

Stock Code: 000024, 200024

Stock ID: CMPD, CMPD B

Announcement No.: 【CMPD】2014 - 027

China Merchants Property Development Co., Ltd.

The 1st Quarterly Report 2014 (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 2014 were not audited by a CPA.

1.4 Mr. Sun Chengming - the legal representative, Ms. Wu Zhenqin - the chief financial officer, and Ms. Li Shifang - 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 Main accounting data and financial index

Was there any retrospective adjustment or restatement for the previous year accounting data?

Yes No

	This report period	The same period of last year	Increase/decrease (%)
Operating income (RMB)	7,250,648,108.95	6,144,504,542.89	18.00%
Net profit attributable to shareholders of the listed company (RMB)	755,433,248.27	810,701,084.56	-6.82%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	794,757,195.17	801,556,684.90	-0.85%
Net cash flow from operating activities (RMB)	-4,330,633,173.95	790,021,934.12	-648.17%
Basic earnings per share (RMB/share)	0.44	0.47	-6.38%
Diluted earnings per share (RMB/share)	0.44	0.47	-6.38%

Weighted average net income/asset ratio (%)	2.79%	3.41%	Down by 0.62%
	End of this report period	End of last year	Increase/decrease (%)
Total asset (RMB)	134,967,470,187.77	134,040,446,989.65	0.69%
Net asset value attributable to shareholders of the listed company (RMB)	27,480,935,215.51	26,725,501,967.24	2.83%

As of the trading day before disclosure, the total share capital of the company is 1,717,300,503 shares. From the period-end to the disclosure day of the quarterly report, the company did not change or influence the amount of owner's equity through issue of new shares, issue of additional stock, allotment of shares, equity-based incentive and buyback.

Non-recurring gain/ loss items and amounts

Applicable Not Applicable

Unit: RMB

Non-recurring gain and loss items	Amount from beginning of year to the end of report period
Gain/loss of non-current assets	-19,616.60
Government subsidies	518,000.00
Other non-operating income/expenditure net of the items above	-1,125,144.84
Other items in line with definition of non-recurring gain/loss	-38,732,418.92
Influences on minority shareholders' gains/ losses	43,143.89
Impact on income tax	-7,910.43
Total	-39,323,946.90

Note: The Shenzhen China Merchants Overseas Chinese Town Investment Co., Ltd (SCMOCTI) was a subsidiary of the Company, and a change of control occurred on April 1, 2013. According to Interpretation No. 4 of the Accounting Standards for Business Enterprises, the change of control of SCMOCTI is deemed as the disposal of equity by our company. The remaining equity is re-measured at fair value. The difference between the fair value and the original book value of the remaining equity is recognized as the investment income of the year totaling RMB339,878,500. As the fair value of the remaining equity is the assessment appreciation of inventory, the company carried back RMB38,732,418.92 of long-term equity investment appreciation confirmed by assessment appreciation according to the ratio of inventory area actually carried forward during January-March of the year to the available area for sale in the inventory to be carried forward on the assessment day.

Applicable Not Applicable

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

Unit: Shares

Total number of shareholders at the end of the report period	66,588 (including 56,747 A-share holders and 9,841 B-share holders)				
Shareholding of top 10 shareholders					
Name of shareholder	Class of shareholder	Share proportion	Amount of holding shares	Restricted shares	Pledged or lock-up shares

		(%)			Share state	Amount
China Merchants Shekou Industrial Zone Co., Ltd.	State-owned legal person	40.38%	693,419,317	693,419,317	None	None
FULL SPACE INVESTMENT LIMITED	Overseas legal person	5.48%	94,144,050	94,144,050	None	None
China Merchants Securities Hong Kong Co., Ltd.	Overseas legal person	2.91%	49,898,818	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
Full Goal Tianfu Innovative Theme Equity Securities Investment Fund	Domestic none state-owned legal person	1.11%	19,009,918	None	None	None
China Pacific life insurance Co., Ltd. – Traditional – General Insurance Products	Domestic none state-owned legal person	1.08%	18,501,423	None	None	None
China Pacific life insurance Co., Ltd. – Dividends - Personal Dividends	Domestic none state-owned legal person	0.76%	12,965,823	None	None	None
GOLDEN CHINA MASTER FUND	Overseas legal person	0.75%	12,873,191	None	None	None
National Social Insurance Fund 102 Combination	Domestic none state-owned legal person	0.73%	12,546,211	None	None	None
Top 10 holders of unconditional shares						
Name of the shareholder	Amount of shares without trade limited conditions	Category of shares				
		Category of shares	Amount			
Full Goal Tianfu Innovative Theme Equity Securities Investment Fund	19,009,918	A shares	19,009,918			
China Pacific Life Insurance Co., Ltd. – Traditional – General Insurance Products	18,501,423	A shares	18,501,423			
China Pacific Life Insurance Co., Ltd. – Dividends - Personal Dividends	12,965,823	A shares	12,965,823			
GOLDEN CHINA MASTER FUND	12,873,191	B shares	12,873,191			
National Social Insurance Fund 102 Combination	12,546,211	A shares	12,546,211			

New China Life Insurance Co., Ltd - Dividends - Personal Dividends – 018L - FH002 Shen	11,850,000	A shares	11,850,000
VALUE PARTNERS CLASSIC FUND	11,121,713	B shares	11,121,713
GF Small-capitalization Growth Equity Securities Investment Fund	10,552,812	A shares	10,552,812
Huaxin Trust Co., Ltd	9,767,652	A shares	9,767,652
BOCI SECURITIES LIMITED	9,483,400	B shares	9,483,400
<p>1. In the Company shares held by China Merchants Securities Hong Kong Co., Ltd., 49,242,245 shares were bought in by Top Chief in the previous year through entrustment;</p> <p>2. Shekou Industrial Zone and its subsidiaries Full Space Investment, Top Chief International, FOXTROT INTERNATIONAL LIMITED, and ORIENTURE INVESTMENT LTD are persons acting in concert.</p> <p>3. China Pacific Life Insurance Co., Ltd. – Traditional – General Insurance Products and China Pacific Life Insurance Co., Ltd. – Dividends - Personal Dividends belong to the same fund management company.</p>			

Do the shareholders of the Company have the agreement repurchase transactions during the report period?

Yes No

§ 3 Significant Events

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

Assets and liabilities items	March 31, 2014	December 31, 2013	Increase/ Decrease (±%)	Major Change Reasons
Accounts receivable	12,192	7,686	0.03%	Increase of receivables from sale of real estate
Accrued employee compensation	16,702	38,589	-0.16%	Payment of accrued payroll
Interest payable	23,595	15,236	0.06%	Increase of interests payable on bank borrowings
Dividends payable	512	12,093	-0.09%	Payment of accrued dividends
Gain/ loss items	Jan-Mar, 2014	Jan-Mar, 2013	Increase/ Decrease (±%)	Major Change Reasons
Operating cost	457,655	303,870	51%	Increase of sales of real estate carried forward during the period
Operating tax and additional expenses	73,277	107,257	-32%	As the margin of the items carried forward is low, the land appreciation tax decreased.
Financial cost	21,683	6,255	247%	The interest payment and foreign exchange losses of the period increased on the year-over-year basis.
Investment income	11,944	231	5082%	The investment income increased due to the changes of the equity act of affiliated company.

Cash flow items	Jan-Mar, 2014	Jan-Mar, 2013	Increase/ Decrease ($\pm\%$)	Major Change Reasons
Sub-total of cash outflow from business activities	1,458,050	925,954	57%	The land and infrastructure expenses increased than one year earlier.
Net cash flow generated by business operation	-433,064	79,003	-648%	The growth of operating cash outflow is larger than that of the operating cash inflow.
Sub-total of cash outflow due to investment activities	7,150	4,374	63%	The cash paid for acquisition of equity increased.
Net cash flow generated by investment	-7,150	-4,361	64%	Cash outflows year-on-year increased, but cash inflows year-on-year decreased in the investment activities.
Subtotal of cash inflow from financing activities	348,257	710,170	-51%	New borrowings of the period decreased.
Subtotal of cash outflow due to financing activities	374,651	203,812	84%	Repayment of borrowings increased.

3.2 Progress of major issue and their influences and solutions

Overview of Major Issue	Disclosure Date	References of Disclosure Websites of Interim Report
At the second extraordinary general meeting of shareholders in 2013, the Company has discussed and passed the proposal in which shares will be issued to buy assets and raise money for the associated transactions. On Nov 28, 2013, the company received the notice on processing application for administrative approval. That means the China Securities Regulatory Commission has accepted the application of administrative approval the company has filed for the issue of new shares to buy assets and raise money for the associated deal. The application remains in the stage of review.	Nov 29, 2013; Nov 8, 2013; Oct. 23, 2013; Oct. 16, 2013; Sep 17, 2013	For more information, please refer to <i>China Securities News</i> , <i>Securities Times</i> , <i>Shanghai Securities News</i> , <i>Hong Kong Commercial Daily</i> , <i>Securities Daily</i> and www.cninfo.com.cn .

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	In the report term, CMSIZ was

				holding of the Company's shares	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 Non-operating capital occupying conditions of controlling shareholders and their related parties for listed company

Unit: 0,000 RMB

Names of shareholders or related persons	Holding time	Reasons	Opening balance	Amount of newly increased occupying during report period	Total repay amount during report period	Closing balance	Predicted repay way	Predicted repay amount	Predicted repay time (month)
Shanghai New Nanshan Real Estate Development Co., Ltd	September, 2011 to now	Fund borrowing	14,934	2,070	-	17,004	Cash pay off	17,004	December, 2014
Jones Tech Limited	December, 2012 to now	Reinvestment fund	6,243	-	6,243	-	-	-	-
Holly Profit Limited	December, 2012 to now	Reinvestment fund	9,255	-	9,255	-	-	-	-
Blue Cove International Ltd	December, 2013 to now	Reinvestment fund	4,481	-	4,481	-	-	-	-
Powerwise International Ltd	December, 2013 to now	Reinvestment fund	8,903	-	8,903	-	-	-	-
Total			43,816	2,070	28,882	17,004	-	17,004	-

3.5 Business forecast for January-June in 2014

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

3.6 Securities investment

Applicable Not applicable

Explanation of holding stock rights of other listed companies

Applicable Not applicable

3.7 Investment of derivate instruments

Derivate instruments in stock at the end of period

Applicable Not applicable

3.8 Table about investigations, communications and interviews received by the Company during the report period

Reception date	Reception place	Reception way	Received object type	Received object	Content discussed and information provided
January 4, 2014	Shenzhen	Telephone communication	Institutional investor	China Securities	① Introducing operation of the Company ② Discussing the industry development; ③ Providing the information announced and brochure for projects of the Company. ④ Visiting the Company on-sale
January 7, 2014	Shenzhen	Telephone communication	Institutional investor	Orient Securities	
January 8, 2014	Shenzhen	Telephone communication	individual investor	individual investor	
January 8, 2014	Shenzhen	Telephone communication	individual investor	individual investor	
January 8, 2014	Shanghai	Project investigation	Institutional investor	Everbright Securities	
January 9, 2014	Shenzhen	Field investigation	Institutional investor	Runhui Investment	
January 14, 2014	Suzhou, Shanghai	Field investigation	Institutional investor	Runhui Investment	
January 15, 2014	Nanjing, Suzhou	Field investigation	Institutional investor	William Blair, CICC	
January 16, 2014	Shenzhen	Telephone communication	individual investor	individual investor	
January 17, 2014	Shenzhen	Field investigation	Institutional investor	Harvest Fund	
January 24, 2014	Shenzhen	Field investigation	Institutional investor	China Asset Management, Haitong Securities	
January 29, 2014	Shenzhen	Telephone communication	Institutional investor	Hillhouse Capital Management	
February 8, 2014	Shenzhen	Field investigation	Institutional	Fullgoal Fund	

			investor	
February 10, 2014	Shenzhen	Telephone communication	Institutional investor	Ping An Securities, GF Securities, Schroders Fund
February 12, 2014	Shenzhen	Field investigation	Institutional investor	GF Securities, China Asset Management, Yinhu a Fund, Penghua Fund, etc
February 12, 2014	Shenzhen	Telephone communication	individual investor	individual investor
February 12, 2014	Shenzhen	Telephone communication	Institutional investor	CICC
February 12, 2014	Shenzhen	Telephone communication	individual investor	individual investor
February 14, 2014	Shenzhen	Telephone communication	individual investor	individual investor
February 17, 2014	Shenzhen	Telephone communication	Institutional investor	Huatai Securities
February 20, 2014	Shenzhen	Telephone communication	individual investor	individual investor
February 27, 2014	Shenzhen	Telephone communication	individual investor	individual investor
March 5, 2014	Shenzhen	Telephone communication	individual investor	individual investor
March 13, 2014	Shenzhen	Telephone communication	individual investor	individual investor
March 17, 2014	Shenzhen	Field investigation	Institutional investor	40 institutions such as Guotai Junan Securities, CITIC Securities, China Jianyin Investment Securities, Fullgoal Fund, Citic-prudential Fund、Penghua Fun, etc.
March 24, 2014	Hong Kong	Strategic seminar	Institutional investor	Baring Asset Management Limited, Norges Bank, Capital Research Global Investors, Manulife, Morgan Stanley Investment

				Management Company, Three Corner
March 31, 2014	Shenzhen	Telephone communication	Institutional investor	GF Securities
March 31, 2014	Shenzhen	Telephone communication	Institutional investor	China Securities
March 31, 2014	Shenzhen	Telephone communication	Institutional investor	Runhui Investment

§ 4 Financial Statements

4.1 Consolidated Financial Statements

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

Unit: RMB

Items	Closing balance	Openning balance
Current asset:		
Monetary capital	19,596,551,015.27	24,240,458,796.50
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Notes receivable	6,527,980.00	4,000,000.00
Account receivable	121,918,936.59	76,864,814.81
Prepayment	2,732,440,955.25	2,815,967,507.79
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		100,000.00
Dividend receivable		
Other account receivable	12,929,588,488.68	13,683,883,876.17
Repurchasing of financial assets		
Inventories	84,435,845,840.86	78,476,507,470.78
Non-current asset due in 1 year	3,063,884.72	4,175,229.58
Other current asset	3,662,493,564.31	3,550,197,939.60

Total of current asset	123,488,430,665.68	122,852,155,635.23
Non-current assets:		
Disburse of consigned loans		
Sellable financial asset		
Expired investment in possess		
Long-term receivable		
Long-term share equity investment	2,038,629,140.30	1,653,194,214.56
Investment real estates	5,683,137,932.52	5,661,844,333.88
Fixed assets	1,948,074,462.60	2,038,420,991.55
Construction in process	107,084,507.32	104,895,578.36
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	527,010,606.55	542,448,651.42
R&D expense		
Goodwill	159,560,861.23	159,560,861.23
Long-term amortizable expenses	251,643,013.55	257,668,842.73
Deferred income tax asset	763,898,998.02	770,257,880.69
Other non-current asset		
Total of non-current assets	11,479,039,522.09	11,188,291,354.42
Total of assets	134,967,470,187.77	134,040,446,989.65
Current liabilities		
Short-term loans	3,435,000,000.00	4,250,000,000.00
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Transactional financial liabilities		
Notes payable	45,427,648.95	27,267,637.07
Account payable	11,510,028,334.98	12,010,832,454.50
Advances received	38,884,956,542.61	37,517,671,641.79
Selling of repurchased financial assets		
Fees and commissions receivable		

Employees' wage payable	167,023,484.86	385,894,712.53
Tax payable	1,366,697,244.02	1,464,425,877.10
Interest payable	235,947,471.22	152,361,058.07
Dividend payable	5,118,147.59	120,927,194.29
Other account payable	8,847,899,835.30	9,014,047,482.53
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Non-current liability due in 1 year	6,928,500,771.53	6,331,007,932.13
Other current liability	3,276,673,737.34	3,560,491,070.18
Total of current liability	74,703,273,218.40	74,834,927,060.19
Non-current liabilities		
Long-term borrowings	17,207,659,265.55	17,051,917,894.42
Bond payable	3,031,536,983.64	3,003,382,977.23
Long-term payable	103,043,988.47	102,745,035.90
Special payable		
Anticipated liabilities	2,990,565.73	10,473,360.10
Deferred income tax liability	113,823,716.38	108,596,697.05
Other non-recurring liabilities	11,236,760.00	11,236,760.00
Total of non-current liabilities	20,470,291,279.77	20,288,352,724.70
Total of liability	95,173,564,498.17	95,123,279,784.89
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	1,717,300,503.00	1,717,300,503.00
Capital reserves	8,447,048,826.56	8,447,048,826.56
Less: Shares in stock		
Special reserves		
Surplus reserves	1,133,515,392.99	1,133,515,392.99
Common risk provision		
Retained profit	16,104,169,139.44	15,348,735,891.17
Difference of foreign currency translation	78,901,353.52	78,901,353.52
Total of owner's equity belong to the parent company	27,480,935,215.51	26,725,501,967.24

Minor shareholders' equity	12,312,970,474.09	12,191,665,237.52
Total of owners' equity (or shareholders' equity)	39,793,905,689.60	38,917,167,204.76
Total of liabilities and owners' equity (or shareholders' equity)	134,967,470,187.77	134,040,446,989.65

This financial statement is signed by the following responsible persons

Legal representative: Sun Chengming

Responsible person competent for the accounting work: Wu Zhenqin

Responsible person of the accounting institution: Li Shifang

4.2 Balance Sheet of the Parent Co.

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

Unit: RMB

Items	Closing balance	Opening balance
Current asset:		
Monetary capital	5,161,350,134.56	6,296,121,745.68
Transactional financial assets		
Notes receivable		
Account receivable		
Prepayment		193,000.00
Interest receivable	11,814,660.00	11,814,660.00
Dividend receivable	1,020,198,406.50	1,186,411,976.56
Other account receivable	26,177,233,236.99	28,619,556,967.65
Inventories		
Non-current asset due in 1 year		
Other current asset		
Total of current asset	32,370,596,438.05	36,114,098,349.89
Non-current assets:		
Sellable financial asset		
Expired investment in possess		
Long-term receivable	6,002,186,748.84	
Long-term share equity investment	9,226,436,872.37	9,227,039,815.19
Investment real estates		

Fixed assets	1,288,850.32	1,548,967.06
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	15,229,912,471.53	9,228,588,782.25
Total of assets	47,600,508,909.58	45,342,687,132.14
Current liabilities:		
Short-term loans	1,200,000,000.00	2,250,000,000.00
Transactional financial liabilities		
Notes payable		
Account payable	191,878,894.81	
Advances received		
Employees' wage payable	2,168,758.04	9,010,550.63
Tax payable	2,997,217.20	4,569,810.63
Interest payable	122,486,854.80	90,378,579.30
Dividend payable		
Other account payable	19,470,703,495.88	15,791,231,019.71
Non-current liability due in 1 year	2,285,460,840.00	2,404,241,120.00
Other current liability		357,710.82
Total of current liability	23,275,696,060.73	20,549,788,791.09
Non-current liabilities:		
Long-term borrowings	7,242,187,755.00	7,633,824,285.00
Bond payable		
Long-term payable		
Special payable		

Anticipated liabilities		
Deferred income tax liability		
Other non-recurring liabilities		
Total of non-current liabilities	7,242,187,755.00	7,633,824,285.00
Total of liability	30,517,883,815.73	28,183,613,076.09
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	1,082,563,999.99	1,082,563,999.99
Common risk provision		
Retained profit	5,355,706,397.86	5,432,155,360.06
Different of foreign currency translation		
Total of owners' equity (or shareholders' equity)	17,082,625,093.85	17,159,074,056.05
Total of liability and shareholders' equity (or owners' equity)	47,600,508,909.58	45,342,687,132.14

4.3 Consolidated Income Statement

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

Unit: RMB

Items	Amount of the Current Term	Amount of the Previous Term
I. Total revenue	7,250,648,108.95	6,144,504,542.89
Incl. Business income	7,250,648,108.95	6,144,504,542.89
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	5,762,043,492.61	4,400,332,188.29
Incl. Business cost	4,576,550,376.54	3,038,699,049.28
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	732,766,975.28	1,072,572,145.86
Sales expense	108,924,801.50	121,258,008.42
Administrative expense	126,611,884.99	105,779,045.75
Financial expenses	216,831,565.14	62,547,650.00
Asset impairment loss	357,889.16	-523,711.02
Plus: gains from change of fair value ('-' for loss)		
Investment gains ('-' for loss)	119,441,264.48	2,305,013.32
Incl. Investment gains from affiliates	93,997,490.74	1,495,013.32
Exchange gains ('-' for loss)		
III. Operational profit ('-' for loss)	1,608,045,880.82	1,746,477,367.92
Plus: non-operational income	6,294,217.87	26,428,550.53
Less: non-operational expenditure	6,920,979.31	2,554,338.46
Incl. Loss from disposal of non-current assets	20,016.60	152,944.56
IV. Gross profit ('-' for loss)	1,607,419,119.38	1,770,351,579.99
Less: Income tax expenses	501,508,200.19	480,859,469.45
V. Net profit ('-' for net loss)	1,105,910,919.19	1,289,492,110.54
Including: Net profit realized by the entity taken over before the takeover		
Net profit attributable to the owners of parent company	755,433,248.27	810,701,084.56
Minor shareholders' equity	350,477,670.92	478,791,025.98

VI. Earnings per share:	--	--
(I) Basic earnings per share	0.44	0.47
(II) Diluted earnings per share	0.44	0.47
VII. Other misc. incomes		
VIII. Total of misc. incomes	1,105,910,919.19	1,289,492,110.54
Total of misc. incomes attributable to the owners of the parent company	755,433,248.27	810,701,084.56
Total misc gains attributable to the minor shareholders	350,477,670.92	478,791,025.98

4.4 Income Statement of the Parent Co.

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

Unit: RMB

Items	Amount of the Current Term	Amount of the Previous Term
I. Turnover		7,590,000.00
Less: Operation cost	632,269.18	533,339.20
Business tax and surcharge		425,799.00
Sales expense		
Administrative expense	9,653,136.82	7,872,705.76
Financial expenses	66,606,246.26	90,186,284.11
Asset impairment loss		
Plus: gains from change of fair value ('-' for loss)		
Investment gains ('-' for loss)	444,690.06	-670,801.00
Incl. Investment gains from affiliates	-602,942.82	-670,801.00
II. Operational profit ('-' for loss)	-76,446,962.20	-92,098,929.07
Plus: Non business income		
Less: Non-business expenses	2,000.00	
Incl. Loss from disposal of non-current assets		
III. Total profit ('-' for loss)	-76,448,962.20	-92,098,929.07
Less: Income tax expenses		
IV. Net profit ('-' for net loss)	-76,448,962.20	-92,098,929.07

V. Earnings per share	--	--
(I) Basic earnings per share		
(II) Diluted earnings per share		
VI. Other misc gains		
VII. Total of integrated income	-76,448,962.20	-92,098,929.07

4.5 Consolidated Cash Flow Statement

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

Unit: RMB

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	8,712,833,774.91	8,949,900,347.76
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
Other cash received from business	1,537,028,051.18	1,088,709,883.94

operation		
Sub-total of cash inflow from business activities	10,249,861,826.09	10,049,565,759.07
Cash paid for purchasing of merchandise and services	9,896,232,646.93	4,749,445,280.89
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	532,204,002.23	428,182,923.49
Taxes paid	1,952,624,916.54	1,316,379,429.67
Other cash paid for business activities	2,199,433,434.34	2,765,536,190.90
Sub-total of cash outflow from business activities	14,580,495,000.04	9,259,543,824.95
Cash flow generated by business operation, net	-4,330,633,173.95	790,021,934.12
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	400.00	53,220.00
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	400.00	133,343.00
Cash paid for construction of fixed	12,826,776.98	14,394,647.30

assets, intangible assets and other long-term assets		
Cash paid as investment	58,671,105.19	24,246,000.00
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		5,100,000.00
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	71,497,882.17	43,740,647.30
Net cash flow generated by investment	-71,497,482.17	-43,607,304.30
III. Cash flow generated by financing		
Cash received as investment	36,788,300.00	4,000,000.00
Incl. Cash received as investment from minor shareholders	36,788,300.00	4,000,000.00
Cash received as loans	3,445,780,180.83	7,097,703,401.23
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	3,482,568,480.83	7,101,703,401.23
Cash to repay debts	3,579,257,370.29	1,830,420,000.00
Cash paid as dividend, profit, or interests	167,253,691.34	207,698,026.13
Incl. Dividend and profit paid by subsidiaries to minor shareholders	5,000,000.00	
Other cash paid for financing activities		
Subtotal of cash outflow due to financing activities	3,746,511,061.63	2,038,118,026.13
Net cash flow generated by financing	-263,942,580.80	5,063,585,375.10
IV. Influence of exchange rate alternation on cash and cash equivalents	22,165,455.69	-1,606,351.28
V. Net increase of cash and cash equivalents	-4,643,907,781.23	5,808,393,653.64
Plus: Balance of cash and cash	24,235,680,921.50	18,239,272,247.93

equivalents at the beginning of term		
VI. Balance of cash and cash equivalents at the end of term	19,591,773,140.27	24,047,665,901.57

4.6 Cash Flow Statement of the Parent Co.

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

Unit: RMB

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	1,061,500,174.26	482,041,331.33
Sub-total of cash inflow from business activities	1,061,500,174.26	489,631,331.33
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	19,505,347.93	7,554,447.41
Taxes paid	5,945,088.42	1,022,567.49
Other cash paid for business activities	630,480,507.48	1,537,674,739.29
Sub-total of cash outflow from business activities	655,930,943.83	1,546,251,754.19
Cash flow generated by business operation, net	405,569,230.43	-1,056,620,422.86
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment profit	166,213,570.06	
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	166,213,570.06	
Cash paid for construction of fixed assets, intangible assets and other long-term assets		1,344,750.00
Cash paid as investment	58,671,105.19	30,000,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	58,671,105.19	31,344,750.00
Net cash flow generated by investment	107,542,464.87	-31,344,750.00
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans	1,292,230,425.01	3,750,500,000.00
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	1,292,230,425.01	3,750,500,000.00
Cash to repay debts	2,856,945,635.00	1,176,500,000.00
Cash paid as dividend, profit, or interests	83,223,530.89	196,479,984.66
Other cash paid for financing activities		
Subtotal of cash outflow due to financing activities	2,940,169,165.89	1,372,979,984.66
Net cash flow generated by financing	-1,647,938,740.88	2,377,520,015.34
IV. Influence of exchange rate alternation on cash and cash equivalents	55,434.46	-3,201.43
V. Net increase of cash and cash equivalents	-1,134,771,611.12	1,289,551,641.05

Plus: Balance of cash and cash equivalents at the beginning of term	6,296,121,745.68	5,277,807,877.29
VI. Balance of cash and cash equivalents at the end of term	5,161,350,134.56	6,567,359,518.34

4.7 Audit Report (unaudited)