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**ISSUANCE OF US\$500,000,000 4.021 PER CENT.
CREDIT ENHANCED BONDS DUE 2018**

Reference is made to the announcement of the Issuer dated 29 November 2013 in respect of the proposed issuance of the Bonds. The Board is pleased to announce that on 4 December 2013, the Issuer and the Joint Lead Managers entered into the Subscription Agreement in connection with the Bonds in the aggregate principal amount of US\$500,000,000.

The Issuer will conduct an international offering of the Bonds to professional investors (as defined in the Securities and Futures Ordinance) only. The Bonds will only be offered outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the Bonds will be offered to the public in Hong Kong other than to professional investors, or be placed to any connected persons of the Issuer.

The proceeds from the Bonds are intended to be used by the Issuer for general corporate purposes. A confirmation of the eligibility for the listing of the Bonds has been received from the Stock Exchange. Admission of the Bonds to the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the LC Bank or the Bonds.

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, prospective investors and Shareholders are urged to exercise caution when dealing in the securities of the Issuer.

* For identification purposes only

SUBSCRIPTION AGREEMENT

Date: 4 December 2013

Parties:

- (1) the Issuer; and
- (2) the Joint Lead Managers

The Bonds have not been and will not be registered under the Securities Act. Subject to certain exceptions, the Bonds may not be offered or sold within the United States. The Bonds will only be offered and sold outside the United States in reliance on Regulation S under the Securities Act. None of the Bonds will be offered to the public in Hong Kong other than to professional investors.

PRINCIPAL TERMS AND CONDITIONS

Bonds offered

Subject to satisfaction of conditions precedent to closing, the Issuer will issue the Bonds in the aggregate principal amount of US\$500,000,000. The Bonds will mature on 11 December 2018, unless earlier redeemed, or purchased and cancelled in accordance with the Terms and Conditions and the Trust Deed. At maturity, the Bonds are payable at 100% of the principal amount thereof.

Offer Price

The offer price of the Bonds will be 100% of the principal amount of the Bonds.

Interest

The Bonds will bear interest from 11 December 2013 at the rate of 4.021 per cent. per annum, payable in arrear on 11 June and 11 December in each year (each, an “**Interest Payment Date**”).

Interest will be calculated on the basis of a year of 360 days with twelve 30-day months.

Ranking of the Bonds

The Bonds constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Pre-funding

In order to provide for the payment of any amount in respect of the Bonds (other than the Mandatory Redemption Amount), the Issuer shall by no later than twelve Hong Kong Business Days prior to the due date of payment, pre-fund such payment into a pre-funding account and deliver to the Trustee and the Principal Paying Agent certain required confirmations in accordance with the Terms and Conditions.

Covenants

In accordance with the Terms and Conditions, so long as any Bond remains outstanding, except with the approval of the holders of the Bonds, the Issuer, amongst other things:

- (1) shall not, and the Issuer shall procure that none of its Subsidiaries will, create or permit to subsist any security interest upon the whole or any part of its present or future undertaking, assets or revenues to secure any, or guarantee of, relevant indebtedness (as defined in the Terms and Conditions) without (a) at the same time or beforehand securing the Bonds equally and rateably therewith to the Trustee's satisfaction, or (b) providing such other security for the Bonds as the Trustee may at its absolute discretion consider to be not materially less beneficial to the Bondholders' interests or as may be approved by an Extraordinary Resolution (as defined in the Terms and Conditions) of Bondholders; and
- (2) shall use its best endeavours to maintain a rating on the Bonds by a Rating Agency.

Redemption

Unless previously redeemed, or purchased and cancelled, Bonds will be redeemed at their principal amount on 11 December 2018, subject as provided in the Terms and Conditions.

In accordance with the Terms and Conditions, the Bonds may be redeemed in any of the following circumstances:

- (1) the Bonds shall be redeemed at their principal amount (the "**Mandatory Redemption Amount**") together with accrued interest on the Interest Payment Date immediately falling after the date that notice of pre-funding failure of the Issuer is given by the Trustee to the Bondholders;
- (2) if the holder of any Bond shall have exercised its right to require the Issuer to redeem its Bond as a result of change in control and a pre-funding failure notice is given to the Bondholders under the Terms and Conditions, such holder's Bond shall be redeemed at their principal amount on, together with interest accrued to, the date for redemption in accordance with the Terms and Conditions;
- (3) the Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) at their principal amount, together with interest accrued to, but excluding the date fixed for redemption, in the event of certain changes affecting tax laws or regulations of Hong Kong or the Cayman Islands as set out in the Terms and Conditions; and

- (4) at any time following the occurrence of a change of control as set out in the Terms and Conditions, the holder of any Bonds will have the right, at such holder's option, to require the Issuer to redeem all, but not only some of that holder's bonds at 100% of their principal amount, together with accrued interest, by no later than 30 days following a change of control, or, if later, 30 days following a notice given to Bondholders by the Issuer in accordance with the Terms and Conditions.

Events of Default

The events of default under the Bonds include, among other things and subject to certain qualifications:

- (1) failure to pay the principal or interest on any of the Bonds when due and in the case of failure to pay interest on any of the Bonds, such failure continues for a period of seven business days;
- (2) a breach by the Issuer of its other obligations under the Bonds or the Trust Deed;
- (3) cross-default of the Issuer or any Subsidiary in respect of certain indebtedness and guarantee of any indebtedness of the Issuer or any Subsidiary;
- (4) judgment that is rendered against the Issuer or any of its Principal Subsidiaries is unsatisfied and unstayed for a period of 45 days;
- (5) security is enforced in respect of the whole or any material part of the undertaking, assets and revenues of the Issuer or any of its Principal Subsidiaries;
- (6) the insolvency of the Issuer or any of its Principal Subsidiaries;
- (7) the winding-up of the Issuer or any of its Principal Subsidiaries;
- (8) government intervention in respect of all or any part of the undertaking, assets and revenues of the Issuer or any of its Principal Subsidiaries;
- (9) failure to take action in order to enable the Issuer to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Bonds, the Trust Deed or the Agency Agreement;
- (10) it is or will be unlawful for the Issuer to perform or comply with its obligations under or in respect of the Bonds, the Trust Deed or the Agency Agreement;
- (11) the Standby Letter of Credit is not (or is claimed by the LC Bank) not to be enforceable, valid or in full force and effect or the Standby Letter of Credit is modified, amended or terminated without the Trustee's consent;
- (12) cross-acceleration in respect of the LC Bank or any LC Bank Subsidiary;
- (13) the winding-up of the LC Bank;

- (14) the winding-up of any LC Bank Principal Subsidiary and the cessation or threat of cessation of business of any LC Bank Principal Subsidiary;
- (15) the insolvency of the LC Bank or any LC Bank Principal Subsidiary;
- (16) security is enforced in respect of the whole or any substantial part of the undertaking or assets of the LC Bank or the whole or substantially all of the undertaking or assets of a LC Bank Principal Subsidiary;
- (17) nationalisation in respect of all or a substantial part of the assets of the LC Bank or all or substantially all of the assets of a LC Bank Principal Subsidiary;
- (18) it is or will become unlawful for the LC Bank to perform or comply with any one or more of its obligations under the Standby Letter of Credit; or
- (19) any consent or authorisation required in order to enable the LC Bank to enter into the Standby Letter of Credit and to ensure those obligations are legally binding and enforceable has been given.

If an event of default under the Bonds occurs, then the Trustee at its discretion may, and if upon the written request of holders of at least 25% of the aggregate principal amount of the outstanding Bonds or if so directed by an Extraordinary Resolution of Bondholders and subject to applicable provisions under the Terms and Conditions, give written notice to the Issuer declaring the Bonds to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest and without further action or formality.

STANDBY LETTER OF CREDIT

The Bonds have the benefit of the Standby Letter of Credit denominated in US dollars issued by the LC Bank in favour of the Trustee, on behalf of holders of the Bonds. The Standby Letter of Credit shall be drawable by the Trustee as beneficiary under the Standby Letter of Credit on behalf of the holders of the Bonds upon the presentation of a demand by authenticated SWIFT sent by the Trustee to the LC Bank stating that (i) the Issuer has failed to comply with the pre-funding requirements under the Terms and Conditions, (ii) an event of default has occurred and the Trustee has given notice to the Issuer that the Bonds are immediately due and payable in accordance with the Terms and Conditions. Only one drawing is permitted under the Standby Letter of Credit.

Every payment made under the Standby Letter of Credit in respect of any amount payable under the Terms and Conditions or in connection with the Bonds or the Trust Deed shall, to the extent of the drawing paid to or to the order of the Trustee, satisfy the obligations of the Issuer in respect of such amount payable under the Terms and Conditions or in connection with the Bonds or the Trust Deed.

The LC Bank's liability under the Standby Letter of Credit shall be expressed and payable in US dollars and shall not exceed US\$513,565,625. The Standby Letter of Credit expires at 5.00 p.m. (Hong Kong time) on 10 January 2019.

PROPOSED USE OF PROCEEDS

The net proceeds of the issue of the Bonds will be used by the Issuer for general corporate purposes.

LISTING AND RATING

A confirmation of the eligibility for the listing of the Bonds has been received from the Stock Exchange. Admission of the Bonds to the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the LC Bank or the Bonds.

The Bonds are expected to be rated “A2” by Moody’s. The rating reflects Moody’s assessment of the likelihood of timely payment of the principal of and interest on the Bonds. The rating does not address the payment of any additional amounts and does not constitute a recommendation to buy, sell or hold the Bonds inasmuch as such rating does not comment as to market price or suitability for a particular investor.

There can be no assurance that the rating will remain in effect for any period or that the rating will not be suspended, upgraded, reduced or withdrawn by Moody’s in the future if, in their judgment, circumstances so warrant. Such rating should be evaluated independently of any other rating on the Bonds, on any other securities of the Issuer or on the Issuer.

GENERAL

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, prospective investors and shareholders of the Issuer are advised to exercise caution when dealing in the securities of the Issuer.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Agency Agreement”	an agency agreement dated on or about 11 December 2013 between the Issuer, the registrar and the transfer agents named therein, the Principal Paying Agent, the paying agents named therein, the pre-funding account bank and the letter of credit proceeds account bank and the Trustee
“Board”	the board of Directors
“Bondholder”	the person in whose name a Bond is for the time being registered in the register in respect of the Bonds
“Bonds”	the US\$500,000,000 4.021 per cent. credit enhanced bonds due 2018 proposed to be issued by the Issuer

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Issuer
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Business Days”	a day, other than a Saturday or a Sunday or a public holiday, on which banks are open for business in Hong Kong, London and New York City
“Issuer”	China Merchants Land Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange
“Joint Lead Managers”	Industrial and Commercial Bank of China (Asia) Limited, Merrill Lynch International, DBS Bank Ltd., Barclays Bank PLC, CCB International Capital Limited, China Merchants Securities (HK) Co., Limited, ING Bank N.V., Singapore Branch, J.P. Morgan Securities plc, and UBS AG, Hong Kong Branch
“LC Bank”	Industrial and Commercial Bank of China (Asia) Limited
“LC Bank Principal Subsidiary”	Chinese Mercantile Bank and any other LC Bank Subsidiary whose pre-tax profits or gross assets meets the requirements under the Terms and Conditions
“LC Bank Subsidiary”	any company (i) in which the LC Bank holds a majority of the voting rights, (ii) of which the LC Bank is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the LC Bank is a member and controls a majority of the voting rights, and includes any company which is a LC Bank Subsidiary or a LC Bank Subsidiary of the LC Bank
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Principal Paying Agent”	The Hongkong and Shanghai Banking Corporation Limited
“Principal Subsidiary”	any Subsidiary of the Issuer whose gross revenues, pre-tax profits or gross assets meets the requirements under the Terms and Conditions
“Proposed Bonds Issue”	the proposed issue of the Bonds

“Standby Letter of Credit”	an irrevocable standby letter of credit dated on or about 11 December 2013 issued by the LC Bank
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the agreement in respect of the terms of the issue and subscription of the Bonds dated 4 December 2013 entered into between the Issuer and the Joint Lead Managers
“Subsidiary”	in relation to any person (the “first Person”) at any particular time, any other person (the “second Person”): (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person
“Terms and Conditions”	the terms and conditions of the Bonds, which are appended to the Trust Deed
“Trust Deed”	the trust deed dated on or about 11 December 2013 entered into between the Issuer and the Trustee
“Trustee”	The Hongkong and Shanghai Banking Corporation Limited
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended

By the order of the Board
China Merchants Land Limited
Mr. He Jianya
Chairman

Hong Kong, 5 December 2013

As at the date of this announcement, the Board comprises Dr. So Shu Fai, Mr. Hu Jianxin, Mr. Liu Zhuogen and Mr. Yu Zhiliang as Executive Directors; Mr. He Jianya, Ms. Wu Zhenqin and Ms. Liu Ning as Non-executive Directors and Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi as Independent Non-executive Directors.