

Chongqing Jianshe Motorcycle Co., Ltd.

The Third Quarterly Report 2016

2016-069

October 2016

1 Important notes

The Board of Directors, the Supervisory Committee, the directors, the supervisors, and executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Quarterly Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Quarterly Report.

All of the directors presented the board meeting at which this Quarterly Report was examined.

Mr. Lv Hongxian, The Company Leader, Mr. Xue Gangyi , Chief financial officer and the Mr.Niu Yanli, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in the report.

II. Main financial data and changes of shareholders

I. Main accounting data and financial 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

	As at the end of the reporting period	As at the end of last year	Changed (%) over end of prev. year	
Gross assets (RMB)	1,520,304,198.03	1,550,615,831.44	-1.95%	
Net assets attributable to the shareholders of the listed company (RMB)	268,932,994.54	256,116,085.51	5.00%	
	Reporting period	Increase/decrease over the same period of last year (%)	Between beginning of the year to the end of the report period	Changed (%) over end of prev. year
Operating income (RMB)	222,817,415.03	-26.70%	690,994,706.91	-32.49%
Net profit attributable to the shareholders of the listed company (RMB)	4,314,063.61	-106.65%	12,816,909.03	-109.44%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	5,164,583.47	-107.13%	13,526,390.29	-109.38%
Cash flow generated by business operation, net (RMB)	--	--	96,516,647.75	-13,380.65%
Basic earning per share(RMB/Share)	0.0361	58.00%	0.1074	124.50%
Diluted gains per share(RMB/Share)(RMB/Share)	0.0361	58.00%	0.1074	124.50%
Weighted average income/asset ratio (%)	1.64%	-126.70%	4.88%	-263.61%

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	509,200.00	
Other non-business income and expenditures other than the above	-1,218,681.26	

Total	-709,481.26	--
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For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non -recurring gain/loss in the report period.

II.Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Total number of common shareholders at the period-end	8,376	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)	0			
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Chongqing Jianshe Mechanical and Electric Co., Ltd	State-owned legal person	71.13%	84,906,250	84,906,250		
Gu Zuocheng	Domestic natural person	1.86%	2,218,750	2,218,750		
Anhui Hengsheng Economic Development Group Co., Ltd.	Domestic non-state-owned legal person	1.47%	1,750,000	1,750,000		
Feng Yonghui	Domestic natural person	0.42%	500,000	500,000		
Liu Dan	Domestic natural person	0.88%	1,054,001	0		
Yu Lingfeng	Overseas natural person	0.52%	620,621	0		
Chen Xinqiang	Domestic natural person	0.51%	612,400	0		
Xu Yuanhui	Domestic natural person	0.51%	610,789	0		
Xie Qingjun	Domestic natural	0.51%	606,650	0		

	person				
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas legal person	0.45%	538,988	0	
Shares held by the Top 10 Shareholders of Non-restricted shares					
Shareholders' Names	Number of the non-restricted shares held	Share type			
		Share type	Quantity		
Liu Dan	1,054,001	Foreign shares placed in domestic exchange	1,054,001		
Yu Lingfeng	620,621	Foreign shares placed in domestic exchange	620,621		
Chen Xinqiang	612,400	Foreign shares placed in domestic exchange	612,400		
Xu Yuanhui	610,789	Foreign shares placed in domestic exchange	610,789		
Xie Qingjun	606,650	Foreign shares placed in domestic exchange	606,650		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	538,988	Foreign shares placed in domestic exchange	538,988		
Zhang Meilan	513,560	Foreign shares placed in domestic exchange	513,560		
CREDIT SUISSE (HONG KONG) LIMITED	489,160	Foreign shares placed in domestic exchange	489,160		
Feng Yongxia	378,575	Foreign shares placed in domestic exchange	378,575		
Chen Houping	333,411	Foreign shares placed in domestic exchange	333,411		
Explanation on associated relationship among the aforesaid shareholders	There isn't any associated relationship between the sponsoring shareholder and the other shareholders among the top-10 list. None of them are regarded as 'Acting in concert' in accordance with 'The rules				

	of information disclosure on change of shareholding. ' Foreign shareholders are unknown for their condition of _Associated relationship' and _Acting in concert'.
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Agreed re-purchasing by the Company's top 10 shareholders of common shares and top 10 shareholders of unconditional common shares in the report period

Yes No

No agreed re-purchasing is performed by the Company's shareholders in the report period.

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable Not applicable

III. Significant Issues

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

√ Applicable □ Not applicable

Major financial indicators of the Company changed significantly with the same period of last year, mainly due to the reorganization of the Company in the year of 2015, and the consolidation scope of the current period changed (including motorcycle business in the previous period).

II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

√ Applicable □ Not applicable

The progress and explanation of the debt transfer of financial institutions involved in major assets reorganization in FY2015 are detailed in point 9 of this report.

III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

√ Applicable □ Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform						
Commitment in the acquisition report or the report on equity changes						
Commitment made upon the assets replacement	Jianshe Mechanical and Electrical , Air-conditioner Co		The reason why listed companies offer external guarantee is that the conditioning company, as the subsidiary corporation of Jianshe stock , provided credit guarantee 186 million yuan for its parent company' bank loan. And as the relevant liabilities of Jianshe stock's motorbike business has been transferred into Jianshe Mechanical and Electrical , corresponding secured party should be Jianshe Mechanical and Electrical .Moreover,Jianshe Stock provided credit guarantee 30 million yuan for the wholly-owned subsidiary,the sales company, after this transaction, Jianshe Mechanical and Electrical ,whose' sales company is subsidiary Jianshe Mechanical and Electrical , will be	October 20,2015	After the guarantee period stipulated in the contract expires, the above financing assurance will be lifted	Under Fulfillment

			<p>wholly-owned subsidiaries under Military Equipment Group control. Above-mentioned the guarantees formed the external guarantees of the conditioning company, which has gained the permission from the company's general meeting of stockholders. Jianshe stock and the conditioning company has made promise respectively on October 20, 2015, after guarantee expires in the guarantee period, above financing guarantee will be lifted. For the Jianshe stock's guarantee for the sales company, Mechanical and Electrical has promised that it will ensure the debtor to repay its creditors to protect listed company's legal interests, and if there are any loss for the listed company, Jianshed Mechanical and Electrical will give first dollar coverage for Jianshe stock. And Jianshe Mechanical and Electrical has presented Commitment to provide counter guarantee after the reorganization about above related-party guarantee. 1, after the sales of substantial assets and the relevant matters of related-party guarantee provided by Jianshe stock, which has been approved by general meeting of stockholders of Jianshe stock the company will provide the equal counter guarantee for Jianshe stock. 2. If the company violates the above pledge and caused any damages or negative effects for Jianshe stock, the Company will assume full financial responsibility and liability.</p>			
Commitments made upon issuance						
Equity incentive commitment						
Other commitments made to minority shareholders						
Executed timely or not?	Yes					

IV. Prediction of Business performance for 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. Investment in securities

Applicable Not applicable

No Securities investment in period

VI. Investment in derivatives

Applicable Not applicable

There is no derivative investment during the report period.

VII. Registration form of such Activities as Reception, Research, Communication, Interview in the Reporting Period

Applicable Not applicable

Reception time	Way of reception	Types of visitors	Basic index
July 28,2016	Telephone communication	Individual	Q: What is the company's main business? A: After the company restructuring, the main business for the automotive air conditioning compressor production and sales.

VIII. Outward Guarantee against the Regulations

Applicable Not applicable

The Company had no guarantee outside against the regulation in the reporting period.

IX. Non-operational Occupancy of the Company's Capital by the Controlling Shareholder and its Related Parties

Applicable Not applicable

In RMB'0000

Shareholder s or associates name	Time occupied	Reasons	Amount at the beginning	The newly increased occupancy amount	The total amount of reimbursement in the reimbursement	Amount at the end of period	Expected repayment method	Expected amount of payment	Expected amount of payment
Jianshe mechanical and electrical	June 30,2016	Financial debt restructuring process is not yet	21,399.2	0	0	21,399.2	Other	21,399.2	December 31,2016

		complete d the procedure s for transferri ng formed							
Total			21,399.2	0	0	21,399.2	--	21,399.2	--
The end of the latest issue of the total value of accounts audited net assets ratio									80.87%
Relevant decision-making procedures			As below						
Add the current major shareholder and its affiliated non-operating capital occupation reasons, the case be held responsible and the Board has developed a description of measures taken.			<p>The major assets restructuring in the company was put into practice after being reviewed and passed by the first extraordinary general meeting 2015 on November 17, 2015. The major assets restructuring stripped the major assets and debts involved in the motorcycle business off Jianshe Mechanical and Electric . and transferred them to Military Equipment Group. Wherein, the transferable financial institution debts totaled 807.50 million yuan. There were quite a big workload and a tight time schedule for the assets and debts transfer involved in this assets restructuring, and some financial institutions spent much time in approving the transfer procedure. Since so, by April 30, 2016, the debts transferred by financial institutions totaled 593.50 million yuan, and 214 million yuan of debts were still being transacted. I. The explanation on the risk of un-transferred financial institution debt was audited by Shu Lun Pan CPA Co., Ltd. By April 30, 2016, the un-transferred financial institution debt totaled 214,000,000 yuan and was processed as other receivables tentatively. According to the Agreement on the Arrangement of Assets and Liabilities Injection signed between the company and Jianshe Electromechanical Co., Ltd. (as detailed in related Announcement on Major Assets Restructuring disclosed on November 11, 2015), both parties should complete the procedures for transferring assets and debts no later than December 31, 2016. As the aforementioned debts are un-matured, the company doesn't need to pay and the financial institution doesn't press for payment, thus no capital flow has been formed. At the same time, there will no such circumstance where the company has to pay the debts on behalf of Jianshe Mechanical and Electric . The processing of this accounting doesn't constitute the Chongqing Jianshe Mechanical and Electric 's substantial possession of the company's non-operating funds. To this end, the board of directors believes that the un-transferred financial institution debts are just a tentative processing of the company's accounting and won't pose any debt risk to the company. II. On top of the major assets restructuring, the company and Jianshe Mechanical and Electric . have been following the terms and conditions as set forth in Agreement on Arrangement of Assets and Liabilities Injection and carried out the assets and liabilities transfer work. The transfer of related assets and liabilities is to be completed before the expiry date December 31, 2016. During the period, if the creditor requires the company to pay off the debts, Jianshe Mechanical and Electric . shall pay the creditor directly or through</p>						

	the company. If it must be performed by the company, Jianshe Mechanical and Electric shall bear all losses arising from the company's paying the debts. Upon expiration, if the aforementioned debts are not transferred yet, Jianshe Mechanical and Electric will pay the company the un-transferred but due debts.
Failed to explain measures planned liquidation of non-operating capital occupation reasons, conditions and accountability of the Board of Directors proposed action	Not applicable
Disclosure date for specific approval opinion on fund occupation from CPA	April 30,2016
Disclosure index for specific approval opinion on fund occupation from CPA	Refer to www.cninfo.com.cn on April 30, 2016, Announcement No. 2016-041 , <i>Chongqing</i> Jianshe Motorcycle Co., Ltd. the Statement of Special Auditing on Capital Appropriation by Holding Shareholder or Related Parties

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Chongqing Jianshe Motorcycle Co., Ltd.

September 30, 2016

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	308,003,344.06	302,660,758.76
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	37,741,056.54	47,008,704.63
Account receivable	233,195,292.87	217,759,208.43
Prepayments	28,731,478.56	9,309,626.86
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	194,490,945.43	257,809,644.42
Repurchasing of financial assets		
Inventories	157,977,305.16	146,350,934.34
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	963,125.94	5,430,548.06
Total of current assets	961,102,548.56	986,329,425.50
Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		

Long term share equity investment	82,290,861.72	83,381,316.13
Property investment		
Fixed assets	417,773,650.11	395,975,005.27
Construction in progress	2,438,832.43	40,435,429.90
Engineering material		
Fixed asset disposal	3,646.70	
Production physical assets		
Gas & petrol		
Intangible assets	27,722,617.54	28,270,393.63
R & D petrol		
Goodwill		
Long-germ expenses to be amortized	2,835,214.45	3,926,091.85
Deferred income tax asset	1,819,643.46	1,819,643.46
Other non-current asset	24,317,183.06	10,478,525.70
Total of non-current assets	559,201,649.47	564,286,405.94
Total of assets	1,520,304,198.03	1,550,615,831.44
Current liabilities		
Short-term loans	182,000,000.00	217,000,000.00
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	718,560,000.00	760,555,000.00
Account payable	188,162,123.00	75,885,325.83
Advance payment	2,813,654.20	1,401,319.97
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	4,584,422.52	1,654,497.94
Tax payable	17,234,089.22	16,857,642.89
Interest payable		
Dividend payable		
Other account payable	49,786,225.43	16,874,326.53

Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	11,100,000.00	75,000,000.00
Other current liability		
Total of current liability	1,174,240,514.37	1,165,228,113.16
Non-current liabilities:		
Long-term loan	75,890,000.00	128,490,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	75,890,000.00	128,490,000.00
Total of liability	1,250,130,514.37	1,293,718,113.16
Owners' equity		
Share capital	119,375,000.00	119,375,000.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	958,575,094.29	958,575,094.29
Less: Shares in stock		
Other comprehensive income		
Special reserves		
Surplus reserves	125,686,000.00	125,686,000.00
Common risk provision		
Undistributed profit	-934,703,099.75	-947,520,008.78

Total of owner's equity belong to the parent company	268,932,994.54	256,116,085.51
Minority shareholders' equity	1,240,689.12	781,632.77
Total of owners' equity	270,173,683.66	256,897,718.28
Total of liabilities and owners' equity	1,520,304,198.03	1,550,615,831.44

Legal Representative: Li Huaguang Person in charge of accounting: Xue Gangyi Accounting Dept Leader: Niu Yanli

2. Parent Company Balance Sheet

In RMB

Items	Year-end balance	Year-beginning balance
Current asset :		
Monetary fund	94,398,778.22	47,345,832.30
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	0.00	2,000,000.00
Account receivable	514,369.84	527,570.36
Prepayments	24,340,733.54	
Interest receivable		
Dividend receivable		
Other account receivable	177,605,598.09	253,605,619.11
Inventories		
Assets held for sales		
Non-current asset due in 1 year		
Other current asset		
Total of current assets	296,859,479.69	303,479,021.77
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	250,450,861.72	251,541,316.13
Property investment		
Fixed assets	174,471,138.07	183,278,272.00
Construction in progress		
Engineering material		

Fixed asset disposal	3,646.70	
Production physical assets		
Gas & petrol		
Intangible assets	15,948,231.58	16,261,765.57
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset		
Other non-current asset		
Total of non-current assets	440,873,878.07	451,081,353.70
Total of assets	737,733,357.76	754,560,375.47
Current liabilities		
Short-term loans		25,000,000.00
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	142,850,000.00	152,850,000.00
Account payable	136,224,291.97	42,646,214.18
Advance payment	688,915.52	220,124.53
Employees' wage payable	46,526.80	58,886.32
Tax payable	16,043,369.00	15,268,307.65
Interest payable		
Dividend payable		
Other account payable	249,604,987.53	216,034,017.49
Liabilities held for sales		
Non-current liability due in 1 year		67,000,000.00
Other current liability		
Total of current liability	545,458,090.82	519,077,550.17
Non-current liabilities:		
Long-term loan		47,000,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		

Employees' wage Long-term payable		
Special payable		
Expected liabilities		
Differed income		
Differed income tax liability		
Other non-current liabilities		
Total of Non-current liabilities		47,000,000.00
Total of liability	545,458,090.82	566,077,550.17
Owners' equity		
Share capital	119,375,000.00	119,375,000.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	958,575,094.29	958,575,094.29
Less: Shares in stock		
Other comprehensive income		
Special reserves		
Surplus reserves	125,686,000.00	125,686,000.00
Undistributed profit	-1,011,360,827.35	-1,015,153,268.99
Total of owners' equity	192,275,266.94	188,482,825.30
Total of liabilities and owners' equity	737,733,357.76	754,560,375.47

3.Consolidated Profit statement of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	222,817,415.03	303,960,771.84
Incl: Business income	222,817,415.03	303,960,771.84
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	218,422,951.76	385,173,101.80
Incl: Business cost	183,064,974.53	316,739,370.82
Interest expense		

Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	1,085,900.55	931,709.29
Sales expense	5,799,954.26	13,015,778.80
Administrative expense	18,872,595.80	30,827,522.19
Financial expenses	9,619,526.62	14,734,547.63
Asset impairment loss	-20,000.00	8,924,173.07
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)	1,093,108.89	10,717,367.10
Incl: investment gains from affiliates	1,093,108.89	10,717,367.10
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	5,487,572.16	-70,494,962.86
Add: Non-business income	68,550.00	7,595,741.57
Incl: Gains from disposal of non-current assets		
Less: Non business expenses	919,069.86	29,752.43
Incl: Loss from disposal of non-current assets	0.00	181,477.86
IV.Total profit (“-”for loss)	4,637,052.30	-62,928,973.72
Less: Income tax expenses	141,278.43	1,900,237.21
V. Net profit (“-”for net loss)	4,495,773.87	-64,829,210.93
Net profit attributable to the owners of parent company	4,314,063.61	-64,918,870.00
Minority shareholders’ equity	181,710.26	89,659.07
VI. Net after-tax of Other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method		

investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified in to profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net after-tax of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	4,495,773.87	-64,829,210.93
Total comprehensive income attributable to the owner of the parent company	4,314,063.61	-64,918,870.00
Total comprehensive income attributable minority shareholders	181,710.26	89,659.07
VIII. Earnings per share		
(I) Basic earnings per share	0.0361	-0.5438
(II) Diluted earnings per share	0.0361	-0.5438

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0, last period the combined party realized RMB 0.

Legal Representative: Li Huaguang Person in charge of accounting: Xue Gangyi Accounting Dept Leader: Niu Yanli

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	147,553,938.73	253,400,150.07
Incl: Business cost	141,127,285.79	273,182,721.40
Business tax and surcharge	173,473.33	
Sales expense	0.00	2,331,938.33
Administrative expense	5,335,796.83	19,375,786.54
Financial expenses	6,722,965.25	12,165,490.62

Asset impairment loss		-6,659.35
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)	1,093,108.89	10,717,367.10
Incl: investment gains from affiliates	1,093,108.89	10,717,367.10
II. Operational profit (“-”for loss)	-4,712,473.58	-42,931,760.37
Add: Non-business income	0.00	3,860,227.05
Incl: Gains from disposal of non-current assets		
Less: Non business expenses	206,980.01	-36,843.81
Incl: Loss from disposal of non-current assets	-3,983.84	143,592.74
III.Total profit(“-”for loss)	-4,919,453.59	-39,034,689.51
Less: Income tax expenses		
IV. Net profit (“-”for net loss)	-4,919,453.59	-39,034,689.51
V. Net after-tax of Other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-4,919,453.59	-39,034,689.51
VII. Earnings per share:		
(I) Basic earnings per share	-0.0412	-0.3270

(II)Diluted earnings per share	-0.0412	-0.3270
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5. Consolidated income statement between the beginning of the year and end of the report period

In RMB

Items	Amount in this period	Amount in last period
I. Total operating income	690,994,706.91	1,023,616,474.31
Including: Operating income	690,994,706.91	1,023,616,474.31
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	678,877,033.77	1,186,848,835.77
Including: Operating cost	577,517,121.86	952,851,489.63
Interest expense		
Commission chare 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	2,585,384.56	2,668,741.97
Sales expenses	18,091,358.50	53,340,548.64
Administration expenses	55,317,550.82	102,376,126.30
Financial expenses	25,640,619.02	66,663,376.39
Losses of devaluation of assets	-275,000.99	8,948,552.84
Add : Changing income of fair value		
Investment income	2,309,545.59	22,440,125.11
Including: Investment income on affiliate company and joint venture	2,309,545.59	22,440,125.11
Exchange income		
III. Operating profit	14,427,218.73	-140,792,236.35
Add : Non-operating income	528,059.47	8,838,065.55
Including :Disposal Gains of non-current assets		
Less: Non-operating expense	1,237,540.73	398,217.99
Including :Disposal loss of non-current assets		

IV. Total profit	13,717,737.47	-132,352,388.79
Less: Income tax	441,772.09	3,235,847.30
V. Net profit (“-”for net loss	13,275,965.38	-135,588,236.09
Net profit attributable to the owners of parent company	12,816,909.03	-135,807,558.67
Minority shareholders’ equity	459,056.35	219,322.58
VI. Net after-tax of Other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified in to profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net after-tax of other comprehensive income attributable to Minority shareholders’ equity		
VII. Total comprehensive income	13,275,965.38	-135,588,236.09
Total comprehensive income attributable to the owner of the parent company	12,816,909.03	-135,807,558.67
Total comprehensive income attributable minority shareholders	459,056.35	219,322.58

VIII. Earnings per share		
(I) Basic earnings per share	0.1074	-1.1377
(II) Diluted earnings per share	0.1074	-1.1377

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0, last period the combined party realized RMB 0.

6. Income Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I. Business income	484,378,257.16	808,197,594.02
Less: Business cost	454,677,557.06	816,874,207.57
Business tax and surcharge	415,033.77	139,356.48
Sales expense	0.00	8,010,371.37
Administrative expense	15,932,494.52	69,040,427.91
Financial expenses	11,636,598.79	39,216,626.81
Asset impairment loss		0.00
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)	2,309,545.59	22,440,125.11
Incl: investment gains from affiliates	2,309,545.59	22,440,125.11
II. Operational profit	4,026,118.61	-102,643,271.01
Add: Non-business income	0.00	4,004,486.74
Incl: Gains from disposal of non-current assets		
Less: Non business expenses	233,676.97	253,118.79
Incl: Loss from disposal of non-current assets		
III. Total profit	3,792,441.64	-98,891,903.06
Less: Income tax expenses		
IV. Net profit)	3,792,441.64	-98,891,903.06
V. Net after-tax of Other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		

(II) Other comprehensive income that will be reclassified in to profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	3,792,441.64	-98,891,903.06
VII. Earnings per share		
(I) Basic earnings per share	0.0318	-0.8284
(II)Diluted earnings per share	0.0318	-0.8284

7. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	386,715,875.32	598,068,277.35
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of trade financial asset disposal		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		

Net increase of repurchasing business		
Tax returned	4,096,213.49	3,780,048.68
Other cash received from business operation	5,462,940.88	6,318,009.31
Sub-total of cash inflow	396,275,029.69	608,166,335.34
Cash paid for purchasing of merchandise and services	225,140,843.26	401,330,262.17
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	41,620,535.78	121,917,568.87
Taxes paid	18,094,732.14	29,581,259.34
Other cash paid for business activities	14,902,270.76	56,063,991.47
Sub-total of cash outflow from business activities	299,758,381.94	608,893,081.85
Cash flow generated by business operation, net	96,516,647.75	-726,746.51
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	3,400,000.00	34,500,000.00
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		1,745,492.45
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	3,400,000.00	36,245,492.45
Cash paid for construction of fixed assets, intangible assets and other long-term assets	18,303,266.82	36,266,477.05
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	18,303,266.82	36,266,477.05
Net cash flow generated by investment	-14,903,266.82	-20,984.60

III.Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	222,500,000.00	676,790,000.00
Cash received from bond placing		
Other financing –related ash received	2,594,748,014.83	1,086,760,170.89
Sub-total of cash inflow from financing activities	2,817,248,014.83	1,763,550,170.89
Cash to repay debts	563,422,250.00	896,493,777.77
Cash paid as dividend, profit, or interests	48,675,476.70	74,235,157.05
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	2,243,004,944.31	765,421,153.45
Sub-total of cash outflow due to financing activities	2,855,102,671.01	1,736,150,088.27
Net cash flow generated by financing	-37,854,656.18	27,400,082.62
IV. Influence of exchange rate alternation on cash and cash equivalents		658,789.32
V.Net increase of cash and cash equivalents	43,758,724.75	27,311,140.83
Add: balance of cash and cash equivalents at the beginning of term	23,643,515.81	35,555,585.06
VI ..Balance of cash and cash equivalents at the end of term	67,402,240.56	62,866,725.89

8. Cash Flow Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	266,304,552.60	344,290,602.23
Tax returned		1,694,201.68
Other cash received from business operation	212,255.47	1,644,115.23
Sub-total of cash inflow	266,516,808.07	347,628,919.14
Cash paid for purchasing of merchandise and services	141,139,796.29	388,155,888.23
Cash paid to staffs or paid for staffs	20,744,394.23	100,882,686.82
Taxes paid	9,134,547.24	4,250,158.05

Other cash paid for business activities	1,352,716.36	14,880,600.89
Sub-total of cash outflow from business activities	172,371,454.12	508,169,333.99
Cash flow generated by business operation, net	94,145,353.95	-160,540,414.85
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	3,400,000.00	34,500,000.00
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		98,316.45
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	3,400,000.00	34,598,316.45
Cash paid for construction of fixed assets, intangible assets and other long-term assets	450,000.00	3,089,458.19
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	450,000.00	3,089,458.19
Net cash flow generated by investment	2,950,000.00	31,508,858.26
III.Cash flow generated by financing		
Cash received as investment		
Cash received as loans	202,500,000.00	487,300,000.00
Cash received from bond placing		
Other financing –related cash received	2,240,343,234.49	1,611,596,145.98
Sub-total of cash inflow from financing activities	2,442,843,234.49	2,098,896,145.98
Cash to repay debts	468,800,000.00	587,000,000.00
Cash paid as dividend, profit, or interests	33,720,624.57	44,687,461.87
Other cash paid for financing activities	1,990,368,105.00	1,352,193,593.00
Sub-total of cash outflow due to financing activities	2,492,888,729.57	1,983,881,054.87
Net cash flow generated by financing	-50,045,495.08	115,015,091.11
IV. Influence of exchange rate alternation on cash and cash equivalents		0.00
V.Net increase of cash and cash equivalents	47,049,858.87	-14,016,465.48

Add: balance of cash and cash equivalents at the beginning of term	4,486,524.01	22,292,965.15
VI ..Balance of cash and cash equivalents at the end of term	51,536,382.88	8,276,499.67

II. Auditor's report

Whether the Q3 report is audited

Yes No

The Q3 Report is not audited.