



**Shenzhen Special Economic Zone Real Estate & Properties (Group)  
Co., Ltd.**

**Report for the First Quarter of 2014**

2014-013

**Apr. 2014**

## **Section I. Important Reminders**

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (hereinafter referred to as “the Company”) warrant that this report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors attended the board session for reviewing this report.

Zhou Jianguo, company principal, Chen Maozheng, GM, Tang Xiaoping, chief of the accounting work, and Qiao Yanjun, chief of the accounting organ (chief of accounting), hereby confirm that the financial statements enclosed in this report are factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

## Section II. Financial Highlights & Change of Shareholders

### I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

Yes  No

	Jan.-Mar. 2014	Jan.-Mar. 2013	YoY increase/decrease (%)
Operating revenues (RMB Yuan)	303,411,359.74	164,450,026.79	84.5%
Net profit attributable to shareholders of the Company (RMB Yuan)	22,025,565.57	3,508,651.86	527.75%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	22,069,560.39	3,501,642.35	530.26%
Net cash flows from operating activities (RMB Yuan)	147,785,842.22	270,776,251.76	-45.42%
Basic EPS (RMB Yuan/share)	0.0218	0.0035	522.86%
Diluted EPS (RMB Yuan/share)	0.0218	0.0035	522.86%
Weighted average ROE (%)	1.18%	0.21%	0.97%
	31 Mar. 2014	31 Dec. 2013	Increase/decrease (%)
Total assets (RMB Yuan)	4,401,682,551.04	4,215,099,296.67	4.43%
Net assets attributable to shareholders of the Company (RMB Yuan)	1,884,962,381.83	1,863,347,135.33	1.16%

Items and amounts of extraordinary gains and losses

Applicable  Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Mar. 2014	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-94.00	
Other non-operating income and expenses other than the above	-57,365.75	
Less: Income tax effects	-13,464.93	
Total	-43,994.82	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

Applicable  Inapplicable

## II. Total number of shareholders at the period-end and shares held by the top ten shareholders

Unit: Share

Total number of shareholders at the period-end		78,439				
Shares held by the top ten shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of the restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
Shenzhen Investment Holdings Ltd.	State-owned legal person	63.55%	642,884,262			
Xia Jiusheng	Domestic natural person	0.28%	2,874,565			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas legal person	0.18%	1,780,150			
Zhong Laiqun	Domestic natural person	0.12%	1,210,000			
Xu Qiang	Domestic natural person	0.12%	1,204,600			
Wu Haoyuan	Overseas natural person	0.11%	1,109,300			
Wang Zhongming	Domestic natural person	0.11%	1,095,808			
Wen Zhiping	Domestic natural person	0.1%	1,043,242			
Qian Dingqing	Domestic natural person	0.1%	1,000,000			
Qian Chao	Domestic natural person	0.09%	951,988			
Shares held by the top ten non-restricted share holders						
Name of shareholder	Number of non-restricted shares held	Type of shares				
		Type	Number			
Shenzhen Investment Holdings Ltd.	642,884,262	RMB ordinary shares	642,884,262			
Xia Jiusheng	2,874,565	RMB ordinary shares	2,874,565			

GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,780,150	Domestically listed foreign shares	1,780,150
Zhong Laiqun	1,210,000	RMB ordinary shares	1,210,000
Xu Qiang	1,204,600	RMB ordinary shares	1,204,600
Wu Haoyuan	1,109,300	Domestically listed foreign shares	1,109,300
Wang Zhongming	1,095,808	Domestically listed foreign shares	1,095,808
Wen Zhiping	1,043,242	RMB ordinary shares	1,043,242
Qian Dingqing	1,000,000	RMB ordinary shares	1,000,000
Qian Chao	951,988	RMB ordinary shares	951,988
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	Unknown		
Top 10 shareholders taking part in margin financing and securities lending (if any)	The top 10 shareholders accounts were the guarantee securities accounts of the customer credit transactions of Yintai Securities Co., Ltd.		

Did any shareholder of the Company carry out an agreed buy-back in the reporting period?

Yes  No

## Section III. Significant Events

### **I. Significant changes of the major accounting statement items and financial indicators for the reporting period, as well as the reasons for these changes**

Operating revenues and operating costs for the reporting period stood at RMB 303.4114 million and RMB 225.7772 million respectively, up 84.50% and 76.67% from the same period of last year, which was mainly because the SPG Chuanqi Hill project carried over incomes and costs.

Business tax and surtaxes for the reporting period stood at RMB 22.5320 million, up 82.27% from the same period of last year, which was mainly because the operating revenues increased and the turnover tax increased accordingly.

Selling expenses for the reporting period stood at RMB 5.8455 million, up 52.14% from the same period of last year, which was mainly because the marketing & promotion expenses and the agent commissions increased.

Financial expenses for the reporting period stood at RMB 4.7363 million, increasing from the same period of last year, which was mainly because the capitalized interest decreased.

Total profit for the reporting period stood at RMB 31.5815 million, up 392.14% from the same period of last year; and net profit attributable to owners of the Company for the reporting period stood at RMB 22.0256 million, up 527.75% from the same period of last year, which were mainly because the operating revenues and the operating gross profit increased.

Net cash flows from operating activities for the reporting period stood at RMB 147.7858 million, down 45.42% from the same period of last year, which was mainly because the cash received from sale of goods and provision of service decreased 14.49% and the cash paid for goods and service increased 3.19%.

Net cash flows from financing activities for the reporting period stood at RMB -86.3211 million, up 38.13% from the same period of last year, which was mainly because the bank loan repayments decreased.

Other current assets at the end of the reporting period stood at RMB 15.7158 million, up 355.38% from the opening amount, which was mainly because the pre-paid turnover tax increased.

Accounts received in advance at the end of the reporting period stood at RMB 583.7987 million, up 86.54% from the opening amount, which was mainly because the advances in sale of houses and construction increased.

## II. Progress and influence of significant events, as well as the analysis and explanation on solutions

Naught

Overview of the significant event	Date of disclosure	Website index for the disclosed relevant interim report

## III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

Commitment	Commitment maker	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform					
Commitment in acquisition reports or reports on equity changes					
Commitments made upon the assets reorganization					
Commitments made upon IPO or refinancing					
Other commitments made to minority shareholders					
Executed in time or not?	Yes				
Detailed reason for failing to execute and the next plan (if any)	Naught				

## IV. Predict the operating results of Jan.-Jun. 2014

Warning of possible loss or considerable YoY change of the accumulated net profit made during the period-begin to the end of the next reporting period according to prediction, as well as explanations on the reasons:

Applicable  Inapplicable

Prediction: significant increase in the same direction

Type of the predicted data: interval data

	Jan.-Jun. 2014		Jan.-Jun. 2013	+/- (%)				
Predicted accumulative net profit (RMB Ten thousand)	3,000	--	3,500	1,305.03	Up	129.88%	--	168.19%
Basic EPS (RMB Yuan/share)	0.0297	--	0.0346	0.0129	Up	130.23%	--	168.22%
Explanation about the predictions	The sales of the SPG Chuanqi Hill Project of the Company normally carried forward.							

**V. Securities investment**

Variety of securities	Code of securities	Name of securities	Initial investment cost (RMB Yuan)	Number of shares held at period-begin	Shareholding percentage at period-begin	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value (RMB Yuan)	Gain/loss for report period (RMB Yuan)	Accounting title	Source of stock
Total			0.00	0	--	0	--	0.00	0.00	--	--
Disclosure date of the board announcement on approval of the securities investment											
Disclosure date of the general meeting announcement on approval of the securities investment (if any)											

Shareholdings in other listed companies

□Applicable √Inapplicable

**VI. Derivative investments**

Unit: RMB Ten Thousand Yuan

Operator	Relation	Related-party transaction or not	Type of derivative investment	Initial investment amount	Start date	Ending date	Opening investment amount	Impairment provision (if any)	Closing investment amount	Proportion of the closing investment amount in the Company's closing net assets (%)	Actual gain/loss in reporting period
Total				0	--	--	0	0	0	0%	0
Capital source for derivative investment				Naught							
Litigation cases situation				Naught							
Disclosure date of the board announcement approving the wealth management entrustment											
Disclosure date of the general meeting announcement approving the wealth management entrustment											



Analysis on risks and control measures of derivative products held in the reporting period (including but not limited to market risk, liquidity risk, credit risk, operation risk, law risk, etc.)	Naught
Changes of market prices or fair values in the reporting period of the invested derivatives. And the analysis on the fair value of the derivatives should include the specific use methods and the relevant assumptions and parameters.	Naught
Whether significant changes occurred to the Company's accounting policy and specific accounting principles of derivatives in the reporting period compared to the previous reporting period	Naught
Special opinion from independent directors, sponsor or financial consultant on the Company's derivatives investment and risk control	Naught

## VII. Researches, visits and interviews received in the reporting period

Time of reception	Place of reception	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the Company
9 Jan. 2014	The office	Telephone Communication	Individual	Individual investor	Knew of the annual operation situation, situation of the development progress of the project and the influences on the operation of the Company caused by the nation and the policies; had not offer the written sources.
6 Mar. 2014	The office	Telephone Communication	Individual	Individual investor	Inquired of the appointed disclosure date of annual report and the sales situation of Guangming and Longgang; had not offer the written sources.

## Section IV. Financial Statements

### I. Financial statements

#### 1. Consolidated balance sheet

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	586,693,067.95	525,374,372.44
Settlement reserves		
Intra-group lendings		
Transactional financial assets		
Notes receivable		
Accounts receivable	18,245,428.58	14,102,124.06
Accounts paid in advance	12,887,163.72	12,206,598.30
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable		
Dividend receivable	1,052,192.76	1,052,192.76
Other accounts receivable	59,196,954.77	54,672,501.81
Financial assets purchased under agreements to resell		0.00
Inventories	3,078,500,935.66	2,967,935,589.04
Non-current assets due within 1 year		
Other current assets	15,715,763.51	3,451,107.04
Total current assets	3,772,291,506.95	3,578,794,485.45
Non-current assets:		
Loans by mandate and advances granted		
Available-for-sale financial assets		
Held-to-maturity investments		

Long-term accounts receivable		
Long-term equity investment	75,200,652.59	75,200,652.59
Investing property	461,778,596.34	466,314,091.90
Fixed assets	58,529,049.25	60,715,687.71
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	6,615,481.80	6,753,566.79
R&D expense		
Goodwill		
Long-term deferred expenses	474,804.09	528,352.21
Deferred income tax assets	26,792,460.02	26,792,460.02
Other non-current assets		
Total of non-current assets	629,391,044.09	636,304,811.22
Total assets	4,401,682,551.04	4,215,099,296.67
Current liabilities:		
Short-term borrowings	23,000,000.00	23,000,000.00
Borrowings from Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Transactional financial liabilities		
Notes payable		
Accounts payable	346,177,985.24	389,345,271.46
Accounts received in advance	583,798,724.60	312,967,028.85
Financial assets sold for repurchase		
Handling charges and commissions payable		
Employee's compensation payable	31,030,647.30	37,159,445.41
Tax payable	155,570,719.12	148,006,651.37
Interest payable	16,735,277.94	18,482,515.18
Dividend payable		
Other accounts payable	399,163,405.71	394,687,837.29

Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Non-current liabilities due within 1 year	346,101,860.53	331,482,489.72
Other current liabilities		
Total current liabilities	1,901,578,620.44	1,655,131,239.28
Non-current liabilities:		
Long-term borrowings	732,612,334.78	814,213,536.85
Bonds payable		
Long-term payables	11,077,132.36	10,749,885.53
Specific payables		
Estimated liabilities		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	743,689,467.14	824,963,422.38
Total liabilities	2,645,268,087.58	2,480,094,661.66
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,011,660,000.00	1,011,660,000.00
Capital reserves	978,244,858.10	978,244,858.10
Less: Treasury stock		
Specific reserves		
Surplus reserves	4,974,391.15	4,974,391.15
Provisions for general risks		
Retained profits	-118,860,568.56	-140,886,134.13
Foreign exchange difference	8,943,701.14	9,354,020.21
Total equity attributable to owners of the Company	1,884,962,381.83	1,863,347,135.33
Minority interests	-128,547,918.37	-128,342,500.32
Total owners' (or shareholders') equity	1,756,414,463.46	1,735,004,635.01
Total liabilities and owners' (or shareholders') equity	4,401,682,551.04	4,215,099,296.67

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping

Chief of the accounting division: Qiao Yanjun

**2. Balance sheet of the Company**

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	322,988,646.06	362,953,152.47
Transactional financial assets		
Notes receivable		
Accounts receivable	4,863,423.99	4,359,289.23
Accounts paid in advance		
Interest receivable		
Dividend receivable		
Other accounts receivable	675,619,469.10	669,806,773.71
Inventories	1,742,664,962.02	1,830,603,734.72
Non-current assets due within 1 year		
Other current assets		
Total current assets	2,746,136,501.17	2,867,722,950.13
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	328,371,367.19	328,371,367.19
Investing property	403,267,849.20	407,900,089.95
Fixed assets	33,573,017.35	34,263,366.14
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	1,312,366.80	1,406,066.79
R&D expense		

Goodwill		
Long-term deferred expenses	118,793.40	132,925.95
Deferred income tax assets	3,230,636.28	3,230,636.28
Other non-current assets		
Total of non-current assets	769,874,030.22	775,304,452.30
Total assets	3,516,010,531.39	3,643,027,402.43
Current liabilities:		
Short-term borrowings		
Transactional financial liabilities		
Notes payable		
Accounts payable	318,941,183.29	393,715,301.47
Accounts received in advance	65,637,513.00	82,398,193.00
Employee's compensation payable	11,508,780.56	11,614,479.62
Tax payable	158,019,435.82	149,643,182.39
Interest payable	16,535,277.94	18,094,154.07
Dividend payable		
Other accounts payable	649,144,267.21	648,978,988.66
Non-current liabilities due within 1 year	346,101,860.53	331,482,489.72
Other current liabilities		
Total current liabilities	1,565,888,318.35	1,635,926,788.93
Non-current liabilities:		
Long-term borrowings	499,622,982.55	581,224,184.62
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	499,622,982.55	581,224,184.62
Total liabilities	2,065,511,300.90	2,217,150,973.55
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,011,660,000.00	1,011,660,000.00
Capital reserves	978,244,858.10	978,244,858.10

Less: Treasury stock		
Specific reserves		
Surplus reserves		
Provisions for general risks		
Retained profits	-539,405,627.61	-564,028,429.22
Foreign exchange difference		
Total owners' (or shareholders') equity	1,450,499,230.49	1,425,876,428.88
Total liabilities and owners' (or shareholders') equity	3,516,010,531.39	3,643,027,402.43

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping

Chief of the accounting division: Qiao Yanjun

### 3. Consolidated income statement

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Total operating revenues	303,411,359.74	164,450,026.79
Including: Sales income	303,411,359.74	164,450,026.79
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	271,772,373.18	158,041,116.08
Including: Cost of sales	225,777,212.75	127,798,763.77
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	22,531,989.99	12,362,162.94

Selling and distribution expenses	5,845,510.99	3,842,289.72
Administrative expenses	12,881,354.11	14,204,653.30
Financial expenses	4,736,305.34	-166,753.65
Asset impairment loss		
Add: Gain/(loss) from change in fair value (“-” means loss)		
Gain/(loss) from investment (“-” means loss)		
Including: share of profits in associates and joint ventures		
Foreign exchange gains (“-” means loss)		
III. Business profit (“-” means loss)	31,638,986.56	6,408,910.71
Add: non-operating income	8,505.10	60,002.01
Less: non-operating expense	65,964.85	51,690.00
Including: loss from non-current asset disposal	490.00	
IV. Total profit (“-” means loss)	31,581,526.81	6,417,222.72
Less: Income tax expense	9,570,923.75	2,866,073.78
V. Net profit (“-” means loss)	22,010,603.06	3,551,148.94
Including: Net profit achieved by combined parties before the combinations	0.00	0.00
Attributable to owners of the Company	22,025,565.57	3,508,651.86
Minority shareholders’ income	-14,962.51	42,497.08
VI. Earnings per share	--	--
(I) Basic earnings per share	0.0218	0.0035
(II) Diluted earnings per share	0.0218	0.0035
VII. Other comprehensive incomes	-600,774.61	651,847.47
VIII. Total comprehensive incomes	21,409,828.45	4,202,996.41
Attributable to owners of the Company	21,615,246.50	3,929,393.59
Attributable to minority shareholders	-205,418.05	273,602.82

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping



Chief of the accounting division: Qiao Yanjun

**4. Income statement of the Company**

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Total sales	153,453,272.36	13,672,747.76
Less: cost of sales	95,091,577.71	5,315,662.69
Business taxes and surcharges	13,453,829.35	2,534,340.48
Distribution expenses	2,402,830.52	2,672,681.67
Administrative expenses	6,232,053.73	6,676,864.98
Financial costs	3,500,985.90	145,063.67
Impairment loss		
Add: gain/(loss) from change in fair value (“-” means loss)		
Gain/(loss) from investment (“-” means loss)		
Including: income from investment on associates and joint ventures		
II. Business profit (“-” means loss)	32,771,995.15	-3,671,865.73
Add: non-business income	4,000.00	60,002.01
Less: non-business expense		18,000.00
Including: loss from non-current asset disposal		
III. Total profit (“-” means loss)	32,775,995.15	-3,629,863.72
Less: income tax expense	8,153,193.54	
IV. Net profit (“-” means loss)	24,622,801.61	-3,629,863.72
V. Earnings per share	--	--
(I) Basic earnings per share	0.0243	-0.0036
(II) Diluted earnings per share	0.0243	-0.0036
VI. Other comprehensive income		
VII. Total comprehensive income	24,622,801.61	-3,629,863.72

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping

Chief of the accounting division: Qiao Yanjun

**5. Consolidated cash flow statement**

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	536,867,934.15	627,871,867.98
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of tradable financial assets		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received		
Other cash received relating to operating activities	55,124,854.67	41,732,492.96
Subtotal of cash inflows from operating activities	591,992,788.82	669,604,360.94
Cash paid for goods and services	313,312,730.53	303,618,068.17
Net increase of customer lendings and advances		
Net increase of funds deposited in the central bank and amount due from banks		

Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	33,019,280.01	31,113,894.74
Various taxes paid	37,159,568.11	26,454,731.30
Other cash payment relating to operating activities	60,715,367.95	37,641,414.97
Subtotal of cash outflows from operating activities	444,206,946.60	398,828,109.18
Net cash flows from operating activities	147,785,842.22	270,776,251.76
II. Cash flows from investing activities:		
Cash received from withdrawal of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,196.00	
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	1,196.00	
Cash paid to acquire fixed assets, intangible assets and other long-term assets	163,137.00	665,014.76
Cash paid for investment		
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	163,137.00	665,014.76
Net cash flows from investing activities	-161,941.00	-665,014.76

III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities		2,500,000.00
Subtotal of cash inflows from financing activities		2,500,000.00
Repayment of borrowings	66,981,831.26	122,127,100.98
Cash paid for interest expenses and distribution of dividends or profit	19,339,225.39	19,892,153.55
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	86,321,056.65	142,019,254.53
Net cash flows from financing activities	-86,321,056.65	-139,519,254.53
IV. Effect of foreign exchange rate changes on cash and cash equivalents	65,850.94	-27,885.45
V. Net increase in cash and cash equivalents	61,368,695.51	130,564,097.02
Add: Opening balance of cash and cash equivalents	519,284,372.44	463,713,702.77
VI. Closing balance of cash and cash equivalents	580,653,067.95	594,277,799.79

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping

Chief of the accounting division: Qiao Yanjun

## 6. Cash flow statement of the Company

Prepared by Shenzhen Special Economic Zone Real Estate &amp; Properties (Group) Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	136,354,777.19	438,428,405.24
Tax refunds received		
Other cash received relating to operating activities	5,978,276.14	9,031,305.16
Subtotal of cash inflows from operating activities	142,333,053.33	447,459,710.40
Cash paid for goods and services	76,163,778.31	102,973,918.96
Cash paid to and for employees	8,583,597.00	7,211,617.13
Various taxes paid	13,770,871.34	9,287,497.80
Other cash payment relating to operating activities	1,820,565.59	14,589,887.19
Subtotal of cash outflows from operating activities	100,338,812.24	134,062,921.08
Net cash flows from operating activities	41,994,241.09	313,396,789.32
II. Cash flows from investing activities:		
Cash received from retraction of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities		
Cash paid to acquire fixed assets, intangible assets and other long-term assets	14,296.00	589,298.76
Cash paid for investment		
Net cash paid to acquire subsidiaries and other business units		

Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	14,296.00	589,298.76
Net cash flows from investing activities	-14,296.00	-589,298.76
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities		2,500,000.00
Subtotal of cash inflows from financing activities		2,500,000.00
Repayment of borrowings	66,981,831.26	112,127,100.98
Cash paid for interest expenses and distribution of dividends or profit	14,962,712.63	16,188,653.53
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	81,944,543.89	128,315,754.51
Net cash flows from financing activities	-81,944,543.89	-125,815,754.51
IV. Effect of foreign exchange rate changes on cash and cash equivalents	92.39	-117.73
V. Net increase in cash and cash equivalents	-39,964,506.41	186,991,618.32
Add: Opening balance of cash and cash equivalents	362,953,152.47	190,825,250.83
VI. Closing balance of cash and cash equivalents	322,988,646.06	377,816,869.15

Legal representative: Zhou Jianguo

Person-in-charge of the accounting work: Tang Xiaoping

Chief of the accounting division: Qiao Yanjun

## **II. Audit report**

Is this report audited?

Yes  No

This report is not audited.