



**HEFEI MEILING CO., LTD.
THE THIRD QUARTERLY REPORT FOR 2013**

October 2013

Section I. Important Notes

Board of Directors and the Supervisory Committee of Hefei Meiling 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.

Principal of the Company Mr. Liu Tibin, President Mr. Li Wei, Person in Charge of Accounting Works Mr. Zhang Xiaolong and Person in Charge of Accounting Organ (Accounting Officer) Mr. Tang Bin hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Third quarterly report of 2013 has not been audited.

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

Section II. Main accounting data and changes of shareholders

I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

Yes No

	Current period-end	Period-end of last year	Increase/decrease (%)	
Total assets(RMB)	8,980,627,767.48	7,886,140,432.47	13.88%	
Net assets attributable to shareholders of listed company (RMB)	3,122,491,168.29	2,955,787,652.31	5.64%	
	Current period	Increase/decrease in comparison with same period of last year (%)	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year (%)
Operating revenue (RMB)	2,559,189,440.77	14.37%	8,510,634,016.09	12.72%
Net profit attributable to shareholders of the listed company (RMB)	69,441,621.00	72.75%	205,133,196.62	35.80%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	54,931,442.79	67.42%	185,572,140.37	28.47%
Net cash flow arising from operating activities(RMB)	--	--	-113,126,824.59	-177.95%
Basic earnings per share (RMB/Share)	0.0909	72.81%	0.2686	35.79%
Diluted earnings per share (RMB/Share)	0.0909	72.81%	0.2686	35.79%
Weighted average ROE (%)	2.22%	0.84%	6.72%	1.45%

Whether share capital of the Company, from period-end to the disclosure date of 3rd quarter report, has changed and has influenced on amount of owners' equity due to the new shares issuing, increase issues in stocks, allotment, stock ownership incentive exercise and buy-back etc. or not

Yes No

Items and amount of extraordinary profit (gains)/losses

√Applicable □Not applicable

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-1,151,968.50	--
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	23,086,340.00	--
Other non-operating income and expenditure except for the aforementioned items	980,043.10	--
Less: impact on income tax	2,931,352.59	--
Impact on minority shareholders' equity (post-tax)	422,005.76	--
Total	19,561,056.25	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

□ Applicable √ Not applicable

II. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

In Share

Total shareholders at period-end	63,443					
Shares-held of top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held (%)	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Sichuan Changhong Electric Co., LTD	State-owned legal person	21.58%	164,828,330	56,031,120	-	-
Guo Yuan Securities Co., Ltd.—specified account for agreed to buy-back	Domestic non state-owned corporate	4.95%	37,800,000	-	-	-
Zhengde life insurance Co., LTD-universal insurance products	Domestic non state-owned corporate	3.77%	28,800,000	-	-	-

Changhong (Hong Kong) Trading Company Limited	Foreign corporate	3.30%	25,165,823	-	-	-
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporate	2.15%	16,420,583	-	-	-
CAO SHENGCHUN	Foreign natural person	1.71%	13,039,221	-	-	-
Hefei Xingtai Holding Group Co., Ltd.	State-owned legal person	1.312%	10,023,401	-	-	-
Zhejiang Veken Capital Co., Ltd.	Domestic non state-owned corporate	1.309%	10,000,000	-	-	-
Jiujia Securities Investment Funds	Domestic non state-owned corporate	0.66%	5,059,970	-	-	-
CCB—Bosch Strategy Flexible Allocation Mix Securities Investment Funds	Domestic non state-owned corporate	0.55%	4,193,280	-	-	-

Particular about top ten shareholders with un-restrict shares held

Shareholders	Amount of un-restrict shares held	Type of shares	
		Type	Amount
Sichuan Changhong Electric Co., LTD	108,797,210	RMB ordinary shares	108,797,210
Guo Yuan Securities Co., Ltd.—specified account for agreed to buy-back	37,800,000	RMB ordinary shares	37,800,000
Zhengde life insurance Co., LTD-universal insurance products	28,800,000	RMB ordinary shares	28,800,000
Changhong (Hong Kong) Trading Company Limited	25,165,823	Domestically listed foreign shares	25,165,823
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	16,420,583	Domestically listed foreign shares	16,420,583
CAO SHENGCHUN	13,039,221	Domestically listed foreign shares	13,039,221
Hefei Xingtai Holding Group Co., Ltd.	10,023,401	RMB ordinary shares	10,023,401
Zhejiang Veken Capital Co., Ltd.	10,000,000	RMB ordinary	10,000,000

		shares	
Jiujia Securities Investment Funds	5,059,970	RMB ordinary shares	5,059,970
CCB—Bosch Strategy Flexible Allocation Mix Securities Investment Funds	4,193,280	RMB ordinary shares	4,193,280
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, Changhong (Hong Kong) Trading Co., Ltd. is the wholly-owned subsidiary of Sichuan Changhong Electronic Co., Ltd.; there existed no associated relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electronic Co., Ltd., Changhong (Hong Kong) Trading Co., Ltd. and other top 8 shareholders; and the Company has not known whether they belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies or not.		
Explanation on shareholders involving margin business (if applicable)	—		

Whether has a buy-back agreement dealing in reporting period

Yes No

In reporting period, the second largest shareholder of the Company Hefei Xingtai Holding Group Co., Ltd. (“Xingtai Holding”) conduct an agreed-to-buyback trading, details are as:

On 13 September 2013, Xingtai Holding conduct a security agreed-to-buyback dealing with Guo Yuan Securities Co., Ltd. (“Guo Yuan Securities”) with the unrestricted circulated A share of the Company, 37,800,000 shares held (account for 4.95 percent of total shares of the Company), term of agreed-to-buyback was one year. Equity transfer was completed on 16 September 2013 between Xingtai Holding and Guo Yuan Securities. Xingtai Holding owes 47,823,401 A-share of the Company before this transaction, a 6.26 percent of the total shares accounted, and after transaction, 10,023,401 A-share of the Company were held by Xingtai Holding, a 1.31 percent of total shares of the Company. There is no buy-back dealing occurred in reporting period. More details with this transaction concerned please found in the Notice No.: 2013-043 released on appointed media dated 17 September 2013

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

1. Changes of items of balance sheet and cause analysis

In RMB

Item	Closing balance	Opening balance	Changes (%)	Reasons
Note receivable	2, 412, 532, 533. 18	1, 738, 725, 417. 01	38. 75%	Mainly because bank acceptance received in peak seasons increased, and which has not yet due for collection in the Period.
Other account receivable	294, 268, 927. 15	31, 288, 336. 44	840. 51%	Mainly because the national subsidy of energy-saving and civil-benefit has not collected totally yet.
Short-term borrowings	477, 356, 066. 29	45, 456, 805. 14	950. 13%	Mainly because the short-term borrowings from parent company increased.
Non-current liability due within one year	118, 709, 083. 76	7, 777, 304. 72	1426. 35%	Mainly because the long-term borrowings due within one year was re-classified
Long-term borrowings	10, 474, 600. 00	131, 114, 600. 00	-92. 01%	Mainly because re-classified to long-term borrowings due within one year
Retained profit	552, 690, 497. 42	385, 744, 261. 05	43. 28%	Mainly because new profit increased in the Period.
Balance difference of foreign currency translation	-1, 960, 540. 02	-1, 278, 962. 31	53. 29%	Mainly due to the changes of rate in foreign currency for oversea subsidiaries in Period
Minority shareholders' equity	4, 606, 377. 74	25, 682, 269. 34	-82. 06%	Mainly because part of the marketing subsidiaries loss in the Period

2. Changes of items of profit statement and cause analysis

In RMB

Item	This Period	Same period of last year	Changes (%)	Reasons
Business tax and extra	88, 458, 009. 30	64, 999, 503. 81	36. 09%	The discarded electronic products processing funds were accrued and paid in first half year, an no such payment in last period
Losses of	14, 244, 639. 27	42, 035, 123. 93	-66. 11%	The inventory turnover increased in the Period,

devaluation of asset				more long-aged inventory decreased
Investment income (loss is listed with “-“)	655,790.37	80,274.04	716.94%	Mainly because part of the joint venture earns more profit and more bonus from part of the invested enterprise
Non-operating income	28,267,868.84	116,559,820.74	-75.75%	Mainly because energy-efficient promotion subsidy was received by Sichuan Air-conditioner in same period of last year while no such subsidy gained in the Period
Income tax expenses	57,410,906.13	23,318,643.65	146.20%	Mainly because the payable income tax increased in the Period

3. Changes of items of cash flow statement and cause analysis

In RMB

Item	This Period	Same period of last year	Changes (%)	Reasons
Other cash paid concerning operating activities	631,130,042.54	429,151,777.23	47.06%	Mainly because cash the energy-saving subsidy increased in the Year
Cash received from recovering investment	720,000.00	-	100.00%	Mainly because investment gains from part of the stock-jointly enterprises in the Period
Cash received from investment income	1,729,002.25	1,073,757.30	61.02%	Mainly because more bonus received from invested enterprises
Net cash received from disposal of fixed, intangible and other long-term assets	18,269,532.35	10,508,917.59	73.85%	Mainly because part of the compensation for land reserved was received by parent company in Period
Other cash received concerning investing activities	43,682,448.19	15,682,560.50	178.54%	Mainly due to the bank interest from the Bank increased
Cash paid for purchasing fixed, intangible and other long-term assets	61,005,364.72	112,886,554.15	-45.96%	Mainly due to the y-o-y decrease of fixed assets purchased by parent company in Period
Cash paid for	2,011,142.68	-	100.00%	Mainly because more investment in part of the

investment				subsidiaries in Period
Cash received from loans	526,937,824.68	380,685,156.66	38.42%	Mainly because short-term borrowings from parent company increased
Cash paid for settling debts	118,788,409.39	355,426,724.40	-66.58%	Mainly because the borrowings from parent company has not due without payment
Other cash paid concerning financing activities	77,487.63	127,556.56	-39.25%	The Company implemented capitalized from capital reserves in August last year with the registration charge for equity increased, and no such expenditure in the Period
Impact on cash and cash equivalent from changes of rate	13,377,740.60	6,089,804.83	119.67%	Mainly due to the changes of foreign currency rate in Period

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

1. Usage of fund raised and projects with fund raised in report period

Total proceeds raised in privately offering in 2010 are RMB1,199,999,820.00 and the net proceeds amount to RMB1,177,954,320.00 after deducted offering expenses RMB 22.0455 million (including underwriting and sponsoring fee RMB 20.5 million).

As of 30 September 2013, totally raise fund RMB 843,013,809 used for the project with fund raised by the Company, and balance amounting as RMB 369,773,488, which including: unpaid contract amount and margin act. RMB 85,332,529, balance of fund raised project RMB 249,607,982 and interest from account for raised fund RMB 34,832,977. In addition, there is no supplementation of working capital by idle fund raised so far.

The fund raised RMB 843,013,809 used by the Company including: RMB 477169494 invested in the production base of Athena luxury refrigerator; RMB 217889995 has invested in expansion of freezers in aspect of capacity; RMB 110 million has (moreover, this project used the saving interest of the capital RMB 91,034) invested in capacity expansion of environment protection and energy-saving refrigerators and RMB 37,954,320 (moreover, this project used the saving interest of the capital RMB 13,791) supplemented current capital.

Up to the end of September 2013, the above mentioned three projects “the production base of Athena luxury refrigerator”, “expansion of freezers in aspect of capacity” and “capacity expansion of environment protection and energy-saving refrigerators” have completed. Among them, the production base of Athena luxury refrigerator (“Athena Project”) has completed, the 1st and 2nd phase has achieved the expected conditions for use in June 2012 and June 2013 respectively with a production capacity of 2 million (double-shift) middle and high-end refrigerator annually. The expansion of freezers in aspect of capacity has completed, the 1st and 2nd phase has achieved the expected conditions for use in January 2011 and April 2013 respectively with a production capacity of 1.2 million (double-shift) freezers annually. And the capacity expansion of environment protection and energy-saving refrigerators shows a favorable condition in production since December 2010, and it has achieved the production capacity of 0.6 million (double-shift) environment protection and energy-saving refrigerators annually.

As operation required of the Company, and in purpose of improving the service efficiency of fund raised, reduced the financial expenditure of the Company, increase the company's working capital, thereby enhancing the operating efficiency of the company, the Company plans to supplement working funds as of 30 September 2013 with the balance of fund raised RMB 284,440,959 (interest income RMB 34,832,976 included) and later interest

permanently. More details please found in the Notice No.: 2013-049 released on appointed medial on the same date.

2. Other important events

Overview	Disclosure date	Query index for interim notice
On 25 January 2013, the Board received a resignation report in written from deputy president Mr. Li Daijiang, he resigned the post due to occupation mobility. And Mr. Liao Tao was appointed as the deputy president of the Company dated 28 January 2013 by the Board.	2013-1-29	Juchao Website: http://www.cninfo.com.cn (No.: 2013-002 and 2013-003)
Being deliberated and approved by 22 nd meeting of 7 th session of the Board and 1 st extraordinary shareholders' general meeting of 2013, independent directors express approval opinion, related shareholders and directors are avoided the voting, after public bidding, the domestic after-sales service were agreed to entrusted to the third party, the professional appliance after-sales service enterprise--- Sichuan Service Exp. Appliance Service Chain Co., Ltd. ("Service Exp"). The entrusted business consist a related transaction due to the Service Exp. being the wholly-owned controlling subsidiary of Sichuan Changhong Electric Co., LTD, the controlling shareholder of the Company.	2013-1-29 and 2013-2-23	Juchao Website: http://www.cninfo.com.cn (No.: 2013-003, 2013-003 and 2013-007)
On 5 February 2013, the 6 th batch of circulating shares with restricted condition after the implementation of equity division reform were released from restriction and listed for trading. 4 shareholders were released in total with 1,138,205 shares released, representing 0.1490% of the total share capital of the Company.	2013-2-1	Juchao Website: http://www.cninfo.com.cn (No.: 2013-006)
On 18 April 2013, the Board received a resignation report in written from deputy president Mr. Yu Wanchun, he resigned the post due to occupation mobility. And Mr. Zhang Xiaolong was appointed as the CFO (person in charge of finance) of the Company dated 18 April 2013 by the Board.	2013-4-19	Juchao Website: http://www.cninfo.com.cn (No.: 2013-013 and 2013-016)
Being deliberated and approved in 14 th meeting of 7 th session of supervisory committee and annual shareholders' general meeting of 2012, and in line with the recommendation from controlling shareholder --Sichuan Changhong Electric Co., LTD, Ms. Hu Jia was agreed to elected as the supervisor of 7 th session of supervisory committee and Mr. Ye Honglin serves no more of the supervisor for the Company.	2013-4-19 and 2013-6-7	Juchao Website: http://www.cninfo.com.cn (No.: 2013-014 and 2013-021)
On 6 June 2013, the "Profit Distribution Plan for year of 2012" was deliberated and approved by annual shareholders' general meeting of 2012. The Company agreed to distribute RMB 0.5 (tax included) in cash for every 10 shares held by all shareholders of the Company based on total share capital 763,739,205 shares held so far. The aforesaid profit distribution plan was implemented on 14 July 2013.	2013-6-7 and 2013-7-15	Juchao Website: http://www.cninfo.com.cn (No.: 2013-021 and 2013-024)
The "Proposal of Part of Land Use Right Reserve" was deliberated and approved in 26 th meeting of 7 th session of the Board held on 31 May 2013, in	2013-6-1, 2013-6-28 and 2013-8-10	Juchao Website: http://www.cninfo.com.cn (No.:

<p>accordance with the city planning requirement from Hefei Government, the land use right locate at Longgang comprehensive economic development zone, Hefei City with 103,978.9 m² (155.9684 Mu in total, land use right serial: Dong Guo Yong (2004) Zi No. 0200, the purpose of using was industry) was agreed to reserved by the land reserve center of Hefei City, total compensation for the land use right reserved amounting as RMB 74.48 million. In accordance with the “Land User Regain Contract for State-owned Construction Land Use Rights of Hefei City (He Tu Chu Shou [2013] No.36)” signed between the Company and Hefei Land Reserved Center on 25 June 2013, the land use right has been reserved by Hefei Land Reserved Center. The first phase of compensation RMB 15 million was received by the Company at early of August 2013 from Hefei Land Reserved Center.</p>		<p>2013-019, 2013-020, 2013-023 and 2013-032)</p>
<p>The “Proposal of Land Use Right Reserve from Subsidiary” was deliberated and approved in 27th meeting of 7th session of the Board held on 22 July 2013, the land use right locate at economic development zone, Feidong County with 19,245.09 m² and 46,161.9 m² respectively owned by subordinate subsidiary Hefei Equator Appliance Co., Ltd and Meiling Equator Appliance (Hefei) Co., Ltd were agreed to reserved by the land reserve center of Feidong County, and entered into the “Reserve Contract for State-owned construction Land Use Rights of Feidong County”. Compensation for the land reserves approximately as RMB 36 million, among which RMB 10.59 was compensated for the Hefei Equator Appliance Co., Ltd while RMB 25.41 for Meiling Equator Appliance (Hefei) Co., Ltd</p>	<p>2013-7-23</p>	<p>Juchao Website: http://www.cninfo.com.cn (No.: 2013-025 and 2013-026)</p>
<p>According to the “Implementation Plan of Annual Performance Incentive Fund of Hefei Meiling Co., Ltd.” which was deliberated and approved by 16th meeting of 7th session of the Board and 2nd extraordinary shareholders’ general meeting of 2012, the Company held the 28th meeting of 7th session of the Board, 15th meeting of 7th session of supervisory committee and 2nd extraordinary shareholders’ general meeting of 2013 dated 29 July 2013 and 15 August 2013 respectively, being recognized by independent directors, and benefited directors withdraw from the voting, agreed to withdrawal RMB 19219800 incentive fund from 10% of the net profit attributable to shareholders of the listed company for year of 2012, which has been audited. And allocated RMB 18217000 in incentive fund to 30 qualified incentive objects, all of the incentive objects shall purchase shares of the Company via open market with the performance incentive fund received (after relevant income tax paid) plus no less than 30 percent of the total annual remuneration (total annual remuneration after relevant income tax and insurance & housing fund have been paid, performance incentive fund excluded). As for the shares purchased by incentive objects (including director and president Mr. Li Wei, director Mr. Wang Yong, supervisor Mr. Shang Wen, standing deputy president Mr. Liu Weihong, deputy president Mr. Deng Xiaohui, deputy president Mr. Wang Yingmin, deputy president Mr. Liao Tao and secretary of the Board Ms. Li Xia) with performance incentive fund (after income tax</p>	<p>2013-7-30 2013-8-16 2013-8-27 2012-8-29 2013-8-31 2013-9-4 2013-9-7</p>	<p>Juchao Website: http://www.cninfo.com.cn (No.: 2013-027, 2013-028, 2013-029, 2013-030, 2013-037, 2013-038, 2013-039, 2013-040, 2013-041 and 2013-042)</p>

<p>paid) plus self-owned funds, more details please found in the appointed media released on 27 August 2013 and 7 September 2013. Up to the disclosure date for the Report, the performance incentive plans for year of 2012 has completed, all incentive objects have purchased the shares of the Company as committed and lock-up the shares.</p>		
<p>To maintain the independence and completeness of the trade mark and trade name Meiling, following the principle of centralized management and unified use of trade mark and trade name, the Company detailed combed and thoroughly checked the situation left over by history in which the use the trademark and trade name are permitted before acquisition of Hefei Meiling Holding Group co., LTD. As at the end of reporting period, the litigation and arbitration Meiling brand involved has no further progress. More details please found in the statement in “Section V. Important Events” carried in Semi-Annual Report of 2013</p>	<p>2013-8-16</p>	<p>Juchao Website: http://www.cninfo.com.cn (Semi-Annual Report of 2013)</p>

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

Commitments	Acceptor	Contents		Commitment date	Commitment term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong Electric Co., LTD (“Sichuan Changhong”)	Commitment and guarantee of horizontal competition avoidance made in “Acquisition Report of Hefei Meiling Co., Ltd”	1. The acquirer shall not engage in refrigerator business or activity which competes or will compete with business of Hefei Meiling Co., Ltd (“Meiling Electrical Appliances”), or that which has interest conflict with Meiling Electrical Appliances.	2007-6-12	Effective permanently	Strictly performed the commitments
			2. The acquirer promises to apply shareholders’ right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.		Effective permanently	Strictly performed the commitments
			3. For any opportunity to engage in competing business, the acquirer will advise Meiling Electrical Appliances in written for engaging such business or not. If Meiling Electrical Appliances gives no clear written reply as to whether engaging the competing business or not within 20 days after receipt of the aforesaid letter, it shall be deemed that it will not engage in such business. The acquirer will only engage in non-competing business provided that Meiling Electrical Appliances confirms not to or is deemed to not engage in such non-competing business.		Effective permanently	Strictly performed the commitments
Commitment made during the non-public offer	Sichuan Changhong	Commitment regarding to reducing and preventing competition with Meiling Electrical Appliances	1. It will not engage in such business or activity that competes with or has interest conflict with that of Meiling Electrical Appliances except for the action taken for sake of Meiling Electrical Appliances as required by Meiling Electrical Appliances.	2010-6-24	Effective permanently	Strictly performed the commitments
			2. The Company promises to apply shareholders’ right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.			
			3. In case that Meiling Electrical Appliances expects, on the basis of its existing business, to expand its operation scope into the business which the Company has already operated, the Company agrees to grant pre			

			emptive right to Meiling Electrical Appliances regarding such business if the same conditions are met, provided that the Company is still the controlling shareholder or actual controller of Meiling Electrical Appliances.			
		Commitment regarding to reducing and standardizing related transaction with Meiling Electrical Appliances	1. Measures will be adopted to prevent continued related transaction with Meiling Electrical Appliances: as to the related transaction that can not be prevented, it will sign related transaction agreement with Meiling Electrical Appliances under the market principles of “equally paid and mutual benefit”, and fairly determined the transaction price according to the market prevailing standards.	2010-6-24	Effective permanently	Strictly performed the commitments
			2. Perform the necessary obligations to make related directors and related shareholder abstain from voting according to relevant regulation, and observe legal procedure for approving related transaction and information disclosure obligations.			
			3. Promise not to hurt legal interests of Meiling Electrical Appliances and other shareholders through related transaction.			
		Commitment on restriction period of the shares subscribed by Meiling Electrical Appliances by non-public offering: the shares allocated are locked for 36 months automatically from the registration date under relevant regulations.		2010-12-23	2011-1-10 to 2014-1-10	Implementing
		Commit to transfer the land and buildings to Sichuan Changhong Air Conditioner Co., Ltd. (“Changhong Air Conditioning”) upon determination of assets property; urge its subsidiary Sichuan Changhong Minsheng Logistics Co., Ltd. transfer the land and buildings held by the company to Mianyang Meiling Refrigerator Co., Ltd. (“Mianyang Meiling”) upon determination of assets property		2010-9-7	Before completed	

		Commit to authorized Changhong Air Conditioning and Zhongshan Air Condition Appliance Co., Ltd. (“Zhongshan Air Conditioning”) to use “Changhong” trademark and relevant patents for free.	2010-11-6	Effective permanently	Strictly performed the commitments
	Changhong Minsheng Logistics Co., Ltd.	Changhong Minsheng Logistics Co., Ltd.—the subordinate subsidiary of Sichuan Changhong, commits to transfer the land and buildings to Mianyang Meiling upon determination of the relevant building title certificate.	2010-9-7	Before completed	Implementing
	The Company	<p>1. Commit to disclose periodic reports on a truthful, accurate, complete, fair and prompt manner, to disclose all the information that have important influences over investors, to accept supervision under the CSRC and Shenzhen Stock Exchange.</p> <p>2. Commit to make public clarification in respect of such information that is released from any public media and may result in misleading influences on stock price once the Company is aware of such information.</p> <p>3. The directors, supervisors, senior management and core technicians of the Company will accept opinions and criticism from the social publics, and they will not trade the Company’s securities, directly or indirectly, with any inside information and other illegal methods. The Company promises that the documents submitted to Shenzhen Stock Exchange exist no false statement or material omission, and no relevant information will be disclosed during the application for listing without prior content from Shenzhen Stock Exchange.</p>	2011-1-7	Effective permanently	Strictly performed the commitments
Commitment in respect of applying certain idle proceeds in supplement current capital for	The Company	<p>1. The current capital supplemented with certain idle proceeds is only authorized to use for production operation purposes.</p> <p>2. The idle proceeds supplementing current capital will be returned to proceeds account upon maturity.</p> <p>3. If acceleration of project construction results in early application of proceeds, the Company shall return the capital to proceeds account ahead of time, thus not to affect the normal progress of the</p>	2012-11-24	2012-12-11 to 2013-12-11	On 7 June 2013, the idle raised fund has return to the specific account. The commitment 1-3 has completed and commitment 4 still in implementation

temporary purpose		<p>investment project that the proceeds are related to, and not to change the application purpose of proceeds raised</p> <p>4. the Company commits that during the 12 months after application of the idle proceeds supplementing current capital, it will not make securities investment or risk investment amounting over RMB10 million; not apply such proceeds, directly or indirectly, in placing or subscription of new share, or trading stocks, the underlying derivatives and convertible bonds; not to change application purpose of proceeds and hurt shareholders' interests.</p>			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	<p>1. Since the property transfer didn't involve the buildings and land currently used by Changhong Air Conditioning, Sichuan Changhong commits, upon the completion of equity transfer, to continue to lease such assets to Changhong Air Conditioning at market price, and negotiate with Meiling Electrical Appliances in respect of the transfer of the buildings and land according to the operation needs of Changhong Air Conditioning.</p> <p>2. After completion of this property transfer, Sichuan Changhong commits to manage to prevent new related transaction with Meiling Electrical Appliances. For those which can not be prevented, Sichuan Changhong commits to determine the transaction price based on market accepted methods, so as to ensure fairness of related transaction and protection of the interest of Meiling Electrical Appliances.</p> <p>3. Sichuan Changhong commits that it will not engage in air conditioning and refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances, or that which has interest conflict with Meiling Electrical Appliances.</p>	2009-12-10	<p>Before completed</p> <p>Effective permanently</p> <p>Effective permanently</p>	<p>Implementing</p> <p>Strictly performed the commitments</p> <p>Strictly performed the commitments</p>
Commitment made in purchasing shares of the Company with performance	Part of the Directors, supervisors, senior executives and	<p>1. The shares of Meiling Dianqi purchased should not be reduced through market in all kinds in first year of holding, and the shares should be reduced 50% of the shares hold based on relevant laws and regulations in second year of holding, and the rest 50% shares held should be reduced in the third year according to laws and regulations.</p>	2013-8-15	<p>After three years from 15 August 2013 to the shares purchased</p>	<p>Implementing</p>

incentive fund and self-owned funds by incentive objects	other incentive objects	2. Directors, supervisors and senior executives committed at the same time but not limited as, in accordance with the Company Law, Securities Laws, Shares of the Company Held by Directors, Supervisors and Senior Executives and Management Regulation of Share-holding Changes and other rules and regulations: in term of office, the shares transferred every year shall not exceed 25 percent of the shares of the Company held; the shares of the Company should not be sale within 6 months after purchased or should not be purchased within 6 months after sold; the shares of the Company shall not be transferred within 6 months after left office.	2013-8-15	After six months from 15 August 2013 to the reassignment of directors, supervisors and senior executives	Implementing
Completed on time or not	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable				
Detail reasons for un-complement and further plan	-				
Whether made a promise to horizontal competition and related transactions that resulted or not	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Solution term promised	-				
Solution way	-				
Complementation	-				

IV. Estimation of operation performance for year of 2013

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. Particular about security investment

Explanation on equity of other listed company held

Applicable Not applicable

VI. Particulars about derivatives investment

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

Applicable Not applicable

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

Date	Place	Way	Type	Object	Content discussed and documents provided
2013-01-14	Conference room	Field research	Institution	Changjiang Security Co., Ltd.; Huatai-PineBridge Investment Co., Ltd.; Fortune SG Fund Management Co., Ltd.	Operation status of the Company, no material provided
2013-01-17	Conference room	Field research	Institution	China International Fund Management	Operation status of the Company, no material provided
2013-01-23	Conference room	Field research	Institution	Donghai Securities Co., Ltd.; Guotai Fund Management Co., Ltd.	Operation status of the Company, no material provided
2013-01-30	Conference room	Field research	Institution	China Asset Management Co., Ltd.	Operation status of the Company, no material provided
2013-03-25	Conference room	Field research	Institution	Ping An Asset Management Co., Ltd.; Sinolink Securities Co., Ltd.; Caitong Fund Management Co., Ltd.; HFT Investment Management Co., Ltd.; Lombarda China Fund Management Co., Ltd.	Operation status of the Company, no material provided
2013-03-28	Conference room	Field research	Institution	Everbright Securities Asset	Operation status of the

				Management Co., Ltd.; Guotai Fund Management Co., Ltd.; Nanjing Securities Co., Ltd.; China Merchants Securities Co., Ltd.; China Asset Management Co., Ltd.	Company, no material provided
2013-03-29	Conference room	Field research	Institution	Northeast Securities Co., Ltd	Operation status of the Company, no material provided
2013-04-25	Conference room	Field research	Institution	Chang Xin Asset Management Co., Ltd.; Xiangcai Securities Co., Ltd.; Guoyuan Securities Co., Ltd	Operation status of the Company, no material provided
2013-04-26	Conference room	Field research	Institution	Great Wall Securities Co., Ltd	Operation status of the Company, no material provided
2013-05-08	Conference room	Field research	Institution	Founder Securities Co., Ltd.; ICBC Credit Suisse Asset Management Co., Ltd.; Dongguan Securities Co., Ltd; Changjiang Securities Co., Ltd; China Investment Securities Co., Ltd	Operation status of the Company, no material provided
2013-05-28	Conference room	Field research	Institution	Minsheng Securities Co., Ltd	Operation status of the Company, no material provided
2013-08-29	Conference room	Field research	Institution	Fortune SG Fund Management Co., Ltd.	Operation status of the Company, no material provided
2013-09-04	Conference room	Field research	Institution	Industrial Securities Co., Ltd; Sunshine Asset Management Co., Ltd.	Operation status of the Company, no material provided
2013-09-11	Conference room	Field research	Institution	China Asset Management Co., Ltd.; Sinolink Securities Co., Ltd.; Broad Capital; Harvest Fund Management Co., Ltd.	Operation status of the Company, no material provided

Section IV. Financial Statement

I. Financial statement

1. Consolidated Balance Sheet

Prepared by Hefei Meiling Co., Ltd

2013-9-30

Unit: RMB

Items	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	1,969,068,663.35	1,701,307,578.13
Settlement provisions		
Capital lent		
Transaction finance asset		
Notes receivable	2,412,532,533.18	1,738,725,417.01
Accounts receivable	963,510,650.63	753,762,080.84
Accounts paid in advance	61,567,160.19	49,414,835.51
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	294,268,927.15	31,288,336.44
Purchase restituted finance asset		
Inventories	1,249,391,552.28	1,503,307,251.66
Non-current asset due within one year		
Other current assets		
Total current assets	6,950,339,486.78	5,777,805,499.59
Non-current assets:		
Granted loans and advances		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	30,981,427.41	35,150,428.02
Investment property	15,903,523.25	16,509,959.84
Fixed assets	1,142,023,593.58	1,243,889,950.81
Construction in progress	78,149,371.26	70,705,114.33

Engineering material		
Disposal of fixed asset	66,504,728.60	
Productive biological asset		
Oil and gas asset		
Intangible assets	582,933,031.64	628,269,816.49
Expense on Research and Development	33,840,269.09	31,746,326.41
Goodwill	5,529,842.09	5,529,842.09
Long-term expenses to be apportioned		
Deferred income tax asset	74,422,493.78	76,533,494.89
Other non-current asset		
Total non-current asset	2,030,288,280.70	2,108,334,932.88
Total assets	8,980,627,767.48	7,886,140,432.47
Current liabilities:		
Short-term loans	477,356,066.29	45,456,805.14
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Transaction financial liabilities		
Notes payable	1,534,974,205.96	1,268,157,043.71
Accounts payable	1,682,466,752.16	1,462,293,958.34
Accounts received in advance	353,662,537.70	459,974,402.43
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	105,653,362.73	137,325,501.89
Taxes payable	90,341,663.41	111,106,673.16
Interest payable		
Dividend payable	1,849,227.74	1,551,602.30
Other accounts payable	1,026,337,050.41	826,111,040.95
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		

Security sales of agency		
Non-current liabilities due within 1 year	118,709,083.76	7,777,304.72
Other current liabilities		
Total current liabilities	5,391,349,950.16	4,319,754,332.64
Non-current liabilities:		
Long-term loans	10,474,600.00	131,114,600.00
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities	357,302,648.19	361,156,281.38
Deferred income tax liabilities		
Other non-current liabilities	94,403,023.10	92,645,296.80
Total non-current liabilities	462,180,271.29	584,916,178.18
Total liabilities	5,853,530,221.45	4,904,670,510.82
Owner's equity (or shareholders' equity):		
Paid-in capital (or share capital)	763,739,205.00	763,739,205.00
Capital public reserve	1,483,021,248.73	1,482,582,391.41
Less: Inventory shares		
Reasonable reserve		
Surplus public reserve	325,000,757.16	325,000,757.16
Provision of general risk		
Retained profit	552,690,497.42	385,744,261.05
Balance difference of foreign currency translation	-1,960,540.02	-1,278,962.31
Total owner's equity attributable to parent company	3,122,491,168.29	2,955,787,652.31
Minority interests	4,606,377.74	25,682,269.34
Total owner's equity(or shareholders' equity)	3,127,097,546.03	2,981,469,921.65
Total liabilities and owner's equity(or shareholders' equity)	8,980,627,767.48	7,886,140,432.47

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

2. Balance Sheet of parent company

Prepared by Hefei Meiling Co., Ltd

2013-9-30

Unit: RMB

Item	Balance at period-end	Balance at period-begin
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Current assets:		
Monetary funds	1,822,235,319.92	1,235,992,818.90
Transaction finance asset		
Notes receivable	1,610,309,869.64	1,498,979,952.77
Accounts receivable	1,101,943,259.95	958,731,705.08
Accounts paid in advance	180,156,626.35	295,676,384.52
Interest receivable		
Dividend receivable		
Other receivables	280,503,208.64	51,135,324.78
Inventories	561,447,555.86	555,767,921.46
Non-current asset due within one year		
Other current assets		
Total current assets	5,556,595,840.36	4,596,284,107.51
Non-current assets:		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	796,850,901.20	842,013,498.21
Investment real estate	12,872,153.49	13,227,570.00
Fixed assets	822,895,797.12	895,143,842.40
Construction in progress	72,772,150.53	78,373,941.23
Engineering material		
Disposal of fixed asset	46,516,563.81	
Productive biological asset		
Oil and gas asset		
Intangible assets	443,939,310.58	480,873,122.36
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	67,803,129.90	69,870,668.72
Other non-current asset		
Total non-current asset	2,263,650,006.63	2,379,502,642.92
Total assets	7,820,245,846.99	6,975,786,750.43
Current liabilities:		

Short-term loans	455,838,066.29	13,073,840.00
Transaction financial liabilities		
Notes payable	1,185,185,724.78	1,055,969,152.25
Accounts payable	1,267,867,797.25	1,313,834,344.18
Accounts received in advance	126,610,463.78	199,639,453.81
Wage payable	64,675,668.19	101,332,386.23
Taxes payable	9,101,361.30	45,611,775.99
Interest payable		
Dividend payable	1,767,979.23	1,303,652.76
Other accounts payable	908,387,525.15	544,916,287.47
Non-current liabilities due within 1 year	116,725,733.12	5,793,954.08
Other current liabilities		
Total current liabilities	4,136,160,319.09	3,281,474,846.77
Non-current liabilities:		
Long-term loans	10,474,600.00	131,114,600.00
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities	357,302,648.19	361,156,281.38
Deferred income tax liabilities		
Other non-current liabilities	77,914,058.54	77,879,788.72
Total non-current liabilities	445,691,306.73	570,150,670.10
Total liabilities	4,581,851,625.82	3,851,625,516.87
Owner's equity (or shareholders' equity):		
Paid-up capital (or share capital)	763,739,205.00	763,739,205.00
Capital public reserve	1,497,898,194.51	1,497,898,194.51
Less: Inventory shares		
Reasonable reserve		
Surplus public reserve	324,782,591.48	324,782,591.48
General risk reserve		
Retained profit	651,974,230.18	537,741,242.57
Balance difference of foreign currency translation		
Total owner's equity(or shareholders' equity)	3,238,394,221.17	3,124,161,233.56

Total liabilities and owner's equity(or shareholders' equity)	7,820,245,846.99	6,975,786,750.43
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Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

3. Consolidated Profit Statement (this report period)

Prepared by Hefei Meiling Co., Ltd

July-September of 2013

Unit: RMB

Item	Amount in this period	Amount in last period
I. Total operating income	2,559,189,440.77	2,237,682,987.81
Including: Operating income	2,559,189,440.77	2,237,682,987.81
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	2,498,411,836.87	2,311,110,995.75
Including: Operating cost	1,921,520,790.60	1,685,374,717.84
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	29,914,674.46	21,826,544.05
Sales expenses	476,941,238.56	526,451,442.98
Administration expenses	103,158,201.97	87,729,846.37
Financial expenses	-25,355,276.32	-15,186,988.11
Losses of devaluation of asset	-7,767,792.40	4,915,432.62
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	-95,499.31	-180,689.87
Including: Investment income on affiliated company and joint venture	-139,164.37	-222,881.65
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	60,682,104.59	-73,608,697.81
Add: Non-operating income	19,250,730.17	111,980,171.30
Less: Non-operating expense	1,889,655.94	112,702.41

Including: Disposal loss of non-current asset	1,823,469.85	36,459.83
IV. Total Profit (Loss is listed with “-”)	78,043,178.82	38,258,771.08
Less: Income tax expense	21,319,601.05	9,452,682.63
V. Net profit (Net loss is listed with “-”)	56,723,577.77	28,806,088.45
Including: net profit realized before consolidation by merged party		
Net profit attributable to owner’s of parent company	69,441,621.00	40,197,529.33
Minority shareholders’ gains and losses	-12,718,043.23	-11,391,440.88
VI. Earnings per share	--	--
i. Basic earnings per share	0.0909	0.0526
ii. Diluted earnings per share	0.0909	0.0526
VII. Other consolidated income	-1,135,962.85	-847,778.01
VIII. Total comprehensive income	55,587,614.92	27,958,310.44
Total consolidated income attributable to owners of parent company	68,760,043.29	39,637,946.74
Total consolidated income attributable to minority shareholders	-13,172,428.37	-11,679,636.30

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

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

Prepared by Hefei Meiling Co., Ltd

July-September of 2013

Unit: RMB

Items	Amount in this period	Amount in last period
I. Operating income	1,540,604,775.06	1,502,962,565.89
Less: operating cost	1,302,612,196.20	1,241,030,101.72
Operating tax and extras	13,196,611.59	11,488,334.76
Sales expenses	142,924,357.58	183,198,878.43
Administration expenses	51,061,524.99	48,158,062.94
Financial expenses	-20,343,480.82	-16,363,475.17
Losses of devaluation of asset	2,760,055.38	-1,957,537.93
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	3,168,694.55	154,153.88
Including: Investment income on affiliated company and joint venture	142,594.45	111,962.10
II. Operating profit (Loss is listed with “-”)	51,562,204.69	37,562,355.02
Add: Non-operating income	11,884,547.11	7,770,744.80
Less: Non-operating expense	191,990.87	38,286.02
Including: Disposal loss of non-current asset	191,990.87	38,286.02

III. Total Profit (Loss is listed with "-")	63,254,760.93	45,294,813.80
Less: Income tax expense	9,366,683.42	-6,810,495.54
IV. Net profit (Net loss is listed with "-")	53,888,077.51	52,105,309.34
V. Earnings per share	--	--
i. Basic earnings per share	0.0706	0.0682
ii. Diluted earnings per share	0.0706	0.0682
VI. Other consolidated income		-127,289.46
VII. Total comprehensive income	53,888,077.51	51,978,019.88

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

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

Prepared by Hefei Meiling Co., Ltd

January-September of 2013

Unit: RMB

Item	Amount in this period	Amount in last period
I. Total operating income	8,510,634,016.09	7,550,293,510.93
Including: Operating income	8,510,634,016.09	7,550,293,510.93
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	8,288,241,624.77	7,497,562,907.35
Including: Operating cost	6,447,874,893.83	5,729,351,916.10
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	88,458,009.30	64,999,503.81
Sales expenses	1,526,147,921.07	1,464,308,941.95
Administration expenses	273,112,363.51	246,641,388.13
Financial expenses	-61,596,202.21	-49,773,966.57
Losses of devaluation of asset	14,244,639.27	42,035,123.93
Add: Changing income of fair value(Loss is listed with "-")		

Investment income (Loss is listed with “-”)	655,790.37	80,274.04
Including: Investment income on affiliated company and joint venture	-732,404.61	-1,035,675.04
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	223,048,181.69	52,810,877.62
Add: Non-operating income	28,267,868.84	116,559,820.74
Less: Non-operating expense	5,353,454.24	5,738,521.21
Including: Disposal loss of non-current asset	5,127,519.33	5,370,396.64
IV. Total Profit (Loss is listed with “-”)	245,962,596.29	163,632,177.15
Less: Income tax expense	57,410,906.13	23,318,643.65
V. Net profit (Net loss is listed with “-”)	188,551,690.16	140,313,533.50
Including: net profit realized before consolidation by merged party		
Net profit attributable to owner’s of parent company	205,133,196.62	151,052,571.53
Minority shareholders’ gains and losses	-16,581,506.46	-10,739,038.03
VI. Earnings per share	--	--
i. Basic earnings per share	0.2686	0.1978
ii. Diluted earnings per share	0.2686	0.1978
VII. Other consolidated income	-1,135,962.85	-847,778.01
VIII. Total comprehensive income	187,415,727.31	139,465,755.49
Total consolidated income attributable to owners of parent company	204,451,618.91	150,492,988.94
Total consolidated income attributable to minority shareholders	-17,035,891.60	-11,027,233.45

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

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

Prepared by Hefei Meiling Co., Ltd

January-September of 2013

Unit: RMB

Items	Amount in this period	Amount in last period
I. Operating income	5,370,326,674.20	5,124,001,708.53
Less: operating cost	4,524,038,709.31	4,311,046,955.05
Operating tax and extras	49,418,069.92	43,403,088.39
Sales expenses	550,473,642.29	544,241,886.84
Administration expenses	129,986,596.14	130,144,986.56
Financial expenses	-51,631,229.81	-50,082,883.52

Losses of devaluation of asset	5,315,086.63	-26,291,668.34
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	4,453,856.39	1,403,708.85
Including: Investment income on affiliated company and joint venture	353,998.99	287,759.77
II. Operating profit (Loss is listed with "-")	167,179,656.11	172,943,052.40
Add: Non-operating income	17,661,051.57	10,677,279.84
Less: Non-operating expense	2,919,889.33	5,360,222.65
Including: Disposal loss of non-current asset	2,919,889.33	5,360,222.65
III. Total Profit (Loss is listed with "-")	181,920,818.35	178,260,109.59
Less: Income tax expense	29,500,870.49	15,283,861.78
IV. Net profit (Net loss is listed with "-")	152,419,947.86	162,976,247.81
V. Earnings per share	--	--
i. Basic earnings per share	0.1996	0.2134
ii. Diluted earnings per share	0.1996	0.2134
VI. Other consolidated income		-127,289.46
VII. Total comprehensive income	152,419,947.86	162,848,958.35

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

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

Prepared by Hefei Meiling Co., Ltd

January-September of 2013

Unit: RMB

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	5,299,131,034.59	4,523,822,297.60
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	73,488,620.82	63,775,740.06
Other cash received concerning operating activities	86,775,073.57	120,435,305.61
Subtotal of cash inflow arising from operating activities	5,459,394,728.98	4,708,033,343.27
Cash paid for purchasing commodities and receiving labor service	3,933,972,150.59	3,433,164,543.09
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	545,480,178.09	494,199,057.81
Taxes paid	461,939,182.35	392,217,707.99
Other cash paid concerning operating activities	631,130,042.54	429,151,777.23
Subtotal of cash outflow arising from operating activities	5,572,521,553.57	4,748,733,086.12
Net cash flows arising from operating activities	-113,126,824.59	-40,699,742.85
II. Cash flows arising from investing activities:		
Cash received from recovering investment	720,000.00	
Cash received from investment income	1,729,002.25	1,073,757.30
Net cash received from disposal of fixed, intangible and other long-term assets	18,269,532.35	10,508,917.59
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	43,682,448.19	15,682,560.50
Subtotal of cash inflow from investing activities	64,400,982.79	27,265,235.39
Cash paid for purchasing fixed, intangible and other long-term assets	61,005,364.72	112,886,554.15
Cash paid for investment	2,011,142.68	
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	63,016,507.40	112,886,554.15
Net cash flows arising from investing activities	1,384,475.39	-85,621,318.76
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	526,937,824.68	380,685,156.66

Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	526,937,824.68	380,685,156.66
Cash paid for settling debts	118,788,409.39	355,426,724.40
Cash paid for dividend and profit distributing or interest paying	41,946,233.84	37,193,578.57
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	77,487.63	127,556.56
Subtotal of cash outflow from financing activities	160,812,130.86	392,747,859.53
Net cash flows arising from financing activities	366,125,693.82	-12,062,702.87
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	13,377,740.60	6,089,804.83
V. Net increase of cash and cash equivalents	267,761,085.22	-132,293,959.65
Add: Balance of cash and cash equivalents at the period -begin	1,701,307,578.13	1,401,674,679.41
VI. Balance of cash and cash equivalents at the period -end	1,969,068,663.35	1,269,380,719.76

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

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

Prepared by Hefei Meiling Co., Ltd

January-September of 2013

Unit: RMB

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	3,536,958,646.65	3,312,091,575.07
Write-back of tax received	27,035,146.34	20,327,113.44
Other cash received concerning operating activities	75,353,695.42	11,953,570.93
Subtotal of cash inflow arising from operating activities	3,639,347,488.41	3,344,372,259.44
Cash paid for purchasing commodities and receiving labor service	2,984,643,571.24	2,807,356,749.19
Cash paid to/for staff and workers	238,396,461.18	214,240,456.61
Taxes paid	178,135,868.02	252,843,131.29
Other cash paid concerning operating activities	161,208,698.58	145,491,871.52
Subtotal of cash outflow arising from operating activities	3,562,384,599.02	3,419,932,208.61
Net cash flows arising from operating activities	76,962,889.39	-75,559,949.17
II. Cash flows arising from investing activities:		
Cash received from recovering investment	45,000,000.00	
Cash received from investment income	4,616,453.40	1,073,757.30
Net cash received from disposal of fixed, intangible and other long-term	18,171,710.60	797,283.60

assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	36,877,696.25	15,426,214.55
Subtotal of cash inflow from investing activities	104,665,860.25	17,297,255.45
Cash paid for purchasing fixed, intangible and other long-term assets	44,250,114.04	64,474,065.58
Cash paid for investment		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	44,250,114.04	64,474,065.58
Net cash flows arising from investing activities	60,415,746.21	-47,176,810.13
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	452,929,528.78	266,562,880.34
Cash received from issuing bonds		
Other cash received concerning financing activities	63,251,961.78	27,214,095.99
Subtotal of cash inflow from financing activities	516,181,490.56	293,776,976.33
Cash paid for settling debts	34,205,440.00	224,092,500.00
Cash paid for dividend and profit distributing or interest paying	41,550,181.93	36,404,906.95
Other cash paid concerning financing activities	1,609,572.38	10,127,556.56
Subtotal of cash outflow from financing activities	77,365,194.31	270,624,963.51
Net cash flows arising from financing activities	438,816,296.25	23,152,012.82
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	10,047,569.17	4,758,530.47
V. Net increase of cash and cash equivalents	586,242,501.02	-94,826,216.01
Add: Balance of cash and cash equivalents at the period -begin	1,235,992,818.90	1,045,235,918.61
VI. Balance of cash and cash equivalents at the period -end	1,822,235,319.92	950,409,702.60

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Tang Bin

II. Audit Report

Whether the third quarter report was audited or not

Yes No

Hefei Meiling Co., Ltd.

Chairman: Liu Tibin

18 October 2013