



**Hefei Meiling Co., Ltd.
The First Quarterly Report of 2013**

April 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 should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

Mr. Liu Tabin, person in charge of the Company, President Mr. Li Wei, Mr. Yu Wanchun, person in charge of accounting works and Mr. Tang Bin, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

The First Quarterly Report of 2013 has not been audited.

All Directors are attended the Board Meeting for Quarterly Report deliberation.

Section II. Main financial data and changes of shareholders

I. Main financial data

Whether has retroactive adjustment or re-statement on financial data of previous' period in this report or not

Yes No

	Jan. – March 2013	Jan. – March 2012	Changes of this period over same period of last year (%)
Operating income (RMB)	2,385,518,958.63	2,295,111,500.70	3.94%
Net profit attributable to shareholders of the listed company(RMB)	40,877,845.25	34,607,026.34	18.12%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	38,141,375.39	32,956,603.96	15.73%
Net cash flow arising from operating activities(RMB)	-89,944,369.56	-131,391,287.31	31.54%
Basic earnings per share (RMB/Share)	0.0535	0.0544	-1.65%
Diluted earnings per share (RMB/Share)	0.0535	0.0544	-1.65%
Weighted average ROE (%)	1.37%	1.23%	0.14%
	2013-3-31	2012-12-31	Changes of this period-end over same period-end of last year (%)
Total assets (RMB)	8,362,773,656.09	7,886,140,432.47	6.04%
Net assets attributable to shareholder of listed company (RMB)	2,996,582,326.59	2,955,787,652.31	1.38%

Note: The reporting period, basic earnings per share and diluted earnings per share compared to the same period last year decrease was primarily due to the report of such a measure, the denominator is 763,739,205 shares, a year-on-year calculation of the denominator of 636,449,338 shares. August 2012 due to the capitalization of capital reserve to increase the company's total share capital, but does not affect the amount of shareholders' equity, increased the total share capital of the Company increased from 636,449,338 shares to 763,739,205 shares. Calculated according to the latest adjustment to share capital from January to March 2012, basic earnings per share and diluted earnings per share were 0.0453 RMB, the figure of the reporting period, an increase of 18.10% over the same period last year.

Whether shares capital changes and owners equity been affected due to new shares issued, additional offering, allotment of shares, equity incentive exercise and buy-back from this period-end to date of report disclosed or not

Yes No

Items of non-recurring gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-206,393.36	--
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)	2,813,020.29	--
Other non-operating income and expenditure except for the aforementioned items	455,935.72	--
Impact on income tax	316,567.41	--
Impact on minority shareholders' equity (post-tax)	9,525.38	--
Total	2,736,469.86	--

II. Total number of shareholders at the end of this report period and top ten shareholders

Unit: Share

Total number of shareholders at the end of report period							62,335
Top ten shareholders							
Shareholder's name	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	-	-	
Hefei Xingtai Holding Group Co., Ltd.	State-owned legal person	6.26%	47,823,401	-	-	-	
Zhengde life insurance Co., LTD-universal insurance products	Funds, financial products, etc.	3.77%	28,800,000	-	-	-	
Changhong Electric (Hong Kong) Trading Co., Ltd.	Foreign legal person	3.30%	25,165,823	-	-	-	
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	2.16%	16,486,683	-	-	-	
Ningbo Wei Chuang Joint Investment Co., Ltd.	Domestic general legal person	1.70%	12,960,000	-	-	-	
CAO SHENGCHUN	Foreign natural person	1.68%	12,820,100	-	-	-	
CCB-Baokang Consumption Securities Investment Funds	Funds, financial products, etc.	0.86%	6,539,575	-	-	-	
ABC-Guotai Jinniu Innovation Growth Stock Securities Investment Funds	Funds, financial products, etc.	0.79%	5,999,751	-	-	-	
BOC-Huatai Borui Shengshi China Stock Open-end Securities Investment Funds	Funds, financial products, etc.	0.70%	5,312,058	-	-	-	
Top ten shareholders with unrestricted shares held							

Shareholder's name	Amount of unrestricted shares held	Type of shares	
		Type	Amount
Sichuan Changhong electric Co., LTD	108,797,210	RMB ordinary shares	108,797,210
Hefei Xingtai Holding Group Co., Ltd.	47,823,401	RMB ordinary shares	47,823,401
Zhengde life insurance Co., LTD-universal insurance products	28,800,000	RMB ordinary shares	28,800,000
Changhong Electric (Hong Kong) Trading Co., Ltd.	25,165,823	Domestically listed foreign shares	25,165,823
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	16,486,683	Domestically listed foreign shares	16,486,683
Ningbo Wei Chuang Joint Investment Co., Ltd.	12,960,000	RMB ordinary shares	12,960,000
CAO SHENGCHUN	12,820,100	Domestically listed foreign shares	12,820,100
CCB-Baokang Consumption Securities Investment Funds	6,539,575	RMB ordinary shares	6,539,575
ABC-Guotai Jinniu Innovation Growth Stock Securities Investment Funds	5,999,751	RMB ordinary shares	5,999,751
BOC-Huatai Borui Shengshi China Stock Open-end Securities Investment Funds	5,312,058	RMB ordinary shares	5,312,058
Note of related relationship among the above shareholders and concerted actors	Among the above shareholders, Changhong (Hong Kong) Trade 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) and other top 8 shareholders; and the Company has not known whether there exists any related relationship among other shareholders or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies either.		

Section III. Significant Events

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

1. Changes and reasons of items in balance sheet

Unit: RMB

Item	Balance at period-end	Balance at year-begin	Changes ratio	Reasons of changes
Account paid in advance	83,081,258.99	49,414,835.51	68.13%	Large purchase payment in advance increased to production preparation for the coming of production busy season.
Wages payable	74,068,448.35	137,325,501.89	-46.06%	Staff remuneration and annual bonus of December, withdrawal for year of 2012, was distributed in this period.
Minority shareholders equity	16,973,631.22	25,682,269.34	-33.91%	Mainly due to the loss from part of the joint venture marketing subsidiaries in the period.

2 Changes and reasons of items in profit statement

Unit: RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
Business tax and surcharge	22,247,024.16	6,779,869.41	228.13%	Provision increased and paid disposal funds for waste electronic products, no amount at the same period of last year.
Financial expenses	-15,243,237.94	-23,224,251.62	34.36%	The exchange income decreased y-o-y in the period.
Assets impairment losses	12,910,074.17	9,435,721.68	36.82%	The bad debt provision of accounts receivable withdrawal increased in this period.
Investment income(loss is listed with "-")	-34,904.04	-383,521.48	90.90%	The loss amount of joint ventures decreased y-o-y.
Including: Income from investment for associated enterprise and joint venture	-34,904.04	-383,521.48	90.90%	The loss amount of joint ventures decreased y-o-y.
Add: non-operation income	3,346,446.60	2,376,415.27	40.82%	Governmental subsidy income confirmed in the report increased y-o-y.
Less: non-operation expenditure	283,883.95	590,525.91	-51.93%	The disposal of non-current assets decreased.

Including: loss from disposal of non-current assets	296,720.17	471,937.41	-37.13%	The disposal of non-current assets decreased.
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3 Changes and reasons of items in cash flow statement

Unit: RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
Cash received from other operating activities	19,448,404.44	4,733,910.95	310.83%	The parent company received the allowance of energy-saving and benefiting the people in the period.
Taxes paid	119,955,382.18	53,089,813.56	125.95%	The subsidiary Sichuan Changhong Air-conditioning Co., Ltd. paid tax and fee of last year's delay payment in the period.
Cash received from other investment activities	5,208,004.79	3,266,905.75	59.42%	Cash received from bank deposit interest increased y-o-y in the period.
Cash received from loans gains	52,308,945.90	9,517,752.79	449.59%	The subsidiary Zhongshan Changhong received invoice financing and export bill purchase loan in the period.
Cash paid for settling debts	61,038,234.85	11,000,000.00	454.89%	The subsidiary Zhongshan Changhong paid invoice financing and export bill purchase loan in the period.

II. Analysis and explanation of significant events and their influence and solutions

1. Particular about process of the fund raised and investment of fund raised in the report period

Privately A-stock offering of the Company was implemented in 2010, raised capital totally amounting to RMB 1,199,999,820, net raised capital of RMB 1,177,954,320 after deducted RMB 22,045,500 issuing expense (including RMB 20,500,000 underwriting fee and sponsor charge).

Ended as 31st March 2013, funds used for project of fund raised totally amounting to RMB 788,604,075. Besides, idle raised fund temporary for current capital supplementation was RMB 300 million. (More details found in Announcement of No. 2012-045, 2012-046, 2012-047 and 2012-050 disclosed in appointed medial dated 24 November 2012 and 12 December) Balance of raised fund of the Company amount as RMB 413,734,686 (including interest RMB 29,384,440 and RMB 300 million, supplemented current capital of the Company temporary)

Investment of raised fund project RMB 788,604,075 including: RMB 450,132,832 invested in production base of Athena luxury refrigerator; RMB 190,412,099 invested in capacity expansion of ice box; RMB 110,091,034 invested in capacity expansion of environmentally refrigerator(including saving interest RMB 91,034); RMB 37,968,110 used for current capital supplementation temporary(including saving interest RMB

13,791).

Ended as 31st March 2013, phase I of production base of Athena luxury refrigerator reached expected serviceable condition with annual capacity of 1.2 million Athena luxury refrigerator (double-shift); first stage of phase II has come into production with annual capacity of 0.4 million Athena luxury refrigerator (double-shift); the project still in process of acceptance and settlement at present; phase I of capacity expansion for ice box has put into production in January 2011 with favorable running condition, first stage of phase II has completed and put into official production in March 2012 with annual capacity of 0.4 million ice box (double-shift) and the project still in process of acceptance and settlement at present; according to the construction schedule for capacity expansion of ice box, 2nd stage of phase II start in July 2012 and plans to put into production at end of April 201; project of capacity expansion for environmentally refrigerator has put into production and with a favorable running condition in report period.

2. Overview of other significant events

Overview	Date for disclosure	Information index for temporary report disclosure
On 5 February 2013, the sixth restricted shares after implementation of share merger reform have released for trading. For this release, four person holds the shares in total, and 1,138,205 shares are released, a 0.1490% in total share capital of the Company.	2013-2-1	Juchao Website: http://www.cninfo.com.cn (No.: 2013-006)
On 25 January 2013, the Resignation of Mr. Li Daijiang, deputy president of the Company, was received by the Board, Mr. Li Daijiang resign deputy president of the Company due to occupation mobility. On 28 January 2013, Mr. Liao Tao was appointed as deputy president of the Company by the Board.	2013-1-29	Juchao Website: http://www.cninfo.com.cn (No.: 2013-002 and No.: 2013-003)
Being deliberation and approved in 22 nd meeting of 7 th session of the Board and First extraordinary shareholders general meeting of 2013, approval opinion from Independent Directors and suffrage-avoiding from related shareholders and related Directors, through public bidding, agrees to entrusted the after-sale service business domestically to the third party, a professional household after-service enterprise—Sichuan Kuaiyidian Electric Appliance Service Chain Co., Ltd. (“Kuaiyidian Company”). The aforesaid event constitutes a daily related transaction for Kuaiyidian Company is the subordinate 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, No.: 2013-004 and No.: 2013-007)
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 the acquisition of Hefei Meiling Holding Group co., LTD. As at the end of reporting period, the litigation	2013-3-22	Juchao Website: http://www.cninfo.com.cn ”Annual Report of 2012”

and arbitration Meiling brand involved can be found in “Section V. Important Events” described in Annual Report of 2012		
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III. Commitments made within the report period or persisted to the period by the Company or shareholder with over 5 percent shares held

Item of Commitments	Promisee	Content of commitments		Date	Term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong	Promised in the Acquisition Report of Hefei Meiling Co., Ltd: after completion of equity acquisition of Meiling Electrical Appliances, the acquirer committed and promised as follows in order to prevent horizontal competition:	1. The acquirer shall not engage in 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.	2007-6-12	Valid for long term	Strictly implemented
			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.		Valid for long term	Strictly implemented
			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.		Valid for long term	Strictly implemented
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	Valid for long term	Strictly implemented
			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	Valid for long term	Strictly implemented
			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	10 January 2011 to 10 January 2014	Implementing

		Commit to transfer the land and buildings to 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 upon determination of assets property	2010-9-7	Before completion of implementation	
		Commit to authorized Changhong Air Conditioning and Zhongshan Air Conditioning to use “Changhong” trademark and relevant patents for free.	2010-11-6	Valid for long term	Strictly implemented
	Changhong Minsheng Logistics Co., Ltd.	Changhong Minsheng Logistics Co., Ltd. commits to transfer the land and buildings to Mianyang Meiling upon determination of the relevant building title certificate.	2010-9-7	Before completion of implementation	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	Valid for long term	Strictly implemented

Commitment in respect of applying certain idle proceeds in supplement current capital for temporary purpose	The Company	1. The current capital supplemented with certain idle proceeds is only authorized to use for production operation purposes.	2012-11-24	11 December 2012 to 11 December 2013	Implementing
		2. The idle proceeds supplementing current capital will be returned to proceeds account upon maturity.			
		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 investment project that the proceeds are related to, and not to change the application purpose of proceeds raised.			
		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.			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	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.	2009-12-10	Before completion of implementation	Implementing
		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.		Valid for long term	Strictly implemented
		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		Valid for long term	Strictly implemented

	Electrical Appliances.			
Perform the commitment promptly or not	√ Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable			
Specific reason For non-performance and the next plan	-			
Make commitment in respect of the competition and related transaction or not	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Solution period for commitment	-			
Solution method	-			
Performance of commitment	-			

IV. Forecast of operation performance from Jan. – June of 2013

□Applicable √Not applicable

V. Securities Investment

□Applicable √Not applicable

VI. Derivative Investment

Derivative investment held at period-end

□Applicable √Not applicable

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

Date	Place	Method	Type of investors	Investor	Contents discussed and materials supplied
2013-01-14	Conference room of the company	Spot investigation	Institution	Changjiang Securities Co., Ltd., Huatai-Pine Bridge Fund Management Co., Ltd., Fortune SG Fund Management Co., Ltd.	Business production status of the Company, no material required
2013-01-17	Conference room of the company	Spot investigation	Institution	China International Fund Management Co., Ltd.	Business production status of the Company, no material required
2013-01-23	Conference room of the company	Spot investigation	Institution	Donghai Securities Co., Ltd., Guotai Fund Management Co., Ltd.	Business production status of the Company, no material required
2013-01-30	Conference room of the company	Spot investigation	Institution	China Asset Management Co., Ltd.	Business production status of the Company, no material required
2013-03-25	Conference room of the company	Spot investigation	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.	Business production status of the Company, no material required
2013-03-28	Conference room of the company	Spot investigation	Institution	Everbright Securities Asset Management Co., Ltd., Guotai Fund Management Co., Ltd., Nanjing Securities Co., Ltd., China Merchants Securities Co., Ltd., China Asset Management Co., Ltd.	Business production status of the Company, no material required
2013-03-29	Conference room of the company	Spot investigation	Institution	Northeast Securities Co., Ltd.	Business production status of the Company, no material required

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Hefei Meiling Co., Ltd.

Unit: RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary fund	1,571,887,003.98	1,701,307,578.13
Settlement provisions		
Capital lent		
Transaction finance asset		
Notes receivable	1,986,419,185.38	1,738,725,417.01
Account receivable	880,153,387.28	753,762,080.84
Accounts paid in advance	83,081,258.99	49,414,835.51
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	31,973,367.14	31,288,336.44
Purchase restituted finance asset		
Inventories	1,726,353,449.15	1,503,307,251.66
Non-current asset due within one year		
Other current assets		
Total current assets	6,279,867,651.92	5,777,805,499.59
Non-current assets:		
Granted entrust loans and advances		
Financial assets available for sale		
Hold-to-maturity investment		

Long-term account receivable		
Long-term equity investment	33,823,139.25	35,150,428.02
Investment real estate	16,307,814.30	16,509,959.84
Fixed assets	1,222,106,262.37	1,243,889,950.81
Construction in process	70,836,886.47	70,705,114.33
Engineering material		
Disposal of fixed asset		
Productive biological assets		
Oil and gas asset		
Intangible assets	621,857,816.57	628,269,816.49
Expense on Research and Development	36,070,725.79	31,746,326.41
Goodwill	5,529,842.09	5,529,842.09
Long-term expenses to be apportioned		
Deferred income tax asset	76,373,517.33	76,533,494.89
Other non-current asset		
Total non-current asset	2,082,906,004.17	2,108,334,932.88
Total assets	8,362,773,656.09	7,886,140,432.47
Current liabilities:		
Short-term loans	36,658,004.61	45,456,805.14
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Transaction financial liabilities		
Notes payable	1,242,764,734.19	1,268,157,043.71
Accounts payable	1,776,654,307.85	1,462,293,958.34
Accounts received in advance	551,127,083.63	459,974,402.43
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	74,068,448.35	137,325,501.89
Taxes payable	117,461,212.08	111,106,673.16
Interest payable		

Dividend payable	1,550,674.07	1,551,602.30
Other accounts payable	958,446,640.44	826,111,040.95
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Non-current liabilities due within 1 year	7,777,304.72	7,777,304.72
Other current liabilities		
Total current liabilities	4,766,508,409.94	4,319,754,332.64
Non-current liabilities:		
Long-term loans	131,114,600.00	131,114,600.00
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities	360,897,211.83	361,156,281.38
Deferred income tax liabilities		
Other non-current liabilities	90,697,476.51	92,645,296.80
Total non-current liabilities	582,709,288.34	584,916,178.18
Total liabilities	5,349,217,698.28	4,904,670,510.82
Owners' equity(or Shareholders' equity):		
Paid-in capital(or share capital)	763,739,205.00	763,739,205.00
Capital public reserve	1,482,582,391.41	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	426,622,106.30	385,744,261.05
Balance difference of foreign currency translation	-1,362,133.28	-1,278,962.31
Total owner's equity attributable to parent Company	2,996,582,326.59	2,955,787,652.31
Minority interests	16,973,631.22	25,682,269.34
Total owner's equity(or shareholders	3,013,555,957.81	2,981,469,921.65

equity)		
Total liabilities and owner's equity(or shareholders equity)	8,362,773,656.09	7,886,140,432.47

Legal Representative: Liu Tibin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

2. Balance sheet of parent company

Prepared by Hefei Meiling Co., Ltd.

Unit: RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary fund	1,238,102,394.62	1,235,992,818.90
Transaction finance asset		
Notes receivable	1,556,682,704.19	1,498,979,952.77
Account receivable	1,035,467,592.58	958,731,705.08
Accounts paid in advance	246,970,368.68	295,676,384.52
Interest receivable		
Dividend receivable		
Other receivables	46,022,746.51	51,135,324.78
Inventory	629,368,530.21	555,767,921.46
Non-current asset due within one year		
Other current assets		
Total current assets	4,752,614,336.79	4,596,284,107.51
Non-current assets:		
Financial assets available for sale		
Hold-to-maturity investment		
Long-term account receivable		
Long-term equity investment	841,534,933.94	842,013,498.21
Investment real estate	13,109,097.82	13,227,570.00
Fixed assets	873,979,788.17	895,143,842.40
Construction in process	79,303,233.47	78,373,941.23
Engineering material		
Disposal of fixed asset		
Productive biological assets		

Oil and gas asset		
Intangible assets	478,002,193.17	480,873,122.36
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	68,642,288.88	69,870,668.72
Other non-current asset		
Total non-current asset	2,354,571,535.45	2,379,502,642.92
Total assets	7,107,185,872.24	6,975,786,750.43
Current liabilities:		
Short-term loans		13,073,840.00
Transaction financial liabilities		
Notes payable	941,700,677.10	1,055,969,152.25
Accounts payable	1,398,179,919.80	1,313,834,344.18
Accounts received in advance	200,157,033.44	199,639,453.81
Wage payable	59,154,035.10	101,332,386.23
Taxes payable	82,578,926.77	45,611,775.99
Interest payable		
Dividend payable	1,303,652.76	1,303,652.76
Other accounts payable	661,692,498.36	544,916,287.47
Non-current liabilities due within 1 year	5,793,954.08	5,793,954.08
Other current liabilities		
Total current liabilities	3,350,560,697.41	3,281,474,846.77
Non-current liabilities:		
Long-term loans	131,114,600.00	131,114,600.00
Bonds payable		
Long-term account payable		
Special accounts payable		
Projected liabilities	360,897,211.83	361,156,281.38
Deferred income tax liabilities		
Other non-current liabilities	76,427,806.04	77,879,788.72
Total non-current liabilities	568,439,617.87	570,150,670.10
Total liabilities	3,919,000,315.28	3,851,625,516.87

Owners' equity(or Shareholders' equity):		
Paid-in 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
Provision of general risk		
Retained profit	601,765,565.97	537,741,242.57
Balance difference of foreign currency translation		
Total owner's equity(or shareholders equity)	3,188,185,556.96	3,124,161,233.56
Total liabilities and owner's equity(or shareholders equity)	7,107,185,872.24	6,975,786,750.43

Legal Representative: Liu Tibin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

3. Consolidated profit statement

Prepared by Hefei Meiling Co., Ltd.

Unit: RMB

Item	Amount in this period	Amount in last period
I. Total operating income	2,385,518,958.63	2,295,111,500.70
Including: Operating income	2,385,518,958.63	2,295,111,500.70
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	2,340,189,474.26	2,249,394,271.33
Including: Operating cost	1,823,896,068.82	1,776,374,196.54
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	22,247,024.16	6,779,869.41
Sales expenses	407,992,096.94	396,490,340.08
Administration expenses	88,387,448.11	83,538,395.24
Financial expenses	-15,243,237.94	-23,224,251.62
Losses of devaluation of asset	12,910,074.17	9,435,721.68
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	-34,904.04	-383,521.48
Including: Investment income on affiliated Company and joint venture	-34,904.04	-383,521.48
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	45,294,580.33	45,333,707.89
Add: Non-operating income	3,346,446.60	2,376,415.27
Less: Non-operating expense	283,883.95	590,525.91
Including: Disposal loss of non-current asset	296,720.17	471,937.41
IV. Total Profit (Loss is listed with "-")	48,357,142.98	47,119,597.25
Less: Income tax	14,782,488.53	11,911,447.40
V. Net profit (Net loss is listed with "-")	33,574,654.45	35,208,149.85
Including: net profit realized for merged party before combination		
Net profit attributable to owner's equity of parent Company	40,877,845.25	34,607,026.34
Minority shareholders' gains and losses	-7,303,190.80	601,123.51
VI. Earnings per share	--	--
i. Basic earnings per share	0.0535	0.0544
ii. Diluted earnings per share	0.0535	0.0544
VII. Other consolidated income	-138,618.29	-150,471.20

VIII. Total consolidated income	33,436,036.16	35,057,678.65
Total consolidated income attributable to owners of parent Company	40,794,674.28	34,516,743.62
Total consolidated income attributable to minority shareholders	-7,358,638.12	540,935.03

Legal Representative: Liu Tibin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

4. Profit statement of parent company

Prepared by Hefei Meiling Co., Ltd.

Unit: RMB

Item	Amount in this period	Amount in last period
I. Operation income	1,545,646,587.62	1,397,547,537.71
Less: Operation cost	1,302,874,910.04	1,216,817,422.17
Operating tax and extras	16,447,323.79	3,636,826.24
Sales expenses	123,574,368.73	102,877,657.98
Administration expenses	41,875,502.56	46,198,636.42
Financial expenses	-12,809,624.29	-20,606,542.37
Losses of devaluation of asset	-584,793.30	-7,808,163.46
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	38,031.73	62,328.45
Including: Investment income on affiliated Company and joint venture	38,031.73	62,328.45
II. Operating profit (Loss is listed with "-")	74,306,931.82	56,494,029.18
Add: Non-operating income	2,436,660.68	1,303,861.13
Less: Non-operating expense	215,012.31	470,558.33
Including: Disposal loss of non-current asset	215,012.31	470,558.33
III. Total Profit (Loss is listed with "-")	76,528,580.19	57,327,331.98
Less: Income tax	12,504,256.79	10,879,464.65
IV. Net profit (Net loss is listed with "-")	64,024,323.40	46,447,867.33

V. Earnings per share	--	--
i. Basic earnings per share	0.0838	0.07
ii. Diluted earnings per share	0.0838	0.07
VI. Other consolidated income		
VII. Total consolidated income	64,024,323.40	46,447,867.33

Legal Representative: Liu Tabin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

5. Consolidated cash flow statement

Prepared by Hefei Meiling Co., Ltd.

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	1,570,128,786.37	1,390,920,733.09
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		
Insured savings and net increase of 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	11,153,348.60	13,744,120.64

Other cash received concerning operating activities	19,448,404.44	4,733,910.95
Subtotal of cash inflow arising from operating activities	1,600,730,539.41	1,409,398,764.68
Cash paid for purchasing commodities and receiving labor service	1,220,761,645.96	1,170,601,469.32
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	215,306,868.55	176,132,186.73
Taxes paid	119,955,382.18	53,089,813.56
Other cash paid concerning operating activities	134,651,012.28	140,966,582.38
Subtotal of cash outflow arising from operating activities	1,690,674,908.97	1,540,790,051.99
Net cash flows arising from operating activities	-89,944,369.56	-131,391,287.31
II. Cash flows arising from investing activities:		
Cash received from recovering investment		-50,000.00
Cash received from investment income	516,596.00	
Net cash received from disposal of fixed, intangible and other long-term assets	204,926.00	557,803.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	5,208,004.79	3,266,905.75

Subtotal of cash inflow from investing activities	5,929,526.79	3,774,708.75
Cash paid for purchasing fixed, intangible and other long-term assets	37,181,273.50	50,796,274.87
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities	100,000.00	63,443.51
Subtotal of cash outflow from investing activities	37,281,273.50	50,859,718.38
Net cash flows arising from investing activities	-31,351,746.71	-47,085,009.63
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	52,308,945.90	9,517,752.79
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	52,308,945.90	9,517,752.79
Cash paid for settling debts	61,038,234.85	11,000,000.00
Cash paid for dividend and profit distributing or interest paying	1,461,101.85	1,916,677.69
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		1,305.35
Subtotal of cash outflow from financing activities	62,499,336.70	12,917,983.04
Net cash flows arising from	-10,190,390.80	-3,400,230.25

financing activities		
IV. Influence on cash due to fluctuation in exchange rate	2,065,932.92	3,192,615.43
V. Net increase of cash and cash equivalents	-129,420,574.15	-178,683,911.76
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	1,571,887,003.98	1,222,990,767.65

Legal Representative: Liu Tabin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

6. Cash flow statement of parent company

Prepared by Hefei Meiling Co., Ltd.

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	1,105,445,763.90	1,039,414,237.50
Write-back of tax received	9,750,170.95	13,354,107.09
Other cash received concerning operating activities	15,994,927.47	406,351.37
Subtotal of cash inflow arising from operating activities	1,131,190,862.32	1,053,174,695.96
Cash paid for purchasing commodities and receiving labor service	963,186,320.66	1,065,929,384.89
Cash paid to/for staff and workers	109,600,118.92	86,635,481.81
Taxes paid	41,144,653.42	32,916,050.67
Other cash paid concerning operating activities	29,306,864.76	50,423,248.32
Subtotal of cash outflow arising from operating activities	1,143,237,957.76	1,235,904,165.69
Net cash flows arising from operating activities	-12,047,095.44	-182,729,469.73
II. Cash flows arising from investing		

activities:		
Cash received from recovering investment		
Cash received from investment income	516,596.00	
Net cash received from disposal of fixed, intangible and other long-term assets	204,926.00	475,073.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	5,262,086.34	1,976,936.35
Subtotal of cash inflow from investing activities	5,983,608.34	2,452,009.35
Cash paid for purchasing fixed, intangible and other long-term assets	29,206,903.45	33,908,559.70
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	29,206,903.45	33,908,559.70
Net cash flows arising from investing activities	-23,223,295.11	-31,456,550.35
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities	50,756,558.58	
Subtotal of cash inflow from financing activities	50,756,558.58	
Cash paid for settling debts	13,073,840.00	
Cash paid for dividend and profit distributing or interest paying	1,260,000.00	1,454,021.87

Other cash paid concerning financing activities	413,962.50	10,000,000.00
Subtotal of cash outflow from financing activities	14,747,802.50	11,454,021.87
Net cash flows arising from financing activities	36,008,756.08	-11,454,021.87
IV. Influence on cash due to fluctuation in exchange rate	1,371,210.19	2,359,884.64
V. Net increase of cash and cash equivalents	2,109,575.72	-223,280,157.31
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	1,238,102,394.62	821,955,761.30

Legal Representative: Liu Tibin

Person in charge of accounting works: Yu Wanchun

Person in charge of accounting institute: Tang Bin

II. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

Hefei Meiling Co., Ltd.

Chairman: Liu Tibin

Submitted date approved by the Board: 19 April 2013