



China Vanke Co., Ltd.

Announcement Regarding A Back-to-back Guarantee Provided By Wanhui Company To Nanjing Branch of Minsheng Bank For A Loan For Nanjing Jiangning Shangfang Affordable Housing Project

I. Overview of the back-to-back guarantee

The National Council for Social Security Fund authorised Jiangsu International Trust & Investment Corporation Limited (江蘇省國際信託有限責任公司) to grant a trust fund loan of RMB3,000 million to Nanjing Affordable Housing Development Co., Ltd (“NJAHDC”) (南京市保障房建設發展有限公司) to finance Nanjing’s affordable housing project managed by NJAHDC. The Nanjing Branch of China Minsheng Banking Corp., Ltd. (“Nanjing Branch of Minsheng Bank”) provided a guarantee for the trust fund loan.

Pursuant to agreement, RMB320 million of the said trust fund loan will be used in the Nanjing Jiangning Shangfang Affordable Housing Project. Nanjing Wanhui Property Co., Ltd. (“Wanhui Company”), being the operator of the said project and a wholly-owned subsidiary of the Company, provided for the Nanjing Branch of Minsheng Bank a back-to-back guarantee for the relevant loan amount of RMB320 million.

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

II. Basic information on the party being guaranteed

Name: The Nanjing Branch of China Minsheng Banking Corp., Ltd.

Date of establishment: 22 March 2000

Registered office: No. 20, Hongwu Road North, Nanjing

Legal representative: Hu Qinghua

Permitted scope of business: Engage in RMB deposits, loans, settlement business; engage in bill discounting; act as agent for bond issue; act as agent for the issue, redemption and sale of government bonds; correspondent banking services; foreign currency deposits; foreign currency loans; foreign currency remittance; foreign exchange; international settlements; foreign exchange sales and settlement; bills acceptance and discount in foreign currencies; information investigation;

consultancy and assurance services, and other businesses permitted by the People's Bank of China.

The Nanjing Branch of China Minsheng Banking Corp., Ltd. is a local unit of China Minsheng Banking Corp., Ltd., which was established on 12 January 1996. The registered address is No. 4, Zhengyi Road Jia, Dongcheng District, Beijing. Its registered capital amounts to RMB26,573,649,600. The legal representative is Dong Wenbiao.

As at 31 March 2011, the total assets, total liabilities and net assets of China Minsheng Banking Corp., Ltd. amounted to RMB2,042,700,000,000, RMB1,931,092,000,000 and RMB111,608,000,000 respectively. Its operating income and net profit amounted to RMB17,157,000,000 and RMB6,210,000,000 respectively. As at 31 December 2010, China Minsheng Banking Corp., Ltd. was not involved in any guarantee business other than the financial guarantee business within the scope of business permitted by the People's Bank of China, nor was it involved in any litigation, arbitration or pledge that had significant impact on its operations.

Wanhui Company is not connected with China Minsheng Banking Corp., Ltd. or the Nanjing Branch of Minsheng Bank.

III. Main contents of the guarantee agreement

The National Council for Social Security Fund authorised Jiangsu International Trust & Investment Corporation Limited to grant NJAHDC a RMB3,000 million loan. The Nanjing Branch of Minsheng Bank provided the said loan with a credit guarantee. Of the RMB3,000 million loan, RMB320 million will be used in the Nanjing Jiangning Shangfang Affordable Housing Project. Wanhui Company provided a back-to-back guarantee for the Nanjing Branch of Minsheng Bank for the RMB320 million loan amount.

The back-to-back guarantee is capped by the amount of RMB320 million loan obtained by Wanhui Company. The term of the back-to-back guarantee begins from the date that the Nanjing Branch of Minsheng Bank pays for the guarantee it provides till two years after the maturity date of the guarantee fee payment. Should no payment be made by the Nanjing Branch of Minsheng Bank for the guarantee it provides, Wanhui Company is therefore not required to assume responsibility for the back-to-back guarantee.

IV. Opinion of the board of directors

The objective of the back-to-back guarantee provided for the RMB320 million loan amount for the Nanjing Branch of Minsheng Bank by Wanhui Company is to facilitate smooth development of Nanjing Jiangning Shangfang Affordable Housing

Project. The project is under the supervision of the Nanjing Municipal Government, and is one of the key annual projects of the government. The project is under construction with satisfactory progress and operation. The back-to-back guarantee provided by Wanhui Company for the Nanjing Branch of Minsheng Bank is in compliance with regulatory requirements of risk management.

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 30 June 2011, the outstanding amount of guarantees provided by the Company was RMB10,147 million, representing 22.94 per cent of the audited net assets attributable to the shareholders of the Company as at the end of 2010. The outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries was RMB8,531 million, and the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for associated companies and joint ventures was RMB1,616 million. The Company and its majority-owned subsidiaries do not have any external guarantees. The Company does not have any overdue guarantees or guarantees involved in litigation.

Board of Directors
China Vanke Co., Ltd.

Shenzhen, 29 July 2011