

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)

	Six months ended 30 June 2017 RMB'million (unaudited)	Six months ended 30 June 2016 RMB'million (unaudited)
Revenue	3,269	4,385
Cost of sales	(2,239)	(3,407)
Gross profit	1,030	978
Other income	225	124
Distribution costs	(203)	(107)
Administrative expenses	(112)	(65)
Other operating expenses	(8)	(93)
Profit from operations	932	837
Finance costs	(388)	(255)
Share of profits less losses of associates	241	537
Share of profits less losses of joint ventures	5	(14)
Profit before taxation	790	1,105
Income tax	(340)	(325)
Profit for the period	450	780
Attributable to:		
Equity shareholders of the Company	251	642
Non-controlling interests	199	138
Profit for the period	450	780

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>