



China Vanke Co., Ltd.

Announcement Regarding A Guarantee Provided By Beijing Vanke For A Credit Facility Taken Out For Beijing Spring Dew Mansion Project

I. Overview of the guarantee

To satisfy the development needs of Beijing Spring Dew Mansion Project, Beijing Jindi Vanke Property Development Co., Ltd. (北京金第万科房地產開發有限公司) (“Jindi Vanke”), being the operator of the said project, took out a two-year credit facility of RMB700 million from a financial institution. Beijing Vanke Company Limited (“Beijing Vanke”), a wholly-owned subsidiary of China Vanke Co., Ltd. (the “Company”), provided a joint liability guarantee of RMB350 million for the said credit facility 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 Beijing Vanke, with 3 votes in favour, 0 vote against and 0 abstention. As the asset-liability ratio of Jindi Vanke is over 70%, the aforesaid guarantee was considered and approved by the shareholders meeting of Beijing Vanke.

II. Basic information on the party being guaranteed

Name: Beijing Jindi Vanke Property Development Co., Ltd.

Date of establishment: 8 November 2011

Registered office: Room 511, No. 136 Xiaohongmen Road, Daxing District, Beijing

Legal representative: Hu Guangyuan

Registered capital: RMB60,000,000

Business scope: Real estate development, sale of self-developed commodity housing and property management.

Jindi Vanke is a majority-owned subsidiary of Beijing Vanke. Jindi Vanke is owned as to 50 per cent by Beijing Vanke and 50 per cent by Beijing Jindi Property Development Co., Ltd. The key financial indicators of Jindi Vanke are as follows:

Unit: RMB'000

	As at 31 December 2011	As at 31 January 2012
Total assets	1,793,500	1,793,690
Total liabilities	1,733,550	1,734,000
Of which: Total bank borrowings	0	0
Total current liabilities	1,733,550	1,734,000
Contingency items	Nil	Nil
Net assets	59,950	59,690

Operating income	0	0
Total profit	-60	-260
Net profit	-50	-260

III. Main contents of the guarantee agreement

Jindi Vanke took out a credit facility of RMB700 million from a financial institution. The term of the facility is 2 years. Beijing Vanke provided a guarantee for the facility in proportion to its 50 per cent shareholding. The term of the guarantee is a two-year period starting from the maturity date of the credit facility obligations under the credit facility agreement.

IV. Opinion of the board of directors

The objective of providing a guarantee for the relevant credit facility of Jindi Vanke by Beijing Vanke according to the percentage of its shareholding is to facilitate and expedite the development of Beijing Spring Dew Mansion Project. Beijing Spring Dew Mansion Project is currently in the pre-construction stage, with good progress and satisfactory operation, and Jindi Vanke has a relatively strong debt repayment capacity. While Beijing Vanke provides a guarantee for the relevant facility of Jindi Vanke, Beijing Zhuzong Group Co., Ltd., the parent company of Beijing Jindi Property Development Co. Ltd., being the other shareholder of Jindi Vanke, also provides a joint liability guarantee for the relevant facility according to the percentage of its shareholding in Jindi Vanke. 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 January 2012, the outstanding amount of guarantees provided by the Company was RMB13,897 million, representing 31.41 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 RMB12,211 million, and the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for associated companies and joint ventures was RMB1,686 million.

Board of Directors
China Vanke Co., Ltd.

Shenzhen, 25 February 2012