

Vanke Real Estate (Hong Kong)
Company Limited

Consolidated financial statements
for the six months ended 30 June 2016

Consolidated statement of profit or loss

(Expressed in Renminbi Yuan)

	<i>Six months ended</i> <i>30 June 2016</i> RMB'million (unaudited)	<i>Six months ended</i> <i>30 June 2015</i> RMB'million (unaudited)
Revenue	4,385	3,299
Cost of sales	(3,407)	(2,299)
Gross profit	978	1,000
Other income	124	172
Distribution costs	(107)	(99)
Administrative expenses	(65)	(67)
Other operating expenses	(93)	(27)
Profit from operations	837	979
Finance costs	(255)	(207)
Share of profits less losses of associates	537	492
Share of profits less losses of joint ventures	(14)	7
Profit before taxation	1,105	1,271
Income tax	(325)	(321)
Profit for the period	780	950
Attributable to:		
Equity shareholders of the Company	642	790
Non-controlling interests	138	160
Profit for the period	780	950

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

	<i>Six months ended</i> 30 June 2016 RMB'million (unaudited)	<i>Six months ended</i> 30 June 2015 RMB'million (unaudited)
Profit for the period	780	950
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	(30)	(47)
Exchange differences on translation of financial statements of non-mainland China operations	(48)	2
Other comprehensive income for the period	(78)	(45)
Total comprehensive income for the period	702	905
Attributable to:		
Equity shareholders of the Company	564	745
Non-controlling interests	138	160
Total comprehensive income for the period	702	905

Consolidated statement of financial position (Expressed in Renminbi Yuan)

	<i>As at 30 June 2016</i>	<i>As at 31 December 2015</i>
	RMB'million (unaudited)	RMB'million (audited)
Non-current assets		
Property, plant and equipment	341	346
Investment properties	14	15
Interest in associates	7,416	5,627
Interest in joint ventures	1,354	1,187
Other non-current assets	9,008	8,944
Deferred tax assets	466	381
	<u>18,599</u>	<u>16,500</u>
Current assets		
Inventories	22,788	18,033
Prepaid tax	670	472
Trade and other receivables	33,877	25,379
Pledged deposits	35	35
Cash and cash equivalents	3,514	2,833
	<u>60,884</u>	<u>46,752</u>
Current liabilities		
Bank loans	610	237
Bonds payable	999	998
Trade and other payables	44,292	33,043
Current taxation	369	421
	<u>46,270</u>	<u>34,699</u>
Net current assets	<u>14,614</u>	<u>12,053</u>
Total assets less current liabilities	<u>33,213</u>	<u>28,553</u>

Consolidated statement of financial position

(Expressed in Renminbi Yuan)

	<i>As at 30 June 2016</i>	<i>As at 31 December 2015</i>
	RMB'million (unaudited)	RMB'million (audited)
Non-current liabilities		
Bank loans	4,541	4,296
Bonds payable	12,703	9,302
Deferred tax liabilities	51	54
	17,295	13,652
NET ASSETS	15,918	14,901
CAPITAL AND RESERVES		
Share capital	563	563
Reserves	10,315	9,751
Total equity attributable to equity shareholders of the Company	10,878	10,314
Non-controlling interests	5,040	4,587
TOTAL EQUITY	15,918	14,901