



China Fangda Group Co., Ltd.

3rd Quarterly Report 2013

Oct. 2013

1 Important Statement

The Board of Directors and the directors, supervisors and senior management of the Company guarantee that there is no significant omission, fictitious or misleading statement in the Report and shall bear individual and joint responsibilities for the truthfulness, accuracy and completeness of this Report.

Directors other than the following ones have attended the Board meeting to review the quarterly report.

Name of absent director	Position of absent director	Reason	Name of proxy
Shao Hanqing	Independent director	Business engagement	Guo Jinlong
Wang Shengguo	Director	Business engagement	Xiong Jianwei

Mr. Xiong Jianming, the Chairman of Board, Mr. Lin Kebin, the Chief Financial Officer, and Mr. Chen Yonggang, the manager of accounting department declare: the Financial Report carried in this report is authentic and completed.

2 Financial Highlight and Changes in Shareholders

1. Financial Highlight

The Company retroactively adjusts or restates financial statistics of the previous years because of changes in account policies and correction of accounting errors.

Yes No

	End of the reporting period	End of the previous reporting period	Year-on-year change (%)	
Total asset (RMB)	2,435,587,512.14	2,327,802,889.51	4.63%	
Net profit attributable to the shareholders of the listed company (RMB)	1,132,785,735.77	1,098,612,195.57	3.11%	
	This reporting period	Year-on-year change (%)	From the beginning of the year to the end of the reporting period	Year-on-year change (%)
Turnover (yuan)	441,652,030.98	12.6%	1,178,480,070.86	27.88%
Net profit attributable to shareholders of the listed company (yuan)	17,352,459.65	202.57%	56,714,053.07	208.59%
Net profit attributable to the shareholders of the listed company and after deducting of non-recurring gain/loss (RMB)	16,591,748.96	134.89%	54,184,499.16	315.37%
Net cash flow generated by business operation (RMB)	--	--	19,467,237.44	
Basic earnings per share (yuan/share)	0.02	100%	0.07	250%
Diluted Earnings per share (yuan/share)	0.02	100%	0.07	250%
Weighted average net income/asset ratio (%)	1.51%	0.98%	5.08%	3.38%

Accidental gain/loss item and amount

Applicable Inapplicable

In RMB

Items	Amount as of the end of the report period	Notes

Non-current asset disposal gain/loss (including the write-off part for which assets impairment provision is made)	-10,986.55	
Subsidies accounted into the current income account (except the government subsidy closely related to the enterprise's business and based on unified national standard quota)	629,600.00	
Gain from entrusted investment or assets management	233,972.60	
Write-back of impairment provision of receivables for which impairment test is performed individually	250,000.00	
Other non-business income and expenditures other than the above	1,887,000.15	
Less: Influenced amount of income tax	501,686.09	
Influenced amount of minority shareholders' equity (after-tax)	-41,653.80	
Total	2,529,553.91	--

Explanation statement should be made for accidental gain/loss items defined and accidental gain/loss items defined as regular gain/loss items according to the Explanation Announcement of Information Disclosure No. 1 - Non-recurring gain/loss mentioned.

Applicable Inapplicable

2. Shareholder number and the top 10 shareholders

In share

Number of shareholders at the end of the report period	59,754					
Top 10 Shareholders						
Name of the shareholder	Properties of shareholder	Shareholding (%)	Number of shares	Conditional shares	Pledging or freezing	
					Share status	Amount
Shenzhen Banglin Technologies Development Co., Ltd.	Domestic non-state legal person	9.09%	68,774,273	0		
Shenyin & Wanguo Securities' Contractual Repurchase Account	Others	4%	30,270,000	0		
Huang Jupei	Domestic natural person	3.19%	24,114,236	0		
Shengjiu Investment Ltd.	Foreign legal person	2.82%	21,339,867	0		
Shenzhen Shilihe Investment Co., Ltd.	Domestic non-state legal person	2.36%	17,860,992	0		
Huatai Securities' Contractual Repurchase	Others	2.22%	16,800,000	0		

Account						
China Resource SZITIC Trust Co., Ltd. – Smart Gold No.28 Collective Trust Program	Others	0.9%	6,820,638	0		
Wangnuo	Domestic natural person	0.79%	5,955,530	0		
He Yansong	Domestic natural person	0.64%	4,851,228	0		
Cao Yifan	Domestic natural person	0.48%	3,654,365	0		
Top 10 holders of unconditional shares						
Name of the shareholder	Amount of shares without sales restriction	Category of shares				
		Category of shares	Amount			
Shenzhen Banglin Technologies Development Co., Ltd.	68,774,273	RMB common shares	68,774,273			
Shenyin & Wanguo Securities' Contractual Repurchase Account	30,270,000	RMB common shares	30,270,000			
Huang Jupei	24,114,236	RMB common shares	24,114,236			
Shengjiu Investment Ltd.	21,339,867	Foreign shares listed in domestic exchanges	21,339,867			
Shenzhen Shilihe Investment Co., Ltd.	17,860,992	RMB common shares	17,860,992			
Huatai Securities' Contractual Repurchase Account	16,800,000	RMB common shares	16,800,000			
China Resource SZITIC Trust Co., Ltd. – Smart Gold No.28 Collective Trust Program	6,820,638	RMB common shares	6,820,638			
Wangnuo	5,955,530	RMB common shares	5,955,530			
He Yansong	4,851,228	RMB common shares	4,851,228			
Cao Yifan	3,654,365	Foreign shares listed in domestic exchanges	3,654,365			
Notes to top ten shareholder relationship or "action in concert"	Among the above-mentioned shareholders, Shenzhen Banglin Technology Development Co., Ltd. and Shengjiu Investment Co., Ltd. are parties action-in-concert. Shenzhen Banglin					

	Technology Development Co., Ltd. and Shenzhen Shilihe Investment Co., Ltd. are related parties. The Company is not notified of other action-in-concert or related parties among the other holders of current shares.
Statement of shareholders participating in margin trade (if any)	Huang Jupei holds 14,114,236 shares of the company through an ordinary account and 10,000,000 shares of the company through the GF Securities customer credit transaction guarantee securities account. Wangnuo holds 5,955,530 shares of the company through the Everbright Securities customer credit transaction guarantee securities account.

Agreed repurchase by shareholders of the company during the reporting period

Yes No

By the end of the reporting period, among the top 10 shareholders of the company:

1. The shareholder related to the Shenyin & Wanguo Securities Contractual Repurchase Account is Wangxue. Shares to be repurchased amount to 30,270,000, accounting for 4% of the aggregate shares.
2. The shareholder related to the Huatai Securities Contractual Repurchase Account is Wangxue. Shares to be repurchased amount to 16,800,000, accounting for 2.22% of the aggregate shares.

3 Significant Events

1. Details and reasons of changes in major accounting items and financial indicators

Item	Closing	Opening	Change %	Reason
Prepayment	30,446,374.53	22,006,159.22	38.35%	Increase in projects in progress, increase in the prepaid material cost
Other receivable	75,958,780.86	57,339,556.28	32.47%	Increase in bidded projects, increase in the paid deposit
Fixed assets	517,879,722.98	341,555,810.21	51.62%	Dongguan Songshanhu Hi-tech Park enters the service status and is accounted as fixed assets.
Construction in progress	3,249,199.35	175,138,694.28	-98.14%	Dongguan Songshanhu Hi-tech Park enters the service status and is accounted as fixed assets.
Prepayment received	148,961,674.90	77,741,903.02	91.61%	Increase in the received prepaid engineering amount.
Interest payable	11,654,977.21	1,954,557.27	496.30%	Increase in the provision of interest on short-term unmatured financing bonds
Item	This period	Last period	Change %	Reason
Asset impairment loss	14,625,807.80	20,950,126.57	-30.19%	Decrease in the provision of fixed assets and inventory impairment loss compared with last year
Net profit attributable to owners of the parent	56,714,053.07	18,378,273.37	208.59%	Increase in the revenue due to the increase in orders, increase in the profit from main businesses

2. Progress of significant events, influence and solutions

Fangda Town located in Longjing, Xili, Nanshan District, Shenzhen (the “Fangda Town”) has been incorporated into the *2012 Shenzhen Urban Renewal Plan Phase I*. The renovation plan of Fangda Town (draft) has been approved by the Shenzhen Planning and Land Resources Committee at the 2013 10th technical meeting. The draft has been released and will be implemented after the commencement permit is received from the Shenzhen government. The Fangda Town renewal plan will substantially boost the Company's brand equity.

3. No commitments of shareholders with over 5% of shares were made in the report period or carried over from previous terms.

4. Forecast of business performance in 2013

Applicable Inapplicable

5. The Company had no securities investment during report period.

6. The Company had no derivative investment during report period.

7. Reception of investigations, communications, or interviews in the reporting period

Time/date	Place	Way	Visitor	Visitor	Main content involved and materials provided
Between 01.07.13 and 30.09.13	Off site reception	Telephone communication	Individual	Public investor	Business and future development

4 Financial Statements

1. Financial statements

1. Consolidated Balance Sheet

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Beginning balance	Ending balance
Current asset:		
Monetary capital	221,838,894.80	278,283,968.61
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Notes receivable	5,028,155.60	7,638,780.88
Account receivable	897,861,287.41	774,890,805.30
Prepayment	30,446,374.53	22,006,159.22
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable	10,687.50	72,833.33
Dividend receivable		
Other receivables	75,958,780.86	57,339,556.28
Repurchasing of financial assets		
Inventory	279,606,127.88	269,120,191.36

Non-current asset due in 1 year		
Other current asset		
Total of current asset	1,510,750,308.58	1,409,352,294.98
Non-current assets:		
Disburse of consigned loans		
Sellable financial assets		
Investment held until mature		
Long-term receivable		
Long-term share equity investment	1,000,000.00	
Investment real estate	258,319,510.32	258,405,762.09
Fixed assets	517,879,722.98	341,555,810.21
Construction in process	3,249,199.35	175,138,694.28
Engineering materials		
Disposal of fixed assets	3,126.40	
Productive biological assets		
Gas & petrol		
Intangible assets	100,149,207.59	102,380,382.21
R&D expense	115,050.00	67,700.00
Goodwill		
Long-term amortizable expenses	4,309,889.95	4,710,860.65
Deferred income tax assets	39,811,496.97	36,191,385.09
Other non-current assets		
Total of non-current assets	924,837,203.56	918,450,594.53
Total of assets	2,435,587,512.14	2,327,802,889.51
Current liabilities		
Short-term loans	171,970,000.00	181,970,000.00
Loans from Central Bank		
Deposit received and held for others		
Call loan received		
Transactional financial liabilities		
Notes payable	195,807,362.79	160,779,777.03
Account payable	382,160,568.88	411,846,031.72
Prepayment received	148,961,674.90	77,741,903.02

Selling of repurchased financial assets		
Fees and commissions payable		
Employees' wage payable	14,438,129.93	23,945,272.55
Taxes payable	41,605,776.50	33,686,577.98
Interest payable	11,654,977.21	1,954,557.27
Dividend payable		
Other payables	40,184,531.47	41,340,056.86
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Non-current liabilities due in 1 year		
Other current liabilities	200,000,000.00	200,000,000.00
Total of current liabilities	1,206,783,021.68	1,133,264,176.43
Non-current liabilities:		
Long-term loans		
Bond payable		
Long-term payable	700.00	7,700.00
Special payables		
Anticipated liabilities		
Deferred income tax liabilities	36,873,843.96	36,210,286.40
Other non-current liabilities	1,980,952.40	
Total of non-current liabilities	38,855,496.36	36,217,986.40
Total liabilities	1,245,638,518.04	1,169,482,162.83
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	756,909,905.00	756,909,905.00
Capital reserves	80,299,867.64	80,299,867.64
Less: Shares in stock		
Special reserves		
Surplus reserves	30,494,542.94	30,494,542.94
Common risk provisions		
Retained profit	265,081,420.19	230,907,879.99

Difference caused by translation of foreign currency statements		
Total of owner's equity belong to the parent company	1,132,785,735.77	1,098,612,195.57
Minor shareholders' equity	57,163,258.33	59,708,531.11
Total of owners' equity (or shareholders' equity)	1,189,948,994.10	1,158,320,726.68
Total of liability and owners' equity (or shareholders' equity)	2,435,587,512.14	2,327,802,889.51

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

2. Balance Sheet of the Parent Company

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Beginning balance	Ending balance
Current asset:		
Monetary capital	37,763,542.96	25,790,604.84
Transactional financial assets		
Notes receivable		
Account receivable	5,157,141.38	5,157,141.38
Prepayment	21,538.47	20,271.85
Interest receivable		
Dividend receivable	39,356,000.00	39,356,000.00
Other receivables	389,836,532.29	512,298,790.52
Inventory		
Non-current asset due in 1 year		
Other current asset		
Total of current asset	472,134,755.10	582,622,808.59
Non-current assets:		
Sellable financial assets		
Investment held until mature		
Long-term receivable		
Long-term share equity investment	710,733,745.58	669,733,745.58
Investment real estate	254,766,256.33	254,766,256.33
Fixed assets	85,154,516.39	87,649,932.55

Construction in process	1,587,315.00	1,701,315.00
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Gas & petrol		
Intangible assets	8,851,013.83	9,352,376.54
R&D expense		
Goodwill		
Long-term amortizable expenses	56,603.75	75,471.70
Deferred income tax assets	12,325,546.75	12,333,214.12
Other non-current assets		
Total of non-current assets	1,073,474,997.63	1,035,612,311.82
Total of assets	1,545,609,752.73	1,618,235,120.41
Current liabilities		
Short-term loans	105,000,000.00	180,000,000.00
Transactional financial liabilities		
Notes payable		
Account payable	1,849,090.36	1,849,090.36
Prepayment received	693,045.60	753,108.70
Employees' wage payable	660,746.74	1,479,449.88
Taxes payable	646,779.08	826,456.83
Interest payable	11,526,643.84	1,954,557.27
Dividend payable		
Other payables	97,678,138.49	83,515,779.52
Non-current liabilities due in 1 year		
Other current liabilities	200,000,000.00	200,000,000.00
Total of current liabilities	418,054,444.11	470,378,442.56
Non-current liabilities:		
Long-term loans		
Bond payable		
Long-term payable		
Special payables		
Anticipated liabilities		

Deferred income tax liabilities	36,873,843.96	36,210,286.40
Other non-current liabilities		
Total of non-current liabilities	36,873,843.96	36,210,286.40
Total liabilities	454,928,288.07	506,588,728.96
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	756,909,905.00	756,909,905.00
Capital reserves	39,799,212.26	39,799,212.26
Less: Shares in stock		
Special reserves		
Surplus reserves	30,494,542.94	30,494,542.94
Common risk provisions		
Retained profit	263,477,804.46	284,442,731.25
Difference caused by translation of foreign currency statements		
Total of owners' equity (or shareholders' equity)	1,090,681,464.66	1,111,646,391.45
Total of liability and owners' equity (or shareholders' equity)	1,545,609,752.73	1,618,235,120.41

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

3. Consolidated Income Statement

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Total revenue	441,652,030.98	392,243,147.94
Incl. Business income	441,652,030.98	392,243,147.94
2. Total business cost	422,049,826.39	383,513,538.27
Incl. Business cost	363,673,640.07	330,006,121.51
Business tax and surcharge	5,643,697.09	5,835,392.31
Sales expense	9,467,499.65	8,744,019.13
Administrative expense	31,529,238.86	29,667,331.12
Financial expenses	5,135,374.03	6,188,068.08
Asset impairment loss	6,600,376.69	3,072,606.12
Plus: gains from change of fair		-718,646.00

value (“-“ for loss)		
Investment gains (“-“ for loss)	233,972.60	
3. Operational profit (“-“ for loss)	19,836,177.19	8,010,963.67
Plus: non-operational income	1,692,109.82	1,349,495.45
Less: non-operational expenditure	319,704.19	2,224,662.95
Incl. Loss from disposal of non-current assets	4,725.37	50,216.24
4. Gross profit (“-“ for loss)	21,208,582.82	7,135,796.17
Less: Income tax expenses	4,575,842.04	2,667,489.96
5. Net profit (“-“ for net loss)	16,632,740.78	4,468,306.21
Net profit attributable to the owners of parent company	17,352,459.65	5,734,975.97
Minor shareholders' equity	-719,718.87	-1,266,669.76
6. Earnings per share:	--	--
(1) Basic earnings per share	0.02	0.01
(2) Diluted earnings per share	0.02	0.01
7. Other misc. incomes		1,244,250.00
8. Total of misc. incomes	16,632,740.78	5,712,556.21
Total of misc. incomes attributable to the owners of the parent company	17,352,459.65	6,979,225.97
Total misc gains attributable to the minor shareholders	-719,718.87	-1,266,669.76

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

4. Consolidated Income Statement of Parent

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Turnover	11,457,016.90	12,137,858.09
Less: Operation cost	3,216,944.02	3,088,736.06
Business tax and surcharge	836,566.81	868,692.11
Administrative expense	5,461,079.65	4,861,548.53
Financial expenses	4,831,460.14	619,098.10
Asset impairment loss	21,501.47	21,681.65

2. Operational profit (“-“ for loss)	-2,910,535.19	2,678,101.64
Plus: non-operational income	41,918.34	573,820.38
Less: non-operational expenditure	61,631.00	15,111.16
Incl. Loss from disposal of non-current assets	1,631.00	7,904.26
3. Gross profit (“-“ for loss)	-2,930,247.85	3,236,810.86
Less: Income tax expenses	-323,215.06	325,403.54
4. Net profit (“-“ for net loss)	-2,607,032.79	2,911,407.32
5. Earnings per share:	--	--
6. Other misc. incomes		1,244,250.00
7. Total of misc. incomes	-2,607,032.79	4,155,657.32

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

5. Consolidate Income Statement (between the beginning of the year and end of the reporting period)

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Total revenue	1,178,480,070.86	921,532,745.74
Incl. Business income	1,178,480,070.86	921,532,745.74
Interest income		
Insurance fee earned		
Fee and commission received		
2. Total business cost	1,115,378,320.92	911,649,803.23
Incl. Business cost	948,167,460.51	748,092,151.95
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		

Business tax and surcharge	19,276,935.18	15,586,390.03
Sales expense	27,082,486.74	23,908,048.89
Administrative expense	88,876,734.26	85,563,558.46
Financial expenses	17,348,896.43	17,549,527.33
Asset impairment loss	14,625,807.80	20,950,126.57
Plus: gains from change of fair value (“-“ for loss)		5,218,024.15
Investment gains (“-“ for loss)	233,972.60	
Incl. Investment gains from affiliates and joint ventures		
Exchange gains (“-“ for loss)		
3. Operational profit (“-“ for loss)	63,335,722.54	15,100,966.66
Plus: non-operational income	4,196,811.56	4,504,489.95
Less: non-operational expenditure	992,003.35	2,644,968.16
Incl. Loss from disposal of non-current assets	174,448.90	184,637.43
4. Gross profit (“-“ for loss)	66,540,530.75	16,960,488.45
Less: Income tax expenses	12,371,750.46	10,574,947.00
5. Net profit (“-“ for net loss)	54,168,780.29	6,385,541.45
Including: Net profit realized by the entity taken over before the takeover		0.00
Net profit attributable to the owners of parent company	56,714,053.07	18,378,273.37
Minor shareholders' equity	-2,545,272.78	-11,992,731.92
6. Earnings per share:	--	--
(1) Basic earnings per share	0.07	0.02
(2) Diluted earnings per share	0.07	0.02
7. Other misc. incomes		1,241,581.63
8. Total of misc. incomes	54,168,780.29	7,627,123.08
Total of misc. incomes attributable to the owners of the parent company	56,714,053.07	19,619,855.00
Total misc gains attributable to the minor shareholders	-2,545,272.78	-11,992,731.92

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

6. Consolidate Income Statement of Parent (between the beginning of the year and end of the reporting period)

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Turnover	35,037,418.48	34,431,317.81
Less: Operation cost	7,959,134.09	7,819,214.48
Business tax and surcharge	2,666,384.63	2,669,802.44
Sales expense		-15,831.98
Administrative expense	15,842,714.14	13,975,126.09
Financial expenses	6,918,105.00	4,093,375.99
Asset impairment loss	36,319.22	144,538.88
Plus: gains from change of fair value ("-" for loss)		5,609,909.15
Investment gains ("-" for loss)		
Incl. Investment gains from affiliates and joint ventures		
2. Operational profit ("-" for loss)	1,614,761.40	11,355,001.06
Plus: non-operational income	1,066,929.44	1,483,991.16
Less: non-operational expenditure	434,879.83	71,787.80
Incl. Loss from disposal of non-current assets	35,916.02	64,580.90
3. Gross profit ("-" for loss)	2,246,811.01	12,767,204.42
Less: Income tax expenses	671,224.93	2,874,955.00
4. Net profit ("-" for net loss)	1,575,586.08	9,892,249.42
5. Earnings per share:	--	--
(1) Basic earnings per share		
(2) Diluted earnings per share		
6. Other misc. incomes		1,241,581.63
7. Total of misc. incomes	1,575,586.08	11,133,831.05

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

7. Consolidate Cash Flow Statement (between the beginning of the year and end of the reporting period)

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Net cash flow from business operation		
Cash received from sales of products and providing of services	1,188,588,557.12	887,361,725.54
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of trade financial asset disposal		
Cash received as interest, processing fee, and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	1,402,551.72	1,171,203.29
Other cash received from business operation	38,275,896.85	42,764,668.53
Sub-total of cash inflow from business activities	1,228,267,005.69	931,297,597.36
Cash paid for purchasing of merchandise and services	941,055,438.35	691,603,210.10
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		

Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	121,844,649.34	95,077,032.09
Taxes paid	57,147,153.49	60,046,017.01
Other cash paid for business activities	88,752,527.07	88,968,655.57
Sub-total of cash outflow from business activities	1,208,799,768.25	935,694,914.77
Cash flow generated by business operation, net	19,467,237.44	-4,397,317.41
2. Cash flow generated by investment:		
Cash received from investment recovery	20,000,000.00	
Cash received as investment profit	233,972.60	
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	230,729.00	7,678,900.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	1,401,800.10	3,817,823.94
Sub-total of cash inflow due to investment activities	21,866,501.70	11,496,723.94
Cash paid for construction of fixed assets, intangible assets and other long-term assets	41,497,821.99	90,524,758.39
Cash paid as investment	21,000,000.00	
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	2,023,903.10	3,177,396.89
Subtotal of investment activity cash outflows	64,521,725.09	93,702,155.28
Cash flow generated by investment activities, net	-42,655,223.39	-82,205,431.34

3. Cash flow generated by financing:		
Cash received from investment		
Incl. Cash received as investment from minor shareholders		
Cash received as loans	100,000,000.00	499,500,000.00
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	100,000,000.00	499,500,000.00
Cash to repay debts	110,000,000.00	496,000,000.00
Cash paid as dividend, profit, or interests	30,971,678.77	20,606,713.20
Incl. Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	131,621.53	15,150,000.00
Subtotal of cash outflow due to financing activities	141,103,300.30	531,756,713.20
Net cash flow generated by financing	-41,103,300.30	-32,256,713.20
4. Influence of exchange rate alternation on cash and cash equivalents	-7.06	17,490.43
5. Net increase of cash and cash equivalents	-64,291,293.31	-118,841,971.52
Plus: Balance of cash and cash equivalents at the beginning of term	240,167,372.86	300,177,008.78
6. Balance of cash and cash equivalents at the end of term	175,876,079.55	181,335,037.26

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

8. Consolidate Cash Flow Statement of Parent (between the beginning of the year and end of the reporting period)

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
1. Net cash flow from business operation		

Cash received from sales of products and providing of services	26,341,564.44	27,265,517.56
Tax returned		
Other cash received from business operation	499,639,535.86	416,575,106.12
Sub-total of cash inflow from business activities	525,981,100.30	443,840,623.68
Cash paid for purchasing of merchandise and services	9,654,563.50	9,276,770.26
Cash paid to staffs or paid for staffs	9,712,788.14	6,820,862.33
Taxes paid	3,460,417.50	3,187,806.16
Other cash paid for business activities	346,256,016.42	292,929,149.19
Sub-total of cash outflow from business activities	369,083,785.56	312,214,587.94
Cash flow generated by business operation, net	156,897,314.74	131,626,035.74
2. Cash flow generated by investment:		
Cash received from investment recovery		
Cash received as investment profit		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	729.00	900.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	729.00	900.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets	192,948.50	3,324,945.00
Cash paid as investment	41,000,000.00	
Net cash received from subsidiaries and other operational units		
Other cash paid for investment		249,000.00

activities		
Subtotal of investment activity cash outflows	41,192,948.50	3,573,945.00
Cash flow generated by investment activities, net	-41,192,219.50	-3,573,045.00
3. Cash flow generated by financing:		
Cash received from investment		
Cash received as loans	15,000,000.00	110,000,000.00
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	15,000,000.00	110,000,000.00
Cash to repay debts	90,000,000.00	210,000,000.00
Cash paid as dividend, profit, or interests	28,574,895.10	9,557,400.00
Other cash paid for financing activities	131,621.53	200,000.00
Subtotal of cash outflow due to financing activities	118,706,516.63	219,757,400.00
Net cash flow generated by financing	-103,706,516.63	-109,757,400.00
4. Influence of exchange rate alternation on cash and cash equivalents		
5. Net increase of cash and cash equivalents	11,998,578.61	18,295,590.74
Plus: Balance of cash and cash equivalents at the beginning of term	25,540,604.84	24,337,261.80
6. Balance of cash and cash equivalents at the end of term	37,539,183.45	42,632,852.54

Legal representative: Xiong Jianming CFO: Lin Keping Accounting Manager: Chen Yonggang

2 Auditor's report

The 3rd quarterly report has not been audited.

China Fangda Group Co., Ltd.

Board of Directors

October 23, 2013