



## China Vanke Co., Ltd.

### **Announcement Regarding A Guarantee Provided By Shenzhen Vanke For A Credit Facility Taken Out For Shenzhen Golden Paradise Project**

#### **I. Overview of the guarantee**

To satisfy the development needs of Shenzhen Golden Paradise Project, Shenzhen Vanke City Views Property Development Co., Ltd. (深圳万科城市風景房地產開發有限公司) ("Vanke City Views"), being the operator of the said project, took out a credit facility of RMB420 million from a financial institution. Shenzhen Vanke Real Estate Co., Ltd. ("Shenzhen Vanke"), a wholly-owned subsidiary of China Vanke Co., Ltd. (the "Company"), provided a joint liability guarantee for the said credit facility.

The resolution regarding the matters in relation to the provision of the guarantee was passed at the board meeting of Shenzhen Vanke, with 3 votes in favour, 0 vote against and 0 abstention. As the asset-liability ratio of Vanke City Views is over 70%, the aforesaid guarantee was considered and approved by the shareholders meeting of Shenzhen Vanke.

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

Name: Shenzhen Vanke City Views Property Development Co., Ltd.

Date of establishment: 11 October 2006

Registered office: Unit B, 3/F, Headquarters Building, Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen

Legal representative: Du Jing

Registered capital: RMB120 million

Business scope: Development of real estate with legally obtained land use rights

Shenzhen Vanke, a wholly-owned subsidiary of the Company, holds 100 per cent equity interests in Vanke City Views.

As at 31 January 2012, the total assets, total liabilities and net assets of Shenzhen Vanke City Views Property Development Co., Ltd. amounted to RMB829.45 million, RMB685.56 million and RMB143.89 million respectively. For January of 2012, Vanke City Views had not generated any operating income, with a total loss of RMB1.27 million and a net loss of RMB1.27 million. Vanke City Views has not provided any guarantee nor pledged, and is not involved in any litigation.

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

Vanke City Views took out a credit facility of RMB420 million from a financial institution.

The term of the facility is 1.5 years. Shenzhen Vanke provided for the said credit facility a joint liability guarantee. The term of the guarantee begins from the effective date of the credit facility agreement until two years after the maturity date of Vanke City Views' obligations under the credit facility agreement.

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

The objective of providing guarantee for the relevant credit facility of Vanke City Views by Shenzhen Vanke is to facilitate the development of Shenzhen Golden Paradise Project. Shenzhen Golden Paradise Project is currently under construction, with good progress. Vanke City Views 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 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, 28 February 2012