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Announcement No. 【CMPD】2013 – 018

China Merchants Property Development Co., Ltd.

The 1st Quarterly Report 2013 (Full Text)

§ 1 Important Declaration

1.1 The Board of Directors, the Supervisory Committee, the directors, supervisors and executives 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 All of the directors presented the board meeting at which this Quarterly Report was examined.

1.3 The 1st Quarterly Financial Statements 2013 were not audited by a CPA.

1.4 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 are secured for its truthfulness and completeness.

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

§ 2 Financial Highlights and Change of Shareholders

2.1 Key financial information

	Ended this report term	Ended previous year	Changed by (%)
Total asset (Yuan)	115,341,843,833.76	109,197,242,683.06	5.63%
Owners' equity attributable to the shareholders of the listed company (Yuan)	24,204,216,618.69	23,393,515,534.13	3.47%
Total capital share (shares)	1,717,300,503	1,717,300,503.00	0.00%
Net asset per share attributable to the shareholders of the listed company (Yuan/share)	14.09	13.62	3.47%
	This report term	Same period last year	Changed by (%)
Turnover (Yuan)	6,144,504,542.89	3,606,361,060.00	70.38%
Net profit attributable to shareholders of the listed company (Yuan)	810,701,084.56	429,425,315.00	88.79%
Net Cash flow generated by business operation (Yuan)	790,021,934.12		439.86%

		-232,454,924.00	
Net Cash flow per share generated by business operation (Yuan/share)	0.46	-0.14	439.86%
Basic earnings per share (Yuan/share)	0.47	0.25	88.79%
Diluted earnings per share (Yuan/share)	0.47	0.25	88.79%
Weighted average net income/asset ratio (%)	3.41%	2.08%	Increased by 1.33 percentage point
Weighted average net income/asset ratio less non-recurring gain/loss(%)	3.37%	2.09%	Increased by 1.28 percentage point

Was there any retrospective adjustment or restatement during the reporting period?

Yes No

Non-recurring gain/loss items and amounts

Applicable Not applicable

Non-recurring gain and loss items	Amount from beginning of year to the end of report period
Gain/loss of non-current assets	328,041.44
Other non-business income and expenditures other than the above	23,546,170.63
Influenced amount of minority shareholders' equity	-8,847,785.19
Influenced amount of income tax	-5,882,027.22
Total	9,144,399.66

2.2 Total of shareholders and top-10 holders of current shares

In shares

Top 10 Shareholders						
Name of the shareholder	Properties of shareholder	Share proportion (%)	Amount of shares	Amount of unconditional shares held	Frozen or pledged	
					Status of shares	Amount
China Merchants Shekou Industrial Zone Co., Ltd.	State-owned legal person	40.38%	693,419,317	693,419,317	None	None
Quantianyu Investment Co., Ltd.	Overseas legal person	5.48%	94,144,050	94,144,050	None	None
China Merchants Securities Hong Kong Ltd.	Overseas legal person	2.90%	49,841,778	49,242,245	None	None
FOXTROT INTERNATIONAL LIMITED	Overseas legal person	1.61%	27,720,000	27,720,000	None	None
ORIENTURE INVESTMENT LTD	Overseas legal person	1.55%	26,603,145	26,603,145	None	None
Guangfa Jufu Open Securities Investment Foundation	Domestic non-state-owned legal person	0.70%	12,000,071	None	N/A	N/A
GOLDEN CHINA MASTER FUND	Overseas legal person	0.68%	11,736,760	None	N/A	N/A
Guangdong Development Bank Growth Stock Fund	Domestic non-state-owned legal	0.64%	11,000,000	None	N/A	N/A

	person					
Bank of Communications Schroders Fund Growth Stock	Domestic non-state-owned legal person	0.63%	10,800,000	None	N/A	N/A
Jiashi Scheme Best Choice Combined Stock Investment Fund	Domestic non-state-owned legal person	0.61%	10,523,120	None	N/A	N/A
Top 10 holders of unconditional shares						
Name of the shareholder	Amount of shares without trade limited conditions	Category of shares				
		Category of shares	Amount			
Guangfa Jufu Open Securities Investment Foundation	12,000,071	A shares	12,000,071			
GOLDEN CHINA MASTER FUND	11,736,760	B shares	11,736,760			
Guangdong Development Bank Growth Stock Fund	11,000,000	A shares	11,000,000			
Bank of Communications Schroders Fund Growth Stock	10,800,000	A shares	10,800,000			
Jiashi Scheme Best Choice Combined Stock Investment Fund	10,523,120	A shares	10,523,120			
Fuguo Tianbo Innovation Scheme Stock Investment Fund	10,011,118	A shares	10,011,118			
BOCI SECURITIES LIMITED	9,965,700	B shares	9,965,700			
Yifangda Shenzhen Index 100 Open Stock Fund	9,821,470	A shares	9,821,470			
Xihua Life Insurance Co., Ltd. – dividend – individual dividend – 018L – FH002 Shen	9,594,539	A shares	9,594,539			
Bank of Communications Schroders Fund Blue Chip Investment	9,356,000	A shares	9,356,000			
<p>1. Among the shares held by China Merchants Securities Hong Kong Ltd., there were 49,242,245 shares purchased by Dafeng International in previous years;</p> <p>2. China Merchants Shekou Industrial Zone and its subsidiaries Quantianyu Investment, Dafeng International, FOXTROT INTERNATIONAL LIMITED, and ORIENTURE INVESTMENT LTD are action-in-concert parties.</p> <p>3. Guangfa Jufu Open Securities Investment Foundation and Guangdong Development Bank Growth Stock Fund were under the same foundation management company;</p> <p>4. Bank of Communications Schroders Fund Growth Stock and Bank of Communications Schroders Fund Blue Chip Investment were under the same foundation management company.</p>						

§ 3 Significant Events

3.1 Situation and causations of major change in accounting items and indices

Items	2013.03.31	2012.12.31	Changed by %	Major causes
Monetary capital	24,047,665,901.57	18,239,272,247.93	32%	Increase of company size
Fixed assets	1,580,055,426.66	435,194,977.76	263%	Transferring to fixed asset under Beijing Kanglade Hotel
Short-term loans	3,255,000,000.00	2,105,000,000.00	55%	Change of loan composition
Employees' wage payable	143,093,518.68	334,040,494.12	-57%	Payment of wages
Dividend payable	90,165,059.98	290,165,059.98	-69%	Payment of dividends payable
Non-current liability due in 1 year	10,830,337,281.97	7,380,992,296.97	46%	Increase of long-term borrowings due in 1 year
Items	Jan-Mar 2013	Jan-Mar 2012	Changed by %	Major causes
Turnover	6,144,504,542.89	3,606,361,060.00	70%	Increase of property sales area transferred
Total operation cost	4,400,332,188.29	2,765,115,171.00	59%	Increase of property sales area transferred
Business tax and surcharge	1,072,572,145.86	624,221,441.00	72%	Increase of property sales income transferred

Administrative expense	105,779,045.75	80,362,181.00	32%	Increase of company size
Gain/loss from change of fair value	-	-5,562,749.00	-100%	No transactional financial assets at current period
Investment income	2,305,013.32	5,028,136.00	-54%	Decrease of investment gains from affiliates and joint ventures
Non-operational income	26,428,550.53	870,668.00	2935%	Gain from fiscal subsidies
Minor shareholders' equity	478,791,025.98	140,152,696.00	242%	Profits increase due to cooperation projects

3.2 Progress of major issues and their influences and solutions

applicable not applicable

3.3 Commitment issues made by the Company or shareholders with over 5% of shares in the report term or carried down from the previous terms.

Commitments	Party of commitment	Content of Commitments	Date of commitment	Term of commitment	Status of fulfilling
Commitment in share equity relocation	CMSIZ	Will input properties including high quality lands to support the Company's development after the share equity relocation.	Dec 9 2005	Due at the day after two years upon stop holding of the Company's shares	In the report term, CMSIZ was fully acting as committed.
Other commitments to mid-small shareholders	CMSIZ	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.	Mar 19 2008	Due at the day after two years upon stop holding of the Company's shares	In the report term, CMSIZ was fully acting as committed.

3.4 Business forecast for Jan-Jun 2013

Alert of loss or significant change in net profit from the beginning of year to the end of next report period or comparing with the same period of last year, and statement of causations.

applicable not applicable

3.5 Securities investment

applicable not applicable

3.6 Investment of derivate instruments

Derivate instruments in stock at the end of period

applicable not applicable

3.7 Progress of internal control system

In the report period, the Company performed self-evaluation on the internal control of 2012 according to the requirements of the Guide to Internal Control issued by the Department of Bureau and other authorities. It came out with the Internal Control Self-evaluation Report of 2012, and audited by the auditor and produced the Auditors' Report.

At the beginning of March, the Company launched internal control construction of year 2013, which was setting up of process team to refine the business processes according to the Standard of Internal Control. The work was on going up to the end of the report period.

3.8 Reception of investigations, communications, or interviews

Time/date YYYY/MM/DD	Place	Way	Type of visitors	Visitors	Main content involved and material provided	
2013/1/7	Shenzhen	Telephone communication	Organization investors	Dongxing Securities	(1) Company business operation situation	
2013/1/8	Shenzhen	Telephone communication	Organization investors	Ruixin Fangzheng		
2013/1/8	Shenzhen	Telephone communication	Individual investors	Individual investors		
2013/1/9	Shenzhen	Field research	Organization investors	Zhongtong Securities, Zhonghuan Assets		
2013/1/11	HK	Conference	Organization investors	JP Morgan Asset Mgt, RCM Cap Mgt		
2013/1/11	Shenzhen	Field research	Organization investors	CITIC Securities		
2013/1/12	Shenzhen	Telephone communication	Organization investors	Heqi Investment		
2013/1/15	Shenzhen	Telephone communication	Organization investors	Full Vision Capital		
2013/1/15	Shenzhen	Field research	Organization investors	Changsheng Foundation, Zhongjin Securities		
2013/1/17	Shenzhen	Field research	Organization investors	Zhongxin Construction		
2013/1/17	Shenzhen	Field research	Organization investors	Huatai Securities, Changxin Foundation		
2013/1/17	Shenzhen	Telephone communication	Organization investors	Templeton		
2013/1/18	Shenzhen	Field research	Organization investors	Xinhua Fund		(2) Industrial development discussion
2013/1/21	Shenzhen	Field research	Organization investors	Xincheng Fund, Guotai Junan		
2013/1/22	Shenzhen	Field research	Organization investors	Jefferies, Baida Asset Management, Xingjian Asset Management, Dongfang Huili, Full vision Capital		
2013/1/22	Shenzhen	Strategy conference	Organization investors	Guotai Junan Strategy Association		

2013/1/23	Shenzhen	Telephone communication	Organization investors	Orient Securities	(3) To provide announcements and promotion brochures (4) Visiting the sites of properties on sale, providing the prospectus
2013/1/23	Shenzhen	Telephone communication	Organization investors	Ruixin Fangzheng	
2013/1/23	Shenzhen	Field research	Organization investors	Bocom Schroeder	
2013/1/23	Shenzhen	Field research	Organization investors	IVY Asset Management, 1st Shanghai Securities	
2013/1/24	Shenzhen	Conference	Organization investors	Guoxin Securities, Guangfa Securities, 1st Venture Security, Rongtong Foundation, and Bank of China Life Insurance	
2013/1/25	Shenzhen	Telephone communication	Organization investors	Shenyin Wanguo	
2012/1/25	Shenzhen	Conference	Organization investors	CITIC Securities, Cape Asset Management, Libang Investment Consultant, Unify Securities Investment & Trust	
2013/1/29	Shenzhen	Field research	Organization investors	Huaxia Foundation	
2013/1/31	Shenzhen	Strategy conference	Organization investors	Guoxin Securities Strategy Conference	
2013/2/1	HK	Conference	Organization investors	Barclays	
2013/2/5	HK	Field research	Organization investors	Pinpoint Asset Mgt	
2013/2/7	Shenzhen	Field research	Organization investors	Nomura International, UBS, AMP Capital	
2013/2/22	Shenzhen	Field research	Organization investors	Barclays	
2012/2/26	Suzhou	Field research	Organization investors	Huatai united	
2013/2/27	Zhejiang	Field research	Organization investors	Zhongjin Co.	
2013/2/27	Shenzhen	Field research	Organization investors	Oriental Securities, Xincheng Foundation, Huaxia Foundation	
2013/2/27	Shenzhen	Field research	Organization investors	Guohai Securities	
2013/3/21	Shenzhen	Telephone communication	Individual investors	Bank of China International	
2013/3/22	Shenzhen	Telephone communication	Organization investors	Orient Securities	
2013/3/27	Shenzhen	Telephone communication	Organization investors	Goldman Sachs Gao Hua	

§ 4 Financial Statements

4.1 Consolidated Financial Statements

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Closing balance	Opening balance
Current asset:		
Monetary capital	24,047,665,901.57	18,239,272,247.93
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Notes receivable	9,676,922.89	5,748,800.00
Account receivable	75,079,706.59	162,099,162.73
Prepayment	7,247,532.32	8,287,184.01
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		269,583.30
Dividend receivable		
Other account receivable	8,598,437,578.49	8,183,491,572.92
Repurchasing of financial assets		
Inventories	72,550,492,851.90	73,637,940,073.11
Non-current asset due in 1 year	12,554,648.25	16,756,858.87
Other current asset	2,852,028,425.00	2,818,269,943.98
Total of current asset	108,153,183,567.01	103,072,135,426.85
Non-current assets		
Disburse of consigned loans		
Sellable financial asset		
Expired investment in possess		
Long-term receivable	49,721,270.00	49,721,270.00
Long-term share equity investment	1,047,923,486.23	1,083,249,770.92
Investment real estates	3,071,619,522.49	3,117,335,984.24
Fixed assets	1,580,055,426.66	435,194,977.76
Construction in process	89,627,791.72	88,458,273.58

Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	26,410.00	
R&D expense		
Goodwill	159,560,861.23	159,560,861.23
Long-term amortizable expenses	240,608,314.38	249,438,693.12
Deferred income tax asset	949,517,184.04	942,147,425.36
Other non-current asset		
Total of non-current assets	7,188,660,266.75	6,125,107,256.21
Total of assets	115,341,843,833.76	109,197,242,683.06
Current liabilities		
Short-term loans	3,255,000,000.00	2,105,000,000.00
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Transactional financial liabilities		
Notes payable	59,030,532.58	47,610,662.59
Account payable	9,587,459,559.34	11,796,898,896.95
Advances received	31,312,850,297.90	28,463,966,430.34
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	143,093,518.68	334,040,494.12
Tax payable	1,482,374,430.07	1,951,582,353.18
Interest payable	154,542,254.27	119,767,822.92
Dividend payable	90,165,059.98	290,165,059.98
Other account payable	7,847,598,013.53	8,502,352,593.09
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Non-current liability due in 1 year	10,830,337,281.97	7,380,992,296.97
Other current liability	4,676,255,292.73	4,256,735,641.00

Total of current liability	69,438,706,241.05	65,249,112,251.14
Non-current liabilities		
Long-term borrowings	15,041,084,277.44	14,378,013,872.78
Bond payable		
Long-term payable	101,293,651.04	100,207,107.75
Special payable		
Anticipated liabilities	13,858,493.56	14,017,011.26
Deferred income tax liability		
Other non-recurring liabilities	14,130,060.00	16,613,440.00
Total of non-current liabilities	15,170,366,482.04	14,508,851,431.79
Total of liability	84,609,072,723.09	79,757,963,682.93
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	1,717,300,503.00	1,717,300,503.00
Capital reserves	8,386,926,298.12	8,386,926,298.12
Less: Shares in stock		
Special reserves		
Surplus reserves	1,027,780,997.90	1,027,780,997.90
Common risk provision		
Retained profit	12,983,801,641.29	12,173,100,556.73
Difference of foreign currency translation	88,407,178.38	88,407,178.38
Total of owner's equity belong to the parent company	24,204,216,618.69	23,393,515,534.13
Minor shareholders' equity	6,528,554,491.98	6,045,763,466.00
Total of owners' equity	30,732,771,110.67	29,439,279,000.13
Total of liabilities and owners' equity	115,341,843,833.76	109,197,242,683.06

4.2 Balance Sheet of the Parent Co.

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Closing balance	Openning balance
Current asset:		
Monetary capital	6,567,359,518.34	5,277,807,877.29
Transactional financial assets		
Notes receivable		
Account receivable		

Prepayment	1,344,750.00	
Interest receivable		
Dividend receivable	2,877,702,095.70	2,877,702,095.70
Other account receivable	26,803,545,616.76	29,644,653,819.13
Inventories		1,224,000,000.00
Non-current asset due in 1 year		15,300,000.00
Other current asset		
Total of current asset	36,249,951,980.80	39,039,463,792.12
Non-current assets		
Sellable financial asset		
Expired investment in possess		
Long-term receivable		
Long-term share equity investment	5,686,668,511.90	5,657,339,312.90
Investment real estates		
Fixed assets	343,856.05	345,629.58
Construction in process		
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets		
R&D expense		
Goodwill		
Long-term amortizable expenses		
Deferred income tax asset		
Other non-current asset		
Total of non-current assets	5,687,012,367.95	5,657,684,942.48
Total of assets	41,936,964,348.75	44,697,148,734.60
Current liabilities		
Short-term loans	3,055,000,000.00	1,905,000,000.00
Transactional financial liabilities		
Notes payable		
Account payable		
Advances received		

Employees' wage payable	472,094.30	7,927,525.00
Tax payable	3,331,705.27	466,320.21
Interest payable	128,302,809.32	111,221,455.00
Dividend payable		
Other account payable	8,303,535,612.90	13,556,711,178.36
Non-current liability due in 1 year	6,065,052,160.00	3,894,234,275.00
Other current liability		
Total of current liability	17,555,694,381.79	19,475,560,753.57
Non-current liabilities		
Long-term borrowings	7,856,448,640.00	8,604,667,725.00
Bond payable		
Long-term payable		
Special payable		
Anticipated liabilities		
Deferred income tax liability		
Other non-recurring liabilities		
Total of non-current liabilities	7,856,448,640.00	8,604,667,725.00
Total of liability	25,412,143,021.79	28,080,228,478.57
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	1,717,300,503.00	1,717,300,503.00
Capital reserves	8,927,054,193.00	8,927,054,193.00
Less: Shares in stock		
Special reserves		
Surplus reserves	976,829,604.90	976,829,604.90
Common risk provision		
Retained profit	4,903,637,026.06	4,995,735,955.13
Different of foreign currency translation		
Total of owners' equity (or shareholders' equity)	16,524,821,326.96	16,616,920,256.03
Total of liability and shareholders' equity (or owners' equity)	41,936,964,348.75	44,697,148,734.60

4.3 Consolidated Income Statement

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Amount of the Current Term	Amount of the Previous Term
I. Total revenue	6,144,504,542.89	3,606,361,060.00
Incl. Business income	6,144,504,542.89	3,606,361,060.00
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	4,400,332,188.29	2,765,115,171.00
Incl. Business cost	3,038,699,049.28	1,898,368,645.00
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	1,072,572,145.86	624,221,441.00
Sales expense	121,258,008.42	109,563,524.00
Administrative expense	105,779,045.75	80,362,181.00
Financial expenses	62,547,650.00	52,592,465.00
Asset impairment loss	-523,711.02	6,915.00
Plus: gains from change of fair value (“-“ for loss)		-5,562,749.00
Investment gains (“-“ for loss)	2,305,013.32	5,028,136.00
Incl. Investment gains from affiliates	1,495,013.32	1,755,369.00
Exchange gains (“-“ for loss)	-	
III. Operational profit (“-“ for loss)	1,746,477,367.92	840,711,276.00
Plus: non-operational income	26,428,550.53	870,668.00
Less: non-operational expenditure	2,554,338.46	1,745,394.00
Incl. Loss from disposal of non-current assets	152,944.56	298,023.00
IV. Gross profit (“-“ for loss)	1,770,351,579.99	839,836,550.00
Less: Income tax expenses	480,859,469.45	270,258,539.00
V. Net profit (“-“ for net loss)	1,289,492,110.54	569,578,011.00

Including: Net profit realized by the entity taken over before the takeover		
Net profit attributable to the owners of parent company	810,701,084.56	429,425,315.00
Minor shareholders' equity	478,791,025.98	140,152,696.00
VI. Earnings per share:		
(I) Basic earnings per share	0.4721	0.2500
(II) Diluted earnings per share	0.4721	0.2500
VII. Other misc. incomes		
VIII. Total of misc. incomes	1,289,492,110.54	569,578,011.00
Total of misc. incomes attributable to the owners of the parent company	810,701,084.56	429,425,315.00
Total misc gains attributable to the minor shareholders	478,791,025.98	140,152,696.00

4.4 Income Statement of the Parent Co.

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Amount of the Current Term	Amount of the Previous Term
I. Turnover	7,590,000.00	
Less: Operation cost	533,339.20	
Business tax and surcharge	425,799.00	
Sales expense		
Administrative expense	7,872,705.76	5,991,007.00
Financial expenses	90,186,284.11	47,865,046.00
Asset impairment loss		
Plus: gains from change of fair value ("-" for loss)		
Investment gains ("-" for loss)	-670,801.00	-182,403.00
Incl. Investment gains from affiliates	-670,801.00	-852,773.00
II. Operational profit ("-" for loss)	-92,098,929.07	-54,038,456.00
Plus: Non business income	-	
Less: Non-business expenses		
Incl. Loss from disposal of non-current assets		
III. Total profit ("-" for loss)	-92,098,929.07	-54,038,456.00
Less: Income tax expenses	-	

IV. Net profit (“-“ for net loss)	-92,098,929.07	-54,038,456.00
V. Earnings per share	-	
(I) Basic earnings per share		
(II) Diluted earnings per share		
VI. Other misc gains		
VII. Total of integrated income	-92,098,929.07	-54,038,456.00

4.5 Consolidated Cash Flow Statement

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Amount of the Current Term	Amount of the Previous Term
I. Net cash flow from business operation		
Cash received from sales of products and providing of services	8,949,900,347.76	5,615,868,070.00
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of trade financial asset disposal		
Cash received as interest, processing fee, and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	10,955,527.37	6,750.00
Other cash received from business operation	1,088,709,883.94	827,649,199.00
Sub-total of cash inflow from business activities	10,049,565,759.07	6,443,524,019.00
Cash paid for purchasing of merchandise and services	4,749,445,280.89	3,996,265,062.00
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		

Cash paid to staffs or paid for staffs	428,182,923.49	335,381,117.00
Taxes paid	1,316,379,429.67	867,339,244.00
Other cash paid for business activities	2,765,536,190.90	1,476,993,520.00
Sub-total of cash outflow from business activities	9,259,543,824.95	6,675,978,943
Cash flow generated by business operation, net	790,021,934.12	-232,454,924
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment profit	80,123.00	
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	53,220.00	30,780.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	133,343.00	30,780.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets	14,394,647.30	3,751,329.00
Cash paid as investment	24,246,000.00	85,685,238.00
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units	5,100,000.00	5,244,360.00
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	43,740,647.30	94,680,927.00
Net cash flow generated by investment	-43,607,304.30	-94,650,147.00
III. Cash flow generated by financing		
Cash received as investment	4,000,000.00	98,000,000.00
Incl. Cash received as investment from minor shareholders	4,000,000.00	98,000,000.00
Cash received as loans	7,097,703,401.23	3,615,439,000.00
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	7,101,703,401.23	3,713,439,000.00
Cash to repay debts	1,830,420,000.00	627,191,269.00
Cash paid as dividend, profit, or interests	207,698,026.13	320,495,556.00
Incl. Dividend and profit paid by subsidiaries to minor shareholders		

Other cash paid for financing activities		
Subtotal of cash outflow due to financing activities	2,038,118,026.13	947,686,825.00
Net cash flow generated by financing	5,063,585,375.10	2,765,752,175.00
IV. Influence of exchange rate alternation on cash and cash equivalents	-1,606,351.28	102,343.00
V. Net increase of cash and cash equivalents	5,808,393,653.64	2,438,749,447.00
Plus: Balance of cash and cash equivalents at the beginning of term	18,239,272,247.93	13,659,974,240.00
VI. Balance of cash and cash equivalents at the end of term	24,047,665,901.57	16,098,723,687.00

4.6 Cash Flow Statement of the Parent Co.

Prepared by: China Merchants Property Development Co., Ltd.

In RMB Yuan

Items	Amount of the Current Term	Amount of the Previous Term
I. Net cash flow from business operation		
Cash received from sales of products and providing of services	7,590,000.00	
Tax returned		
Other cash received from business operation	482,041,331.33	370,740,794.00
Sub-total of cash inflow from business activities	489,631,331.33	370,740,794.00
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	7,554,447.41	5,157,052.00
Taxes paid	1,022,567.49	1,084,183.00
Other cash paid for business activities	1,537,674,739.29	2,048,133,534.00
Sub-total of cash outflow from business activities	1,546,251,754.19	2,054,374,769.00
Cash flow generated by business operation, net	-1,056,620,422.86	-1,683,633,975.00
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment profit		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets	1,344,750.00	
Cash paid as investment	30,000,000.00	184,430,000.00

Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	31,344,750.00	184,430,000.00
Net cash flow generated by investment	-31,344,750.00	-184,430,000.00
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans	3,750,500,000.00	2,697,009,000.00
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	3,750,500,000.00	2,697,009,000.00
Cash to repay debts	1,176,500,000.00	483,009,000.00
Cash paid as dividend, profit, or interests	196,479,984.66	219,227,556.00
Other cash paid for financing activities		
Subtotal of cash outflow due to financing activities	1,372,979,984.66	702,236,556.00
Net cash flow generated by financing	2,377,520,015.34	1,994,772,444.00
IV. Influence of exchange rate alternation on cash and cash equivalents	-3,201.43	217.00
V. Net increase of cash and cash equivalents	1,289,551,641.05	126,708,686.00
Plus: Balance of cash and cash equivalents at the beginning of term	5,277,807,877.29	5,036,890,168.00
VI. Balance of cash and cash equivalents at the end of term	6,567,359,518.34	5,163,598,854.00

4.7 Auditors' Report

If the 1st Quarterly Financial Statements are audited

applicable not applicable