



**WEIFU HIGH-TECHNOLOGY GROUP CO., LTD.**

**THE THIRD QUARTERLY REPORT 2016**

**October 2016**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of Weifu High-Technology Group Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.**

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

**Chen Xuejun, Principal of the Company; Ou Jianbin, Person in Charge of Accounting Work; Ou Jianbin, Person in Charge of Accounting Organization (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.**

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

### I. Main accounting data and index

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

Yes No

	Current period-end	Period-end of last year	Increase/decrease	
Total assets(RMB)	16,387,938,080.77	15,704,093,069.04	4.35%	
Net assets attributable to shareholders of listed company (RMB)	12,522,879,879.40	11,783,228,273.39	6.28%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	1,522,896,852.89	37.22%	4,889,373,305.38	8.65%
Net profit attributable to shareholders of the listed company (RMB)	366,126,109.76	47.70%	1,309,694,645.48	1.22%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	307,178,949.97	42.11%	1,136,811,667.10	3.33%
Net cash flow arising from operating activities(RMB)	--	--	249,062,317.15	-57.57%
Basic earnings per share (RMB/Share)	0.36	50.00%	1.30	2.36%
Diluted earnings per share (RMB/Share)	0.36	50.00%	1.30	2.36%
Weighted average ROE	2.98%	0.85%	10.70%	-0.72%

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-1,172,091.49	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	23,932,171.74	
Gains/losses from entrusted investment or assets management	177,111,392.49	

Restoring of receivable impairment provision that tested individually	1,012,469.08	
Other non-operating income and expenditure except for the aforementioned items	4,080,436.13	
Relocation expenses	-57,116.41	
Less: impact on income tax	30,833,432.04	
Impact on minority shareholders' equity (post-tax)	1,190,851.12	
Total	172,882,978.38	--

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

Applicable     Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

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

### 1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period	45,087	Total preferred stockholders with voting rights recover at the end of report period (if applicable)	0			
Top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
WUXI INDUSTRY DEVELOPMENT GROUP CO., LTD.	State-owned corporate	20.22%	204,059,398			
ROBERT BOSCH GMBH	Foreign corporate	14.16%	142,841,400			
UBS AG	Foreign corporate	2.97%	29,933,303			
China Securities Finance Corporation Limited	State-owned corporate	2.63%	26,555,515			
Kangjian Assets Management Company -Client's fund	Foreign corporate	1.56%	15,705,492			
Central Huijin Investment Ltd.	State-owned corporate	1.27%	12,811,200			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign corporate	1.23%	12,382,279			
MERRILL LYNCH INTERNATIONAL	Foreign corporate	1.14%	11,460,002			

Puxin Investment Company- Client's fund	Foreign corporate	1.13%	11,375,877			
RBC EMERGING MARKETS EQUITY FUND	Foreign corporate	0.95%	9,626,264			
Particular about top ten shareholders with un-restrict shares held						
Shareholders	Amount of un-restrict common shares held	Type of shares				
		Type	Amount			
WUXI INDUSTRY DEVELOPMENT GROUP CO., LTD.	204,059,398	RMB common shares	204,059,398			
ROBERT BOSCH GMBH	142,841,400	RMB common shares	115,260,600			
		Domestically listed foreign shares	27,580,800			
UBS AG	29,933,303	RMB common shares	29,933,303			
China Securities Finance Corporation Limited	26,555,515	RMB common shares	26,555,515			
Kangjian Assets Management Company –Client's fund	15,705,492	RMB common shares	15,705,492			
Central Huijin Investment Ltd.	12,811,200	RMB common shares	12,811,200			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	12,382,279	Domestically listed foreign shares	12,382,279			
MERRILL LYNCH INTERNATIONAL	11,460,002	RMB common shares	11,460,002			
Puxin Investment Company- Client's fund	11,375,877	RMB common shares	11,375,877			
RBC EMERGING MARKETS EQUITY FUND	9,626,264	Domestically listed foreign shares	9,626,264			
Explanation on related relationship or concerted action among the abovementioned shareholders	Among the top ten shareholders, there has no associated relationship between Wuxi Industry Development Group Co., Ltd. and other shareholders, the first largest shareholder of the Company; and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company.					
Explanation on shareholders involving margin business among top ten common shareholders d (if applicable)	Not applicable					

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

## 2. Total of shareholders with preferred stock held and the top ten shareholdings

Applicable  Not applicable

## Section III. Important events

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

√Applicable □Not applicable

1. Monetary fund: decreased RMB 2029.8382 million over that of year-beginning with 61.99% down, mainly because out flowing for entrusting increased over that of year-beginning;
2. Other account receivable: increased RMB 4.8904 million over that of year-beginning with 55.46% up, mainly because come-and-go money receivable from units increased over that of year-beginning;
3. Other current assets: increased RMB 2509.0496 million over that of year-beginning with 124.44% up, mainly because purchasing entrusting increased over that of year-beginning;
4. Construction in progress: decreased RMB 83.5703 million over that of year-beginning with 51.46% down, mainly because fixed assets listed in construction in progress;
5. Short-term loans: decreased RMB 202.813 million over that of year-beginning with 56.34% down, mainly because return the bank loans;
6. Deferred income tax liability: decreased RMB 11.7505 million over that of year-beginning with 33.1% down, mainly because sales of financial assets available for sale and decrease of the change of fair value;
7. Other comprehensive income: decreased RMB 66.114 million over that of year-beginning with 35.09% down, mainly because sales of financial assets available for sale and decrease of the change of fair value;
8. Non-operation revenue: decreased RMB 62.2001 million over that of last period with 67.92% down, mainly because compensation for demolition from parent company declined over that of last period;
9. Non-operation expenditure: decreased RMB 67.8481 million over that of last period with 93.67% down, mainly because demolition expenses of the parent company decreased over same period of last year;
10. Net cash flow arising from operation activities: decreased RMB 337.9066 million over that of last period, mainly because sales collecting declined;
11. Net cash flow arising from investment activities: decreased RMB 750.5607 million over that of last period, mainly because cash outflow of purchasing entrusting increased over last year;

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

√Applicable □Not applicable

#### Wholly-owned subsidiary of the Company has investment intention on industry mergers & acquisitions fund

On 31 May 2016, the Company held the 7th meeting of the 8th board of directors, to consider and approve the resolution relating to the wholly-owned subsidiary of the Company proposing to establish industry merger & acquisition funds. In order to accelerate the Company's industrial upgrade and development speed, preserve merger & acquisition projects, improve its comprehensive strength and realize development strategy, the Company agreed with Ping'an Securities in reaching for initial cooperation plan. Weifu Auto Diesel, a wholly-owned subsidiary of the Company, proposed to cooperate with Ping'an Ronghui which was established by Ping'an Caizhi (a wholly-owned subsidiary of Ping'an Securities) to establish business merger &

acquisition funds. The relevant announcements (No. 2016-013 and No. 2016-015) were published on China Securities, Securities Times, Hong Kong Commercial Daily and Juchao Information website (<http://www.cninfo.com.cn>). Till now, this matter is being prepared.

Overview	Disclosure date	Query index for interim notice
Notice of Planning of Setting Up Industrial Merger & Acquisition Fund by Wholly-owned Subsidiary	2016-06-02	Published on Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )

### III. Commitments completed during the Period and those un-completed as of the period-end from the Company, shareholders, actual controller, buyer, director, supervisor, senior executives or other related party

Applicable Not applicable

The Company has no commitments completed during the Period and those un-completed as of the period-end from the Company, shareholders, actual controller, buyer, director, supervisor, senior executives or other related party

### IV. Estimation of operation performance for year of 2016

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason

Applicable Not applicable

### V. Particular about security investment

Applicable Not applicable

Variety of securities	Code of securities	Short form of securities	Initial investment cost (RMB)	Amount of stock-holding at the beginning of the period (Share)	Proportion of stock-holding at the beginning of the period	Amount of stock-holding at the end of the period (Share)	Proportion of stock-holding at the end of the period	Book value at the end of the period (RMB)	Gains and loss in the reporting (RMB)	Accounting subject	Source of stock
Stock	600841	SDEC	199,208,000.00	23,680,000	2.73%	19,030,000	2.20%	258,617,700.00	-350,189.10	Financial assets available for sales	Subscription
Stock	002009	Miracle Logistics	69,331,500.00	4,710,000	1.29%	4,710,000	1.29%	80,493,900.00	-17,238,600.00	Financial assets available for sales	Subscription
Total			268,539,500.00	28,390,000	--	23,740,000	--	339,111,600.00	-17,588,789.10	--	--
Disclosure date of securities investment approval from the Board			2012-03-24								
Disclosure date of securities investment approval from the Board			2013-06-04								
Disclosure date of securities investment approval from the Board											

**VI. Particulars about derivatives investment**

Applicable      Not applicable

The Company had no derivatives investment in Period.

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

Applicable      Not applicable

Date	Method	Type of investors	Index for the interview and research
Form 1 July to 30 September 2016	Written inquiry	Other	The Company answered 42 questions for investors online through the investor relations interactive platform( <a href="http://irm.p5w.net/dqhd/sichuan/">http://irm.p5w.net/dqhd/sichuan/</a> )
Form 1 July to 30 September 2016	Telephone communication	Other	Basic condition of the Company and views on market in 2016, communication with investors by telephone more than 50

**VIII. External security against the rules**

Applicable      Not applicable

The Company has no external security against the rules in the Period

**IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company**

Applicable      Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.



## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidated Balance Sheet

Prepared by Weifu High-Technology Group Co., Ltd.

In RMB

Items	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	1,244,841,488.41	3,274,679,732.54
Settlement provisions		
Capital lent		
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial liability		
Notes receivable	1,102,626,043.37	1,031,886,230.18
Accounts receivable	1,533,709,001.77	1,261,163,184.87
Accounts paid in advance	74,424,914.07	73,326,550.19
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable	1,770,059.40	3,281,939.96
Dividend receivable		3,600,000.00
Other receivables	13,708,076.53	8,817,661.08
Purchase restituted finance asset		
Inventories	977,092,108.63	865,574,792.41
Divided into assets held ready for sales		
Non-current asset due within one year		
Other current assets	4,525,254,222.98	2,016,204,649.28
Total current assets	9,473,425,915.16	8,538,534,740.51
Non-current assets:		
Granted loans and advances		
Finance asset available for sales	593,499,361.00	694,398,661.00
Held-to-maturity investment		

Long-term account receivable		
Long-term equity investment	3,130,251,655.41	3,283,584,245.43
Investment property	25,497,296.06	20,233,111.93
Fixed assets	2,448,887,994.22	2,320,627,323.42
Construction in progress	78,832,450.18	162,402,752.68
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	350,760,461.02	360,610,837.42
Expense on Research and Development		
Goodwill	1,784,086.79	1,784,086.79
Long-term expenses to be apportioned	17,323,469.94	14,004,911.64
Deferred income tax asset	159,973,270.55	158,873,725.37
Other non-current asset	107,702,120.44	149,038,672.85
Total non-current asset	6,914,512,165.61	7,165,558,328.53
Total assets	16,387,938,080.77	15,704,093,069.04
Current liabilities:		
Short-term loans	157,187,030.29	360,000,000.00
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	517,376,866.50	630,682,394.24
Accounts payable	1,655,969,703.18	1,463,607,938.95
Accounts received in advance	42,390,746.91	33,545,363.49
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	196,985,204.88	245,070,941.07
Taxes payable	51,481,791.14	52,389,865.33
Interest payable	3,170,746.88	778,673.59
Dividend payable	51,867,270.00	

Other accounts payable	53,319,397.30	49,333,826.26
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held ready for sale		
Non-current liabilities due within 1 year	60,000,000.00	60,000,000.00
Other current liabilities		
Total current liabilities	2,789,748,757.08	2,895,409,002.93
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	17,835,454.00	18,174,545.00
Long-term wages payable	96,350,000.00	96,350,000.00
Special accounts payable	47,042,377.98	44,725,048.69
Projected liabilities		
Deferred income	428,101,584.62	400,657,991.06
Deferred income tax liabilities	23,748,869.89	35,499,320.90
Other non-current liabilities		
Total non-current liabilities	613,078,286.49	595,406,905.65
Total liabilities	3,402,827,043.57	3,490,815,908.58
Owner's equity:		
Share capital	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,397,360,051.31	3,396,935,227.97
Less: Inventory shares		
Other comprehensive income	122,322,373.76	188,436,372.50
Reasonable reserve	1,036,069.02	914,648.09
Surplus public reserve	510,100,496.00	510,100,496.00
Provision of general risk		

Retained profit	7,483,110,319.31	6,677,890,958.83
Total owner's equity attributable to parent company	12,522,879,879.40	11,783,228,273.39
Minority interests	462,231,157.80	430,048,887.07
Total owner's equity	12,985,111,037.20	12,213,277,160.46
Total liabilities and owner's equity	16,387,938,080.77	15,704,093,069.04

Legal representative: Chen Xuejun

Person in charge of accounting works: Ou Jianbin

Person in charge of accounting institution: Ou Jianbin

## 2. Balance Sheet of parent company

Prepared by Weifu High-Technology Group Co., Ltd.

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	742,220,837.25	1,739,313,657.29
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial liability		
Notes receivable	298,479,498.09	159,630,301.53
Accounts receivable	510,336,015.83	537,504,587.17
Accounts paid in advance	41,466,912.47	50,246,196.23
Interest receivable		33,287.67
Dividend receivable	25,816,200.00	3,600,000.00
Other receivables	96,404,844.29	81,906,796.95
Inventories	147,761,049.97	151,832,151.38
Divided into assets held ready for sales		
Non-current asset due within one year		
Other current assets	4,406,360,283.51	2,038,225,831.05
Total current assets	6,268,845,641.41	4,762,292,809.27
Non-current assets:		
Finance asset available for sales	507,559,361.00	608,458,661.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	4,323,978,110.68	4,241,205,473.10
Investment real estate		

Fixed assets	1,437,542,894.58	1,417,143,347.25
Construction in progress	21,054,241.51	60,582,501.19
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	194,769,939.71	199,636,812.43
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	89,958,777.49	86,269,470.27
Other non-current asset	57,359,942.42	80,413,247.85
Total non-current asset	6,632,223,267.39	6,693,709,513.09
Total assets	12,901,068,908.80	11,456,002,322.36
Current liabilities:		
Short-term loans	80,000,000.00	230,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	176,683,502.46	218,219,397.80
Accounts payable	511,668,966.88	473,825,553.93
Accounts received in advance	1,723,845.42	4,754,011.37
Wage payable	117,595,843.95	118,032,003.11
Taxes payable	17,227,948.30	16,992,552.61
Interest payable	292,886.11	292,886.11
Dividend payable	51,867,270.00	
Other accounts payable	1,157,573,274.42	12,757,135.96
Divided into liability held ready for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	2,114,633,537.54	1,074,873,540.89
Non-current liabilities:		
Long-term loans		
Bonds payable		

Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	96,350,000.00	96,350,000.00
Special accounts payable	28,777,295.87	26,459,966.58
Projected liabilities		
Deferred income	386,336,151.28	382,179,400.68
Deferred income tax liabilities	21,586,301.24	33,253,477.50
Other non-current liabilities		
Total non-current liabilities	533,049,748.39	538,242,844.76
Total liabilities	2,647,683,285.93	1,613,116,385.65
Owners' equity:		
Share capita	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,427,939,852.32	3,427,939,852.32
Less: Inventory shares		
Other comprehensive income	122,322,373.76	188,436,372.50
Reasonable reserve		
Surplus reserve	510,100,496.00	510,100,496.00
Retained profit	5,184,072,330.79	4,707,458,645.89
Total owner's equity	10,253,385,622.87	9,842,885,936.71
Total liabilities and owner's equity	12,901,068,908.80	11,456,002,322.36

### 3. Consolidated Profit Statement (this report period)

In RMB

Item	Amount in this period	Amount in last period
I. Total operating income	1,522,896,852.89	1,109,803,414.23
Including: Operating income	1,522,896,852.89	1,109,803,414.23
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	1,441,957,624.68	1,051,202,587.20

Including: Operating cost	1,204,377,668.92	853,120,105.09
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	7,552,608.70	4,855,979.63
Sales expenses	40,328,425.30	39,333,130.48
Administration expenses	175,813,718.30	162,936,281.89
Financial expenses	-893,521.51	-8,723,726.12
Losses of devaluation of asset	14,778,724.97	-319,183.77
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	313,808,978.06	227,322,744.62
Including: Investment income on affiliated company and joint venture	245,845,647.59	179,333,856.94
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	394,748,206.27	285,923,571.65
Add: Non-operating income	10,629,017.31	14,378,453.25
Including: Disposal income of non-current asset	290,303.78	263,352.24
Less: Non-operating expense	2,251,691.01	15,511,276.71
Including: Disposal loss of non-current asset	725,836.85	2,711,288.97
IV. Total Profit (Loss is listed with “-”)	403,125,532.57	284,790,748.19
Less: Income tax expense	23,363,351.40	25,522,809.24
V. Net profit (Net loss is listed with “-”)	379,762,181.17	259,267,938.95
Net profit attributable to owner’s of parent company	366,126,109.76	247,876,993.79
Minority shareholders’ gains and losses	13,636,071.41	11,390,945.16
VI. Net after-tax of other comprehensive income	-9,906,410.00	-182,417,820.00
Net after-tax of other comprehensive income attributable to owners of parent company	-9,906,410.00	-182,417,820.00
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee		

accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-9,906,410.00	-182,417,820.00
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-9,906,410.00	-182,417,820.00
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	369,855,771.17	76,850,118.95
Total comprehensive income attributable to owners of parent Company	356,219,699.76	65,459,173.79
Total comprehensive income attributable to minority shareholders	13,636,071.41	11,390,945.16
VIII. Earnings per share:		
(i) Basic earnings per share	0.36	0.24
(ii) Diluted earnings per share	0.36	0.24

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Legal Representative: Chen Xuejun

Person in charge of accounting works: Ou Jianbin

Person in charge of accounting institute: Ou Jianbin

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

In RMB

Item	Current Period	Last Period
I. Operating income	474,079,480.63	284,872,283.76
Less: Operating cost	413,715,796.32	210,160,629.57
Operating tax and extras	2,655,313.84	387,663.24
Sales expenses	8,603,583.95	16,244,059.11
Administration expenses	68,735,038.35	61,382,503.68



Financial expenses	1,222,659.04	-8,250,642.85
Losses of devaluation of asset	-957,854.77	
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	319,576,980.34	213,222,784.99
Including: Investment income on affiliated company and joint venture	226,291,093.71	144,079,607.31
II. Operating profit (Loss is listed with “-”)	299,681,924.24	218,170,856.00
Add: Non-operating income	9,206,021.83	12,403,276.49
Including: Disposal gains of non-current asset	252,592.63	209,516.19
Less: Non-operating expense	953,656.79	13,510,831.90
Including: Disposal loss of non-current asset	401,351.45	1,977,405.01
III. Total Profit (Loss is listed with “-”)	307,934,289.28	217,063,300.59
Less: Income tax expense	6,062,366.15	10,808,786.15
IV. Net profit (Net loss is listed with “-”)	301,871,923.13	206,254,514.44
V. Net after-tax of other comprehensive income	-9,906,410.00	-182,417,820.00
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-9,906,410.00	-182,417,820.00
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-9,906,410.00	-182,417,820.00
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	291,965,513.13	23,836,694.44

VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

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

In RMB

Item	Current Period	Last Period
I. Total operating income	4,889,373,305.38	4,500,241,337.87
Including: Operating income	4,889,373,305.38	4,500,241,337.87
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	4,493,734,811.55	4,085,977,954.89
Including: Operating cost	3,837,659,652.17	3,496,759,138.77
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	23,787,955.26	21,019,505.28
Sales expenses	133,127,794.55	124,447,943.17
Administration expenses	490,410,253.22	456,710,359.70
Financial expenses	-3,803,012.94	-12,891,095.79
Losses of devaluation of asset	12,552,169.29	-67,896.24
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	1,025,761,541.23	1,009,661,209.39
Including: Investment income on affiliated company and joint venture	838,948,109.61	785,414,755.81
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	1,421,400,035.06	1,423,924,592.37
Add: Non-operating income	29,376,400.04	91,576,470.86
Including: Disposal gains of non-current asset	1,015,076.57	16,331,052.52
Less: Non-operating expense	4,587,513.03	72,435,620.42

Including: Disposal loss of non-current asset	2,187,168.06	3,526,137.76
IV. Total Profit (Loss is listed with “-”)	1,446,188,922.07	1,443,065,442.81
Less: Income tax expense	91,677,778.58	113,708,027.28
V. Net profit (Net loss is listed with “-”)	1,354,511,143.49	1,329,357,415.53
Net profit attributable to owner’s of parent company	1,309,694,645.48	1,293,864,194.62
Minority shareholders’ gains and losses	44,816,498.01	35,493,220.91
VI. Net after-tax of other comprehensive income	-66,113,998.74	-58,625,902.50
Net after-tax of other comprehensive income attributable to owners of parent company	-66,113,998.74	-58,625,902.50
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-66,113,998.74	-58,625,902.50
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-66,113,998.74	-58,625,902.50
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	1,288,397,144.75	1,270,731,513.03
Total comprehensive income attributable to owners of parent Company	1,243,580,646.74	1,235,238,292.12
Total comprehensive income attributable to minority shareholders	44,816,498.01	35,493,220.91
VIII. Earnings per share:		
(i) Basic earnings per share	1.30	1.27
(ii) Diluted earnings per share	1.30	1.27

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

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

In RMB

Item	Current Period	Last Period
I. Operating income	1,458,149,449.43	1,165,105,460.23
Less: Operating cost	1,222,059,868.86	903,568,835.14
Operating tax and extras	6,544,108.26	437,323.98
Sales expenses	28,842,600.88	52,934,808.49
Administration expenses	195,062,421.69	162,510,291.44
Financial expenses	-4,944,536.93	-12,930,194.37
Losses of devaluation of asset	-886,916.97	906,328.70
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	974,372,189.56	977,653,048.86
Including: Investment income on affiliated company and joint venture	763,408,174.38	716,252,305.28
II. Operating profit (Loss is listed with “-”)	985,844,093.20	1,035,331,115.71
Add: Non-operating income	23,827,626.61	87,307,327.14
Including: Disposal gains of non-current asset	714,408.73	16,100,752.68
Less: Non-operating expense	1,762,101.81	68,622,432.32
Including: Disposal loss of non-current asset	993,332.06	2,668,293.32
III. Total Profit (Loss is listed with “-”)	1,007,909,618.00	1,054,016,010.53
Less: Income tax expense	26,820,648.10	46,610,160.67
IV. Net profit (Net loss is listed with “-”)	981,088,969.90	1,007,405,849.86
V. Net after-tax of other comprehensive income	-66,113,998.74	-58,625,902.50
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-66,113,998.74	-58,625,902.50
1. Share of the other comprehensive income of the investee		

accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-66,113,998.74	-58,625,902.50
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	914,974,971.16	948,779,947.36
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

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

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	4,075,857,122.17	5,117,013,072.14
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	27,180,302.24	36,244,351.92
Other cash received concerning operating activities	19,487,047.28	37,192,412.19
Subtotal of cash inflow arising from operating activities	4,122,524,471.69	5,190,449,836.25
Cash paid for purchasing commodities and receiving labor service	2,598,412,659.75	3,430,281,408.10

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	712,855,117.51	608,929,782.17
Taxes paid	323,616,906.66	339,709,080.53
Other cash paid concerning operating activities	238,577,470.62	224,560,672.97
Subtotal of cash outflow arising from operating activities	3,873,462,154.54	4,603,480,943.77
Net cash flows arising from operating activities	249,062,317.15	586,968,892.48
<b>II. Cash flows arising from investing activities:</b>		
Cash received from recovering investment	5,910,661,906.70	3,779,218,450.02
Cash received from investment income	1,148,454,597.68	895,767,078.58
Net cash received from disposal of fixed, intangible and other long-term assets	63,817,144.02	3,690,621.78
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	30,296,467.00	145,230,000.00
Subtotal of cash inflow from investing activities	7,153,230,115.40	4,823,906,150.38
Cash paid for purchasing fixed, intangible and other long-term assets	281,959,826.10	431,250,475.45
Cash paid for investment	8,453,810,985.03	5,175,115,981.02
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	57,116.41	49,576,830.79
Subtotal of cash outflow from investing activities	8,735,827,927.54	5,655,943,287.26
Net cash flows arising from investing activities	-1,582,597,812.14	-832,037,136.88
<b>III. Cash flows arising from financing activities</b>		
Cash received from absorbing investment	12,800,000.00	12,412,655.54
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	12,800,000.00	12,412,655.54
Cash received from loans	254,187,030.29	280,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	266,987,030.29	292,412,655.54
Cash paid for settling debts	457,000,000.00	385,000,000.00
Cash paid for dividend and profit distributing or interest paying	481,006,730.85	443,032,981.69

Including: Dividend and profit of minority shareholder paid by subsidiaries	24,803,800.00	24,324,710.00
Other cash paid concerning financing activities	339,091.00	250,677,789.07
Subtotal of cash outflow from financing activities	938,345,821.85	1,078,710,770.76
Net cash flows arising from financing activities	-671,358,791.56	-786,298,115.22
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-2,004,894,286.55	-1,031,366,359.62
Add: Balance of cash and cash equivalents at the period -begin	3,040,315,198.85	2,028,227,816.93
VI. Balance of cash and cash equivalents at the period -end	1,035,420,912.30	996,861,457.31

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

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,165,621,926.61	1,429,401,019.18
Write-back of tax received		
Other cash received concerning operating activities	1,145,466,206.68	595,594,206.64
Subtotal of cash inflow arising from operating activities	2,311,088,133.29	2,024,995,225.82
Cash paid for purchasing commodities and receiving labor service	609,336,635.01	989,657,741.07
Cash paid to/for staff and workers	290,989,747.70	292,916,453.22
Taxes paid	96,209,325.93	65,909,684.60
Other cash paid concerning operating activities	64,011,248.17	57,968,444.09
Subtotal of cash outflow arising from operating activities	1,060,546,956.81	1,406,452,322.98
Net cash flows arising from operating activities	1,250,541,176.48	618,542,902.84
II. Cash flows arising from investing activities:		
Cash received from recovering investment	5,639,000,000.00	3,910,218,450.02
Cash received from investment income	1,110,427,341.08	903,317,517.58
Net cash received from disposal of fixed, intangible and other long-term assets	62,137,135.26	3,087,248.01
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	25,301,600.00	145,230,000.00
Subtotal of cash inflow from investing activities	6,836,866,076.34	4,961,853,215.61
Cash paid for purchasing fixed, intangible and other long-term assets	162,090,979.43	258,754,707.26
Cash paid for investment	8,314,900,000.00	5,163,383,160.30

Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities	57,116.41	49,576,830.79
Subtotal of cash outflow from investing activities	8,477,048,095.84	5,471,714,698.35
Net cash flows arising from investing activities	-1,640,182,019.50	-509,861,482.74
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	180,000,000.00	230,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	180,000,000.00	230,000,000.00
Cash paid for settling debts	330,000,000.00	260,000,000.00
Cash paid for dividend and profit distributing or interest paying	453,545,994.41	414,414,513.72
Other cash paid concerning financing activities		249,999,607.07
Subtotal of cash outflow from financing activities	783,545,994.41	924,414,120.79
Net cash flows arising from financing activities	-603,545,994.41	-694,414,120.79
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-993,186,837.43	-585,732,700.69
Add: Balance of cash and cash equivalents at the period -begin	1,734,531,427.66	1,159,462,935.71
VI. Balance of cash and cash equivalents at the period -end	741,344,590.23	573,730,235.02

## II. Audit report

Whether the third quarter report was audited or not

Yes  No

The 3<sup>rd</sup> quarter report of the Company has not been audited

Board of Directors of  
**Weifu High-Technology Group Co., Ltd.**

Chairman: \_\_\_\_\_

Chen Xuejun

27 October 2016