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PROFIT ALERT

This announcement is made by China Merchants Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company’s auditors, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a significant increase in the profit for the six months ended 30 June 2016, while the Group is expected to record a decline in profit attributable to the owners of the Company. The change in profit attributable to the owners of the Company and profit for the period were primarily due to:

- (i) Significant increase in revenue and profit for the six months ended 30 June 2016 as compared to the corresponding period in 2015 due to the significant increase in the total gross floor area of properties completed and delivered during the period. Such properties were mainly held by project companies in which the Group holds a relatively lower equity interest which led to the significant decline in profit attributable to the owners of the Company for the six months ended 30 June 2016 as compared with the corresponding period in 2015 and it is expected that projects with relatively higher equity interest attributable to the owners of the Company will be completed and delivered in the second half of 2016.
- (ii) Significant decrease in profit attributable to the owners of the Company for the six months ended 30 June 2016 was due to the non-cash items below:
 - (a) an exchange loss was recorded for the six months ended 30 June 2016 while an exchange gain was recorded for the six months ended 30 June 2015. The exchange loss recorded for the six months ended 30 June 2016 was mainly due to the significant depreciation of Renminbi against United States Dollars during that period;

- (b) a fair value loss on derivative financial instruments of approximately RMB32,000,000 was recognized to the profit or loss for the six months ended 30 June 2016 as a result of the issuance of five-year term credit enhanced convertible bonds on 23 June 2015 by a wholly-owned subsidiary of the Company in an aggregate principal amount of US\$290,000,000 bearing coupon rate of 0.5% per annum.

As the Company is still in the course of preparing its results for the six months ended 30 June 2016, the information contained in this announcement is only a preliminary assessment by the Board based on the information currently available and the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company's auditors or the Company's audit committee. Detailed results of the Group for the six months ended 30 June 2016 will be published in due course pursuant to the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
China Merchants Land Limited
Mr. Xu Yongjun
Chairman

Hong Kong, 22 July 2016

As at the date of this announcement, the Board comprises Mr. Xu Yongjun, Mr. Huang Junlong, Mr. Yan Chengda and Ms. Liu Ning as non-executive Directors; Dr. So Shu Fai, Mr. Yu Zhiliang and Mr. Wong King Yuen as executive Directors and Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi as independent non-executive Directors.