

Stock code: 000024, 200024

Stock short name: ZSDC, ZSJB

Announcement No. [CMPD] 2014-068

China Merchants Property Development Co., Ltd. Report Q3 2014

§1 Important Notice

1.1 The Board of Directors and Board of Supervisors of the Company and its directors, supervisors and officers hereby assure that this report is free from any false records, misleading statements or material omissions and bear joint and several liabilities for the truthfulness, accuracy and completeness of contents described herein.

1.2 All board members have been present at the board meeting for auditing the Q3 report.

1.3 The Report Q3 2014 has not been audited by the accounting firm.

1.4 The legal representative Sun Chengming, Chief Financial Director Wu Zhenqin and Manager of Finance Department Li Shifang hereby state that: the financial statements under the Report are authentic and complete.

1.5 The Report is made in Chinese and English. In case of any discrepancy between the two, the Chinese version shall prevail.

§2 Change in Main Financial Data and Shareholder

2.1 Main financial data

| | End of reporting period | End of previous year | Year-on-year increase or decrease | |
|--|-------------------------|--|---|---|
| Total assets (yuan) | 145,061,980,954.82 | 134,040,446,989.65 | 8.22 % | |
| Net assets attributable to the shareholders of listed company (yuan) | 28,174,337,633.35 | 26,725,501,967.24 | 5.42 % | |
| | Reporting period | Increase or decrease of the end of current reporting period compared with the same period of previous year | From beginning of year to end of reporting period | Year-on-year increase or decrease from beginning of year to end of reporting period |
| Operating income (yuan) | 7,706,001,062.23 | 5.02 % | 23,753,156,793.22 | 1.20 % |
| Net profits attributable to the shareholders of listed company (yuan) | 455,232,903.03 | -56.83 % | 2,240,667,651.88 | -37.85 % |
| Net profits attributable to shareholders of listed company after deducting | 466,979,855.34 | -55.29 % | 2,309,856,826.79 | -29.19 % |

| | | | | |
|---|--------|------------------------------------|-------------------|------------------------------------|
| non-recurring profits and losses (yuan) | | | | |
| Net cash flows from operating activities (yuan) | -- | -- | -5,494,631,791.92 | -792.24 % |
| Basic earnings per share (Yuan/share) | 0.18 | -56.10 % | 0.87 | -37.86 % |
| Diluted earnings per share (Yuan/share) | 0.18 | -56.10 % | 0.87 | -37.86 % |
| Weighted average rate of return on equity | 1.63 % | Decrease of 2.40 percentage points | 8.18 % | Decrease of 6.26 percentage points |

Note 1: The year-on-year decrease of net profits attributable to the shareholders of listed company realized from January to September is mainly due to different product and regional structures of carry-forward real estate projects. The general gross margin level for the carry-forward items this year is relatively low. In addition, the items with high gross margin this year are not yet carried forward due to uneven distribution of completion date of real estate projects this year.

Note 2: during the reporting period, the Company has implemented the capitalization from capital public reserve plan. In accordance with *Information Disclosure Memorandum No. 21 - Matters Related to the Disclosure of Periodic Reports* by Shenzhen Stock Exchange, the Company has recalculated the earnings per share over the same period of last year based on the adjusted stock.

Note 3: In accordance with 2014 New Accounting Standards for Businesses, this year, the Company has made a retroactive adjustment for the 2013 Financial Statements, leading to a decrease of RMB 11,777,249.14 retained earnings at the end of 2013 and an increase of RMB 11,777,249.14 capital reserve. After adjustment, the total asset and the net assets attributable to the shareholders of listed company are not changed.

Items and amount of extraordinary profit or loss

| Items of extraordinary profit or loss | Amount from beginning of year to end of reporting period |
|--|--|
| Losses and profits on disposal of non-current assets | -197,456.97 |
| Government subsidies | 47,015,608.70 |
| Other non-operating revenues and expenditures except the foregoing items | -15,141,751.48 |
| Other profit or loss items recognized by CSRC | -86,961,360.88 |

| | |
|---|----------------|
| Affected amount of income taxes | -11,014,316.70 |
| Affected amount of minority interest income | -2,889,897.58 |
| Total | -69,189,174.91 |

Note: the long-term equity investment after change in control of Shenzhen Overseas Chinese Town Co., Ltd. (OCT) by the Company is measured by fair value. The equity fair value is mainly inventory evaluation appreciation. From January to September 2014, based on the ratio of actual carry-forward inventory area in the total salable area of inventory to be carried forward on the date of control right change of OCT, the appreciation of long-term equity investment recognized by evaluation appreciation for corresponding resale is RMB -86,961,360.88.

2.2 Shareholding facts of total shareholders and top ten shareholders at the end of reporting period

Unit: share

| Total number of shareholders at the end of the reporting period (numbers) | 72,656 (A-shares: 61,927, B-shares: 10,729) | | | | | |
|---|---|------------------------|-------------------------|-----------------------------------|--------------------------|----------|
| Information of shares held by the top ten shareholders | | | | | | |
| Name of shareholders | Property of the shareholder | Shareholding ratio (%) | Quantity of shares held | Quantity of restricted share held | Pledged or frozen status | |
| | | | | | Shareholding status | Quantity |
| China Merchants Shekou Industrial Zone Co., Ltd. | State-owned corporate | 40.38 % | 1,040,128,975 | 1,040,128,975 (A) | None | None |
| Full Space Investment Limited | Overseas corporate | 5.48 % | 141,216,075 | 141,216,075 (B) | None | None |
| China Merchants Securities (HK) Co., Ltd. | Overseas corporate | 2.91 % | 74,849,287 | 73,863,367 (B) | None | None |
| The People's Insurance Company | Domestic | 2.77 % | 71,297,455 | None | None | None |

| | | | | | | |
|--|------------------------------------|--------|------------|----------------|------|------|
| (Group) of China-Dividends-Individual insurance dividend | non-state-owned corporate | | | | | |
| FOXTROT INTERNATIONAL LIMITED | Overseas corporate | 1.61 % | 41,580,000 | 41,580,000 (B) | None | None |
| ORIENTURE INVESTMENT LTD | Overseas corporate | 1.55 % | 39,904,717 | 39,904,717 (B) | None | None |
| The People's Insurance Company (Group) of China-Traditional-Composition earnings | Domestic non-state-owned corporate | 1.50 % | 38,540,800 | None | None | None |
| Fullgoal Tianbo Innovative Theme Stock Fund | Domestic non-state-owned corporate | 1.16 % | 30,000,000 | None | None | None |
| GOLDEN CHINA MASTER FUND | Overseas corporate | 0.77 % | 19,808,497 | None | None | None |
| National Social Security Fund 102 Portfolio | Domestic non-state-owned corporate | 0.70 % | 18,000,000 | None | None | None |

Shareholding status of top ten un-restricted shareholders

| Name of shareholders | Quantity of held un-restricted stock | Class of shares | |
|---|--------------------------------------|-----------------|------------|
| | | Class of shares | Quantity |
| The People's Insurance Company (Group) of China-Dividends-Individual insurance dividend | 71,297,455 | A share | 71,297,455 |
| The People's Insurance Company (Group) of China-Traditional-Composition of earnings | 38,540,800 | A share | 38,540,800 |
| Fullgoal Tianbo Innovative Theme Stock Fund | 30,000,000 | A share | 30,000,000 |
| GOLDEN CHINA MASTER FUND | 19,808,497 | B share | 19,808,497 |
| National Social Security Fund 102 Portfolio | 18,000,000 | A share | 18,000,000 |

| | | | |
|--|------------|---------|------------|
| VALUE PARTNERS CLASSIC FUND | 17,673,790 | B share | 17,673,790 |
| National Social Security Fund 602 Portfolio | 14,999,968 | A share | 14,999,968 |
| Huaxin Trust CO., LTD. | 14,651,478 | A share | 14,651,478 |
| Dacheng Innovation Growth Mixed Fund(LOF) | 13,894,156 | A share | 13,894,156 |
| GREENWOODS CHINA ALPHA MASTER FUND | 13,031,565 | B share | 13,031,565 |
| <p>1. Shekou Industrial Zone and its subsidiary Full Space Investment Limited, Dafeng International, FOXTROT INTERNATIONAL LIMITED and ORIENTURE INVESTMENT LTD are persons acting in concert;</p> <p>2. Among the Company shares held by China Merchants Securities (HK) Co., Ltd., 49,242,245 shares were purchased by Dafeng International under entrustment in the previous year. After capitalization from capital public reserve in June 2014, Dafeng International held a total of 73,863,367 shares;</p> | | | |

§3 Important Events

3.1 Facts and cause for significant change in main accounting statement item and financial index during the reporting period

Unit: RMB 10,000

| Items of financial liabilities | September 30, 2014 | 2013.12.31 | Increase and decrease (±%) | Main cause of changes |
|--------------------------------|--------------------|------------|----------------------------|---|
| Accounts receivable | 10,401.58 | 7,686.48 | 35 % | Increase of receivables for sales of housings |
| Deferred income tax assets | 110,099.79 | 77,025.79 | 43 % | Increase of deferred income tax assets due to establishment of new corporation by office building investment of China Merchants Property Investment Company |
| Notes payable | 735.87 | 2,726.76 | -73 % | Due settlement of notes payable |
| Dividend payable | 45,594.27 | 12,092.72 | 277 % | Increase of dividends payable to minority shareholders of subsidiaries |

| | | | | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|
| Estimated liabilities | - | 1,047.34 | -100 % | Reversal of estimated liabilities due to settlement of pending litigation |
| Other current liabilities | 248,590.25 | 356,049.11 | -30 % | Payment of accrued increment tax on land value |
| Share capital | 257,595.08 | 171,730.05 | 50 % | Capitalization from capital public reserves |
| Items of profit or loss | January - September 2014 | January - September 2013 | Increase and decrease (±%) | Main cause of changes |
| Business taxes and surcharges | 238,329.16 | 372,756.15 | -36 % | The gross profit ratio of the carry-forward items at current period is relatively low and the increment tax on land value decreases accordingly due to carry-forward product and regional structure |
| Financial expenses | 49,584.01 | 16,007.97 | 210 % | Year-on-year increase of interest exchange and foreign exchange loss at current period |
| Asset impairment loss | 83.68 | -17,205.76 | -100 % | Releasing of partial provision for inventory over the same period last year |
| Non-operating income | 6,083.13 | 3,989.48 | 52 % | Increase of government subsidy |
| Non-operating expense | 2,915.49 | 2,182.13 | 34 % | Increase of water conservancy fund for power services |
| Net profits attributable to the listed company shareholders | 224,066.77 | 360,522.99 | -38 % | Mainly due to decrease of gross profit margin from variety structure change of the carry-forward products during the reporting period. In addition, the items with high gross margin |

| | | | | within the reporting period are not yet settled due to uneven distribution of completion of projects. |
|--|--------------------------|--------------------------|----------------------------|--|
| Cash flow items | January - September 2014 | January - September 2013 | Increase and decrease (±%) | Main cause of changes |
| Net cash flows from operating activities | -549,463.18 | 79,374.33 | -792 % | Year-on-year increase of land funds and infrastructure funds paid this period results in that cash outflow of operating activities is more than the inflow |
| Net cash flows from investing activities | -7,782.61 | -43,536.33 | -82 % | Decrease of cash dividends received from the associated company and increase of investment expenditure |

3.2 Impacts from New Accounting Standards for Businesses on the consolidated financial statements

Ministry of Finance has revised the *Accounting Standards for Enterprises No.2 - Long-term Equity Investments* this year, which regulates the accounting treatment for other changes in owners' equity except net profits and losses, other comprehensive incomes and profit distributions of invested company under the equity method, based on which, the Company made a retroactive adjustment for the 2013 consolidated financial statements:

| Invested company | Basic transaction information | January 1, 2013 | | December 31, 2013 | |
|---|---|-----------------------|-------------------------|-----------------------|-------------------------|
| | | Capital reserve (+/-) | Retained earnings (+/-) | Capital reserve (+/-) | Retained earnings (+/-) |
| Beijing Guanying Residential Property Development Limited | Diluted earnings due to decrease of shareholding ratio of the Company in invested company because of additional | - | - | +11,777,249.14 | -11,777,249.14 |

| | | | | | |
|-------|--|---|---|----------------|----------------|
| | issuance of shares by the invested company | | | | |
| Total | | - | - | +11,777,249.14 | -11,777,249.14 |

3.3 Analysis and description of key progress and influence

Applicable Inapplicable

3.4 Commitments made by the Company or any shareholder with a shareholding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

| Commitments | Commitment party | Commitment content | Commitment time | Commitment limit | Performances |
|---|------------------------|--|------------------|--|--|
| Commitment of equity division reform | Shekou Industrial Zone | After reform of non-tradable shares, land and other high-quality assets will be continued to be input to support the Company development. | December 9, 2005 | Till two years after the shareholder no longer holds the shares of the Company | During the reporting period, commitments have been strictly fulfilled. |
| Other commitments for non-majority shareholders | Shekou Industrial Zone | Not to (directly or indirectly) engage in or develop any businesses or projects with business scopes similar to the Company; not to establish, develop, participate in or assist in any enterprises with any direct or indirect competition with the Company for the Shekou Industrial Zone and the related parties or on behalf of any third parties; not to engage in or participate in (directly or indirectly in) activities that compete with the Company by taking advantages of the information obtained from the Company; and not to have any other competing behaviors that infringe or may infringe the Company interests. | March 19, 2008 | Till two years after the shareholder no longer holds the shares of the Company | During the reporting period, commitments have been strictly fulfilled. |

3.5 Estimates of 2014 business performance

Applicable Inapplicable

3.6 Security investment

Applicable Inapplicable

3.7 Investment in derivatives

Applicable Inapplicable

3.8 Registration form of reception of research, communication, interview, etc. during the reporting period

| Reception time | Reception place | Reception way | Category of reception object | Reception object | Main discussion points and information provided |
|-----------------|-----------------|-------------------------|------------------------------|-----------------------------|---|
| July 4, 2014 | Shenzhen | Company field research | Institution investors | Guotai Junan Securities | Recent conditions of the Company |
| July 8, 2014 | Shenzhen | Company field research | Institution investors | Shenyin & Wanguo Securities | Recent conditions of the Company |
| July 10, 2014 | Shenzhen | Company field research | Institution investors | Trivest Advisors Ltd | Recent conditions of the Company |
| July 17, 2014 | Shenzhen | Company field research | Institution investors | Industrial Securities | Recent conditions of the Company |
| August 19, 2014 | Shenzhen | Company field research | Institution investors | Value Partners | Recent conditions of the Company |
| August 21, 2014 | Shenzhen | Company field research | Institution investors | Guotai Junan Securities | Semiannual performance of the Company |
| August 22, 2014 | Shenzhen | Company field research | Institution investors | Industrial Securities | Semiannual performance of the Company |
| August 25, 2014 | Shenzhen | Company field research | Institution investors | Citic Securities | Recent conditions of the Company |
| August 25, 2014 | Shenzhen | Telephone communication | Individual investors | Individual investors | Semiannual performance of the Company |
| August 25, 2014 | Shenzhen | Telephone communication | Individual investors | Individual investors | Recent conditions of the Company |

| | | | | | |
|--------------------|----------|-------------------------------------|-----------------------|-----------------------------|----------------------------------|
| August 26, 2014 | Shenzhen | Telephone communication | Institution investors | PICC | Recent conditions of the Company |
| August 27-28, 2014 | Wuxi | GF Securities Strategy Meeting | Institution investors | GF Securities | Recent conditions of the Company |
| September 1, 2014 | Suzhou | Haitong Securities Strategy Meeting | Institution investors | Haitong Securities | Recent conditions of the Company |
| September 3, 2014 | Shenzhen | Telephone communication | Individual investors | Individual investors | Recent sales of the Company |
| September 3, 2014 | Shenzhen | Company field research | Institution investors | U-shine Fund | Recent conditions of the Company |
| September 4, 2014 | Shenzhen | Company field research | Institution investors | CPIC, PICC Asset Management | Recent conditions of the Company |
| September 9, 2014 | Shenzhen | Telephone communication | Individual investors | Individual investors | Recent sales of the Company |
| September 10, 2014 | Shenzhen | Telephone communication | Institution investors | Galaxy Securities | Recent sales of the Company |
| September 10, 2014 | Shenzhen | Telephone communication | Individual investors | Individual investors | Recent sales of the Company |
| September 16, 2014 | Shenzhen | Company field research | Individual investors | Individual investors | Recent conditions of the Company |

§4 Financial Statements

4.1 Consolidated balance sheet

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

Unit: yuan

| Item | Ending balance | Beginning balance |
|---|-------------------|-------------------|
| Current assets: | | |
| Monetary fund | 21,919,358,973.44 | 24,240,458,796.50 |
| Settlement reserves | | |
| Loans to other banks | | |
| Financial assets measured at fair value with changes included in profits and losses | | |
| Notes receivable | 7,290,000.00 | 4,000,000.00 |
| Accounts receivable | 104,015,819.51 | 76,864,814.81 |
| Prepayments | 2,651,318,928.10 | 2,815,967,507.79 |
| Premiums receivable | | |
| Reinsurance premiums receivable | | |
| Reinsurance contract reserves receivable | | |
| Interest receivable | 2,404.39 | 100,000.00 |
| Dividend receivable | | |
| Other receivables | 10,453,792,858.70 | 13,683,883,876.17 |
| Redemptory monetary capital for sale | | |
| Inventory | 94,349,892,930.43 | 78,476,507,470.78 |

| | | |
|---------------------------------------|--------------------|--------------------|
| Divided into assets held for sale | | |
| Non-current assets (expire in a year) | - | 4,175,229.58 |
| Other current assets | 4,085,004,685.54 | 3,550,197,939.60 |
| Total current assets | 133,570,676,600.11 | 122,852,155,635.23 |
| Non-current assets: | | |
| Entrusted loans released and advances | | |
| Available-for-sale financial assets | | |
| Held-to-maturity investment | | |
| Long-term accounts receivable | | |
| Long-term equity investments | 1,849,718,317.34 | 1,653,194,214.56 |
| Investment property | 5,662,756,227.61 | 5,661,844,333.88 |
| Fixed assets | 1,868,995,501.91 | 2,038,420,991.55 |
| Construction in progress | 94,558,157.64 | 104,895,578.36 |
| Engineering material | | |
| Liquidation of fixed assets | | |
| Productive biological assets | | |
| Oil and gas assets | | |
| Intangible assets | 515,346,470.19 | 542,448,651.42 |
| Development expenses | | |
| Goodwill | 159,560,861.23 | 159,560,861.23 |
| Long-term deferred expenses | 238,529,817.32 | 257,668,842.73 |

| | | |
|---|--------------------|--------------------|
| Deferred income tax assets | 1,100,997,852.76 | 770,257,880.69 |
| Other non-current assets | 841,148.71 | |
| Total non-current assets | 11,491,304,354.71 | 11,188,291,354.42 |
| Total assets | 145,061,980,954.82 | 134,040,446,989.65 |
| Current liabilities: | | |
| Short-term loans | 3,275,000,000.00 | 4,250,000,000.00 |
| Borrowings from central bank | | |
| Receipt of deposits and deposits from other banks | | |
| Loans from other banks | | |
| Financial liabilities which are measured by fair value and their changes are recorded in current profit or loss | | |
| Notes payable | 7,358,707.85 | 27,267,637.07 |
| Accounts payable | 12,063,378,892.41 | 12,010,832,454.50 |
| Account received in advance | 42,234,700,349.47 | 37,517,671,641.79 |
| Financial assets sold for repurchase | | |
| Service charges and commissions payable | | |
| Payroll payable | 281,067,626.31 | 385,894,712.53 |
| Tax payable | 1,171,182,340.00 | 1,464,425,877.10 |
| Interests payable | 161,428,340.98 | 152,361,058.07 |
| Dividend payable | 455,942,680.19 | 120,927,194.29 |

| | | |
|---|--------------------|-------------------|
| Other payables | 9,723,674,390.06 | 9,014,047,482.53 |
| Reinsured accounts payable | | |
| Reserves for insurance contract | | |
| Receivings from vicariously traded securities | | |
| Receivings from vicariously sold securities | | |
| Divided into liabilities held for sale | | |
| Non-current liability due within one year | 7,595,938,717.45 | 6,331,007,932.13 |
| Other current liabilities | 2,485,902,523.57 | 3,560,491,070.18 |
| Total current liabilities | 79,455,574,568.29 | 74,834,927,060.19 |
| Non-current liabilities: | | |
| Long-term loans | 21,964,826,121.61 | 17,051,917,894.42 |
| Bonds payable | 3,033,646,676.89 | 3,003,382,977.23 |
| Long-term payable | 105,456,930.82 | 102,745,035.90 |
| Special payables | | |
| Estimated liabilities | - | 10,473,360.10 |
| Deferred income tax liabilities | 105,605,849.52 | 108,596,697.05 |
| Other non-current liabilities | 11,236,760.00 | 11,236,760.00 |
| Total non-current liabilities | 25,220,772,338.84 | 20,288,352,724.70 |
| Total liabilities | 104,676,346,907.13 | 95,123,279,784.89 |
| Owners' equity (or shareholders' | | |

| | | |
|--|--------------------|--------------------|
| equity): | | |
| Paid-in capital (or share capital) | 2,575,950,754.00 | 1,717,300,503.00 |
| Capital reserve | 7,632,648,079.93 | 8,458,826,075.70 |
| Less: treasury stocks | | |
| Special reserve | | |
| Surplus reserve | 1,133,515,392.99 | 1,133,515,392.99 |
| General risk provisions | | |
| Undistributed profit | 16,753,322,052.91 | 15,336,958,642.03 |
| Translation difference in foreign currency statements | 78,901,353.52 | 78,901,353.52 |
| Total equity attributable to the parent company owners | 28,174,337,633.35 | 26,725,501,967.24 |
| Minority shareholders' equity | 12,211,296,414.34 | 12,191,665,237.52 |
| Total owners' equity (or shareholders' equity) | 40,385,634,047.69 | 38,917,167,204.76 |
| Total liabilities and owner equity (or shareholder equity) | 145,061,980,954.82 | 134,040,446,989.65 |

Legal representative: Sun Chengming

Accounting supervisor: Wu Zhenqin

Legal representative of the accounting firm: Li Shifang

4.2 Consolidated balance sheet of parent company

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

Unit: yuan

| Item | Ending balance | Beginning balance |
|-----------------|----------------|-------------------|
| Current assets: | | |

| | | |
|---|-------------------|-------------------|
| Monetary fund | 9,626,050,268.96 | 6,296,121,745.68 |
| Financial assets measured at fair value with changes included in profits and losses | | |
| Notes receivable | | |
| Accounts receivable | | |
| Prepayments | 0 | 193,000.00 |
| Interest receivable | 698,399.06 | 11,814,660.00 |
| Dividend receivable | 1,021,707,095.72 | 1,186,411,976.56 |
| Other receivables | 29,707,743,133.32 | 28,619,556,967.65 |
| Inventory | | |
| Divided into assets held for sale | | |
| Non-current assets (expire in a year) | | |
| Other current assets | 3,650,084.20 | |
| Total current assets | 40,359,848,981.26 | 36,114,098,349.89 |
| Non-current assets: | | |
| Available-for-sale financial assets | | |
| Held-to-maturity investment | | |
| Long-term accounts receivable | | |
| Long-term equity investments | 8,788,171,776.13 | 9,227,039,815.19 |
| Investment property | | |
| Fixed assets | 1,183,788.54 | 1,548,967.06 |

| | | |
|---|-------------------|-------------------|
| Construction in progress | | |
| Engineering material | | |
| Liquidation of fixed assets | | |
| Productive biological assets | | |
| Oil and gas assets | | |
| Intangible assets | | |
| Development expenses | | |
| Goodwill | | |
| Long-term deferred expenses | | |
| Deferred income tax assets | | |
| Other non-current assets | | |
| Total non-current assets | 8,789,355,564.67 | 9,228,588,782.25 |
| Total assets | 49,149,204,545.93 | 45,342,687,132.14 |
| Current liabilities: | | |
| Short-term loans | 3,275,000,000.00 | 2,250,000,000.00 |
| Financial liabilities which are measured by fair value and their changes are recorded in current profit or loss | | |
| Notes payable | | |
| Accounts payable | 191,878,894.81 | |
| Account received in advance | | |
| Payroll payable | 6,311,393.28 | 9,010,550.63 |

| | | |
|---|-------------------|-------------------|
| Tax payable | 298,730.19 | 4,569,810.63 |
| Interests payable | 63,118,391.61 | 90,378,579.30 |
| Dividend payable | | |
| Other payables | 16,643,595,379.90 | 15,791,231,019.71 |
| Divided into liabilities held for sale | | |
| Non-current liability due within one year | 3,054,090,375.00 | 2,404,241,120.00 |
| Other current liabilities | | 357,710.82 |
| Total current liabilities | 23,234,293,164.79 | 20,549,788,791.09 |
| Non-current liabilities: | | |
| Long-term loans | 9,681,514,500.00 | 7,633,824,285.00 |
| Bonds payable | | |
| Long-term payable | | |
| Special payables | | |
| Estimated liabilities | | |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | 9,681,514,500.00 | 7,633,824,285.00 |
| Total liabilities | 32,915,807,664.79 | 28,183,613,076.09 |
| Owners' equity (or shareholders' equity): | | |
| Paid-in capital (or share capital) | 2,575,950,754.00 | 1,717,300,503.00 |

| | | |
|--|-------------------|-------------------|
| Capital reserve | 8,068,429,937.53 | 8,927,054,193.00 |
| Less: treasury stocks | | |
| Special reserve | | |
| Surplus reserve | 1,082,563,999.99 | 1,082,563,999.99 |
| General risk provisions | | |
| Undistributed profit | 4,506,452,189.62 | 5,432,155,360.06 |
| Translation difference in foreign currency statements | | |
| Total owners' equity (or shareholders' equity) | 16,233,396,881.14 | 17,159,074,056.05 |
| Total liabilities and owner equity (or shareholder equity) | 49,149,204,545.93 | 45,342,687,132.14 |

4.3 Consolidated statement of profits during reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|-----------------------------------|--------------------------|---------------------------|
| I. Total operating income | 7,706,001,062.23 | 7,337,867,073.26 |
| Including: operating income | 7,706,001,062.23 | 7,337,867,073.26 |
| Interest incomes | | |
| Earned insurance premium | | |
| Incomes from fees and commissions | | |
| II. Total operating cost | 6,797,587,801.83 | 5,448,933,432.63 |
| Including: operating cost | 5,531,109,631.22 | 3,897,208,053.27 |

| | | |
|---|----------------|------------------|
| Interest payments | | |
| Service charges and commission expenses | | |
| Refunded premium | | |
| Net amount of compensation payout | | |
| Net amount of reserves for reinsurance contract | | |
| Policy dividend payment | | |
| Reinsured expenses | | |
| Business taxes and surcharges | 769,271,865.81 | 1,148,130,766.37 |
| Sales expenses | 186,593,343.38 | 191,368,774.77 |
| Management expenses | 140,926,760.49 | 125,186,417.87 |
| Financial expenses | 169,737,714.64 | 86,730,756.84 |
| Asset impairment loss | -51,513.71 | 308,663.51 |
| Add: income from changes in fair value (“-” indicates the loss) | | |
| Investment profit (“-” indicates the loss) | 72,396,735.93 | 23,438,064.02 |
| Including: investment income from affiliated enterprises and joint ventures | 72,396,735.93 | 23,438,064.02 |
| Exchange income (“-” indicates the loss) | | |
| III. Operating profit (“-” indicates the loss) | 980,809,996.33 | 1,912,371,704.65 |

| | | |
|---|----------------|------------------|
| Add: non-operating incomes | 25,334,455.57 | 28,120,053.54 |
| Less: non-operating expenses | 7,429,519.46 | 6,433,724.24 |
| Including: loss on disposal of non-current assets | 43,441.30 | 35,175.02 |
| IV. Total profit (“-” indicates the total loss) | 998,714,932.44 | 1,934,058,033.95 |
| Less: income tax | 332,146,405.38 | 526,125,432.21 |
| V. Net profit (“-” indicates the net loss) | 666,568,527.06 | 1,407,932,601.74 |
| Including: Net profits of the combined party before the combination | | |
| Net profits attributable to the parent company owners | 455,232,903.03 | 1,054,598,858.68 |
| Gain and loss of minority shareholders | 211,335,624.03 | 353,333,743.06 |
| VI. Earnings per share: | | -- |
| (I) Basic earnings per share | 0.18 | 0.41 |
| (II) Diluted earnings per share | 0.18 | 0.41 |
| VII. Other consolidated income | | |
| Including: items that will not be reclassified to profit or loss in subsequent periods | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met | | |
| VIII. Total consolidated income | 666,568,527.06 | 1,407,932,601.74 |
| Total consolidated income attributable to the owner of the parent | 455,232,903.03 | 1,054,598,858.68 |

| | | |
|---|----------------|----------------|
| company | | |
| Total consolidated income attributable to minority shareholders | 211,335,624.03 | 353,333,743.06 |

4.4 Parent company's profits during reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|---|--------------------------|---------------------------|
| I. Operating income | 1,910,000.00 | 11,010,000.00 |
| Less: operating cost | 821,384.23 | 616,368.32 |
| Business taxes and surcharges | 107,151.00 | 617,661.00 |
| Sales expenses | | |
| Management expenses | 16,140,300.01 | 13,603,143.91 |
| Financial expenses | 59,677,976.23 | 77,840,820.04 |
| Asset impairment loss | | |
| Add: income from changes in fair value ("-" indicates the loss) | | |
| Investment profit ("-" indicates the loss) | 25,671,132.64 | -189,187.00 |
| Including: investment income from affiliated enterprises and joint ventures | -2,308,848.89 | -189,187.00 |
| II. Operating profit ("-" indicates the loss) | -49,165,678.83 | -81,857,180.27 |
| Add: non-operating incomes | | |

| | | |
|---|----------------|----------------|
| Less: non-operating expenses | | |
| Including: loss on disposal of non-current assets | | |
| III. Total profit (“-” indicates the total loss) | -49,165,678.83 | -81,857,180.27 |
| Less: income tax | | |
| IV. Net profit (“-” indicates the loss) | -49,165,678.83 | -81,857,180.27 |
| V. Earnings per share: | -- | |
| (I) Basic earnings per share | Inapplicable | Inapplicable |
| (II) Diluted earnings per share | Inapplicable | Inapplicable |
| VI. Other consolidated incomes | | |
| Including: items that will not be reclassified to profit or loss in subsequent periods | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met | | |
| VII. Total consolidated income | -49,165,678.83 | -81,857,180.27 |

4.5 Consolidated year-to-date profits of the reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|-----------------------------|--------------------------|---------------------------|
| I. Total operating income | 23,753,156,793.22 | 23,471,435,394.52 |
| Including: operating income | 23,753,156,793.22 | 23,471,435,394.52 |
| Interest incomes | | |

| | | |
|---|-------------------|-------------------|
| Earned insurance premium | | |
| Incomes from fees and commissions | | |
| II. Total operating cost | 19,643,264,503.28 | 17,126,589,406.42 |
| Including: operating cost | 15,922,177,904.69 | 12,589,719,333.16 |
| Interest payments | | |
| Service charges and commission expenses | | |
| Refunded premium | | |
| Net amount of compensation payout | | |
| Net amount of reserves for reinsurance contract | | |
| Policy dividend payment | | |
| Reinsured expenses | | |
| Business taxes and surcharges | 2,383,291,566.10 | 3,727,561,490.14 |
| Sales expenses | 468,531,591.83 | 463,388,566.53 |
| Management expenses | 372,586,559.19 | 357,897,903.88 |
| Financial expenses | 495,840,101.19 | 160,079,728.23 |
| Asset impairment loss | 836,780.28 | -172,057,615.52 |
| Add: income from changes in fair value (“-” indicates the loss) | | |
| Investment profit (“-” indicates the loss) | 215,715,151.44 | 305,617,822.95 |

| | | |
|---|------------------|------------------|
| Including: investment income from affiliated enterprises and joint ventures | 215,715,151.44 | 359,630,004.60 |
| Exchange income (“-” indicates the loss) | | |
| III. Operating profit (“-” indicates the loss) | 4,325,607,441.38 | 6,650,463,811.05 |
| Add: non-operating incomes | 60,831,335.20 | 39,894,756.82 |
| Less: non-operating expenses | 29,154,934.95 | 21,821,278.85 |
| Including: loss on disposal of non-current assets | 218,503.87 | 945,458.54 |
| IV. Total profit (“-” indicates the total loss) | 4,357,283,841.63 | 6,668,537,289.02 |
| Less: income tax | 1,296,643,173.79 | 2,002,712,262.59 |
| V. Net profit (“-” indicates the net loss) | 3,060,640,667.84 | 4,665,825,026.43 |
| Including: Net profits of the combined party before the combination | | |
| Net profits attributable to the parent company owners | 2,240,667,651.88 | 3,605,229,893.19 |
| Gain and loss of minority shareholders | 819,973,015.96 | 1,060,595,133.24 |
| VI. Earnings per share: | | |
| (I) Basic earnings per share | 0.87 | 1.40 |
| (II) Diluted earnings per share | 0.87 | 1.40 |
| VII. Other consolidated income | | |
| Including: items that will not be reclassified to profit or loss in | | |

| | | |
|---|------------------|------------------|
| subsequent periods | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met | | |
| VIII. Total consolidated income | 3,060,640,667.84 | 4,665,825,026.43 |
| Total consolidated income attributable to the owner of the parent company | 2,240,667,651.88 | 3,605,229,893.19 |
| Total consolidated income attributable to minority shareholders | 819,973,015.96 | 1,060,595,133.24 |

4.6 Parent company's year-to-date profits of the reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|--|--------------------------|---------------------------|
| I. Operating income | 2,410,000.00 | 22,090,000.00 |
| Less: operating cost | 1,878,636.39 | 1,632,685.24 |
| Business taxes and surcharges | 2,347,719.26 | 1,239,249.00 |
| Sales expenses | | |
| Management expenses | 36,291,553.95 | 28,235,451.12 |
| Financial expenses | 142,799,590.32 | 276,033,038.68 |
| Asset impairment loss | | |
| Add: income from changes in fair value ("-" indicates the loss) | | |
| Investment profit ("-" indicates the loss) | 79,510,570.48 | -1,479,947.00 |
| Including: investment income from affiliated enterprises and joint | -2,668,039.06 | -1,479,947.00 |

| | | |
|---|-----------------|-----------------|
| ventures | | |
| II. Operating profit (“-” indicates the loss) | -101,396,929.44 | -286,530,371.04 |
| Add: non-operating incomes | | |
| Less: non-operating expenses | 2,000.00 | 9,163,879.51 |
| Including: loss on disposal of non-current assets | | |
| III. Total profit (“-” indicates the total loss) | -101,398,929.44 | -295,694,250.55 |
| Less: income tax | | |
| IV. Net profit (“-” indicates the loss) | -101,398,929.44 | -295,694,250.55 |
| V. Earnings per share: | | |
| (I) Basic earnings per share | Inapplicable | Inapplicable |
| (II) Diluted earnings per share | Inapplicable | Inapplicable |
| VI. Other consolidated incomes | | |
| Including: items that will not be reclassified to profit or loss in subsequent periods | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met | | |
| VII. Total consolidated income | -101,398,929.44 | -295,694,250.55 |

4.7 Cash flow statement year-to-date profits of the reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|---|--------------------------|---------------------------|
| I. Cash flows from operating activities: | | |
| Cash received from sale of goods or rendering of services | 28,427,510,441.71 | 29,826,137,629.51 |
| Net increase of deposits from customers and other banks | | |
| Net increase of borrowings from central bank | | |
| Net increase of loans from other financial institutions | | |
| Cash received from receiving insurance premium of original insurance contract | | |
| Net cash received from reinsurance business | | |
| Net increase of policy holder deposits and investment funds | | |
| Net increase of disposal of trading financial assets | | |
| Cash received from interests, fees and commissions | | |
| Net increase of loans from other banks | | |
| Net capital increase of repurchase business | | |
| Refunds of taxes and levies | 27,348,837.85 | 15,808,867.22 |
| Cash received from other operating activities | 6,841,156,957.77 | 4,193,297,175.59 |

| | | |
|---|-------------------|-------------------|
| Sub-total of cash inflows from operating activities | 35,296,016,237.33 | 34,035,243,672.32 |
| Cash paid for goods and services | 27,074,310,400.10 | 20,155,096,718.59 |
| Net increase of customer's loans and advances | | |
| Net increase of deposits in central bank and other banks | | |
| Cash paid for indemnity of original insurance contract | | |
| Cash paid for interests, service charges and commissions | | |
| Cash paid for policy dividends | | |
| Cash paid to and on behalf of employees | 1,194,355,095.30 | 983,126,518.84 |
| Payments of all types of taxes | 6,883,850,156.54 | 5,816,514,372.81 |
| Other cash paid relating to operating activities | 5,638,132,377.31 | 6,286,762,781.45 |
| Sub-total of cash outflows from operating activities | 40,790,648,029.25 | 33,241,500,391.69 |
| Net cash flows from operating activities | -5,494,631,791.92 | 793,743,280.63 |
| II. Cash flows from investing activities: | | |
| Cash received from disposal of investments | | 80,123.00 |
| Cash received from return on investments | 39,967,345.86 | 326,819,319.15 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 59,464.00 | 85,915.50 |

| | | |
|--|-------------------|-------------------|
| Net cash received from disposal of subsidiaries and other business units | | |
| Other cash received relating to investing activities | | |
| Sub-total of cash inflows from investing activities | 40,026,809.86 | 326,985,357.65 |
| Cash paid to acquire fixed assets, intangible assets & other long-term assets | 41,181,847.17 | 38,244,369.82 |
| Cash paid to acquire investments | 76,671,105.19 | 30,500,000.00 |
| Net increase of pledge loans | | |
| Net cash received from payment of subsidiaries and other business units | | 132,381,505.46 |
| Other cash payments relating to investing activities | | 561,222,801.84 |
| Sub-total of cash outflows from investing activities | 117,852,952.36 | 762,348,677.12 |
| Net cash flows from investing activities | -77,826,142.50 | -435,363,319.47 |
| III. Cash flows from financing activities: | | |
| Cash received from capital contribution | 254,265,704.18 | 118,041,079.00 |
| Including: cash from the investment of minority shareholders of the subsidiaries | 254,265,704.18 | 118,041,079.00 |
| Cash received from borrowings | 16,216,394,880.82 | 14,700,287,816.88 |
| Cash from issue of bonds | | |
| Proceeds received from other | | |

| | | |
|--|-------------------|-------------------|
| financing activities | | |
| Sub-total of cash inflows from financing activities | 16,470,660,585.00 | 14,818,328,895.88 |
| Cash repayments of amounts borrowed | 11,087,713,675.00 | 9,789,887,950.00 |
| Cash payments for interest expenses and distribution of dividends or profit | 2,143,694,391.98 | 1,532,365,144.23 |
| Including: dividends and profits paid by subsidiaries to minority shareholders | 271,684,819.75 | 149,669,583.36 |
| Other cash payments relating to financing activities | 2,461,000.00 | |
| Sub-total of cash outflows from financing activities | 13,233,869,066.98 | 11,322,253,094.23 |
| Net cash flows from financing activities | 3,236,791,518.02 | 3,496,075,801.65 |
| IV. Influence of exchange rate change on cash and cash equivalent | 14,566,593.34 | -27,139,455.87 |
| V. Net increase of cash and cash equivalent | -2,321,099,823.06 | 3,827,316,306.94 |
| Add: balance of cash and cash equivalent at the beginning of period | 24,240,458,796.50 | 18,218,506,517.70 |
| VI. Balance of cash and cash equivalent at the end of period | 21,919,358,973.44 | 22,045,822,824.64 |

4.8 Parent company's cash flow statement year-to-date profits of the reporting period

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

Unit: yuan

| Item | Amount of current period | Amount of previous period |
|---|--------------------------|---------------------------|
| I. Cash flows from operating activities: | | |
| Cash received from sale of goods or rendering of services | 2,410,000.00 | 22,090,000.00 |
| Refunds of taxes and levies | | |
| Cash received from other operating activities | 5,781,010,203.48 | 4,421,323,868.12 |
| Sub-total of cash inflows from operating activities | 5,783,420,203.48 | 4,443,413,868.12 |
| Cash paid for goods and services | | |
| Cash paid to and on behalf of employees | 11,453,390.37 | 13,635,785.05 |
| Payments of all types of taxes | 13,967,791.77 | 25,560,131.43 |
| Other cash paid relating to operating activities | 5,640,911,795.07 | 1,338,336,583.58 |
| Sub-total of cash outflows from operating activities | 5,666,332,977.21 | 1,377,532,500.06 |
| Net cash flows from operating activities | 117,087,226.27 | 3,065,881,368.06 |
| II. Cash flows from investing activities: | | |
| Cash received from disposal of investments | 470,000,000.00 | |
| Cash received from return on investments | 243,069,431.04 | 2,410,780,300.87 |

| | | |
|---|------------------|------------------|
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | |
| Net cash received from disposal of subsidiaries and other business units | | |
| Other cash received relating to investing activities | | |
| Sub-total of cash inflows from investing activities | 713,069,431.04 | 2,410,780,300.87 |
| Cash paid to acquire fixed assets, intangible assets & other long-term assets | 20,880.00 | 1,344,750.00 |
| Cash paid to acquire investments | 88,671,105.19 | 2,844,741,275.00 |
| Net cash received from payment of subsidiaries and other business units | | |
| Other cash payments relating to investing activities | | |
| Sub-total of cash outflows from investing activities | 88,691,985.19 | 2,846,086,025.00 |
| Net cash flows from investing activities | 624,377,445.85 | -435,305,724.13 |
| III. Cash flows from financing activities: | | |
| Cash received from capital contribution | | |
| Cash received from borrowings | 8,326,821,400.00 | 5,699,190,000.00 |
| Cash from issue of bonds | | |
| Proceeds received from other financing activities | | |

| | | |
|---|------------------|-------------------|
| Sub-total of cash inflows from financing activities | 8,326,821,400.00 | 5,699,190,000.00 |
| Cash repayments of amounts borrowed | 4,611,076,875.00 | 6,049,727,950.00 |
| Cash payments for interest expenses and distribution of dividends or profit | 1,107,213,263.04 | 867,569,654.44 |
| Other cash payments relating to financing activities | | |
| Sub-total of cash outflows from financing activities | 5,718,290,138.04 | 6,917,297,604.44 |
| Net cash flows from financing activities | 2,608,531,261.96 | -1,218,107,604.44 |
| IV. Influence of exchange rate change on cash and cash equivalent | -20,067,410.80 | -282,395.07 |
| V. Net increase of cash and cash equivalent | 3,329,928,523.28 | 1,412,185,644.42 |
| Add: balance of cash and cash equivalent at the beginning of period | 6,296,121,745.68 | 5,277,807,877.29 |
| VI. Balance of cash and cash equivalent at the end of period | 9,626,050,268.96 | 6,689,993,521.71 |

4.9 Audit Report

The Q3 report is yet to be audited.

§5 Other Reporting Data

5.1 Illegal external guarantee

Inapplicable.

5.2 Occupation of non-operating funds of the listed company by controlling shareholders and their related parties

Unit: RMB 10,000

| Name of shareholder or related party | Occupation time | Occurrence reason | Beginning balance | New occupied funds during reporting period | Total repayment during reporting period | Ending balance | Estimated repayment method | Estimated repayment | Estimated repayment time (month) |
|--------------------------------------|------------------------------|-----------------------------|-------------------|--|---|----------------|-----------------------------|---------------------|----------------------------------|
| Jones Tech Limited | December 2012 - January 2014 | Funds shifted to investment | 6,243 | | 6,243 | - | Funds shifted to investment | | Inapplicable |
| Holly Profit Limited | December 2012 - January 2014 | Funds shifted to investment | 9,255 | | 9,255 | - | Funds shifted to investment | | Inapplicable |
| Blue Cove International Ltd | December 2012 - January 2014 | Funds shifted to investment | 4,481 | | 4,481 | - | Funds shifted to investment | | Inapplicable |
| Powerwise International Ltd | December 2012 - January 2014 | Funds shifted to investment | 8,903 | | 8,903 | - | Funds shifted to investment | | Inapplicable |
| Total | | | 28,882 | | 28,882 | | -- | | -- |

5.3 Transaction of funds between listed company and controlling shareholders and their associated companies

Unit: RMB 10,000

| Name of transaction parties | Category of credits and debts | Beginning balance | Amount incurred in the reporting period | Repayment during reporting period | Ending balance | Interest incomes | Interest payments |
|-----------------------------|-------------------------------|-------------------|---|-----------------------------------|----------------|------------------|-------------------|
|-----------------------------|-------------------------------|-------------------|---|-----------------------------------|----------------|------------------|-------------------|

| | | | | | | | |
|--|-------------------|-----------|------------|----------|------------|--|--|
| Jones Tech Limited | Other receivables | 6,243.21 | | 6,243.21 | - | | |
| Powerwise International Ltd | Other receivables | 8,902.69 | | 8,902.69 | - | | |
| Holly Profit Limited | Other receivables | 9,255.06 | | 9,255.06 | - | | |
| Blue Cove International Ltd | Other receivables | 4,481.22 | | 4,481.22 | - | | |
| Shekou Industrial Zone | Accounts payable | - | 345,290.00 | | 345,290.00 | | |
| Shekou Industrial Zone | Other payables | 7,948.89 | | | 7,948.89 | | |
| China Merchants Guangming Science Park | Other payables | 147.67 | | 146.95 | 0.72 | | |
| Shenzhen China Merchants Financial Service Co., Ltd. | Other payables | 71,458.14 | 549.00 | | 72,007.14 | | |
| Dafeng International Group LLC | Other payables | | 13,266.19 | | 13,266.19 | | |
| China Merchants Zhangzhou Development Zone Co., Ltd. | Other payables | 20,000.00 | | | 20,000.00 | | |
| China Merchants Holdings (HK) Co., Ltd. | Other payables | | 88.12 | | 88.12 | | |