

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement



CHINA VANKE CO., LTD. *
萬科企業股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2202)

Progress of Material Asset Restructuring

Reference is made to the trading suspension announcement published by China Vanke Co., Ltd. (the “**Company**”) on 20 December 2015 in relation to a material asset restructuring contemplated by the Company. At the request of the Company, trading in the shares of the Company (stock code: 2202) on The Stock Exchange of Hong Kong Limited (the “**SEHK**”) has been suspended from 1:00 p.m. on Friday, 18 December 2015.

As of the present moment, the Company’s work relating to the material asset restructuring achieves considerable progress. On December 25, 2015, the Company has entered into a letter of intent (“**LOI**”) for cooperation, regarding a possible transaction with a potential party for transaction (“**Potential Vendor**”). The purpose of the LOI is to state the initial intention in principle of both parties regarding the transaction intended for negotiation. Under the LOI, the Potential Vendor intends to dispose of, and the Company intends to acquire, the entire interest of a target company held by the Potential Vendor. The Company intends to settle the consideration for the acquisition of entire interest of the target company held by the Potential Vendor by issue of new shares (A shares or H shares) and cash payment. The ultimate consideration of the transaction, the structure of the transaction and the actual scope of the target assets will be determined in accordance to the results of due diligence and valuation, and will be decided by the Company and the Potential Vendor

through negotiation. Apart from the general terms of confidentiality, expenses, governing jurisdiction, and resolution of disputes, other terms in the LOI do not have any legal binding impact on the Company and potential vendor at present and in the future. The transaction may or may not proceed. The LOI shall be automatically terminated under one of the following two circumstances (whichever is earlier): (1) there is a written agreement by both parties; (2) 30 June, 2016.

The material asset restructuring currently contemplated by the Company is relatively complicated. The Company is negotiating and discussing with other potential parties, in addition to the continuing negotiation with the aforementioned Potential Vendor. Therefore, there remains uncertainty in the material asset restructuring contemplated by the Company. The Company's shareholders and potential investors should exercise caution when trading in the Company's securities.

The Company also notices that there have been many speculations about the proposal, parties involved in the transaction and transaction format of the Company's material asset restructuring. The Company solemnly clarified that the relevant rumors are without substantiation. For instance, the speculation on the identity of the party involving in the transaction described in the rumours discovered by the Company, contradicts the facts. The Company would like to remind shareholders and potential investors that the website of HKExnews of SEHK and the Company's official website are the designated websites for disclosure of the Company's announcements.

Should there be any further progress on realising the material asset restructuring, the Company will make further announcement in accordance to the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the the Securities and Futures Ordinance.

By order of the Board
China Vanke Co., Ltd. *
Tan Huajie

Company Secretary

Shenzhen, the PRC, 29 December 2015

As at the date of this announcement, the Board comprises Mr. WANG Shi, Mr. YU Liang and Mr. WANG Wenjin as executive Directors; Mr. QIAO Shibo, Mr. SUN Jianyi, Mr. WEI Bin and Mr. CHEN Ying as non-executive Directors; and Mr. ZHANG Liping, Mr. HUA Sheng, Ms. LAW Elizabeth and Mr. HAI Wen as independent non-executive Directors.

** for identification purpose only*