

Stock Code: 000024, 200024

Stock ID: CMPD, CMPD B

Announcement No. 【CMPD】2012 – 014

China Merchants Property Development Co., Ltd.

The 1st Quarterly Report 2012 (Official Text)

§ 1 Important Declaration

1.1 The Board of Directors and the directors of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.

1.2 The financial statements carried in this report are not audited.

1.3 Mr. Lin Shaobin - the legal representative, Mr. Huang Peikun – the chief financial officer, and Ms. Xu Yixia – the manager of accounting department declare: the financial reports carried in this report is secured for its truthfulness and completeness.

1.4 This report is prepared both in English and Chinese. When there is any conflict in understanding, the Chinese version shall prevail.

§ 2 Company Profile

2.1 Financial highlights

In RMB Yuan

	Ended this report term	Ended previous year	Changed by (%)
Total asset (RMB)	84,043,438,505	79,666,494,368	5.49%
Owners' equity attributable to the shareholders of the listed company (yuan)	20,847,640,112	20,418,214,797	2.10%
Total capital share (shares)	1,717,300,503	1,717,300,503	0.00%
Net asset per share attributable to the shareholders of the listed company (Yuan/share)	12.14	11.89	2.10%
	This report term	Same period last year	Changed by (%)
Turnover (yuan)	3,606,361,060	2,832,919,477	27.30%
Net profit attributable to shareholders of the listed company (yuan)	429,425,315	561,570,608	-23.53%
Net Cash flow generated by business operation (RMB)	-232,454,924	-928,182,873	74.96%
Net Cash flow per share generated by business operation (yuan/share)	-0.14	-0.54	74.96%
Basic earnings per share (Yuan/share)	0.25	0.33	-24.21%
Diluted earnings per share (Yuan/share)	0.25	0.33	-24.21%
Weighted average net income/asset ratio (%)	2.08%	3.04%	Decreased by 0.96%
Weighted average net income/asset ratio less non-recurring gain/loss(%)	2.09%	3.03%	Decreased by 0.94%

Non-recurring gain and loss items

√ applicable □ not applicable

In RMB Yuan

Non-recurring gain and loss items	Amount from beginning of year to the end of report period
Gain/loss of non-current assets	-218,023
Other non-business income and expenditures other than the above	-907,503
Influenced amount of minority shareholders' equity	-105,478
Influenced amount of income tax	218,681
Total	-1,012,323

2.2 Total of shareholders and the top 10 holders of unconditional shares

in shares

Total shareholders at the end of the report period (accounts)	56,630 accounts(A Share: 45,448, B share:11,182)	
Top ten holders of the shares without subscription limitation		
Full name of shareholder	Amount of unconditional shares held at the end of report term	Categories
National Social Insurance Foundation 102 Portfolio	15,700,000	A shares
Bank of Communications Schroders Fund Growth Stock	15,338,678	A shares
Fuguo Tianrui Fine Blend Open Fund	14,000,446	A shares
Guangdong Development Bank Growth Stock Fund	13,003,035	A shares
CM Zhangzhou Development Zone Ltd.	12,900,000	A shares
China People's Life Insurance – dividend – dividend for individual insurance	12,279,884	A shares
Yinhua – Dow Joans 88 Fine Selected Securities Investment Fund	12,099,687	A shares
Yifangda Shenzhen Index 100 Open Stock Fund	11,655,628	A shares
Kerui Securities Investment Fund	11,059,432	A shares
Bank of Communications Schroders Fund Blue Chip Investment	10,908,038	A 股

§ 3 Significant Events

3.1 Details and causations of major change in major accounting subjects and financial indices

√ applicable □ not applicable

Items	2012.03.31	2011.12.31	Changed by %	Major causes
Transactional financial assets	-	417,906	-100%	Decreased by fluctuation of fair value of NDF contracts
Notes receivable	37,985,900	500,000	7497%	Increase of notes from trading of the period
Non-current asset due in 1 year	1,913,729	1,395,887	37%	Increase of amortizable expenses
Trade off financial liabilities	7,147,155	2,002,312	257%	Increased by fluctuation of fair value of NDF contracts
Notes payable	19,833,795	3,714,276	434%	Increase of settlement by notes
Employees' wage payable	122,830,467	260,490,068	-53%	Decreased by disbursing of wage drawn in advance in previous year

Items	Jan-Mar 2012	Jan-Mar 2011	Changed by %	Major causes
Business tax and surcharge	624,221,441	369,580,105	69%	Increase of land VAT rate in the period
Sales expense	109,563,524	71,424,568	53%	Business expanding and increase of ads
Financial expenses	52,592,465	20,229,279	160%	Expanding of loans
Income from change of fair value	-5,562,749	-786,656	-607%	Decrease of NDF fair value
Investment income	5,028,136	20,043,550	-75%	Decrease of investment gains from affiliates and joint ventures
Minor shareholders' equity	140,152,696	873,938	15937%	Net profit from joint projects increased

3.2 Progress of significant events, their influence, countermeasures, and analysis

3.2.1 None-standard opinions

applicable not applicable

3.2.2 Illegal providing of capital or guarantees to the holding shareholder or its related parties or external parties

applicable not applicable

3.2.3 Signing and execution of major business contracts

applicable not applicable

3.2.4 Misc.

applicable not applicable

3.3 Fulfilling of commitment issues made by the Company, shareholder, or substantial controller

Commitment made by the PLC, its directors, supervisors, executives, and shareholders with 5% or over shares of the Company, and its substantial dominator in the report term or carried over to the report term:

applicable not applicable

Commitments	The undertaker	Content of Commitments	Status of fulfilling
Commitment in share equity relocation	China Merchants Shekou Industrial Zone Co., Ltd.	Will input properties including high quality lands to support the Company's development after the share equity relocation.	In the report term, CMSIZ was fully acting as committed.
Other commitments (including supplementary commitments)	Same as above	CMSIZ, the controlling shareholder of the Company, promised not to conduct or participate with 3 rd parties in any business or activities possibly competing with the Company in terms of business, new commodities and new technology in any forms (including but not limited to direct operation, indirect operation, joint investment). Never use the information obtained from the Company to conduct or participate in and competitive activities against the Company.	In the report term, CMSIZ was fully acting as committed.

3.4 Estimated accumulative profit from the year beginning to the end of the next report period may be of deficits; or in comparison with the same period of the previous year, give the warning of great change and the notice to the reasons.

applicable not applicable

3.5 Major events needs to be explained

3.5.1 Investment in securities

applicable not applicable

3.5.2 Reception of investigations, communications, or interviews

Time/date	Place	Way	Type of visitors	Visitors	Main content involved and material provided
Jan 11, 2012	Shanghai	Field research	Institution	UBS	1. Business summary; 2. Industrial summary; 3. Disclosed information and brochures 4. Visiting of properties for sale<0}
Jan 31, 2012	Shenzhen	Telephone communication	Institution	Orient Securities	
Jan 31, 2012	Shenzhen	Telephone communication	Institution	Ruixin Fangzheng	
Feb 2, 2012	Shenzhen	Telephone communication	Institution	Gaolin Capital	
Feb 03, 2012	Shenzhen	Field research	Institution	Guangfa Fund	
Feb 06, 2012	Shenzhen	Telephone communication	Institution	Ethan Capital Management Limited	
Feb 08, 2012	Shenzhen	Field research	Institution	Anxin Securities, Rongtong Fund, Huatai United Securities	
Feb 09, 2012	Shenzhen	Field research	Institution	Guotai Junan, Huaxia Fund, Zhongyin Fund, Jiashi Fund	
Feb 09, 2012	Shenzhen	Field research	Institution	Yinhua Fund, Huitianfu Fund, Jiashi Fund, Zhongjin Capital	
Feb 09, 2012	Shenzhen	Telephone communication	Institution	Zhongjin	
Feb 09, 2012	Shenzhen	Telephone communication	Institution	Hanlun Fund	
Feb 10, 2012	Shenzhen	Field research	Institution	CITIC Securities	
Feb 13, 2012	Shenzhen	Telephone communication	Institution	Huili Foundation	
Feb 16, 2012	Shenzhen	Field research	Institution	Investigation organized by Shenyin Wanguo	
Feb 17, 2012	Shenzhen	Field research	Institution	Dongxing Securities	
Feb 17, 2012	Chongqing	Field research	Institution	Guotai Junan and its clients	
Mar 01, 2012	Chongqing	Field research	Institution	Orient Securities	
Mar 06 2012	Beijing	Field research	Institution	Guotai Junan, Huaxia Fund	
Mar 19, 2012	Shenzhen	Field research	Institution	Guotai Junan, Huaxia Fund	
Mar 20, 2012	Shenzhen	Telephone communication	Institution	JEFFERIES	
Mar 21 2012	Shenzhen	Field research	Institution	Shanghai Jinli Invetment	
Mar 21 2012	Tianjin	Field research	Institution	Jiashi Foundation	
Mar 22, 2012	Guangzhou, Foshan	Field research	Institution	Shanghai Jinli Invetment	

Mar 22, 2012	Nanjing, Zhenjiang	Field research	Institution	Jiashi Foundation
Mar 26, 2012	Shenzhen	Field research	Institution	open door/BNP(Paris Securities)
Mar 28, 2012	Chengdu	Field research	Institution	Guosen Securities
Mar 29, 2012	Shenzhen	Field research	Institution	Construction Bank International, UG found
Mar 30, 2012	Chengdu	Field research	Institution	Zhongjin and clients

3.6 Investment in derivate financial instruments

✓ applicable □ not applicable

Statement on analyzing and controlling of risks with derivate investment in the report term (including but not limited to market risks, liquidity risks, credit risks, operation risks, and legal risks.	In the report term, the major market risks of derivate investment products were the impacts of fluctuation of NDF contracts on the fair values. However the Company's purpose to involve in NDF trade was to lockup the exchange rate and avoid the risks brought by borrowing of foreign currencies, thus it was on the basis of real borrowings in foreign currency, its trading amount and timing are matching with the borrowings of foreign currency and covers the risks. The exchange rate of the future contract has been fixed as soon as been traded, therefore the risks are under control.
Change of derivate instrument market price or fair value, information disclosing on the fair value, relative estimation and setting of indexes	At end of March 2012, the 1-year RMB/USD NDF has quoted equal to 0.60% of devalue, while at end of December 2011, it was 1.43% of devalue, the market is still expecting minor devalue on the NDF. Fluctuation of fair value of NDF in September 2011 caused RMB5.56 million of loss, no NDF contract handover has happened in the report period. Market price basis is adopted by the Company in analyzing of derivate instrument fair value, and the fair values are adjusted at end of each month.
Statement on major alternation in accounting polices and accounting basis on derivate instruments comparing with last year	None
Particular comments of the independent directors on investment of derivate instruments and risk controlling	Not applicable

3.6.1 Derivate financial instrument stock at end of report term

✓ applicable □ not applicable

In RMB Yuan

Category of contracts	Amount of the contract at beginning of term	Amount of the contract at end of term	Gain/loss in the report term	Amount of the contract at end of term on the net asset (%)
N D F Contracts	630,090,000	630,090,000	-5,562,749	3.02%
Total	630,090,000	630,090,000	-5,562,749	3.02%