

Stock code: 000011, 200011

Stock abbreviation: SWYA, SWYB

Announcement No.: 2013-10

SHENZHEN PROPERTIES & RESOURCES DEVELOPMENT (GROUP) LTD.

ABSTRACT OF THE REPORT FOR THE FIRST QUARTER OF 2013

Section I. Important Reminders

The Board of Directors, the Supervisory Committee, directors, supervisors and senior management staff of Shenzhen Properties & Resources Development (Group) Ltd. (hereinafter referred to as “the Company”) warrant that the information carried in 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.

Chen Yugang, company principal, Wang Hangjun, chief of the accounting work, and Shen Xueying, chief of the accounting organ (chief of accounting), hereby confirm that the financial statements enclosed in this report are factual, accurate and complete.

All directors have attended the board session for reviewing this report.

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. Financial highlights

Does the Company adjust retrospectively or restate any accounting data of previous years?

☐ Yes ☒ No

	Jan.-Mar. 2013	Jan.-Mar. 2012	+/- (%)
Operating revenues (RMB Yuan)	876,432,175.84	127,849,357.00	585.52%
Net profit attributable to shareholders of the Company (RMB Yuan)	236,360,598.97	6,499,517.04	3,536.59%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	236,147,522.85	4,951,755.03	4,668.97%
Net cash flows from operating activities (RMB Yuan)	94,342,037.44	250,623,233.04	-62.36%
Basic EPS (RMB Yuan/share)	0.3966	0.0109	3,538.53%
Diluted EPS (RMB Yuan/share)	0.3966	0.0109	3,538.53%
Weighted average ROE (%)	14.58%	0.57%	14.01%
	31 Mar. 2013	31 Dec. 2012	+/- (%)
Total assets (RMB Yuan)	3,630,287,596.05	4,006,705,938.73	-9.39%
Net assets attributable to shareholders of the Company (RMB Yuan)	1,739,477,277.31	1,502,852,915.53	15.75%

Items and amounts of extraordinary gains and losses

☒ Applicable ☐ Inapplicable

Unit: RMB Yuan

Item	1 Jan. 2013-31 Mar. 2013	Explanation
Gain/loss on the disposal of non-current assets (including the offset part of the asset impairment provisions)	-2,187.01	
Non-operating income and expense other than the above	159,838.38	
Income tax effects	-55,424.75	
Total	213,076.12	--

II. Total number of shareholders at the period-end and shareholdings of top 10 shareholders

Unit: share

Total number of shareholders at the period-end	45,005
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Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total shares held at the period-end	Number of restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
SHENZHEN CONSTRUCTION INVESTMENT HOLDINGS COMPANY	State-owned corporation	54.33%	323,783,371	293,984,417		
SHENZHEN INVESTMENT MANAGEMENT CORPORATION	State-owned corporation	9.49%	56,582,573	56,582,573		
SHENZHEN GUO MAO CENTER PROPERTY MANAGEMENT COMPANY	State-owned corporation	0.42%	2,514,781	0		
GUOSEN SECURITIES-CLIENT CREDIT COLLATERAL SECURITIES TRADING ACCOUNT	Domestic non-state-owned corporation	0.32%	1,907,245	0		
SHENZHEN DUTY-FREE COMMODITY CO., LTD.	Domestic non-state-owned corporation	0.29%	1,730,300	1,730,300		
LONG KEYI	Domestic natural person	0.23%	1,348,500	0		
CHINA MERCHANTS SECURITIES-CLIENT CREDIT COLLATERAL SECURITIES TRADING	Domestic non-state-owned corporation	0.19%	1,126,829	0		

ACCOUNT						
CHEN LIYING	Domestic natural person	0.17%	1,007,151	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.16%	945,604	0		
GUOTAI JUNAN SECURITIES CO., LTD. CLIENT CREDIT COLLATERAL SECURITIES TRADING ACCOUNT	Domestic non-state-owned corporation	0.12%	741,623	0		
Shareholdings of top 10 non-restricted shareholders						
Name of shareholder	Number of non-restricted shares held	Variety of shares				
		Variety	Number			
SHENZHEN CONSTRUCTION INVESTMENT HOLDINGS COMPANY	29,798,954	RMB ordinary shares	29,798,954			
SHENZHEN GUO MAO CENTER PROPERTY MANAGERMENT COMPANY	2,514,781	RMB ordinary shares	2,514,781			
GUOSEN SECURITIES-CLIENT CREDIT COLLATERAL SECURITIES TRADING ACCOUNT	1,907,245	RMB ordinary shares	1,907,245			
LONG KEYI	1,348,500	RMB ordinary shares	1,348,500			
CHINA MERCHANTS SECURITIES-CLIENT CREDIT COLLATERAL SECURITIES TRADING ACCOUNT	1,126,829	RMB ordinary shares	1,126,829			

CHEN LIYING	1,007,151	Domestically listed foreign shares	1,007,151
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	945,604	Domestically listed foreign shares	945,604
GUOTAI JUNAN SECURITIES CO., LTD. CLIENT CREDIT COLLATERAL SECURITIES TRADING ACCOUNT	741,623	RMB ordinary shares	741,623
SUN YIWEI	706,200	RMB ordinary shares	706,200
WEN QIMIN	675,750	RMB ordinary shares	675,750
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	The first and second principal shareholders of the Company are managed by Shenzhen Investment Holding Corporation, the actual controlling shareholder of the Company. The third shareholder is the wholly-owned subsidiary company indirectly controlled by the Company. Except for these, the Company is not aware of whether there exists associated relationship or concerted action among the other seven shareholders.		

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

1. Prepayments stood at RMB 27,036,496.12, down 58.22% over the year-begin, which was mainly because some projects were carried over upon satisfaction of the carry-over conditions and the formerly prepaid taxes and fares were transferred to the item of taxes and fares payable.
2. Other receivables stood at RMB 10,542,828.06, up 65.46% over the year-begin, which was mainly because the temporarily unsettled electricity and water charges paid by the subsidiaries on behalf of others increased.
3. Short-term borrowings stood at RMB 120,000,000.00, down 66.67% over the year-begin, which was mainly because mature loans were repaid.
4. Accounts received in advance stood at RMB 147,707,818.55, down 78.22% over the year-begin, which was mainly because the advances from house buyers were carried over upon satisfaction of the carry-over conditions.
5. Long-term borrowings stood at RMB 25,635,802.97, up 32.71% over the year-begin, which was mainly because the borrowings secured by subsidiaries increased.
6. Deferred income tax liabilities stood at RMB 0.00, down 10.00% over the year-begin, which was mainly because some projects were carried over upon satisfaction of the carry-over conditions and the taxable difference decreased.
7. Retained profit stood at RMB 982,451,773.77, up 31.68% over the year-begin, which was mainly because the Company achieved profit.
8. Operating revenues stood at RMB 876,432,175.84, up 585.52% over the same period of last year, which was mainly because the settled projects and the sales income generated by the projects both increased.
9. Operating costs stood at RMB 349,454,161.89, up 309.19% over the same period of last year, which was mainly because the carried-over area of real estate projects increased.
10. Business taxes and surtaxes stood at RMB 190,690,106.03, up 1586.13% over the same period of last year, which was mainly because the business tax, land VAT and some other taxes and fares increased due to the increased real estate income.
11. Financial expenses stood at RMB -2,062,675.50, down 280.76% over the same period of last year, which was mainly because the interest income increased.
12. Investment gains stood at RMB 1,641,004.15, up 59.43% over the same period of last year, which was mainly because the profit from joint ventures increased.
13. Investment gains on associates and joint ventures stood at RMB 1,641,004.15, up 59.43% over the same period of last year, which was mainly because the profit from the joint venture Shenzhen GUOMAO Tian'an Properties Co., Ltd. increased.
14. Net non-operating income/expense stood at RMB 157,651.37, down 68.34% over the same period of last year, which was mainly because in the same period of last year, subsidiaries gained from renewing vehicles and disposing old ones.
15. Income tax expenses stood at RMB 76,320,038.25, up 6268.73% over the same period of last year, which was mainly because the profit increased sharply.

16. Operating profit, total profit and net profit (attributable to the Company) stood at RMB 312,522,985.85, RMB 312,680,637.22 and RMB 236,360,598.97 respectively, up 4520.96%, 4206.26% and 3536.59% respectively over the same period of last year, which was mainly because the available-for-settlement area of the projects increased and the carried-over income increased sharply.

17. Net cash flows from operating activities stood at RMB 94,342,037.44, down 62.36% over the same period of last year, which was mainly because the capital inflows from sale of houses decreased and the project input increased.

18. Net cash flows from investing activities stood at RMB -1,242,000.30, with the net outflows up 549.78% over the same period of last year, which was mainly because in the reporting period, the cash paid to acquire fixed assets increased and in the same period of last year, some capital inflows were generated from subsidiaries renewing vehicles and disposing old ones.

19. Net increase in cash and cash equivalents stood at RMB -146,970,342.83, with the net outflows up 1045.34% over the same period of last year, which was mainly because the capital inflows from sale of houses decreased and the project input increased.

20. The closing balance of cash and cash equivalents stood at RMB 650,753,968.54, up 42.56% over the same period of last year, which was mainly because the opening balance of cash and cash equivalents was RMB 328 million higher than that of the same period of last year.

II. Progress of significant events and analysis & explanations on their influence and solutions

No new significant lawsuit or arbitration during the reporting period

III. Commitments made by the Company or any shareholder with a shareholding over 5% in the reporting period or such commitments carried down into the reporting period

Commitment	Commitment maker	Contents	Fulfillment
Commitments made in a share reform	Shenzhen Investment Holdings Co., Ltd.	<p>1. The Company's non-tradable share holders Construction Holdings and Investment Management Company made a common commitment to abide by laws, regulations and rules and perform prescribed commitment duties.</p> <p>2. And they also made special commitments as follows:</p> <p>Non-tradable shares held by Construction Holdings and Investment Management Company would not be traded or transferred within 36 months since they acquired right of trade. After expiration of the aforesaid commitment, originally non-tradable shares sold through the listing and trading system on the Shenzhen Stock Exchange should not exceed 5 percents of total shares of the Company within 12 months, as well</p>	<p>1. Up to the date of public notice, Construction Holdings and Investment Holdings never sold shares of the Company.</p> <p>2. (1) Up to the date of public notice, Investment Holdings never sold shares of the Company actually controlled.</p> <p>(2) In order to implement the commitment, the Company prepared to start the relevant affairs together with Investment Holdings, and disclosed the Public Notice on Implementation of Commitment of Share Merger Reform on Assets Replacement and Significant Related Transaction, which was reviewed</p>

		<p>as not exceed 10 percents within 24 months. In case these companies acted against the above commitment and sold shares of the Company, the income from sales of the shares would belong to the Company.</p> <p>2. Investment Holdings made a commitment to abide by laws, regulations and rules and perform prescribed commitment duties. And it also made special commitments as follows:</p> <p>(1) Non-tradable shares held by Investment Holdings would not be traded or transferred within 36 months since they acquired right of trade. After expiration of the aforesaid commitment, originally non-tradable shares sold through the listing and trading system on the Shenzhen Stock Exchange should not exceed 5 percents of total shares of the Company within 12 months, as well as not exceed 10 percents within 24 months. In case these companies acted against the above commitment and sold shares of the Company, the income from sales of the shares would belong to the Company.</p> <p>(2) Within one year since the non-tradable shares held by Construction Holdings and Investment Management Company controlled by Investment Holdings acquired the right of trading, Shenzhen Investment Holdings Co., Ltd will start up capital injection to the Company, that is, Shenzhen Investment Holdings Co., Ltd will inject legitimate capital no less than RMB 500 million including land resource in lump sum or in batches by replace or other legitimate way, will increase land reserves of the Company and enhance profitability in the future. In case the aforesaid capital failed to start completely within one year, Shenzhen Investment Holdings Co., Ltd will compensate 20% of reorganization capital failing to start to the Company within 30 days when expiration of 1 year, and continued to implement the capital injection which had been started. As for the capital injection failing to start, Shenzhen Investment Holdings Co., Ltd will not implement. Note: Startup of capital injection means capital injection program has been reviewed and</p>	<p>and approved at the First Special Shareholders' General Meeting for 2010, for details, please refer to Public Notice on Resolutions of the First Special Shareholders' General Meeting for 2010;</p> <p>Investment Holdings has applied to Shenzhen Branch of China Securities Depository and Clearing Corporation Limited for freezing its actual controlled 30 million shares of the Company under the name of Construction Holdings, now the frozen period is due and the frozen shares has been released.</p> <p>(3) On 18 Mar. 2010, the Company held the Annual Shareholders' General Meeting 2009, at which reviewed and approved Proposal on Application of Entrust Loan from Controlling Shareholder. The Shareholders' General Meeting authorized the Board of Directors of the Company to deal with signature of entrusted loan agreement, renewal of loan, borrow a new loan to repay old within RMB 500 million according to actual need of operation and based on negotiation with Investment Holdings and relevant banks. For details, please refer to Public Notice on the Resolutions of Annual Shareholders' General Meeting on 19 Mar. 2010. On 28 Dec. 2010, Investment Holdings entrusted Shenzhen Jingtian Sub-branch of China Everbright Bank to provide entrust loan of RMB 10 million for the Company's subsidiary Shenzhen ITC Vehicle Industry Co., Ltd.; from the end of report period to the date of the public notice, Investment Holdings has provided entrust loan of RMB 490 million for the Company.</p> <p>(4) Up to the end of the reporting period, the commitment had been completed.</p>
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		<p>approved by the Shareholders' General Meeting of the Company. Shenzhen Investment Holdings Co., Ltd was willing to entrust China Securities Depository and Clearing Corporation Limited Shenzhen Branch to freeze 30 million shares of the Company, which was under name of Shenzhen Construction Investment Holdings and actually controlled by Shenzhen Investment Holdings Co., Ltd, as guarantee for the above commitment.</p> <p>(3) Since non-tradable shares held by Shenzhen Investment Holdings Co., Ltd, Shenzhen Construction Investment Holdings and Shenzhen Investment Co., Ltd acquired right to trade within 24 months, Shenzhen Investment Holdings Co., Ltd commit that they will support balance no less than RMB 500 million with method of entrust loan in line with relevant provisions of laws and administrative statutes to release nervous capital of the Company. The aforesaid balance means accumulative incurred amount within 24 months since the date when non-tradable shares held by Shenzhen Investment Holdings Co., Ltd, Shenzhen Construction Investment Holdings and Shenzhen Investment Co., Ltd acquired right to trade, and each entrust loan for support will not be less than 12 months; the above cash support of RMB 500 million excluded entrust loan offered before the date when non-tradable shares held by Shenzhen Investment Holdings Co., Ltd, Shenzhen Construction Investment Holdings and Shenzhen Investment Co., Ltd acquired right to trade.</p> <p>(4) In case that net profit of the Company in any year of 2010, 2011 and 2012 was less than 2009, Shenzhen Investment Holdings Co., Ltd. will make up balance of net profit between the year and 2009 with cash.</p>	
Commitments made in an acquisition report or report on equity changes	Naught	Naught	Naught
Commitments made	Naught	Naught	Naught

in significant asset reorganization			
Commitments made in share issuance	Naught	Naught	Naught
Other commitments (including supplementary ones)	Naught	Naught	Naught

Up to the end of the reporting period, the commitments made by the controlling shareholder Shenzhen Investment Holdings Co., Ltd. had all been completed in time.

IV. Predict the operating results of Jan.-Jun. 2013

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. 2013			Jan.-Jun. 2012	+/- (%)		
Predicted accumulative net profit (RMB Ten thousand)	27,000	--	30,000	9,841	Up	174%	-- 205%
Basic EPS (RMB Yuan/share)	0.453	--	0.5034	0.1651	Up	174%	-- 205%
Explanation about the predictions	Reason for the considerable fluctuation of the business results: The available-for-settlement projects and the sales income achieved both increased over the same period of last year. The “SZPRD • Caitianyise” Project satisfied the conditions for carrying over into income in the reporting period. The part that could be carried over into income was mostly settled in the reporting period, resulting in a considerable increase in the total available-for-settlement area in the reporting period. The aforesaid estimate was preliminary measurement given by the Company according to the current sales situation of real estate projects. Investors are kindly reminded to be noted that the actual earnings of the Company for Jan.-Jun. 2013 shall be subject to data disclosed in the Company’s 2013 Semi-annual Report.						

V. Securities investments

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 reporting period (RMB Yuan)	Accounting title	Source of securities
Total			0.00	0	--	0	--	0.00	0.00	--	--

Explain shareholdings in other listed companies:

Shareholdings in other listed companies:

Code of securities	Name of securities	Initial investment cost (RMB Yuan)	Shareholding in the investee	Closing book value (RMB Yuan)	Gain/loss for reporting period (RMB Yuan)	Change of owners' equity in reporting period	Accounting title	Source of securities
000509	S*STHS	2,962,500.00	0.33%	802,199.55	0.00	0.00	Long-term equity investment	Directional purchase of corporate shares
Total		2,962,500.00	-	802,199.55	0.00	0.00		

VI. Derivative investments

Derivative investments held at period-end:

☐ Applicable ☒ Inapplicable

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
8 Jan. 2013	Investor interaction platform	Online reply	Individual	Investor	The Company's land in Qianhai?
23 Jan. 2013	Investor interaction platform	Online reply	Individual	Investor	Would the Company benefit from the land reform of Shenzhen?
24 Jan. 2013	Investor interaction platform	Online reply	Individual	Investor	The Company's land reserve?
20 Mar. 2013	BOD Office of the Company	By phone	Individual	Investor	Project progress?
2 Apr. 2013	BOD Office of the Company	By phone	Individual	Investor	Market expansion plan and progress?