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**DISCLOSEABLE TRANSACTION:
FORMATION OF A JOINT VENTURE COMPANY**

FORMATION OF A JOINT VENTURE COMPANY

The Board is pleased to announce that on 23 March 2015, Merchants Nanjing, an indirect non wholly-owned subsidiary of the Company, entered into the Nanjing G72 Land Cooperation Agreement with Shanghai Qiongyu pursuant to which, among other things, Merchants Nanjing and Shanghai Qiongyu will jointly set up a JV Company in the PRC specifically to engage in the construction and development of a real estate project on the Nanjing G72 Land and each of Merchants Nanjing and Shanghai Qiongyu will contribute the respective amounts of RMB14.7 million and RMB15.3 million to the registered capital of the JV Company, as a result of which each of Merchants Nanjing and Shanghai Qiongyu will own 49% and 51% of equity interest of the JV Company.

Each of Merchants Nanjing and Shang Qiongyu had contributed in aggregate RMB370 million for the payment of 50% of the G72 Land Consideration on 24 December 2014 in proportion to their agreed percentage ratio of shareholding in the JV Company. The remaining balance of the G72 Land Consideration is payable before 24 March 2015 and will be funded by Merchants Nanjing and Shang Qiongyu by way of providing further shareholders' loans in proportion to their shareholding in the JV Company.

LISTING RULES IMPLICATIONS

Since the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are less than 25%, the JV Formation constitutes a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Rule 14.34 of the Listing Rules.

FORMATION OF THE JOINT VENTURE COMPANY

On 23 March 2015, Merchants Nanjing and Shanghai Qiongyu entered into the Nanjing G72 Land Cooperation Agreement for the JV Formation, the principal terms of which are set out below.

Nanjing G72 Land Cooperation Agreement

Date:

23 March 2015

Parties:

- (a) Merchants Nanjing, an indirect non wholly-owned subsidiary of the Company; and
- (b) Shanghai Qiongyu, a company established in the PRC with limited liability. The principal business of Shanghai Qiongyu is investment management. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiry, Shanghai Qiongyu and its ultimate beneficial owners are all Independent Third Parties.

Basic information of Nanjing G72 Land

On 17 December 2014, Shanghai Qiongyu had successfully bidden the Nanjing G72 Land, i.e., a piece of land known as Nanjing 2014G72 situated at Mashuchang Land Parcel B1, Maqun Street, Xixia District, Nanjing City, the PRC, to the east of Zijin Shanglin Garden, to the south of Hurong Express Highway, to the west of Beijing-Shanghai High-speed Railway and to the north of Jinmalu* (中國南京市栖霞區馬群街道馬術場B1地塊，東至紫金上林苑，南至滬蓉高速公路，西至京滬高鐵，北至金馬路), for a total consideration of RMB740 million (“**G72 Land Consideration**”). The Nanjing G72 Land has a total site area of 56,356.61 sq. m., its permitted plot ratio is 1.2 and is designated for residential usage with a term of usage for 70 years. Upon the establishment of the JV Company, the land use right of Nanjing G72 Land will be held by the JV Company.

Contribution to the registered capital of the JV Company

Both parties had agreed that they will jointly establish a JV Company in the PRC specifically for the construction and development of the real estate project on the Nanjing G72 Land and the initial registered capital of the JV Company will be RMB30 million which shall be contributed by Merchants Nanjing and Shanghai Qiongyu in the respective amounts of RMB14.7 million and RMB15.3 million in cash. Upon completion of the registered capital contribution, the equity interest of the JV Company will be held as to 49% and 51% by Merchants Nanjing and Shanghai Qiongyu respectively.

The parties have agreed that they will jointly establish the JV Company and contribute to its registered capital after signing of the Nanjing G72 Land Cooperation Agreement.

Contribution to the G72 Land Consideration

On 24 December 2014, 50% of the G72 Land Consideration, namely, RMB370 million, being contributed by Merchants Nanjing and Shagnhai Qiongyu in the respective amounts of RMB181.3 million and RMB188.7 million in cash at the ratio of the equity interest in the JV Company of 49% to 51%, were paid to the relevant government department of Nanjing City. The remaining 50% of the G72 Land Consideration shall be paid on or before 24 March 2015.

The above contributions to the initial payment of 50% of the G72 Land Consideration will be treated as shareholders' loans provided by Merchants Nanjing and Shagnhai Qiongyu upon the establishment of the JV Company.

The remaining balance of the G72 Land Consideration shall be funded by Merchants Nanjing and Shang Qiongyu by way of providing further shareholders' loans in proportion to their shareholding in the JV Company, namely, RMB181.3 million and RMB188.7 million respectively and in cash.

The terms of the shareholders' loans provided by Merchant Nanjing and Shanghai Qiongyu including interest rate will be subject to further negotiation and agreement between Merchant Nanjing and Shanghai Qiongyu.

The subscription to the registered capital of the JV Company by Merchants Nanjing, the contribution to its relevant portion of the initial payment of 50% of the G72 Land Consideration and the provision of further shareholder's loan by Merchants Nanjing to the JV Company for funding 49% of the remaining balance of the G72 Land Consideration will be funded by the Group's internal resources.

Upon completion of the contribution to the registered capital of the JV Company, Merchants Nanjing will own 49% equity interest in the JV Company. The financial results of the JV Company will not be consolidated with the results of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Group is principally engaged in the development, sale, lease, investment and management of properties in the PRC and the sales of electronic and electrical related products and sales of building related materials and equipment.

Each of the parties would be benefited from the cooperation in order to exert their strength, grasp the market opportunities and enhance its investment portfolio in the property market in the PRC, which would improve the capital efficiency and effectiveness and reduce the investment risks and thus a greater return could be created for the Shareholders.

The terms of the Nanjing G72 Land Cooperation Agreement have been arrived at after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors) have confirmed that the terms of the Nanjing G72 Land Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

Since the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are less than 25%, the JV Formation constitutes a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Rule 14.34 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following respective meanings:

“Company”	China Merchants Land Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability on 24 April 1997 and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 0978)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates
“JV Company”	a joint venture company to be set up by Merchants Nanjing and Shanghai Qiongyu in the PRC pursuant to the Nanjing G72 Land Cooperation Agreement
“JV Formation”	the formation of the JV Company between Merchants Nanjing and Shanghai Qiongyu for the development of the Nanjing G72 Land pursuant to the Nanjing G72 Land Cooperation Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Merchants Nanjing”	招商局地產(南京)有限公司 (Merchants Nanjing Real Estate Co., Ltd.*), a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company

“Nanjing G72 Land”	a piece of land known as Nanjing 2014 G72 situated at Mashuchang Land Parcel B1, Maqun Street, Xixia District, Nanjing City, the PRC, to the east of Zijin Shanglin Garden, to the south of Hurong Express Highway, to the west of Beijing-Shanghai High-speed Railway and to the north of Jinmalu* (中國南京市栖霞區馬群街道馬術場B1地塊，東至紫金上林苑，南至滬蓉高速公路，西至京滬高鐵，北至金馬路) with a total site area of 56,356.61 sq. m.
“Nanjing G72 Land Cooperation Agreement”	A cooperation agreement dated 23 March 2015 entered into between Merchants Nanjing and Shanghai Qiongyu in respect of the establishment of a JV Company, subscription of equity interest by the parties in the JV Company by contribution to its registered capital, the contribution to the initial payment of 50% of the G72 Land Consideration and the provision of further shareholders’ loans by the parties to the JV Company for funding of the remaining balance of the G72 Land Consideration
“PRC”	the People’s Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Qiongyu”	上海琮宇投資管理有限公司 (Shanghai Qiongyu Investment and Management Company Limited*), a company established in the PRC and a party to the Nanjing G72 Land Cooperation Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board of Directors of
China Merchants Land Limited
Mr. He Jianya
Chairman

Hong Kong, 23 March 2015

As at the date of this announcement, the Board comprises Dr. So Shu Fai, Mr. Xian Yaoqiang, Mr. Liu Zhuogen and Mr. Yu Zhiliang as Executive Directors; Mr. He Jianya, Ms. Wu Zhenqin and Ms. Liu Ning as Non-executive Directors and Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi as Independent Non-executive Directors.

* Unofficial English translation denotes for identification purposes only