

CSG HOLDING CO., LTD.

**THE THIRD QUARTER REPORT 2013**



Chairman of the Board:

ZENG NAN

October 2013

## THE THIRD QUARTER REPORT 2013

### I. Important Note

Board of Directors and the Supervisory Committee of CSG Holding 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 jointly and severally, for the truthfulness, accuracy and completeness of the whole contents.

Except for the following director, others are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Name of director absent	Position	Reason for absence	Name of authorized director
Chen Chao	Independent Director	On business trip	Zhang Jianjun

Chairman of the Board & CEO of the Company Mr. Zeng Nan, CFO Mr. Luo Youming and principle of the financial department Mr. Zhang Guoming hereby confirm the truthfulness and completeness of the Financial Report in the Third Quarter Report of 2013.

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

### II. Main accounting data and changes of shareholders

#### (I) Main accounting data and indices

Whether retrospective adjustment has been carried out on financial reports of previous periods or not

Yes  No

	30 September 2013	31 December 2012	Increase/decrease (%)	
Total assets(RMB)	15,995,988,781	14,335,809,746	11.58%	
Owners' equity attributable to shareholders of the listed company(RMB)	7,129,286,699	6,816,210,753	4.59%	
	The 3rd quarter of 2013	Increase/Decrease in comparison with the same period of 2012	From 1 January to 30 September 2013	Increase/Decrease in comparison with the same period of 2012
Total business revenue(RMB)	2,114,679,495	8.57%	5,651,645,278	6.77%
Net profit attributable to shareholders of the listed company (RMB)	273,932,669	74.84%	627,652,415	55.83%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	239,984,898	66.00%	563,127,877	112.56%
Net cash flow arising from operating activities(RMB)	--	--	1,097,503,560	-20.64%
Basic earnings per share (RMB/Share)	0.13	62.50%	0.30	57.89%
Diluted earnings per share (RMB/Share)	0.13	62.50%	0.30	57.89%
Weighted average ROE (%)	3.94%	1.67%	9.02%	3.19%

Non-recurring items deducted and amounts

√Applicable    □ Non-applicable

Items	Amount from the beginning of year to the end of the report period(RMB)	Note
Gains and losses from disposal of non-current assets	3,026,189	
Governmental subsidy calculated into current gains and losses (excluding the fixed-amount or fixed-proportion governmental subsidies closely related to the business of the company according to the unified national standard)	74,430,284	
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	432,000	
Other non-operating income and expenditure except the abovementioned	10,313,390	
Less: Impact on income tax	16,331,882	
Amount of minority shareholders' equity (post-tax)	7,345,443	
Total	64,524,538	--

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    √Non-applicable

## (II) Total of shareholders at the end of the report period and particulars about the shares held by the top ten shareholders

Total of shareholders at the end of the report period		219,570				
Particulars about shares held by the top ten shareholders						
Name of shareholder	Nature of shareholder	Proportion of shares held (%)	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					Share status	Amount
China Northern Industries Corporation	State-owned legal person	3.62%	75,167,934	0		
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	3.01%	62,520,000	0		
Shenzhen International Holdings (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	2.88%	59,778,813	0		
ICBC-Lion Stock Securities Investment Funds	Domestic non state-owned legal person	1.33%	27,607,605	0		
ICBC- Lion Value Growth Stock Securities Investment Funds	Domestic non state-owned legal person	0.96%	20,000,000	0		
BBH A/C Vanguard Emerging Markets Stock Index Fund	Overseas legal person	0.77%	15,990,664	0		
CMBC—Yinhua Shenzhen 100 Index Grading Securities Investment Fund	Domestic non state-owned legal person	0.72%	14,947,870	0		
BOC- E-fund Shenzhen Stock 100 ETF	Domestic non state-owned legal person	0.58%	12,102,219	0		
ICBC- Rongtong Shenzhen Stock 100 Index Securities Investment Funds	Domestic non state-owned legal person	0.58%	11,988,410	0		
Guotai Junan Securities (Hong Kong) Limited	Overseas legal person	0.51%	10,643,598	0		

Particulars about shares held by the top ten unrestricted shareholders			
Name of shareholder	Amount of unrestricted shares held	Share type and amount	
		Share type	Amount
China Northern Industries Corporation	75,167,934	A-share	75,167,934
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	62,520,000	A-share	62,520,000
Shenzhen International Holdings (Shenzhen) Co., Ltd.	59,778,813	A-share	59,778,813
ICBC-Lion Stock Securities Investment Funds	27,607,605	A-share	27,607,605
ICBC- Lion Value Growth Stock Securities Investment Funds	20,000,000	A-share	20,000,000
BBH A/C Vanguard Emerging Markets Stock Index Fund	15,990,664	B-share	15,990,664
CMBC—Yinhua Shenzhen 100 Index Grading Securities Investment Fund	14,947,870	A-share	14,947,870
BOC- E-fund Shenzhen Stock 100 ETF	12,102,219	A-share	12,102,219
ICBC- Rongtong Shenzhen Stock 100 Index Securities Investment Funds	11,988,410	A-share	11,988,410
Guotai Junan Securities (Hong Kong) Limited	10,643,598	B-share	10,643,598
Statement on associated relationship or consistent action among the above shareholders:	Among shareholders as listed above, the 2 <sup>nd</sup> and the 3 <sup>rd</sup> shareholders are holding enterprises of Shenzhen International Holdings Co., Ltd.; the 4 <sup>th</sup> and the 5 <sup>th</sup> shareholders share the same fund management under Lion Fund Management Co., Ltd. Except for this, It is unknown whether other shareholders belong to related party or have associated relationship regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Companies.		
Explanation on shareholders involving margin business (if applicable)	N/A		

Whether has a buy-back agreement dealing in reporting period

Yes  No

### III. Significant Events

#### (I) The situation and causes for the substantial changes of the main items in the accounting statements and financial indices

Unit:RMB0'000					
	Note	30 September 2013	31 December 2012	Increased/Dec reased amount	Rate
Cash at bank and on hand	(1)	66,493	47,442	19,051	40%
Notes receivable	(2)	51,833	29,980	21,853	73%
Advances to suppliers	(3)	10,977	7,001	3,976	57%
Other current asset	(4)	102,312	16,750	85,562	511%
Development expenditure	(5)	1,200	361	839	232%
Long-term prepaid expense	(6)	667	271	396	146%
Other non-current assets	(7)	1,211	5,186	-3,975	-77%
Short-term borrowings	(8)	244,429	168,805	75,624	45%
Notes payable	(9)	8,557	18,349	-9,792	-53%
Advances from customers	(10)	20,581	13,541	7,040	52%
Interest payable	(11)	16,193	3,509	12,684	361%
Other payables	(12)	79,936	16,597	63,339	382%
Long-term borrowings	(13)	33,978	71,111	-37,133	-52%
Other non-current liabilities	(14)	45,590	28,737	16,853	59%

	Note	From 1 January to 30 September 2013	From 1 January to 30 September 2012	Increased/Dec reased amount	Rate
Revenue	(15)	565,165	529,306	35,859	7%
Cost of sales	(16)	398,525	409,822	-11,297	-3%
Selling and distribution expenses	(17)	19,413	17,383	2,030	12%
General and administrative expenses	(18)	41,529	37,725	3,804	10%
Investment income	(19)	43	6,261	-6,218	-99%
Income tax expenses	(20)	19,812	9,499	10,313	109%

## Notes:

- (1) The increase of cash at bank and on hand was mainly due to the increase of bank savings.
- (2) The increase of notes receivable was mainly because part of the subsidiaries of the Company have an increased proportion in note collection.
- (3) The increase of advances to suppliers was mainly because amount paid in advance for purchasing equipment increased in the report period.
- (4) The increase of other current assets was mainly because the Company transferred shares of Shenzhen CSG Float Glass Co., Ltd., and adjusted the fixed assets, construction in progress and intangible assets into the non-current assets held for sales.
- (5) The increase of development expenditure was mainly because more qualified R&D expenses are collected in the item of development expenditure.
- (6) The increase of long-term prepaid expense was mainly due to the increased of mold expenses.
- (7) The decrease of other non-current assets was mainly because the share acquisition, prepaid at end of last year, was transfer-out due to the completion of ownership transfer in the year.
- (8) The increase of short-term borrowings was mainly because the 1.1 billion short-term financing bonds issued in the report period.
- (9) The decrease of notes payable was mainly because payment via bank acceptance reduced in the report period.
- (10) The increase of advances from customers was mainly due to increase of the advance from goods.
- (11) The increase of interest payable was mainly because the provision for bond interest payable in the report period has not been paid yet.
- (12) The increase of other payables was mainly because the Company received advance payment for subsidiary equity transfer.
- (13) The decrease of long-term borrowings was mainly because subsidiaries of the Company paid back the long-term borrowings.
- (14) The increase of other non-current liabilities mainly because subsidiaries of the Company received government subsidies.
- (15) The increase of revenue was mainly due to increase of sales volume as well as sales price for part of products comparing with the same period of last year.
- (16) The decrease of cost of sales was mainly because the Company implemented dropping cost & improving efficiency which made the production cost per unit declined.
- (17) The increase of selling and distribution expenses was mainly because expenses related to sales increased due to the sales increase in the report period.
- (18) The increase of general and administrative expenses was mainly because new subsidiaries set up and part of the subsidiaries came into commercial operation, which brought more staff remuneration, office expenses, taxes ect., at the same time the performance award for management was higher than same period of last year.
- (19) The decrease of investment income was mainly because the Company sold the equity of subsidiary at the same period of last year.
- (20) The increase of income tax expenses was mainly due to the increase of pre-tax profit comparing with the same period in last year.

**(II) The progress of material events and the analysis of the solutions**

Detail as bellow:

Overview	Disclosure date	Indexes of website for interim Notice
Expiration of repurchase certain domestic-listed foreign shares (B shares)	2013-08-06	The Notice (Notice No.: 2013-022) was published on China Securities Journal, Securities Times, Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )
The CSG transferred 19% equity of Shenzhen CSG Display Technology Co., Ltd. to Shenzhen Xingshi Investment Co., Ltd.	2013-08-21	The Notice (Notice No.: 2013-024) was published on China Securities Journal, Securities Times, Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )
The CSG planned to transfer 100% equity of Shenzhen CSG Float Glass Co., Ltd. to Jinshidai Investment Consultant (Shenzhen) Co., Ltd.	2013-09-28	The Notice (Notice No.: 2013-028) was published on China Securities Journal, Securities Times, Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )

### (III) Commitments of shareholders with over 5% of shares made in the report period or carried over from previous period

Commitments	Promisee	Content of commitments	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform	The original non-tradable shareholder Shenzhen International Holdings (SZ) Limited and Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	The Company has implemented share merger reform in May 2006. Till June 2008, the share of the original non-tradable shareholders which holding over 5% total shares of the Company had all released. Therein, the original non-tradable shareholder Shenzhen International Holdings (SZ) Limited (with former name of Yiwan Industrial Development (Shenzhen) Co., Ltd. ) and Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd. both are wholly-funded subsidiaries to Shenzhen International Holdings Limited (hereinafter Shenzhen International for short) listed in Hong Kong united stock exchange main board. Shenzhen International made commitment that it would strictly carry out related regulations of Securities Law, Administration of the Takeover of Listed Companies Procedures and Guiding Opinions on the Listed Companies' Transfer of Original Shares Released from Trading Restrictions issued by CSRC during implementing share decreasingly-held plan and take information disclosure responsibility timely.	2006-05-22	N/A	By the end of the report period, the above shareholders of the Company have strictly carried out their promises.
Commitments in report of acquisition or equity change					
Commitments in assets reorganization					
Commitments in initial public offering or re-financing					
Other commitments for medium and small shareholders					
Completed on time or not	Yes				
Detail reasons for un-complement and further plan	Not applicable				

## IV. Financial Statement

### (I) Financial Statement

#### i. Consolidated Balance Sheets

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Ending balance	Beginning balance
<b>Current assets:</b>		
Cash at bank and on hand	664,928,938	474,421,278
Notes receivable	518,330,903	299,804,348
Accounts receivable	326,557,011	276,814,461
Advances to suppliers	109,770,882	70,007,569
Other receivables	63,619,573	63,047,384
Dividends receivable	-	-
Inventories	464,733,634	367,293,857
Other current assets	1,023,121,803	167,499,349
<b>Total current asset</b>	<b>3,171,062,744</b>	<b>1,718,888,246</b>
<b>Non-current assets:</b>		
Available-for-sale financial assets	107,100,000	109,955,459
Long-term receivable	-	-
Long-term equity investment	-	-
<b>Fixed assets</b>	<b>9,080,942,058</b>	<b>9,418,430,703</b>
Construction in process	2,412,501,721	1,934,725,631
Intangible assets	1,041,168,742	929,486,926
Development expenditure	12,003,492	3,610,292
Goodwill	3,039,946	3,039,946
Long-term prepaid expenses	6,672,584	2,713,907
Deferred income tax assets	149,386,782	163,100,004
Other non-current assets	12,110,712	51,858,632
<b>Total non-current assets</b>	<b>12,824,926,037</b>	<b>12,616,921,500</b>
<b>Total Assets</b>	<b>15,995,988,781</b>	<b>14,335,809,746</b>
<b>Current liabilities:</b>		
Short-term loans	2,444,287,529	1,688,049,571
Notes payable	85,574,550	183,487,216
Account payable	1,231,450,063	1,120,003,975
Advances from customers	205,807,758	135,413,065
Employee benefits payable	124,815,589	104,895,290
Taxes payable	154,314,715	134,645,371
Interest payable	161,926,040	35,091,990
Dividends payable	687,627	687,627
Other payables	799,359,181	165,969,155
Current portion of non-current liabilities	397,395,140	481,687,841
Other current liabilities	629,627	526,872
<b>Total current liabilities</b>	<b>5,606,247,819</b>	<b>4,050,457,973</b>
<b>Non-current liabilities:</b>		
Long-term borrowings	339,778,361	711,112,961

Bonds payable	1,989,900,542	1,986,624,288
Deferred income tax liabilities	28,713,638	32,046,701
Other non-recurring liabilities	455,901,294	287,373,063
Total non-current liabilities	2,814,293,835	3,017,157,013
Total liabilities	8,420,541,654	7,067,614,986
Owners' equity		
Paid-in capital	2,075,335,560	2,075,335,560
Capital surplus	1,379,201,271	1,381,031,988
Special reserves	14,670,451	14,831,266
Surplus reserves	678,216,577	678,216,577
Undistributed profits	2,982,129,661	2,665,777,580
Different on translation of foreign currency financial statements	-266,821	1,017,782
Total equity attributable to equity holders of the Company	7,129,286,699	6,816,210,753
Minority equity	446,160,428	451,984,007
Total owners' equity	7,575,447,127	7,268,194,760
Total Liabilities and Owners' Equity	15,995,988,781	14,335,809,746

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

## ii. Balance Sheets of the Company

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Ending balance	Beginning balance
Current assets:		
Cash at bank and on hand	354,617,021	139,915,851
Notes receivable	-	-
Accounts receivable	-	-
Advances to suppliers	-	-
Other receivables	3,086,591,423	1,753,686,199
Dividends receivable	86,385,405	-
Inventories	-	-
Other current assets	-	-
Total current asset	3,527,593,849	1,893,602,050
Non-current assets:		
Available-for-sale financial assets	82,145,700	84,335,860
Long-term receivable	2,251,331,465	2,281,424,431
Long-term equity investment	4,719,776,137	4,635,634,350
Fixed assets	12,704,721	13,311,942
Construction in process	25,224,044	10,254,145
Intangible assets	2,760,585	3,093,435
Development expenditure	331,428	134,999
Goodwill	-	-
Long-term prepaid expenses	2,615,637	-
Deferred income tax assets	-	-
Other non-current assets	-	22,806,000
Total non-current assets	7,096,889,717	7,050,995,162
Total Assets	10,624,483,566	8,944,597,212
Current liabilities:		



Short-term loans	2,097,000,000	750,000,000
Notes payable	-	-
Account payable	139,750	29,790
Advances from customers	-	-
Employee benefits payable	20,696,953	4,833,381
Taxes payable	1,377,446	72,283
Interest payable	25,884,543	3,115,745
Dividends payable	687,627	687,627
Other payables	881,830,140	842,603,141
Current portion of non-current liabilities	150,000,000	-
Other current liabilities	-	-
Total current liabilities	3,177,616,459	1,601,341,967
Non-current liabilities:		
Long-term borrowings	-	140,000,000
Bonds payable	1,989,900,542	1,986,624,288
Deferred income tax liabilities	16,126,175	16,673,715
Other non-recurring liabilities	11,897,000	8,897,000
Total non-current liabilities	2,017,923,717	2,152,195,003
Total liabilities	5,195,540,176	3,753,536,970
Owners' equity		
Paid-in capital	2,075,335,560	2,075,335,560
Capital surplus	1,417,669,168	1,418,767,193
Special reserves	-	-
Surplus reserves	678,216,577	678,216,577
Undistributed profits	1,257,722,085	1,018,740,912
Different on translation of foreign currency financial statements	-	-
Total equity attributable to equity holders of the Company	5,428,943,390	5,191,060,242
Minority equity	-	-
Total owners' equity	5,428,943,390	5,191,060,242
Total Liabilities and Owners' Equity	10,624,483,566	8,944,597,212

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

### iii. Consolidated Income Statement in the report period

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Revenue	2,114,679,495	1,947,809,464
Incl. Business income	2,114,679,495	1,947,809,464
II. Cost	1,761,346,267	1,739,427,606
Incl. Cost of sales	1,470,567,648	1,460,092,713
Tax and surcharges	12,161,293	14,067,914
Selling and distribution expenses	66,187,447	68,298,247
General and administrative expenses	151,273,988	137,745,946
Financial expenses-net	63,215,026	60,177,826
Asset impairment losses	-2,059,135	-955,040
Investment gains ('-' for loss)	-	-
III. Operating profit ('-' for loss)	353,333,228	208,381,858
Add: Non-operating income	48,209,438	16,215,764

Less: Non-operational expenses	335,950	685,629
Incl. Loss on disposal of non-current assets	211,620	526,917
IV. Total profit ('-' for loss)	401,206,716	223,911,993
Less: Income tax expenses	84,387,184	39,063,624
V. Net profit ('-' for net loss)	316,819,532	184,848,369
Attributable to equity holders of the company	273,932,669	156,677,476
Minority interests	42,886,863	28,170,893
VI. Earnings per share:	--	--
- Basic	0.13	0.08
- Diluted	0.13	0.08
VII. Other comprehensive incomes	6,786,471	-9,171,897
VIII. Total comprehensive incomes	323,606,003	175,676,472
Total comprehensive incomes attributable to equity holders of the Company	280,719,084	147,505,579
Total comprehensive incomes attributable to Minority interests	42,886,919	28,170,893

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

#### iv. Income Statement of the Company in the report period

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Revenue	-	-
Less: Cost of sales	-	-
Tax and surcharges	-	-
Selling and distribution expenses	-	-
General and administrative expenses	18,694,888	6,492,555
Financial expenses-net	11,269,214	1,902,340
Asset impairment losses	4,078	-20,701
Investment gains ('-' for loss)	75,685,182	-
II. Operating profit ('-' for loss)	45,717,002	-8,374,194
Add: Non-operating income	12,285	5,000,000
Less: Non-operational expenses	2,839	11,077
Incl. Loss on disposal of non-current assets	2,839	11,077
III. Total profit ('-' for loss)	45,726,448	-3,385,271
Less: Income tax expenses	-	-
IV. Net profit ('-' for net loss)	45,726,448	-3,385,271
V. Earnings per share:	--	--
VI. Other comprehensive incomes	5,145,207	-6,982,760
VII. Total comprehensive incomes	50,871,655	-10,368,031

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

#### v. Consolidated Income Statement from 1 Jan. 2013 to 30 Sept. 2013

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Revenue	5,651,645,278	5,293,059,949
Incl. Business income	5,651,645,278	5,293,059,949
II. Cost	4,813,081,700	4,876,317,005
Incl. Cost of sales	3,985,245,701	4,098,220,248

Tax and surcharges	35,397,059	31,093,001
Selling and distribution expenses	194,130,191	173,833,081
General and administrative expenses	415,288,040	377,254,068
Financial expenses-net	182,853,289	193,530,038
Asset impairment losses	167,420	2,386,569
Add: Investment gains ('-' for loss)	432,000	62,612,488
III. Operating profit ('-' for loss)	838,995,578	479,355,432
Add: Non-operating income	96,501,015	96,036,837
Less: Non-operational expenses	8,731,152	1,543,465
Incl. Loss on disposal of non-current assets	499,831	1,007,710
IV. Total profit ('-' for loss)	926,765,441	573,848,804
Less: Income tax expenses	198,115,399	94,992,390
V. Net profit ('-' for net loss)	728,650,042	478,856,414
Attributable to equity holders of the company	627,652,415	402,770,661
Minority interests	100,997,627	76,085,753
VI. Earnings per share:	--	--
- Basic	0.30	0.19
- Diluted	0.30	0.19
VII. Other comprehensive incomes	-3,482,748	-4,936,175
VIII. Total comprehensive incomes	725,167,294	473,920,239
Total comprehensive incomes attributable to equity holders of the Company	624,169,788	397,789,655
Total comprehensive incomes attributable to Minority interests	100,997,506	76,130,584

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

#### vi. Income Statement of the Company from 1 Jan. 2013 to 30 Sept. 2013

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Revenue	741,079	1,257,853
Less: Cost of sales	41,575	70,566
Tax and surcharges	-	-
Selling and distribution expenses	-	-
General and administrative expenses	41,489,374	14,791,978
Financial expenses-net	28,792,555	11,129,772
Asset impairment losses	-770,213	300,078
Add: Investment gains ('-' for loss)	612,760,982	805,030,048
II. Operating profit ('-' for loss)	543,948,770	779,995,507
Add: Non-operating income	6,339,325	10,501,000
Less: Non-operational expenses	6,580	11,735
Incl. Loss on disposal of non-current assets	6,580	11,735
III. Total profit ('-' for loss)	550,281,515	790,484,772
Less: Income tax expenses	-	-
IV. Net profit ('-' for net loss)	550,281,515	790,484,772
V. Earnings per share:	--	--
VI. Other comprehensive incomes	-1,642,620	-4,156,114
VII. Total comprehensive incomes	548,638,895	786,328,658

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

**vii. Consolidated Cash Flow Statement from 1 Jan. 2013 to 30 Sept. 2013**

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
<b>I. Cash flow from operating activities</b>		
Cash received from sales of goods or rendering of services	6,441,452,937	6,214,902,734
Refund of taxes and surcharges	36,380,170	112,452,601
Cash received relating to other operating activities	127,597,354	90,181,088
Sub-total of cash inflow	6,605,430,461	6,417,536,423
Cash paid for goods and services	3,908,509,052	3,662,281,292
Cash paid to and on behalf of employees	624,712,597	592,345,154
Payments of taxes and surcharges	630,278,495	483,528,672
Cash paid relating to other operating activities	344,426,757	296,463,674
Sub-total of cash outflows	5,507,926,901	5,034,618,792
Net cash flows from operating activities	1,097,503,560	1,382,917,631
<b>II. Cash flow from investing activities</b>		
Cash received from disposal of investment	424,980,000	-
Cash received from returns on investment	432,000	339,962
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	15,845,601	8,098,484
Cash received from disposal of subsidiaries and other companies	210,000,000	78,552,498
Cash received relating to other investing activities	223,410,169	43,531,540
Sub-total of cash inflows	874,667,770	130,522,484
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,523,354,361	1,061,357,422
Cash paid to acquire investments	-	27,068,998
Cash paid to acquire subsidiaries and other companies	39,001,200	-
Cash paid relating to other investing activities	7,000,000	4,742,970
Sub-total of cash outflows	1,569,355,561	1,093,169,390
Net cash flows from investing activities	-694,687,791	-962,646,906
<b>III. Cash flows from financing activities</b>		
Cash received from capital contributions	29,011,757	52,855,285
Incl. Cash received from capital contributions by minority interests of subsidiaries	29,011,757	52,855,285
Cash received from borrowing	2,420,546,594	2,383,345,342
Cash received from other financing activities	21,963,065	36,000,000
Sub-total of cash inflows	2,471,521,416	2,472,200,627
Cash repayments of borrowings	2,119,935,939	2,297,104,281
Cash payments for interests expenses and distribution of dividends or profit	535,919,793	639,944,823
Incl. Cash payments for dividends or profit to minority interests of subsidiaries	145,358,190	123,764,085
Cash payments relating to other financing activities	3,227,747	44,774,967
Sub-total of cash outflows	2,659,083,479	2,981,824,071
Net cash flows from financing activities	-187,562,063	-509,623,444
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	-2,777,444	601,947
<b>V. Net increase in cash and cash equivalents</b>	212,476,262	-88,750,772
Add: Cash and cash equivalents at the beginning of year	447,736,537	634,416,574
<b>VI. Cash and cash equivalents at the end of term</b>	660,212,799	545,665,802

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

**viii. Cash Flow Statement of the Company from 1 Jan. 2013 to 30 Sept. 2013**

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Balance of this period	Balance of last period
<b>I. Cash flow from operating activities</b>		
Cash received from sales of goods or rendering of services	-	-
Refund of taxes and surcharges	-	-
Cash received relating to other operating activities	4,802,370	2,914,770
Sub-total of cash inflow	4,802,370	2,914,770
Cash paid for goods and services	2,615,637	-
Cash paid to and on behalf of employees	14,523,157	41,818,591
Payments of taxes and surcharges	277,732	232,259
Cash paid relating to other operating activities	11,509,008	9,507,157
Sub-total of cash outflows	28,925,534	51,558,007
Net cash flows from operating activities	-24,123,164	-48,643,237
<b>II. Cash flow from investing activities</b>		
Cash received from disposal of investment	424,980,000	-
Cash received from returns on investment	583,797,208	526,634,274
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	-	450
Cash received from disposal of subsidiaries and other companies	115,000,000	62,400,000
Cash received relating to other investing activities	6,317,040	15,500,000
Sub-total of cash inflows	1,130,094,248	604,534,724
Cash paid to acquire fixed assets, intangible assets and other long-term assets	15,321,209	8,310,383
Cash paid to acquire investments	335,178,626	203,105,620
Cash paid to acquire subsidiaries and other companies	39,001,200	-
Cash paid relating to other investing activities	21,807,800	103,717,913
Sub-total of cash outflows	411,308,835	315,133,916
Net cash flows from investing activities	718,785,413	289,400,808
<b>III. Cash flows from financing activities</b>		
Cash received from capital contributions		
Cash received from borrowing	2,314,288,442	830,000,000
Cash received from other financing activities		
Sub-total of cash inflows	2,314,288,442	830,000,000
Cash repayments of borrowings	957,288,442	761,500,720
Cash payments for interests expenses and distribution of dividends or profit	316,114,952	374,762,405
Cash payments relating to other financing activities	1,523,064,787	2,221,645
Sub-total of cash outflows	2,796,468,181	1,138,484,770
Net cash flows from financing activities	-482,179,739	-308,484,770
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	2,218,660	-1,910,576
<b>V. Net increase in cash and cash equivalents</b>	214,701,170	-69,637,775
Add: Cash and cash equivalents at the beginning of year	139,915,851	229,898,569
<b>VI. Cash and cash equivalents at the end of term</b>	354,617,021	160,260,794

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

**(II) Auditor's Report**

Whether the third quarter report was audited or not

Yes     No

The third quarter report of the Company has not been audited

**Board of Directors of  
CSG Holding Co., Ltd.**

**22 October 2013**