



China Vanke Co., Ltd.

Announcement Regarding A Guarantee Provided By Jiangxi Vanke Qingyun Property Co., Ltd. For A Bank Loan For Nanchang Qingshan Lake Project

I. Overview of the guarantee

In order to meet the development needs of Nanchang Qingshan Lake Project (南昌青山湖項目), Jiangxi Vanke Qingshan Lake Real Estate Development Company Limited (江西万科青山湖房地產發展有限公司) (“Qingshan Lake Development”), being the operator of the said project, applied for a loan of RMB120 million from the Nanchang Qinghu Sub-branch of Bank of China. Jiangxi Vanke Qingyun Property Co., Ltd. (“Qingyun Property”) had provided a joint liability guarantee of RMB120 million for the said loan. Qingyun Property is a jointly owned subsidiary of China Vanke Co., Ltd. (the “Company”). Qingshan Lake Development holds 100 per cent equity interest in Qingyun Property.

The resolution regarding the matters in relation to the provision of the guarantee was passed at the board meeting of Qingyun Property, with 5 votes in favour, 0 vote against and 0 abstention. Since the gearing ratio of Qingshan Lake Development is over 70 per cent, the said guarantee had been considered and approved at a shareholders meeting of Qingyun Property.

II. Basic information on the party being guaranteed

Name: Jiangxi Vanke Qingshan Lake Real Estate Development Company Limited

Date of establishment: 16 March 2007

Registered office: Government Office Building, Tangshan Town, Qingshan Lake District, Nanchang

Legal representative: Xia Gang

Registered capital: RMB100 million

Shareholders: China Vanke Co., Ltd. (holds 50 per cent equity interests), Shanghai Junwei Property Co., Ltd. (holds 50 per cent equity interests)

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

The key financial indicators of Qingshan Lake Development are as follows:

Unit: RMB'000

	As at 31 December 2010	As at 31 July 2011
Total assets	1,617,840	1,567,660
Total liabilities	1,433,940	1,297,720
Of which: Total bank borrowings	150,000	120,000
Total current liabilities	1,283,940	1,177,720
Contingency items	–	–
Net assets	183,900	269,940
Operating income	335,970	245,910
Total profit	114,760	113,010
Net profit	85,960	86,030

III. Main contents of the guarantee agreement

Qingshan Lake Development took out a loan of RMB120 million from the Nanchang Qinghu Sub-branch of Bank of China. Qingyun Property provided for the said loan a joint liability guarantee. The term of the guarantee begins from 29 August 2011 and ends on 25 April 2012.

IV. Opinion of the board of directors

The objective of providing the guarantee for the relevant bank loan of Qingshan Lake Development by Qingyun Property is to facilitate the development of Nanchang Qingshan Lake Project. Nanchang Qingshan Lake Project is currently under construction, with good progress and satisfactory operation. Qingshan Lake Development has a relatively 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 31 July 2011, the outstanding amount of guarantees provided by the Company was RMB10,968 million, representing 24.80 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 RMB9,848 million, and the outstanding amount of guarantees provided by the Company and its majority-owned

subsidiaries for associated companies and joint ventures was RMB1,120 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, 31 August 2011