

Stock code: 200706

stock short form: Wazhou B

Report code: 2013-04

Wafangdian Bearing Company Limited

The Q1 Report for 2013

§ 1 Important Notes

The Board of Directors, Board of Supervisors, directors, supervisors, and top management of the Company hereby guaranteed that there are no false records, misleading statements, and major omissions in this report, and assumed the individual and associated responsibilities for the truth, accuracy and completeness of the contents.

Chairman of the Board Mr. Wang Lushun, Financial manager Ms. Sun Najuan, Accounting charger Ms. Yao Chunjuan hereby confirms that the Financial Report of the quarterly report is true and complete.

Besides the following directors, all the other directors attended the Board meeting and discussed the report.

Name	Post	Reasons	Assignee name
Wang Lushun	Chairman	Due to the busy work	Cong Hong
Rakesh Makhija	Director	Due to the busy work	Fang Bo

§ 2 Major accounting data and shareholder change

2.1 Major accounting data and financial indexes

Unit: RMB

	Jan-Mar 2013	Jan-Mar 2012	+/- to previous
Operating income(Yuan)	778,448,703.22	840,627,157.93	-7.4%
Net profits attributed Shareholders(Yuan)	19,617,156.49	18,340,078.58	6.96%
Net profit available for shareholders of listing company with abnormal incomes deducted	18,098,251.08	18,409,030.89	-1.69%
Net cash flows from operation activities	-12,048,122.30	114,887,852.76	-110.49%
Basic gains on per share	0.05	0.05	0%
Diluted gains on per share	0.05	0.05	0%
Net returns on assets (%)	1.3%	1.2%	0.1%
	Jan-Mar 2013	Jan-Mar 2012	+/- to previous
Total assets	3,815,678,797.99	3,618,360,177.55	5.45%
Owners' equity (shareholders' equity)	1,535,551,304.23	1,515,934,147.74	1.29%

Items of non-recurring gains and losses

✓ Applicable □ Inapplicable

Unit: RMB

Items of non-recurring gains and losses	Amount	Note (if applicable)
Gain or loss from disposal of non-current assets	247,092.28	

Gains and losses included in the current period of government subsidies, excluding those government grants which are closely related to normal business and in line with national policy, or in accordance with fixed standards or quantities	1,190,309.05	
Profit of loss from debts restructuring	-2,022.46	
Debt restructuring gains and losses	54,481.40	
Other non-business income and expenditures other than the above	27,022.68	
Total	1,518,905.41	-

2.2 Total number of shareholders at the end of the report period and shares held by the top ten shareholders

Unit: Share

Total shareholders at the end of 2013.03.31		8,322				
Top ten shareholders' status						
Name	Nature	Proportion (%)	Total shares	Non-circulation shares	Impawned and frozen shares	
					status	quantity
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	244,000,000	244,000,000		
AKTIEBOLAG ET SKF	Foreign shareholder	19.7%	79,300,000		frozen	79,300,000
GAOLING FUND,L.P.	Foreign shareholder	1.82%	7,325,355			
Huang Yuejun	Domestic shareholder	0.89%	3,600,000			
Qin Shaobin	Domestic shareholder	0.23%	913,223			
Ma Yuancheng	Foreign private shareholder	0.19%	748,925			
MAN,KWAI WING Wen Guirong	Domestic shareholder	0.18%	713,101			
Chen Zhongwu	Domestic shareholder	0.13%	537,500			
Hei Youxin	Foreign private shareholder	0.13%	512,559			
Yang Yufei	Domestic shareholder	0.12%	470,090			
The explanation on the relationship and consistent activities between above shareholders	There was no relationship and consistent activities between the first big shareholder and other shareholders or the top ten common stock holders;					
Top Ten Tradable Shareholders						
Name	Current shares held at end of year (Note 4)	Category of Shares				
		Categories	Amount			
AKTIEBOLAGET SKF	79,300,000	B	79,300,000			
GAOLING FUND,L.P.	7,325,355	B	7,325,355			
Huang Yuejun	3,600,000	B	3,600,000			

Qin Shaobin	913,223	B	913,223
Ma Yuancheng	748,925	B	748,925
MAN,KWAI WING Wen Guirong	713,101	B	713,101
Chen Zhongwu	537,500	B	537,500
Hei Youxin	512,559	B	512,559
Yang Yufei	470,090	B	470,090
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	459,900	B	459,900
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders and the Top Ten Tradable Shareholders	There was no relationship and consistent activities between the first big shareholder and other shareholders or the top ten common stock holders; The relationship among other shareholders, top ten circulation shareholders, top ten circulation shareholders and other shareholders was not clear.		

§ 3 Significant items

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

Applicable Inapplicable

No.	Items	Jan-Mar 2013	Jan-Mar 2012	Change rate %	Reason
1	Investment income	400.8	93.0	331.1	Investment income from SKF Wazhou increase 2.398 million Yuan compared with previous period; receive divided of 2008-2011 from Shanghai ME machine-electrical equipment chain Ltd. with amount 680 thousand Yuan at March 2013
2	Non-operating income	165.5	23.1	617.4	Amortization of technology improvement subsidy in 2013 is 180 thousand Yuan, Amortization for compensation for plants moving is 675 thousand Yuan, which was amortized at the end of 2012, compensation for booth fee is 230 thousand Yuan, income from debt restructuring increase 285 thousand Yuan compared with previous period.
3	Income tax expenses	2.6	223.2	-98.8	The income tax expenses adjusted by audit in 2012 is digested in Q1, which has not been counted.

3.2 Progress of significant events, their influence, and analysis and explanation of their solutions

Applicable Inapplicable

3.3 Implementations of commitments by the Company, shareholders and actual controllers

The commitment of following matters made by the company and its directors, supervisors and senior management personnel, more than 5% shareholding company shareholder and the actual controller, and other relevant party during the report period to report period or continued.

Applicable Inapplicable

3.4 Estimation of accumulative net profit from Jan to June 2013

Applicable Inapplicable

3.5 Particular about security investment

Applicable Inapplicable

3.6 Particular about derivatives

Applicable Inapplicable

3.7 Activities on receiving research, communication and interview in the report period

Time	Site	Method	Object	Content and documents supplied	Time
January 24, 2013	Office	Telephone communication	Private investor	The general information of the company	Office
February 28, 2013	Office	Telephone communication	Private investor	The general information of the company	Office
March 11, 2013	Office	Telephone communication	Private investor	The general information of the company	Office
March 19, 2013	Office	Telephone communication	Private investor	The general information of the company	Office

§ 4 Appendix

4.1 Balance sheet

Consolidated Balance Sheet.

Unit: RMB Yuan

Item	Opening Balance	Closing Balance
Current assets :		
Monetary fund	81,389,936.41	101,233,214.04
Financial assets held-for-trading		
Bills receivable	126,881,916.29	113,253,584.93
Account receivable	1,246,740,010.93	1,077,510,354.13
Account paid in advance	35,918,466.53	33,883,731.60
Interest receivable		
Other receivables	22,754,736.63	19,891,810.30
Inventory	1,195,966,009.89	1,156,565,201.60
Non-current assets due within 1 year		
Other current assets	2,954,294.96	2,672,185.24
Total current assets	2,712,605,371.64	2,505,010,081.84
Non-current assets		
Financial assets available-for-sale		
Investments held-to-maturity		
Long-term receivable		
Long-term equity investment	100,522,528.93	97,194,641.13
Investment property		
Fixed assets	600,734,865.15	620,008,753.04
Construction in progress	247,271,477.06	240,524,680.98
Construction materials		
Fixed assets disposal		
Biological assets		
Gas and petrol assets		
Intangible assets	142,936,206.66	143,996,714.42
Development expenditure		
Goodwill		
Long-term prepaid expense	775,725.52	792,683.11
Deferred tax assets	10,832,623.03	10,832,623.03
Other non-current assets		
Total non-current assets	1,103,073,426.35	1,113,350,095.71
Total assets	3,815,678,797.99	3,618,360,177.55
Current liabilities		
Short-term loan	498,000,000.00	588,000,000.00

Note payable	206,317,131.17	221,485,454.42
Accounts payable	1,159,315,307.25	968,244,826.46
Accounts received in advance	41,926,215.06	47,450,550.80
Commission charge payable		
Employee benefits	21,445,367.84	21,960,176.22
Tax payable	11,830,446.26	-411,670.20
Interest payable		
Dividends payable		
Other payables	140,495,241.66	143,928,598.47
Non-current liabilities due within 1 year		
Other current liabilities	-0.07	
Total current liabilities	2,079,329,709.17	1,990,657,936.17
Non-current liabilities		
Long-term loan	150,000,000.00	60,000,000.00
Debenture payable		
Long-term payables	100,000.00	100,000.00
Special payables	311,698.98	321,698.98
Contingent liabilities		
Deferred tax liabilities	393,621.42	393,621.42
Other non-current liabilities	49,992,464.19	50,952,773.24
Total non-current liabilities	200,797,784.59	111,768,093.64
Total liabilities	2,280,127,493.76	2,102,426,029.81
Owner's equity (shareholders' equity)		
Capital stock	402,600,000.00	402,600,000.00
Capital public reserves	485,691,050.47	485,691,050.47
Less: treasury share		
Surplus reserve	129,292,318.86	129,292,318.86
Undistributed profit	517,967,934.90	498,350,778.41
Difference of foreign currency translation		
Equity attributable to parent company	1,535,551,304.23	1,515,934,147.74
Minority interest		
Total owner's equity	1,535,551,304.23	1,515,934,147.74
Total owner's equity and liabilities	3,815,678,797.99	3,618,360,177.55

Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

Balance Sheet Of Parent Company**Unit: RMB Yuan**

Item	Opening Balance	Closing Balance
Current assets :		
Monetary fund	78,764,303.03	98,688,072.55
Financial assets held-for-trading		
Bills receivable	126,596,916.29	109,923,584.93
Account receivable	1,222,747,081.96	1,082,311,050.10
Account paid in advance	35,117,047.23	32,587,830.67
Interest receivable		
Other receivables	18,204,083.75	15,125,784.55

Inventory	1,128,693,503.42	1,080,300,720.82
Non-current assets due within 1 year		
Other current assets	2,954,294.96	2,672,185.24
Total current assets	2,613,077,230.64	2,421,609,228.86
Non-current assets		
Financial assets available-for-sale		
Investments held-to-maturity		
Long-term receivable		
Long-term equity investment	157,625,591.76	154,297,703.96
Investment property		
Fixed assets	489,724,600.82	506,327,706.02
Construction in progress	247,271,477.06	240,524,680.98
Construction materials		
Fixed assets disposal		
Biological assets		
Gas and petrol assets		
Intangible assets	126,629,006.66	127,689,514.42
Development expenditure		
Goodwill		
Long-term prepaid expense	775,725.52	792,683.11
Deferred tax assets	10,832,623.03	10,832,623.03
Other non-current assets		
Total non-current assets	1,032,859,024.85	1,040,464,911.52
Total assets	3,645,936,255.49	3,462,074,140.38
Current liabilities		
Short-term loan	498,000,000.00	588,000,000.00
Note payable	206,317,131.17	221,485,454.42
Accounts payable	1,014,465,650.21	842,791,947.56
Accounts received in advance	40,928,744.13	46,597,401.40
Commission charge payable		
Employee benefits	12,538,448.33	12,967,151.76
Tax payable	7,496,404.13	-3,619,755.25
Interest payable		
Dividends payable		
Other payables	85,422,218.98	88,997,888.85
Non-current liabilities due within 1 year		
Other current liabilities	-0.07	
Total current liabilities	1,865,168,596.88	1,797,220,088.74
Non-current liabilities		
Long-term loan	150,000,000.00	60,000,000.00
Debenture payable		
Long-term payables		
Special payables	311,698.98	321,698.98
Contingent liabilities		
Deferred tax liabilities		
Other non-current liabilities	49,992,464.19	50,952,773.24

Total non-current liabilities	200,304,163.17	111,274,472.22
Total liabilities	2,065,472,760.05	1,908,494,560.96
Owner's equity (shareholders' equity)		
Capital stock	402,600,000.00	402,600,000.00
Capital public reserves	482,563,945.37	482,563,945.37
Less: treasury share		
Surplus reserve	129,292,318.86	129,292,318.86
Undistributed profit	566,007,231.21	539,123,315.19
Difference of foreign currency translation		
Equity attributable to parent company		
Minority interest		
Total owner's equity	1,580,463,495.44	1,553,579,579.42
Total owner's equity and liabilities	3,645,936,255.49	3,462,074,140.38

Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

2 Income Sheet

Consolidated Income Sheet.

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
1.Total operating income	778,448,703.22	840,627,157.93
Including: Operating revenue	778,448,703.22	840,627,157.93
Interest income		
Handling charge and commission income		
2.Total operating cost	764,332,340.27	820,915,807.93
Including: Operating cost	688,926,932.21	747,753,295.64
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	3,024,286.15	3,127,353.63
Selling expenses	49,728,635.78	47,012,070.50
Administrative expense	16,329,817.46	16,517,794.08
Financial expense	5,976,134.30	6,214,044.51
Loss of impairment of assets	346,534.37	291,249.57
Add: Gains of change of fair value of assets(loss with "-")		
Investment income(loss with "-")	4,007,887.80	929,676.32
Including: Income form investment on associated enterprise and jointly enterprise	4,007,887.80	929,676.32
3.Operating profit (loss with "-")	18,124,250.75	20,641,026.32
Add: Non-operating revenue	1,810,891.40	253,664.25
Less: Non-operating cost	291,985.99	322,616.56
Including: loss on disposal of non-current assets		
4.Total profit(loss with "-")	19,643,156.16	20,572,074.01
Less: Income tax expenses	25,999.67	2,231,995.43
5. Net profit(Loss with "-")	19,617,156.49	18,340,078.58
Net profit attributable to shareholders of parent company	19,617,156.49	18,340,078.58
Minority interests		

6.Earnings per share		
(1) Basic earnings per share	0.05	0.05
(2) Diluted earnings per share	0.05	0.05
7. Other comprehensive returns		
8. Total comprehensive returns	19,617,156.49	18,340,078.58
Total comprehensive returns available for parent company	19,617,156.49	18,340,078.58
Total comprehensive returns available for minority shareholders		

Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

Income Sheet of Parent Company.**Unit: RMB Yuan**

Item	Account for the current period	Account for the prior period
1.Total operating income	776,868,968.14	835,767,359.57
Including: Operating revenue		
Interest income		
Handling charge and commission income		
2.Total operating cost		
Including: Operating cost	684,275,767.58	742,925,407.45
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	2,727,312.86	3,050,916.01
Selling expenses	49,394,878.37	46,611,076.20
Administrative expense	12,617,389.41	12,793,970.95
Financial expense	5,968,057.63	6,467,909.13
Loss of impairment of assets	346,534.37	291,249.57
Add: Gains of change of fair value of assets(loss with "-")		
Investment income(loss with "-")	4,007,887.80	929,676.32
Including: Income form investment on associated enterprise and jointly enterprise	4,007,887.80	929,676.32
3.Operating profit (loss with "-")	25,546,915.72	24,556,506.58
Add: Non-operating revenue	1,654,985.96	230,701.56
Less: Non-operating cost	291,985.99	146,450.61
Including: loss on disposal of non-current assets		
4.Total profit(loss with "-")	26,909,915.69	24,640,757.53
Less: Income tax expenses	25,999.67	2,231,995.43
5. Net profit(Loss with "-")	26,883,916.02	22,408,762.10
Net profit attributable to shareholders of parent company		
Minority interests		
6.Earnings per share		
(1) Basic earnings per share	0.07	0.06
(2) Diluted earnings per share	0.07	0.06
7. Other comprehensive returns		
8. Total comprehensive returns		
Total comprehensive returns available for parent company		
Total comprehensive returns available for minority shareholders	26,883,916.02	22,408,762.10

Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

3 Cash Flow Statement

Consolidated Cash Flow Statement.

Unit: RMB yuan

Item	Account for the current period	Account for the prior period
1.Cash from operating activities		
Cash received from sale of goods or rendering of services	346,160,502.66	281,959,289.38
Refund of taxes and fares	218.89	
Other cash received relating to operating activities	-537,216.85	4,676,874.86
Sub-total of cash inflows	345,623,504.70	286,636,164.24
Cash paid for goods and services	229,829,176.12	52,118,563.12
Cash paid to or on behalf of the employees	68,316,060.80	62,794,123.09
Tax payments	13,845,519.95	18,495,955.26
Other cash paid relating to operating activities	45,680,870.13	38,339,670.01
Sub-total of cash outflows	357,671,627.00	171,748,311.48
Net cash flows from operating activities	-12,048,122.30	114,887,852.76
2.Cash flows from investing activities		
Cash received from return of investment		
Cash received from investment incomes	680,000.00	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		200,000.00
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		
Sub-total of cash inflows	680,000.00	200,000.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	141,279.80	6,966,120.10
Cash paid to acquire investment		
Net cash used in acquiring subsidiaries and other operating units		
Other cash paid relating to investing activities		
Sub-total of cash outflows	141,279.80	6,966,120.10
Net cash flows from investment activities	538,720.20	-6,766,120.10
3.Cash flows from financing activities		
Cash received from absorbing investment		
Including: Cash received from increase in minority interest		
Proceeds from borrowings	316,000,000.00	258,385,611.16
Other proceeds relating to financing activities		
Sub-total of cash inflows	316,000,000.00	258,385,611.16
Repayment of borrowings	316,849,955.55	349,510,000.00
Distribution of dividends or profits & interest expenses	7,441,214.42	10,087,851.13
Including: dividends or profit paid to minority interest		
Cash paid for other financing activities		
Sub-total of cash outflows	324,291,169.97	359,597,851.13
Net cash flows from financing activities	-8,291,169.97	-101,212,239.97
4. Effects of foreign exchange rate changes on cash	-42,705.56	5,563.69
5.Net increases in cash and cash equivalents	-19,843,277.63	6,915,056.38
Add: cash and cash equivalent, at the beginning of year	101,233,214.04	62,187,956.71

6.Cash and cash equivalent at the end of the year	81,389,936.41	69,103,013.09
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Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

Cash Flow Statement Of Parent Company.**Unit: RMB yuan**

Item	Account for the current period	Account for the prior period
1.Cash from operating activities		
Cash received from sale of goods or rendering of services	348,860,702.11	304,967,791.77
Refund of taxes and fares	218.89	
Other cash received relating to operating activities	-1,914,092.30	4,676,874.86
Sub-total of cash inflows	346,946,828.70	309,644,666.63
Cash paid for goods and services	247,903,752.12	90,932,056.63
Cash paid to or on behalf of the employees	57,058,260.30	50,967,741.28
Tax payments	11,571,324.41	17,456,182.40
Other cash paid relating to operating activities	42,664,910.10	34,264,474.14
Sub-total of cash outflows	359,198,246.93	193,620,454.45
Net cash flows from operating activities	-12,251,418.23	116,024,212.18
2.Cash flows from investing activities		
Cash received from return of investment	680,000.00	
Cash received from investment incomes		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		
Sub-total of cash inflows	680,000.00	
Cash paid to acquire fixed assets, intangible assets and other long-term assets	18,599.80	6,959,920.10
Cash paid to acquire investment		
Net cash used in acquiring subsidiaries and other operating units		
Other cash paid relating to investing activities		
Sub-total of cash outflows	18,599.80	6,959,920.10
Net cash flows from investment activities	661,400.20	-6,959,920.10
3.Cash flows from financing activities		
Cash received from absorbing investment		
Including: Cash received from increase in minority interest		
Proceeds from borrowings	316,000,000.00	258,385,611.16
Other proceeds relating to financing activities		
Sub-total of cash inflows	316,000,000.00	258,385,611.16
Repayment of borrowings	316,849,955.55	349,000,000.00
Distribution of dividends or profits & interest expenses	7,441,090.38	10,086,540.03
Including: dividends or profit paid to minority interest		
Cash paid for other financing activities		
Sub-total of cash outflows	324,291,045.93	359,086,540.03
Net cash flows from financing activities	-8,291,045.93	-100,700,928.87
4. Effects of foreign exchange rate changes on cash	-42,705.56	5,563.69
5.Net increases in cash and cash equivalents	-19,923,769.52	8,368,926.90
Add: cash and cash equivalent, at the beginning of year	98,688,072.55	59,742,088.63

6.Cash and cash equivalent at the end of the year	78,764,303.03	68,111,015.53
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Chairman: Wang Lushun

General Accountant : Sun Najuan

Accounting charger: Yao Chunjuan

4.2 Audited Report

The Q1 Report is not audited.