
海南大东海旅游中心股份有限公司

Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.



Da Dong Hai

The Third Quarterly Report for 2012 (Full Text)

Disclosure Date: October 24, 2012



The Third Quarterly Report For 2012

I. Important Notes

Board of Directors and the Supervisory Committee of Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

All directors of the Company are attended the Meeting for quarterly report deliberation.

Li Yuanbin, Principal of the Company; Chen Liurong, Person in Charge of Accounting Works; and Li Zhi, Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is true and complete.

II. Company Profile

(I) Major accounting data and financial indexes

Whether retroactive adjusted on previous financial report or not

Yes No Not applicable

	2012.9.30	2011.12.31	Increase/decrease in this period-end over period-end of last year (%)	
Total assets (RMB)	112,016,929.47	118,036,774.80	-5.1%	
Owners' equities attributable to the shareholders of listed company (RMB)	81,466,062.38	81,985,125.82	-0.63%	
Share capital (Share)	364,100,000.00	364,100,000.00	0%	
Net assets per share attributable to the shareholders of listed company (RMB/Share)	0.22	0.23	-4.35%	
	July-September of 2012	Increase/decrease over the same period of the last year (%)	January-September of 2012	Increase/decrease over the same period of the last year (%)
Total operating income (RMB)	3,385,946.00	-5.61%	23,811,585.30	7.96%
Net profit attributable to the shareholders of listed company (RMB)	-1,108,479.69	70.96%	-519,063.44	90.48%
Net cash flow arising from operating activities (RMB)	--	--	-852,149.91	-353.38%
Net cash flow arising from operating activities per share (RMB/Share)	--	--	-0.0023	-355.56%
Basic earnings per share (RMB/Share)	-0.003	71.43%	-0.0014	90.67%
Diluted earnings per share (RMB/Share)	-0.003	71.43%	-0.0014	90.67%
Weighted average return on equity (%)	-1.36%	3.16%	-0.64%	5.81%
Weighted average return on equity after deducting non-recurring gains and losses (%)	-2.05%	2.5%	-1.28%	5.49%

Items and amount with non-recurring gains/losses deducted

Applicable Not applicable

Item	Amount from year-begin to	Note
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	period-end (RMB)	
Gains and losses from disposal of non-current assets	3,920.00	
Tax refund or exemption out of authorization, with absence of official approval document or accidentally		
Governmental subsidy calculated into current gains and losses(while closely related with the normal business of the Company, excluding the fixed-amount or fixed-proportion governmental subsidy according to the unified national standard)		
Fund occupation expenses received from non-financial enterprises that reckon into current gains/losses		
Income occurred when investment cost paid by enterprise for obtaining subsidiaries, associates and joint ventures are lower than its share in fair value of net realizable assets of invested units		
Gains and losses from exchange of non-monetary assets		
Gains and losses from entrusted investment or management assets		
Various asset impairment reserve provided for force majeure, such as natural disaster		
Gains/losses from debt reorganization	349,581.69	
Reorganization expenses, such as expenditure for allocation of employees and integration fee		
Gains and losses from excess of transaction which are conducted on a non-fair-valued basis over its fair value		
Current net gains and losses of subsidiaries occurred from combination under the same control commencing from period-begin to combination date		
Gains and losses from contingent events which has no relation with normal business of the Company		
Gains and losses from change of fair values of held-for-transaction financial assets and financial liabilities except for the effective hedge business related to normal business of the Company, and investment income from disposal of transactional financial assets and liabilities and financial assets available for sale		
Reversal of impairment reserve for account receivable with separate impairment testing		
gains/ losses from external entrustment loans		
Gains and losses arising from change of fair value of investment properties whose follow-up measurement are at fair value		
Affect upon current gains/losses arising from the one-off adjustment in subject to requirement of laws and rules in relation to taxation and accounting		
Income from entrusted custody operation		
Other non-operating income and expenditure except the abovementioned	175,186.39	
Other item that satisfied the definition of non-recurring gains and losses		
Influenced amount of minority shareholders' equity		
Impact on income tax		
Total	528,688.08	--

(II) Total shareholders at period-end and top ten shareholders

Total number of shareholders at the end of report period	29,525
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Top ten holders of the shares without subscription limitation			
Shareholders	Amount of unrestricted shares held at period-end	Type/amount of shares	
		Type	Amount
Haikou Agriculture & Industry & Trade (Luoniushan) Co., Ltd.	61,190,270	RMB common share	61,190,270
Yangfu Tongrong Investment Management Consultant Co., Ltd.	12,640,832	RMB common share	12,640,832
Sanya Yongli Investment Co., Ltd.	6,930,000	RMB common share	6,930,000
Shanghai H.K. Wanguo Security	6,247,022	Domestically listed foreign share	6,247,022
China Jianyin Investment CITIC Assets Management CO., Ltd.	4,620,000	RMB common share	4,620,000
Cao Huili	4,143,939	RMB common share	4,143,939
CITRINE CAPITAL LIMITED	3,265,200	Domestically listed foreign share	3,265,200
CHINA MERCHANTS SECURITIES (HK) CO.LTD.	2,764,701	Domestically listed foreign share	2,764,701
Mai Lijian	2,518,440	Domestically listed foreign share	2,518,440
Rural Credit Cooperative Union of Sanya City	2,310,000	RMB common share	2,310,000
Explanation on shareholders	The Company is unknown whether there exists associated relationship or belongs to the consistent actor regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company among the other shareholders.		

III. Significant events

(I) Particulars about material changes in items of main accounting statement and financial index, and explanations of reasons

√Applicable □Not applicable

Particulars and reasons for material changes:

1. Monetary fund decrease RMB 10,398,277.81 over that of year-begin with 84.03% changed; mainly resulted by the equity investment by cash.
2. Account receivable increase RMB 541,752.39 over that of year-begin with 46.13% changed; mainly because the current account increased.
3. Inventory decrease RMB 278,732.27 over that of year-begin with 44.63% changed; mainly resulted by the decrease of contract inventory in restaurant.
4. Long-term equity investment decrease RMB 9,059,470.61 over that of year-begin with 100% changed; mainly due to the investment in Hainan Luoniushan Agriculture Technology Co., Ltd
5. Long-term expenses to be amortized decrease RMB 295,896.06 over that of year-begin with 21.57% changed; mainly because the decoration charge has been amortized.
6. Account payable decrease RMB 1,758,347.87 over that of year-begin with 45.41% changed; mainly due to the amount for goods purchasing are paid on time.
7. Account paid in advance decrease RMB 2,119,402.24 over that of year-begin with 58.12% changed; mainly because the amount for room charge received in advance decreased
8. Taxes payable decrease RMB 288,826.02 over that of year-begin with 29.98% changed; mainly due to the vary taxes are paid on time.
9. Operating cost decrease RMB 1,431,014.63 y-o-y with 32.12% changed; mainly because the restaurant contract reducing the cost in operation.
10. Financial expenses decrease RMB 76,682.78 y-o-y with 29.56% changed; mainly because no loan interest need to paid
11. Investment income increase RMB20,004.41 y-o-y with 100% changed; mainly due to the investment in Agriculture Technology
12. Operation profit presented a less deficit of RMB 4,679,201.86 y-o-y with 81.70% changed; mainly because there are no



decoration constructions for the hotel in reporting period

13. Non-operating income increase RMB255, 549.94 y-o-y with 93.16% changed; mainly resulted by the debt reorganization

14. Net profit presented a less deficit of RMB 4,933,778.34 y-o-y with 90.48% changed; mainly because the income from debt reorganization and there are no decoration constructions for the hotel in reporting period

15. Net cash flow arising from operation activities decrease RMB 1,188,459.13 y-o-y with 353.38% changed; mainly because the expenses of good purchasing and labor service receiving increased

(II) Progress of significant events, their influences, and analysis and explanation of their solutions

1. Qualified opinion

Applicable Not applicable

The CPA issued a modified opinion on financial report for year of 2011 of the Company. In reporting period, the Company adjusted operation strategy on time according to the changes in tourism market. Enlarged and reinforce market occupation step forward by expanded marketing and perfected market measures; meanwhile, the general operation indexes are present a favorable tendency under the help of serials management measures such as energy-saving and downsizing for efficiency. Items in explanatory paragraph will be solved gradually.

2. Particular about fund offers to controlling shareholders or associated parties and external guarantee that against the regulation.

Applicable Not applicable

3. Particular about signing and implementation on significant contracts of ordinary management.

Applicable Not applicable

4. Other

Applicable Not applicable

Progress of internal control for 3rd quarterly of 2012 of the Company:

In July 2012, staff of the Agency for establishment of internal control mechanism are attended the Company for field guiding, and proposed a primary reforming measures and plan for the issues found in the Company and South China Hotel.

In appliance with the *Notice of Implementation on Internal Control Mechanism for Enterprises Listed in Main Board for year of 2012 by category in turns*(CBH[2012] No. 30), co-printed by Ministry of Finance and CSRC dated 14 August 2012, due to the impossible completion of whole rectification for 2012 in short period, the Implementation Plan for Internal Control Mechanism, which was deliberated and approved by 2nd extraordinary meeting of 7th session of the Board dated 29 March 2012, will postpone to the year of 2014, being combine with actual conditions. More details found in the resolution of 8th meeting of 7th session of the Board.

(III) Commitments made by the Company or shareholders holding above 5% shares of the Company in reporting period or extending to reporting period.

Applicable Not applicable

Commitments	Acceptor	Contents	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform	The Company or shareholders with over 5% shares held	Found more details in 6(2) of Section X. Significant Event in Full Text of Annual Report 2011	2008-06-20	In appropriate time	Part of the commitments was implemented while part of them not yet
Commitments in report of acquisition or equity change	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Commitments in assets replacement	Not	Not applicable	Not	Not	Not applicable



	applicable		applicable	applicable	
Commitments made in issuing	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Other commitments for medium and small shareholders	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Completed on time or not	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable				
Detail reasons for un-complement and further plan	Not applicable				
Whether made a promise to horizontal competition and related transactions that resulted or not	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable				
Solution term promised	Not applicable				
Solution way	Not applicable				
Complementation	Not applicable				

(IV) Estimation of operation performance for year of 2012

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason

Applicable Not applicable

(V) Particulars about other significant events which needed explanations**1. Particular about security investment**

Applicable Not applicable

2. Particulars about derivatives investment

Applicable Not applicable

3. Particulars about the positions of derivatives investment at the end of report period

Applicable Not applicable

4. Registration form of receiving research, communication and interview in the report period

Applicable Not applicable

5. Corporate bond issuance

Whether corporate bond issued or not

Yes Not

IV. Appendix**(I) Financial statement**

Whether consolidated statement or not:

Yes No Not applicable

Unless otherwise, currency for this statement refers to CNY (RMB)

**1. Consolidated Balance Sheet**

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Items	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	1,976,304.67	12,374,582.48
Settlement provisions		
Capital lent		
Transaction finance asset		
Notes receivable		
Accounts receivable	1,716,104.84	1,174,352.45
Accounts paid in advance	430,105.23	376,368.53
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	510,891.22	467,419.30
Purchase restituted finance asset		
Inventories	345,786.80	624,519.07
Non-current asset due within one year		
Other current assets	810,900.00	810,900.00
Total current assets	5,790,092.76	15,828,141.83
Non-current assets:		
Granted loans and advances		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	9,059,470.61	0.00
Investment real estate		
Fixed assets	66,916,905.44	71,010,730.88
Construction in progress		
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	29,174,753.79	29,826,299.16
Expense on Research and Development		
Goodwill		



Long-term expenses to be apportioned	1,075,706.87	1,371,602.93
Deferred income tax asset		
Other non-current asset		
Total non-current asset	106,226,836.71	102,208,632.97
Total assets	112,016,929.47	118,036,774.80
Current liabilities:		
Short-term loans		
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Transaction financial liabilities		
Notes payable		
Accounts payable	2,113,754.37	3,872,102.24
Accounts received in advance	1,527,319.77	3,646,722.01
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	2,926,101.33	3,550,106.28
Taxes payable	-1,252,302.61	-963,476.59
Interest payable		
Dividend payable		
Other accounts payable	25,235,994.23	25,946,195.04
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	30,550,867.09	36,051,648.98
Non-current liabilities:		
Long-term loans		
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	0.00	0.00
Total liabilities	30,550,867.09	36,051,648.98
Owner's equity (or shareholders')		



equity):		
Paid-up capital (or share capital)	364,100,000.00	364,100,000.00
Capital public reserve	54,142,850.01	54,142,850.01
Less: Inventory shares		
Reasonable reserve		
Surplus public reserve		
Provision of general risk		
Retained profit	-336,776,787.63	-336,257,724.19
Balance difference of foreign currency translation		
Total owner's equity attributable to parent company	81,466,062.38	81,985,125.82
Minority interests		
Total owner's equity(or shareholders' equity)	81,466,062.38	81,985,125.82
Total liabilities and owner's equity(or shareholders' equity)	112,016,929.47	118,036,774.80

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

2. Balance Sheet of parent company

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	1,976,304.67	12,374,582.48
Transaction finance asset		
Notes receivable		
Accounts receivable	1,716,104.84	1,174,352.45
Accounts paid in advance	430,105.23	376,368.53
Interest receivable		
Dividend receivable		
Other receivables	510,891.22	467,419.30
Inventories	345,786.80	624,519.07
Non-current asset due within one year		
Other current assets	810,900.00	810,900.00
Total current assets	5,790,092.76	15,828,141.83
Non-current assets:		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	9,059,470.61	0.00



Investment real estate		
Fixed assets	66,916,905.44	71,010,730.88
Construction in progress		
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	29,174,753.79	29,826,299.16
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	1,075,706.87	1,371,602.93
Deferred income tax asset		
Other non-current asset		
Total non-current asset	106,226,836.71	102,208,632.97
Total assets	112,016,929.47	118,036,774.80
Current liabilities:		
Short-term loans		
Transaction financial liabilities		
Notes payable		
Accounts payable	2,113,754.37	3,872,102.24
Accounts received in advance	1,527,319.77	3,646,722.01
Wage payable	2,926,101.33	3,550,106.28
Taxes payable	-1,252,302.61	-963,476.59
Interest payable		
Dividend payable		
Other accounts payable	25,235,994.23	25,946,195.04
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	30,550,867.09	36,051,648.98
Non-current liabilities:		
Long-term loans		
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	0.00	0.00
Total liabilities	30,550,867.09	36,051,648.98



Owner's equity (or shareholders' equity):		
Paid-up capital (or share capital)	364,100,000.00	364,100,000.00
Capital public reserve	54,142,850.01	54,142,850.01
Less: Inventory shares		
Reasonable reserve		
Surplus public reserve		
General risk reserve		
Retained profit	-336,776,787.63	-336,257,724.19
Balance difference of foreign currency translation		
Total owner's equity(or shareholders' equity)	81,466,062.38	81,985,125.82
Total liabilities and owner's equity(or shareholders' equity)	112,016,929.47	118,036,774.80

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

3. Consolidated Profit Statement (this report period)

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Item	Amount in this period	Amount in last period
I. Total operating income	3,385,946.00	3,587,335.30
Including: Operating income	3,385,946.00	3,587,335.30
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	5,078,719.59	7,433,549.17
Including: Operating cost	1,793.46	1,061,395.51
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	189,612.98	200,890.79
Sales expenses	3,020,023.57	4,103,161.10
Administration expenses	1,841,886.89	2,005,766.96
Financial expenses	25,402.69	62,334.81
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed		



with “-”)		
Investment income (Loss is listed with “-”)	16,072.33	
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	-1,676,701.26	-3,846,213.87
Add: Non-operating income	371,749.49	28,705.00
Less: Non-operating expense		200.00
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with “-”)	-1,304,951.77	-3,817,708.87
Less: Income tax expense	-196,472.08	
V. Net profit (Net loss is listed with “-”)	-1,108,479.69	-3,817,708.87
Including: net profit realized before consolidation by merged party		
Net profit attributable to owner’s of parent company	-1,108,479.69	-3,817,708.87
Minority shareholders’ gains and losses		
VI. Earnings per share	--	--
i. Basic earnings per share	-0.003	-0.0105
ii. Diluted earnings per share	-0.003	-0.0105
VII. Other consolidated income		
VIII. Total comprehensive income	-1,108,479.69	-3,817,708.87
Total consolidated income attributable to owners of parent company		
Total consolidated income attributable to minority shareholders		

The merger realized net profit RMB 0.00 before consolidation during enterprises consolidation under a same control.

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

4. Profit Statement of parent company (this report period)

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Items	Amount in this period	Amount in last period
I. Operating income	3,385,946.00	3,587,335.30
Less: operating cost	1,793.46	1,061,395.51
Operating tax and extras	189,612.98	200,890.79
Sales expenses	3,020,023.57	4,103,161.10
Administration expenses	1,841,886.89	2,005,766.96
Financial expenses	25,402.69	62,334.81
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	16,072.33	
Including: Investment income on affiliated		



company and joint venture		
II. Operating profit (Loss is listed with “-”)	-1,676,701.26	-3,846,213.87
Add: Non-operating income	371,749.49	28,705.00
Less: Non-operating expense		200.00
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with “-”)	-1,304,951.77	-3,817,708.87
Less: Income tax expense	-196,472.08	
IV. Net profit (Net loss is listed with “-”)	-1,108,479.69	-3,817,708.87
V. Earnings per share	--	--
i. Basic earnings per share	-0.003	-0.0105
ii. Diluted earnings per share	-0.003	-0.0105
VI. Other consolidated income		
VII. Total comprehensive income	-1,108,479.69	-3,817,708.87

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

5. Consolidated profit statement (year-begin to end of this period)

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Item	Amount in this period	Amount in last period
I. Total operating income	23,811,585.30	22,055,296.70
Including: Operating income	23,811,585.30	22,055,296.70
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	24,879,341.23	27,782,250.08
Including: Operating cost	3,023,875.59	4,454,890.22
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	1,333,448.80	1,235,096.66
Sales expenses	11,465,634.82	12,535,798.38
Administration expenses	8,873,638.21	9,297,038.23
Financial expenses	182,743.81	259,426.59
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		



Investment income (Loss is listed with “-”)	20,004.41	
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	-1,047,751.52	-5,726,953.38
Add: Non-operating income	529,861.54	274,311.60
Less: Non-operating expense	1,173.46	200.00
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with “-”)	-519,063.44	-5,452,841.78
Less: Income tax expense		
V. Net profit (Net loss is listed with “-”)	-519,063.44	-5,452,841.78
Including: net profit realized before consolidation by merged party		
Net profit attributable to owner’s of parent company	-519,063.44	-5,452,841.78
Minority shareholders’ gains and losses		
VI. Earnings per share	--	--
i. Basic earnings per share	-0.0014	-0.015
ii. Diluted earnings per share	-0.0014	-0.015
VII. Other consolidated income		
VIII. Total comprehensive income	-519,063.44	-5,452,841.78
Total consolidated income attributable to owners of parent company		
Total consolidated income attributable to minority shareholders		

The merger realized net profit RMB 0.00 before consolidation during enterprises consolidation under a same control.

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

6. Profit Statement of parent company (year-begin to end of this period)

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Items	Amount in this period	Amount in last period
I. Operating income	23,811,585.30	22,055,296.70
Less: operating cost	3,023,875.59	4,454,890.22
Operating tax and extras	1,333,448.80	1,235,096.66
Sales expenses	11,465,634.82	12,535,798.38
Administration expenses	8,873,638.21	9,297,038.23
Financial expenses	182,743.81	259,426.59
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	20,004.41	
Including: Investment income on affiliated company and joint venture		



II. Operating profit (Loss is listed with “-”)	-1,047,751.52	-5,726,953.38
Add: Non-operating income	529,861.54	274,311.60
Less: Non-operating expense	1,173.46	200.00
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with “-”)	-519,063.44	-5,452,841.78
Less: Income tax expense		
IV. Net profit (Net loss is listed with “-”)	-519,063.44	-5,452,841.78
V. Earnings per share	--	--
i. Basic earnings per share	-0.0014	-0.015
ii. Diluted earnings per share	-0.0014	-0.015
VI. Other consolidated income		
VII. Total comprehensive income	-519,063.44	-5,452,841.78

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

7. Consolidated Cash Flow Statement (year-begin to end of this period)

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Item	Amount in this period	Amount in last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	22,274,609.54	22,340,683.71
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of disposal of transaction financial asset		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received		
Other cash received concerning operating activities	671,635.81	621,767.26
Subtotal of cash inflow arising from operating activities	22,946,245.35	22,962,450.97
Cash paid for purchasing commodities and receiving labor service	9,356,697.94	8,203,474.28
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	7,928,916.88	7,451,956.20



Taxes paid	2,528,365.93	2,062,348.15
Other cash paid concerning operating activities	3,984,414.51	4,908,363.12
Subtotal of cash outflow arising from operating activities	23,798,395.26	22,626,141.75
Net cash flows arising from operating activities	-852,149.91	336,309.22
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	3,920.00	8,390.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	3,920.00	8,390.00
Cash paid for purchasing fixed, intangible and other long-term assets	550,047.90	1,947,154.80
Cash paid for investment	9,000,000.00	
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	9,550,047.90	1,947,154.80
Net cash flows arising from investing activities	-9,546,127.90	-1,938,764.80
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	0.00	0.00
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		67,000.00
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	0.00	67,000.00
Net cash flows arising from financing activities	0.00	-67,000.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-10,398,277.81	-1,669,455.58
Add: Balance of cash and cash equivalents at the period -begin	12,374,582.48	3,104,278.19
VI. Balance of cash and cash equivalents at the period -end	1,976,304.67	1,434,822.61

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

**8. Cash Flow Statement of parent company (year-begin to end of this period)**

Prepared by Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

Unit: CNY

Item	Amount in this period	Amount in last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	22,274,609.54	22,340,683.71
Write-back of tax received		
Other cash received concerning operating activities	671,635.81	621,767.26
Subtotal of cash inflow arising from operating activities	22,946,245.35	22,962,450.97
Cash paid for purchasing commodities and receiving labor service	9,356,697.94	8,203,474.28
Cash paid to/for staff and workers	7,928,916.88	7,451,956.20
Taxes paid	2,528,365.93	2,062,348.15
Other cash paid concerning operating activities	3,984,414.51	4,908,363.12
Subtotal of cash outflow arising from operating activities	23,798,395.26	22,626,141.75
Net cash flows arising from operating activities	-852,149.91	336,309.22
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	3,920.00	8,390.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	3,920.00	8,390.00
Cash paid for purchasing fixed, intangible and other long-term assets	550,047.90	1,947,154.80
Cash paid for investment	9,000,000.00	
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	9,550,047.90	1,947,154.80
Net cash flows arising from investing activities	-9,546,127.90	-1,938,764.80
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	0.00	0.00
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		67,000.00
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	0.00	67,000.00
Net cash flows arising from financing activities	0.00	-67,000.00



IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-10,398,277.81	-1,669,455.58
Add: Balance of cash and cash equivalents at the period -begin	12,374,582.48	3,104,278.19
VI. Balance of cash and cash equivalents at the period -end	1,976,304.67	1,434,822.61

Legal representative: Li Yuanbin

Person in charge of accounting works: Chen Liurong

Person in charge of accounting institution: Li Zhi

(II) Auditing Report

Whether the 3rd Quarterly Report audited or not

Yes No

Chairman: Li Yuanbin

Board of Director of Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.

October 22, 2012