



## China Vanke Co., Ltd.

### Announcement Regarding A Guarantee Provided For A Loan For Nanjing Paradiso Project By Shanghai Vanke and Nanjing Vanke

#### I. Overview of the guarantee

In order to meet the development needs of Nanjing Paradiso Project (南京金域藍灣項目), Nanjing Paradiso Property Co., Ltd. (南京金域藍灣置業有限公司) ("Nanjing Paradiso Property"), being the operator of the said project, applied for a loan of RMB540 million from a financial institution. Shanghai Vanke Real Estate Co., Ltd. ("Shanghai Vanke") and Nanjing Vanke Property Co., Ltd. ("Nanjing Vanke"), the wholly-owned subsidiaries of China Vanke Co., Ltd. (the "Company"), provided joint liability guarantee for the full amount of the said loan.

The resolution regarding the matters in relation to the provision of the guarantee was passed at the board meeting of Shanghai Vanke, with 3 votes in favour, 0 vote against and 0 abstention. The resolution regarding the matters in relation to the provision of the guarantee was passed at the board meeting of Nanjing Vanke, with 3 votes in favour, 0 vote against and 0 abstention. As the asset-liability ratio of Nanjing Paradiso Property is over 70%, the aforesaid guarantee had been considered and approved at the shareholders meetings of Shanghai Vanke and Nanjing Vanke respectively.

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

Name: Nanjing Paradiso Property Co., Ltd.

Date of establishment: 17 August 2007

Registered office: Qingshuiting East Road, Jiangning Economic and Technological Development Zone, Nanjing

Legal representative: Fu Kai

Permitted scope of operations: Property development, real estate agency, property investment consultancy, marketing planning, sales of commodity housing and after sales service, and property leasing

Nanjing Vanke Property Co., Ltd. holds 100 per cent equity interests in Nanjing Paradiso Property Co., Ltd.

As at 30 June 2011, the total assets, total liabilities and net assets of Nanjing Paradiso Property Co., Ltd. amounted to RMB3,642,180,000, RMB3,422,810,000 and RMB219,370,000 respectively. Nanjing Paradiso Property's operating income and net profit amounted to RMB521,040,000 and RMB79,630,000 respectively.

As at 30 June 2011, Nanjing Paradiso Property Co., Ltd. had no other loan guarantees, nor was it involved in any litigation or arbitration or had it put anything in pledge that would have material impact on its operations.

### **III. Main contents of the guarantee agreement**

Nanjing Paradiso Property took out a loan of RMB540 million from a financial institution. Shanghai Vanke and Nanjing Vanke provided joint liability guarantee for the entire amount of the said loan. The term of the guarantee begins from the effective date of the guarantee agreement until two years after the maturity date of the loan obligations under the loan agreement.

### **IV. Opinion of the board of directors**

The objective of providing guarantee for the relevant loan of Nanjing Paradiso Property by Shanghai Vanke and Nanjing Vanke is to facilitate and expedite the development of Nanjing Paradiso Project. The Nanjing Paradiso Project is currently under construction, with good progress and satisfactory operation. Nanjing Paradiso Property has a relatively strong debt 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 August 2011, the outstanding amount of guarantees provided by the Company was RMB11,019 million, representing 24.91 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 RMB1,171 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, 10 October 2011