding the matters in relation to the provision of guarantee was passed at the board meeting of Shanghai Vanke, with 3 votes in favour, 0 vote against and 0 abstention.

II. Basic information on the party being guaranteed

Name: Shanghai Jingyuan Property Development Company Limited

Date of establishment: April 2010

Registered office: Room 356, 1128 Wenhui Road, Songjiang District, Shanghai

Legal representative: Liu Aiming

Registered capital: RMB555 million

Business scope: Property development and operation, self-owned property leasing, property management, interior decorating services, sale of construction materials

Shanghai Langda Industry Co., Limited, a wholly-owned subsidiary of Shanghai Vanke which is wholly owned by China Vanke, holds 45 per cent equity interests in Shanghai Jingyuan. The remaining 55 per cent equity interests are held by Shanghai China Merchants Property Co., Ltd.

As at 28 February 2011, the total assets, total liabilities and net assets of Shanghai Jingyuan amounted to RMB1,838,738,000, RMB1,286,350,900 and RMB552,387,200 respectively. Up to 28 February 2011, Shanghai Jingyuan’s operating income was 0 and net loss amounted to RMB1,520,300. For the year of 2010, the audited net loss of Shanghai Jingyuan was RMB1,092,600. Shanghai Jingyuan has not provided any guarantee nor pledged, and is not involved in any litigation.

III. Main contents of the guarantee agreement

Shanghai Jingyuan proposed to apply for a loan of RMB340 million from the Shanghai Branch of China Construction Bank for a term of 30 months. Shanghai Vanke proposed to provide for the said loan of Shanghai Jingyuan a guarantee of RMB153 million in proportion to Shanghai Vanke's equity holding in Shanghai Jingyuan, which is a joint liability guarantee. The term of the guarantee begins from the effective date of the guarantee agreement till two years after the maturity date of the loan obligations under the loan agreement.

IV. Opinion of the board of directors of Shanghai Vanke

The objective of the guarantee provided for the relevant bank loans of Shanghai Jingyuan by Shanghai Vanke in proportion to its equity holding is to ensure smooth development of Shanghai Guangfulin Project. Shanghai Guangfulin Project, which is under construction, is making good progress and operation of the project is satisfactory. Shanghai Jingyuan has a strong repayment capacity. Apart from the guarantee provided by Shanghai Vanke for the bank loans of Shanghai Jingyuan, Shenzhen Merchants Property Development Co., Limited, being the parent company of another shareholder of Shanghai Jingyuan, will also provide guarantee for the said bank loans of Shanghai Jinyuan in proportion to its equity holding. Therefore, the provision of guarantee is made in a fair and equal manner.

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 RMB4,222 million, representing 9.54 per cent of the audited net assets attributable to the shareholders of the Company for 2010. The balance of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries amounts to RMB3,181 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, 29 April 2011