

Vanke Real Estate (Hong Kong)
Company Limited

Consolidated financial statements
for the six months ended 30 June 2017

Consolidated statement of profit or loss (Expressed in Renminbi Yuan)

| <i>Six months ended</i> <i>30 June 2017</i> RMB'million (unaudited) | <i>Six months ended</i> <i>30 June 2016</i> RMB'million (unaudited) |
|--|--|
|--|--|

Consolidated statement of profit or loss and other
 comprehensive income
 (Expressed in Renminbi Yuan)

| | <i>Six months ended</i> 30 June 2017 RMB'million (unaudited) | <i>Six months ended</i> 30 June 2016 RMB'million (unaudited) |
|--|---|---|
| Profit for the period | 450 | 780 |
| Other comprehensive income for the period | | |
| Items that may be reclassified subsequently to profit or loss: | | |
| Cash flow hedge: net movement in the hedging reserve | 10 | (30) |
| Exchange differences on translation of financial statements of non-mainland China operations | 73 | (48) |
| Other comprehensive income for the period | 83 | (78) |
| Total comprehensive income for the period | 533 | 702 |
| Attributable to: | | |
| Equity shareholders of the Company | 334 | 564 |
| Non-controlling interests | 199 | 138 |
| Total comprehensive income for the period | 533 | 702 |

Consolidated statement of financial position (Expressed in Renminbi Yuan)

| | As at 30 June 2017 RMB'million (unaudited) | As at 31 December 2016 RMB'million (audited) |
|--|---|---|
| Non-current assets | | |
| Property, plant and equipment | 1,842 | 1,836 |
| Investment properties | 106 | 109 |
| Interest in associates | 7,315 | 7,780 |
| Interest in joint ventures | 2,336 | 2,571 |
| Other non-current assets | 8,448 | 8,853 |
| Deferred tax assets | 546 | 457 |
| | 20,593 | 21,606 |
| | 20,593 | 21,606 |
| Current assets | | |
| Inventories | 30,072 | 28,110 |
| Prepaid tax | 1,442 | 734 |
| Trade and other receivables | 55,765 | 47,135 |
| Pledged deposits | 30 | 14 |
| Cash and cash equivalents | 7,403 | 9,494 |
| | 94,712 | 85,487 |
| | 94,712 | 85,487 |
| Current liabilities | | |
| Bank loans | 2,177 | 2,442 |
| Bonds payable | 6,092 | 674 |
| Trade and other payables | 76,455 | 65,887 |
| Current taxation | 758 | 906 |
| | 85,482 | 69,909 |
| | 85,482 | 69,909 |
| Net current assets | 9,230 | 15,578 |
| Total assets less current liabilities | 29,823 | 37,184 |

Consolidated statement of financial position (Expressed in Renminbi Yuan)

| | <i>As at 30 June 2017</i> RMB'million (unaudited) | <i>As at 31 December 2016</i> RMB'million (audited) |
|--|---|---|
| Non-current liabilities | | |
| Bank loans | 282 | 2,171 |
| Bonds payable | 12,368 | 18,247 |
| Deferred tax liabilities | 61 | 54 |
| | <u>12,711</u> | <u>20,472</u> |
| NET ASSETS | <u>17,112</u> | <u>16,712</u> |
| CAPITAL AND RESERVES | | |
| Share capital | 563 | 563 |
| Reserves | 10,887 | 10,553 |
| Total equity attributable to equity shareholders of the Company | <u>11,450</u> | <u>11,116</u> |
| Non-controlling interests | <u>5,662</u> | <u>5,596</u> |
| TOTAL EQUITY | <u>17,112</u> | <u>16,712</u> |