



China Vanke Co., Ltd.

Announcement Regarding A Guarantee Provided By Beijing Vanke For A Credit Facility Taken Out For Beijing King Metropolis Project

I. Overview of the guarantee

To satisfy the development needs of Beijing King Metropolis Project, Beijing Zhuzong Vanke Real Estate Development Co., Ltd. ("Zhuzong Vanke"), being the operator of the said project, took out a three-year credit facility of RMB1,000 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 RMB500 million for the said credit facility according to the percentage of its shareholding.

The related matters had been 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 Zhuzong Vanke is over 70%, the aforesaid guarantee was considered and approved by the shareholders meeting of Beijing Vanke.

II. Basic information on the principal of the guarantee

Name: Beijing Zhuzong Vanke Real Estate Development Co., Ltd.

Date of establishment: 22 November 2010

Registered office: Room 105, Tower No. 4, Ruiqi Jiayuan, Huilongguan Town, Changping District, Beijing

Legal representative: Kong Xiangmin

Registered capital: RMB550 million

Business scope: Property development, sales of self-developed commodity housing, and property management.

Zhuzong Vanke is a majority-owned subsidiary of Beijing Vanke. Each of Beijing Vanke Company Limited and Beijing Zhuzong Real Estate Development Co., Ltd. holds 50 per cent equity interests in Zhuzong Vanke. The key financial metrics of Zhuzong Vanke are as follows:-

Unit: RMB'000

	As at 31 December 2012	As at 30 April 2013
Total assets	4,919,120	4,687,830
Total liabilities	4,171,630	3,940,240
Of which: Total bank borrowings	405,710	378,040
Total current liabilities	3,765,910	3,562,200
Contingency items	Nil	Nil
Net assets	747,490	747,590
Operating income	0	0
Total profit	221,050	188

Net profit	197,490	97.6
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III. Main contents of the guarantee agreement

Zhuzong Vanke took out a credit facility of RMB1,000 million from a financial institution. The term of the facility is three years. Beijing Vanke provided a guarantee for the said facility in proportion to its 50 per cent shareholding. The term of the guarantee is a three-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 Beijing Vanke's provision of a guarantee for the relevant credit facility of Zhuzong Vanke according to the percentage of its shareholding is to facilitate and expedite the development of Beijing King Metropolis Project. Beijing King Metropolis Project is currently in the pre-construction stage, with good progress and satisfactory operation, and Zhuzong Vanke has a relatively strong debt repayment capacity. While Beijing Vanke provides a guarantee for the relevant facility of Zhuzong Vanke, Beijing Zhuzong Real Estate Development Co., Ltd., being the other shareholder of Zhuzong Vanke, also provides a joint liability guarantee for the relevant facility according to the percentage of its shareholding in Zhuzong 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 30 April 2013, the outstanding amount of guarantees provided by the Company was RMB13,347 million, representing 20.91 per cent of the audited net assets attributable to the shareholders of the Company as at the end of 2012. Of the outstanding amount of guarantees provided by the Company, the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries was RMB13,150 million, and the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for associated companies and joint ventures was RMB197 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 May 2013