

China Merchants Property Development Co., Ltd.

External Guarantee Announcement

The members of the Board and the Company accept the responsibilities for the truthfulness, accuracy, and completeness of the announcement. There isn't any false record, misleading statement or significant omission carried in this announcement.

The Notice on the 12th Temporary Meeting in 2014 of the 7th Board of Directors of the Company was delivered to all the Directors, Supervisors and senior management via special person delivery and email etc. on September 24, 2014. On September 25, 2014, the Meeting was held on time in the form of communication voting, 11 Directors shall have attended the Meeting and 11 Directors actually attended the Meeting. The calling and holding of the Meeting comply with the provisions of the related laws, regulations and Company Statute. The Meeting examined and approved the *Proposal on Providing Guarantee For the Bank Loan of China Merchants Property (Shenzhen) Co., Ltd.* with 11 concurring votes, 0 negative vote and 0 abstention vote. The related conditions are as follows:

I. Overview of the guarantee condition

The wholly owned subsidiary company of the Company China Merchants Property (Shenzhen) Co., Ltd. (hereinafter referred to as “Shenzhen China Merchants Property”) plans to borrow RMB 0.5 billion Yuan from China Everbright Bank Co., Ltd. Shenzhen Branch (hereinafter referred to as “Shenzhen Everbright Bank”) due to operation need, and the period of validity is 3 years. The Company plans to provide joint liability guarantee for the loan, the guarantee amount does not exceed RMB 0.5 billion Yuan, and the guarantee term is two years after the day when the debt maturity under the items of the debtor implementing the loan contract stipulated by the loan contract is due.

II Basic condition of the guaranteed party

Shenzhen China Merchants Property was established on May 5, 1984. Registered address: Building 3, Nanhai Yiku, No.6 Xinghua Road, Shekou, Nanshan District, Shenzhen. Legal representative: He Jianya. Registered capital: RMB 3 billion yuan. The Company holds 100% equity of it. Scope of Business: Property development and sales of commercial housing; concentrated decoration repair; rental of furniture and household electrical appliances; management, purchase and sales business of the domestic industries of the foreign clients; repair of the elevator and air conditioning equipment within the industrial zone; property agency; industrial projects. (The above-mentioned scope of business is subject to the legal approval of the Administration for Industry and Commerce where the company was registered).

Main financial indexes of Shenzhen China Merchants Property: Up till December 31, 2013, the total amount of assets is RMB 19,072.51 million Yuan, the total amount of liabilities is RMB 10,991.76 million Yuan, and the net assets is RMB 8,080.74 million Yuan. In 2013, the operating income of the company is RMB 2,707.03 million Yuan, and the net profit is RMB 1,892.94 million Yuan. The external guarantee of the company is RMB 1,039.86 million Yuan, and it did not have the matters of mortgage and lawsuit.

III Main content of the guarantee agreement

The Company provides joint liability guarantee for the loan of Shenzhen China Merchants Property from Shenzhen Everbright Bank, the guarantee amount does not exceed RMB 0.5 billion Yuan, and the guarantee term is two years after the day when the debt maturity under the items of the debtor implementing the loan contract stipulated by the loan contract is due.

IV Opinion of the Board of Directors

Shenzhen China Merchants Property supplemented the capital through bank loan due to operation need, which is good for strengthening capital management and promoting the operation development of the company.

V. Accumulative external guarantee quantity of the Company

Up till the day of this Announcement, the total amount of the external guarantee of the Company and the holding subsidiary companies (not including the sales mortgage guarantee provided to the clients by the subsidiary companies) is RMB 6,161.67 million Yuan, accounting for 23.05% of the net assets belonging to the shareholders of the parent company after the audit of the latest period of the Company. There are no overdue guarantee amount, guarantee amount involving lawsuit and the loss amount that shall be born due to the guarantee losing the lawsuit.

We hereby publish the announcement.

China Merchants Property Development Co., Ltd.

Board of Directors

September 26, 2014