



## China Vanke Co., Ltd.

### Announcement Regarding A Guarantee Provided By Shanghai Vanke For A Bank Loan For Phase I, Shanghai Jiading Juyuan (Golden Domain) Project

#### I. Overview of the guarantee

To satisfy the development needs of Phase I, Shanghai Jiading Juyuan (Golden Domain) Project, Shanghai Wanzhicheng Property Development Co., Ltd. (上海萬之城房地產開發有限公司 (“Wanzhicheng”), being the operator of the said project, took out a loan of RMB400 million from Caohejing Sub-branch of Bank of Shanghai. Shanghai Vanke Real Estate Co., Ltd. (“Shanghai Vanke”), a wholly-owned subsidiary of China Vanke Co., Ltd. (the “Company”), provided a joint liability guarantee of RMB200 million for the said loan according to the percentage of its shareholding.

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.

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

Name of company: Shanghai Wanzhicheng Property Development Co., Ltd.

Date of establishment: 29 March 2011

Registered office: Room 210, Block 3, No. 2222 Huancheng Road, Jiading District, Shanghai

Legal representative: Chen Dongbiao

Registered capital: RMB450,000,000

Shareholders: Shanghai Vanke Real Estate Co., Ltd. (holding 50% equity interests), Shanghai Xincheng Wanjia Property Co., Ltd. (上海新城萬嘉房地產有限公司) (holding 50% equity interests)

Business scope: Real estate development, property management, landscape engineering, sale of decoration materials, hardware & AC power, sanitary ware and plumbing equipment. (The business requires an administrative license for operation; operation is carried out as permitted by licence.)

The key financial indicators of Wanzhicheng are as follows:

Unit: RMB'000

	As at 31 July 2011	As at 31 December 2011
Total assets	1,177,680	1,341,590
Total liabilities	1,167,940	892,510

Of which: Total bank borrowings	-	-
Total current liabilities	1,167,940	892,510
Contingency items	-	-
Net assets	9,740	449,080
Operating income	-	-
Total profit	-290	-1,120
Net profit	-260	-920

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

Wanzhicheng took out a loan of RMB400 million from Caohejing Sub-branch of Bank of Shanghai. The term of the loan is 3 years. Shanghai Vanke provided a joint liability guarantee of 50% of the said loan according to the percentage of its shareholding. The term of the guarantee is a two-year period starting from the maturity date of the loan obligations under the loan agreement.

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

The objective of providing a guarantee for the relevant bank loan of Wanzhicheng by Shanghai Vanke according to the percentage of its shareholding is to facilitate and expedite the development of Jiading Juyuan (Golden Domain) Project. Jiading Juyuan (Golden Domain) Project is currently under construction, with good progress and satisfactory operation, and has a relatively strong debt repayment capacity. While Shanghai Vanke provides a guarantee for the relevant bank loan of Wanzhicheng, the other shareholder of Wanzhicheng – Shanghai Xincheng Wanjia Property Co., Ltd. also provides a joint liability guarantee for the relevant bank loan according to the percentage of its shareholding. The provision of guarantee is made on the basis of equality.

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 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 December 2011, the outstanding amount of guarantees provided by the Company was RMB13,684 million, representing 30.94 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 RMB12,035 million, and the outstanding amount of guarantees provided by the Company and its majority-owned

subsidiaries for associated companies and joint ventures was RMB1,649 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, 17 January 2012