



**FIYTA HOLDINGS LTD.**

**2016 1<sup>st</sup> Quarterly Report**

**April, 2016**

## **Section 1 Important Notice**

The Board of Directors, the Supervisory Committee, directors, supervisors and senior executives hereby individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are neither material omissions nor errors which would render any statement misleading.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr. Xu Dongsheng, the Company leader, Mr. Hu Xinglong, chief financial officer, and Mr. Tian Hui, the manager of the accounting department (treasurer) hereby confirm the authenticity, accuracy and completeness of the financial report enclosed in this Quarterly Report.

## Section 2 Financial Summary and Change of Shareholders

### I. Key Accounting Data and Financial Indicators

Have the accounting data of the previous year undergone retroactive adjustment or restatement due to the change of accounting policy and/or correction of accounting errors, etc.?

No

	Reporting period	Same Period of the Previous Year	Increase/decrease of the report period vs the same period of the previous year
Operating revenue, in CNY	732,961,459.52	894,056,260.25	-18.02%
Net profit attributable to the Company's shareholders, in CNY	27,251,347.69	44,967,185.35	-39.40%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	27,249,320.31	44,409,083.60	-38.64%
Net cash flows arising from operating activities, in CNY	97,495,185.15	109,358,176.80	-10.85%
Basic earning per share (CNY/share)	0.0621	0.1145	-45.76%
Diluted earning per share (CNY/share)	0.0621	0.1145	-45.76%
Net assets-income ratio, weighted average	1.18%	2.70%	-1.52%
	End of the reporting period	End of the previous year	Increase/decrease of the end of the report period vs the end of the previous year
Total assets, in CNY	4,089,456,568.12	4,246,670,045.02	-3.70%
Net asset attributable to the Company's shareholders, in CNY	2,332,731,027.20	2,299,215,650.21	1.46%

Non-recurring gain/loss items and the amount involved

In CNY

Items	From year beginning to the end of the reporting period	Notes
Gain and loss from disposal of non-current assets, including the part offset with the provision for impairment of assets	-26,982.38	
Government subsidy recognized in current gain and loss (excluding those closely related to the Company's business and granted under the state's policies according to certain quota of amount or volume)	60,000.00	
Income and expenses from the business other than the above items	-30,830.28	
Less: Amount affected by the income tax	159.96	
Amount affected by minority equity (after tax)	0.00	
Total	2,027.38	--

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.

Inapplicable

## 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 common shareholders at the end of the reporting period		35,737	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)		0	
Shares held by the Top Ten Shareholders						
Shareholders' Names	Nature of Shareholders	Proportion of the shares held	Number of shares held	Number of restricted shares held	Pledged or frozen	
					Status of the shares	Q'ty
AVIC International Holdings Limited	State-owned corporate	37.15%	162,977,327	0		
Golden Eagle Fund – Minsheng Bank – Golden Eagle Wen's Junye Flexible Allocation No. 3 Assets Management Program	Domestic non-state-owned corporate	2.08%	9,131,232	4,674,329		
Manulife Teda Fund – Minsheng Bank - Manulife	Domestic non-state-owned corporate	2.07%	9,093,259	9,093,259		

Teda Value Growth Directional Private Placement No. 351 Assets Management Program						
SWS MU Assets— China Merchants Bank— China Resources SZITIC Trust-Ruihua Directional Placement Hedge Fund No. 2 Assembly Capital Trust Program	Domestic non-state-owned corporate	1.92%	8,429,118	8,429,118		
Tibet Autonomous Region Investment Co., Ltd.	Domestic non-state-owned corporate	1.13%	4,976,551	4,976,551		
Manulife Teda Fund— ICBC— Manulife Teda International Trade Orient Directional Placement No. 1 Assets Management Program	Domestic non-state-owned corporate	1.04%	4,546,630	4,546,630		
China Life Insurance	Domestic non-state-owned	0.69%	3,039,000	0		

Company Limited – Dividend – Dividend to Individuals -005L-FH002 Shen	ed corporate					
Essence International Securities (Hong Kong) Limited	Foreign corporate	0.59%	2,610,000	0		
Dai Wen	Domestic natural person	0.46%	2,009,321	0		
Zhou Weixian	Domestic natural person	0.44%	1,911,700	0		
Shares held by the Top Ten Shareholders of Non-restricted Shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			
AVIC International Holdings Limited	162,977,327	A-shares	162,977,327			
Golden Eagle Fund – Minsheng Bank – Golden Eagle Wen's Junye Flexible Allocation No. 3 Assets Management Program	4,456,903	A-shares	4,456,903			
China Life Insurance Company Limited – Dividend – Dividend to Individuals -005L-FH002Shen	3,039,000	A-shares	3,039,000			
Essence International Securities (Hong Kong) Limited	2,610,000	B-shares	2,610,000			
Dai Wen	2,009,321	A-shares	2,009,321			
Zhou Weixian	1,911,700	A-shares	1,911,700			
China Merchants Securities (HK) Co., Limited	1,400,734	B-shares	1,400,734			
BOCHK INVESTMENT FUNDS-BOCHK CHINA GOLDEN DRAGON FUND	768,531	B-shares	768,531			
VANGUARD TOTAL	710,020	B-shares	710,020			

INTERNATIONAL STOCK INDEX FUND			
Wu Xiaobo	683,082	Others	683,082
Explanation on associated relationship or concerted action of the above shareholders	Of the top ten shareholders, Manulife Teda Fund – Minsheng Bank - Manulife Teda Value Growth Directional Private Placement No. 351 Assets Management Program and Manulife Teda Fund – ICBC – Manulife Teda International Trade Orient Directional Placement No. 1 Assets Management Program are all subordinate to Manulife Teda Fund Management Co., Ltd. The total 13,639,889 shares in the Company held by them are all restricted shares issued by the Company in the private placement.		
Note to the top 10 common stockholders involved in margin financing & securities lending (if any)	Inapplicable		

Was any of the top 10 common stockholders or top 10 common stockholders of non-restricted shares involved in the agreed repurchase trading during the reporting period?

No

**2. Total number of preferred stockholders and the shareholding of the top ten preferred stockholders**

Inapplicable

## Section 3 Significant Events

### I. Changes in the Principal Accounting Statement Items and Financial Indicators and the Causes

Balance sheet items	Ending balance, In CNY	Opening balance. In CNY	Proportion of the change	Causes of change
Other current assets	10,286,294.46	15,796,773.56	-34.88%	The input VAT not yet offset at the beginning of the reporting period was offset in the reporting period
Other non-current assets	7,458,521.88	5,118,833.65	45.71%	Advance payment for procuring equipment in the reporting period increased over the beginning of the reporting period
Payroll payable	14,570,479.65	39,396,747.95	-63.02%	Year-end bonus provided at the end of 2015 was already paid in the reporting period
Interest payable	2,699,771.70	19,211,630.02	-85.95%	The bond interest provided at the beginning of the reporting period was already paid in the reporting period
Other current liabilities	11,348,265.60	1,988,252.38	470.77%	Expenses provided in the reporting period increased over the beginning of the reporting period
Liabilities payable	-	399,823,760.28	-100.00%	The company bonds were already redeemed in the reporting period
Profit statement items	Amount in the reporting period,	Same period of the previous year, in CNY	Proportion of the change	Causes of change



	in CNY			
Operating profit	33,875,994.18	57,047,841.07	-40.62%	Sales income in the reporting period decreased over the same period of the previous year
Non-operating income	354,721.40	748,983.71	-52.64%	The government subsidies received in the reporting period decreased over the same period of the previous year
Non-operating expenditures	352,534.06	21,029.34	1576.39%	Donations paid amounted to CNY 0.30 million in the reporting period
Income tax expense	6,776,540.61	12,659,974.81	-46.47%	The manufacture company fulfilled the work of review for the title of national hi-tech enterprise at the end of 2015. In the reporting period, the income tax was provided based on the tax rate of 15%.
Net profit	27,101,640.91	45,115,820.63	-39.93%	Sales income in the reporting period decreased over the same period of the previous year
Net cash flow arising from financial activities	-162,719,505.43	115,981,884.34	-240.30%	In the reporting period, the free capital was used to repay partial bank loans; as a result, the remaining interest bearing liabilities decreased over the beginning of the reporting period

## II. Progress of Significant Events, their Influences and Analytical Notice on the Solutions

### 1. Non-public Issuing

On January 15, 2016, the A-shares issued by private placement were registered for listing with Shenzhen Stock Exchange and the Company published the announcements on the listing and the related commitments. For the detail, refer to the Report on Issuing Shares by Private Placement and Announcement on Listing of the Shares 2016-003 and the Announcement on the Commitments for the Shares Issued by Private Placement 2016-004.

### 2. Related Transactions

The 5th meeting of the Eighth Board of Directors held on January 19, 2016 reviewed and approved the Proposal on Renewing the Financial Service Agreement with AVIC Finance Co., Ltd. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005 and the Announcement on the Related Transactions Involved in the Renewal of the Financial Service Agreement with AVIC Finance Co., Ltd. 2016-005 disclosed on the Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn). The implementation of the proposal is subject to approval by the General Meeting.

### 3. Amendment of the Articles of Association

The 5th meeting of the Eighth Board of Directors held on January 19, 2016 reviewed and approved the Proposal on Amendment of the Articles of Association. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005. For the detail, refer to the Announcement on the Resolutions of the 5th Meeting of the Eighth Board of Directors 2016-005 disclosed on the Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn). The implementation of the proposal is subject to approval by the General Meeting.

### 4. Redemption of the Company's Bonds

The 4th meeting of the Eighth Board of Directors held on January 8, 2016 reviewed and approved the Proposal on Exercising the Option of Redeeming "12 YADA BOND" as the Company Bond Issuer. For this purpose, the Company published Indicative Announcements respectively on January 13, 2016, January 22, 2016, February 2, 2016 and February 23, 2016. For the detail, refer to the Announcement for Giving Up the Option of Up-regulation of the Nominal Interest Rate of the Company Bond Titled "12 YADA BOND" and the Investor's Option of Selling Back and Exercising the Redemption Option as the Issuer 2006-001, the First Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-002, the Second Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-010, the Third Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-011 and the Fourth Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-012. The redemption of the company bond was finished on February 29, 2016. For the detail, refer to the Announcement on the Result of Redemption of 12 YADA BONDS and Delisting 2016-013.

Description of Significant Events	Date of Disclosure	Inquiry index of the website for disclosing provisional reports
Announcement for Giving Up the Option of Up-regulation of the Nominal Interest Rate of the Company Bond Titled "12 YADA BOND" and the Investor's Option of	January 11, 2016	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>

Selling Back and Exercising the Redemption Option as the Issuer 2006-001		
First Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-002	January 13, 2016	www.cninfo.com.cn
Announcement on the Report on Issuing Shares by Private Placement and Listing 2016-003	January 14, 2016	www.cninfo.com.cn
Announcement on the Commitments concerning Issuing Shares by Private Placement 2016-004	January 14, 2016	www.cninfo.com.cn
Announcement on the Resolutions of the 5 <sup>th</sup> Meeting of the Eighth Board of Directors 2016-005	January 20, 2016	www.cninfo.com.cn
Announcement on the Related Transactions Involved in the Renewal of the Financial Service Agreement with AVIC Finance Co., Ltd. 2016-005	January 20, 2016	www.cninfo.com.cn
Second Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-010.	January 22, 2016	www.cninfo.com.cn
Third Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-011	February 2, 2016	www.cninfo.com.cn
Fourth Indicative Announcement on Redemption of "12 YADA BOND" and Delisting 2016-012	February 23, 2016	www.cninfo.com.cn
Announcement on the Result of Redemption of 12 YADA BONDS and Delisting 2016-013	February 26, 2016	www.cninfo.com.cn

**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**

Commitments	Promiser	Commitment type	Description	Commitment time	Commitment deadline	Implementation status
Commitment for Equity Separation Reform						

Commitments in the Acquisition Report or the Report on Change of the Equity						
Commitments at the assets reorganization						
Commitment made at IPO or re-financing	FIYTA Holdings Ltd.	Other commitments	<p>The Company commits that in case it is predicted that the Company may be unable to duly pay the principal and interest of the bond or fail to duly pay the principal and interest of the bond when it is due, the Company shall at least take the following measures: 1. not profit distribution to the shareholders shall be conducted. 2. implementation of any capital expenditure projects, such as material external investment, acquisition and merger,</p>	February 27, 2013	<p>Deadline of the bonds (The valid term of the bonds is 5 years attached with the investors' option of selling back, the Company's option of redemption and option of up-regulation of the nominal interest rate at the end of the 3rd year).</p>	<p>Implementation finished (the company bonds had been redeemed all and delisted by February 29, 2016)</p>

			<p>etc. shall be suspended.</p> <p>3. salaries and bonus to the directors and senior executives shall be adjusted down or suspended.</p> <p>4. None of the key officers may be transferred out.</p>			
	<p>Caitong Fund Management Co., Ltd.; Manulife Teda Fund Management Co., Ltd.; Tibet Autonomous Region Investment Co., Ltd.; Golden Eagle Fund Management Co., Ltd.; SWS MU (Shanghai) Assets Management Co., Ltd.</p>	<p>Commitment on restricted sales of shares</p>	<p>Commitment by Caitong Fund Management Co., Ltd., Manulife Teda Fund Management Co., Ltd., Tibet Autonomous Region Investment Co., Ltd., Golden Eagle Fund Management Co., Ltd. and SWS MU (Shanghai) Assets Management Co., Ltd. the investors of the shares issued in the said private</p>	<p>January 15, 2016</p>	<p>1 year</p>	<p>In process of implementation</p>

			placement: The shares subscribed by them in the non-public Issuing shall not be assigned within 12 months commencing from the date of listing.			
Equity incentive commitment						
Other commitment to the Company's minority shareholders	AVIC International Holdings Limited	Commitment for increasing the shareholding	Based on the understanding of the current Chinese capital market and confidence in sustainable and steady development of the Company and with a view to safeguarding the whole shareholders' interests and promoting the capital market to keep steady with practical action, in accordance with the Circular of	July 11, 2015	Refer to the Announcement on Commitment for the Shares Acquired (2015-022)	In process of implementation

			<p>China Securities Regulatory Commission on the Issue concerning Additional Holding of their Company's Shares by Major Shareholders, Directors, Supervisors and Senior Executives of Listed Companies (ZHENG JIAN FA [2015] No. 51 and the relevant laws and regulations, AVIC International, as the Company's actual controller, intended to increase the holding size of the Company's shares through AVIC International Investment Co., Ltd. as its person acting in</p>			
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			concert.			
	AVIC International Holdings Limited	Commitment on restricted sales of shares	AVIC International Investment Limited, as the person acting in concert of AVIC International Investment Limited, the Company's actual controller, acquired additionally 100,000 shares of the Company's shares from the secondary market and committed that during the increased shareholding and within 6 months after the end of the increased shareholding, it would not assign any of the Company's shares additionally held by it to any other party.	July 13, 2015	Refer to the Announcement on Commitment for the Shares Acquired (2015-022)	In process of implementation
Have the commitments been	Yes					



implemented in a timely way	
If the commitment has not been implemented at the end of the reporting period, it is necessary to explain the specific reason of failure in implementation and the future work plan.	Inapplicable

**IV. Anticipation of Business Performance from January to June, 2016**

Inapplicable

**V. Investment in Securities**

Inapplicable

**VI. Investment in Derivatives**

Inapplicable

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

Inapplicable

**VIII. Outward Guarantee against the Regulations**

Inapplicable

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

Inapplicable

## Section 4 Financial Statements

### I. Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by: FIYTA Holdings Ltd.

March 31, 2016

In CNY

Items	Ending balance	Opening balance
Current assets:		
Monetary fund	523,660,853.97	638,962,875.93
Settlement reserve		
Lendings		
Financial assets that are measured at fair value and changes in the value are charged to current gain and loss.		
Derivative financial assets		
Notes receivable	9,312,284.97	7,197,788.08
Accounts receivable	346,656,603.65	304,725,676.29
Prepayment	36,194,279.58	48,869,563.60
Receivable premium		
Reinsurance accounts receivable		
Reserve for reinsurance contract receivable		
Interest receivable		
Dividends receivable		
Other receivables	44,270,377.96	39,847,732.76
Redemptory monetary capital for sale		
Inventories	2,030,106,750.22	2,092,691,019.29
Held-for-sale assets as classified		
Non-current assets due within a year		

Other current assets	10,286,294.46	15,796,773.56
Total current assets	3,000,487,444.81	3,148,091,429.51
Non-current assets:		
Provision of loans and advance in cash		
Available-for-sale financial assets	85,000.00	85,000.00
Held-to-due investments		
Long term accounts receivable		
Long-term equity investment	43,221,572.05	43,221,572.05
Investment based real estate	214,662,256.55	216,948,193.02
Fixed assets	361,024,398.42	361,979,828.01
Construction-in-process	175,764,428.71	173,189,274.57
Engineering supplies		
Disposal of fixed assets		
Productive biological asset		
Oil and gas assets		
Intangible assets	36,377,865.53	36,429,626.66
Development expenses		
Goodwill		
Long-term expenses to be apportioned	148,044,002.67	155,704,564.39
Deferred income tax asset	102,331,077.50	105,901,723.16
Other non-current assets	7,458,521.88	5,118,833.65
Total non-current assets	1,088,969,123.31	1,098,578,615.51
Total Assets	4,089,456,568.12	4,246,670,045.02
Current liabilities:		
Short-term Loan	1,243,612,400.00	988,186,200.00
Due to the Central Bank		
Deposits taking and interbank placement		
Borrowing capital		
Financial liabilities measured based on the fair value and whose change was charged to the current		

gain and loss.		
Derivative financial liabilities		
Notes payable		
Accounts payable	147,364,351.87	155,939,686.54
Advance receipts	19,650,315.91	18,031,129.87
<i>Financial assets sold for repurchase</i>		
Service charge and commission payable		
Accrued payroll	14,570,479.65	39,396,747.95
Payable taxes	51,223,835.15	68,921,732.81
Interest payable	2,699,771.70	19,211,630.02
Dividends payable		
Other payables	41,630,255.71	48,131,616.20
Payable reinsurance		
Reserve for insurance contract		
Acting trading securities		
Income from securities underwriting on commission		
Held-for-purchase liabilities as classified		
Non-current liabilities due within a year	117,418,000.00	108,914,000.00
Other current liabilities	11,348,265.60	1,988,252.38
Total current liabilities	1,649,517,675.59	1,448,720,995.77
Non-current liabilities:		
Long-term Loan	99,439,146.46	90,994,964.33
Bonds payable		399,823,760.28
Including: preferred shares		
Perpetual bond		
Long-term accounts payable		
Long term accrued payroll		
Special accounts payable		
Predicted liabilities		

Deferred income	4,300,000.00	4,300,000.00
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	103,739,146.46	495,118,724.61
Total Liabilities	1,753,256,822.05	1,943,839,720.38
Owner's equity:		
Capital Stock	438,744,881.00	438,744,881.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital Reserve	1,062,455,644.22	1,062,455,644.22
Less: shares in stock		
Other comprehensive income	-10,881,160.41	-17,145,189.71
Special reserve		
Surplus Reserve	179,743,077.15	179,743,077.15
Reserve against general risks		
Retained earnings	662,668,585.24	635,417,237.55
Total owners' equity attributable to the parent company	2,332,731,027.20	2,299,215,650.21
Minority shareholders' equity	3,468,718.87	3,614,674.43
Total owner's equity	2,336,199,746.07	2,302,830,324.64
Total liabilities and owners' equity	4,089,456,568.12	4,246,670,045.02

Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

## 2. Balance Sheet, Parent Company

In CNY

Items	Ending balance	Opening balance
Current assets:		
Monetary fund	340,152,643.98	513,869,824.81
Financial assets that are measured at fair value and changes in the value are charged		

to current gain and loss.		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Prepayment		
Interest receivable		
Dividends receivable	23,344,660.36	
Other receivables	1,636,373,875.22	1,527,756,817.18
Inventories		
Held-for-sale assets as classified		
Non-current assets due within a year		
Other current assets	3,049,365.68	2,089,651.83
Total current assets	2,002,920,545.24	2,043,716,293.82
Non-current assets:		
Available-for-sale financial assets	85,000.00	85,000.00
Held-to-due investments		
Long term accounts receivable		
Long-term equity investment	856,391,292.05	814,121,292.05
Investment based real estate	214,662,256.55	216,948,193.02
Fixed assets	114,087,502.47	113,553,719.50
Construction-in-process	175,764,428.71	173,189,274.57
Engineering supplies		
Disposal of fixed assets		
Productive biological asset		
Oil and gas assets		
Intangible assets	30,055,473.84	30,104,404.98
Development expenses		
Goodwill		
Long-term expenses to be apportioned	4,574,316.51	4,693,186.19
Deferred income tax asset	1,081,888.10	1,081,888.10

Other non-current assets	7,458,521.88	5,118,833.65
Total non-current assets	1,404,160,680.11	1,358,895,792.06
Total Assets	3,407,081,225.35	3,402,612,085.88
Current liabilities:		
Short-term Loan	990,000,000.00	700,000,000.00
Financial liabilities measured based on the fair value and whose change was charged to the current gain and loss.		
Derivative financial liabilities		
Notes payable		
Accounts payable	211,339.76	23,711,339.76
Advance receipts	2,880,423.60	3,207,516.61
Accrued payroll	558,508.60	8,188,793.56
Payable taxes	2,763,740.93	2,857,031.42
Interest payable	2,248,369.22	18,170,745.35
Dividends payable		
Other payables	17,432,483.14	17,550,238.03
Held-for-purchase liabilities as classified		
Non-current liabilities due within a year		
Other current liabilities		
Total current liabilities	1,016,094,865.25	773,685,664.73
Non-current liabilities:		
Long-term Loan	93,361,928.00	68,361,928.00
Bonds payable		399,823,760.28
Including: preferred shares		
Perpetual bond		
Long-term accounts payable		
Long term accrued payroll		
Special accounts payable		
Predicted liabilities		
Deferred income	4,300,000.00	4,300,000.00
Deferred income tax liability		

Other non-current liabilities		
Total non-current liabilities	97,661,928.00	472,485,688.28
Total Liabilities	1,113,756,793.25	1,246,171,353.01
Owner's equity:		
Capital Stock	438,744,881.00	438,744,881.00
Other equity instruments		
Including: preferred shares		
Perpetual bond		
Capital Reserve	1,068,111,185.32	1,068,111,185.32
Less: shares in stock		
Other comprehensive income		
Special reserve		
Surplus Reserve	179,743,077.15	179,743,077.15
Retained earnings	606,725,288.63	469,841,589.40
Total owner's equity	2,293,324,432.10	2,156,440,732.87
Total liabilities and owners' equity	3,407,081,225.35	3,402,612,085.88

Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

### 3. Consolidated Statement of Profit

in CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Turnover	732,961,459.52	894,056,260.25
Including: operating income	732,961,459.52	894,056,260.25
Interest income		
Earned insurance premium		
Service charge and commission income		
II. Total operating costs	699,085,465.34	837,258,434.93
Including: Operating costs	436,060,603.32	563,175,281.33
Interest payment		



Service charge and commission expenses		
Surrender Value		
Compensation expenses, net		
Provision of reserve for insurance contract, net		
Payment of policy dividend		
Reinsurance expenses		
Business Taxes and Surcharges	6,787,845.66	6,120,684.92
Sales costs	189,666,151.53	200,820,706.69
Administrative expenses	47,858,157.93	41,435,305.05
Financial expenses	18,789,950.59	26,193,116.46
Loss from impairment of assets	-77,243.69	-486,659.52
Plus: Income from change in fair value (loss stated with “-“)		
Investment return (loss stated with “-“)		250,015.75
Including: return on investment in associate and joint venture		250,015.75
Exchange income (loss stated with “-“)		
III. Profit from businesses (loss stated with “-“)	33,875,994.18	57,047,841.07
Plus: Non-operating income	354,721.40	748,983.71
Including: Gains from disposal of non-current assets	654.08	69,750.00
Less: Non-operating expenses	352,534.06	21,029.34
Including: Loss from disposal of non-current assets	27,636.46	16,692.63
IV. Total Profit (total loss stated with “-“)	33,878,181.52	57,775,795.44

Less: Income tax expense	6,776,540.61	12,659,974.81
V. Net Profit (loss stated with “-“)	27,101,640.91	45,115,820.63
Net profit attributable to the parent company’s owner	27,251,347.69	44,967,185.35
Minority shareholders’ gain and loss	-149,706.78	148,635.28
VI. Net of other comprehensive income after tax	6,264,029.30	3,566,154.55
Net of other comprehensive income after tax attributable to the parent company’s owner	6,264,029.30	3,566,154.55
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future	6,264,029.30	3,566,154.55
1. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method in future		
2. Gain/loss from change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial assets		
4. Valid part of the		

gain/loss from cash flow hedge		
5. Conversion margin of the financial statements in foreign currency	6,264,029.30	3,566,154.55
6. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	33,365,670.21	48,681,975.18
Total comprehensive income attributable to the parent company's owner	33,515,376.99	48,533,339.90
Total comprehensive income attributable to minority shareholders	-149,706.78	148,635.28
VIII. Earnings per share:		
(I) Basic earnings per share	0.0621	0.1145
(II) Diluted earnings per share	0.0621	0.1145

Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

#### 4. Income Statement, Parent Company

in CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Operating income	24,693,834.10	22,727,222.97
Less: Operating cost	3,342,845.07	3,137,183.21
Business Taxes and Surcharges	1,444,143.60	1,190,476.40
Sales costs		
Administrative expenses	14,016,583.20	11,616,774.75
Financial expenses	4,002,675.61	267,323.62
Loss from impairment of assets		-503,603.10
Plus: Income from change in fair value (loss stated with "-")		
Investment return (loss)	135,344,660.36	250,015.75

stated with “-“)		
Including: return on investment in associate and joint venture		250,015.75
II. Operation profit (loss stated with “-“)	137,232,246.98	7,269,083.84
Plus: Non-operating income	6,200.00	124,000.00
Including: Gains from disposal of non-current assets		
Less: Non-operating expenses	300,000.00	14,678.42
Including: Loss from disposal of non-current assets		14,678.42
III. Total Profit (total loss stated with “-“)	136,938,446.98	7,378,405.42
Less: Income tax expense	54,747.75	1,523,189.55
IV. Net profit ( net loss is stated with “-“)	136,883,699.23	5,855,215.87
V. Net of other comprehensive income after tax		
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future		
1. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss		

under the equity method in future		
2. Gain/loss from change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial ssets		
4. Valid part of the gain/loss from cash flow hedge		
5. Conversion margin of the financial statements in foreign currency		
6. Others		
VI. Total comprehensive income	136,883,699.23	5,855,215.87
VII. Earnings per share:		
(I) Basic earnings per share	0.3120	0.0149
(II) Diluted earnings per share	0.3120	0.0149

Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

## 5. Consolidated Cash Flow Statement

in CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Cash flows arising from operating activities		
Cash received from sales of goods and supply of labor service	809,792,456.04	927,626,429.62
Net increase of the customers' deposits and interbank placement		
Net increase of borrowings from the central bank		
Net increase of borrowings from other financial institutions		

Cash received from the premium of the original insurance contract		
Net cash received from the reinsurance business		
Net increase of the reserve from policy holders and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss.		
Charge of cash interest, service charge and commission		
Net increase of loan from other banks		
Net increase of fund from repurchase business		
Rebated taxes received	6,421.29	
Cash received from other operating activities	5,448,946.61	5,051,693.10
Sub-total of cash flow received from operation activities	815,247,823.94	932,678,122.72
Cash paid for purchase of goods and reception of labor services	414,539,635.03	543,878,033.22
Net increase of loans and advances to the customers		
Net increase of amounts due from the central bank and other banks		
Cash from payment for settlement of the original insurance contract		
Cash for payment of interest, service charge and commission		
Cash for payment of policy dividend		

Cash paid to and for employees	148,093,012.70	143,339,112.23
Taxes paid	76,692,233.41	46,881,750.25
Cash paid for other operating activities	78,427,757.65	89,221,050.22
Subtotal of cash flow paid for operating activities	717,752,638.79	823,319,945.92
Net cash flow arising from operating activities	97,495,185.15	109,358,176.80
II. Cash flows arising from investing activities:		
Cash received from investment recovery		
Cash received from return on investment		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	220.00	180,800.00
Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Sub-total of cash flow-in received from investing activities	220.00	180,800.00
Cash paid for purchase and construction of fixed assets, intangible assets and other long term assets	49,904,732.71	60,393,228.82
Cash paid for investment		
Net increase of the pledged loan		
Net cash paid for acquisition of subsidiaries and other operation units		
Cash paid for other investment related activities		
Sub-total of cash flow paid for	49,904,732.71	60,393,228.82

investment activities		
Net cash flow arising from investment activities	-49,904,512.71	-60,212,428.82
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Incl.: Cash received from the subsidiaries' absorption of minority shareholders' investment		
Cash received from loans	315,000,000.00	724,334,150.66
Cash received from bond issuing		
Cash received from other financing activities		
Sub-total cash flow received from financing activities	315,000,000.00	724,334,150.66
Cash paid for debt repayment	443,053,583.30	420,112,700.75
Cash paid for dividend/profit distribution or repayment of interest	33,673,252.94	37,818,557.57
Including: Dividend and profit paid by the subsidiaries to minority shareholders		
Cash paid for other financing activities	992,669.19	150,421,008.00
Sub-total cash flow paid for financing activities	477,719,505.43	608,352,266.32
Net cash flow arising from financing activities	-162,719,505.43	115,981,884.34
IV. Change of exchange rate influencing the cash and cash equivalent	-173,188.97	252,585.13
V. Net increase of cash and cash equivalents	-115,302,021.96	165,380,217.45
Plus: Opening balance of cash and cash equivalents	637,387,875.93	114,880,070.54
VI. Ending balance of cash and	522,085,853.97	280,260,287.99



cash equivalents		
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Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

## 6. Parent Company's Cash Flow Statement

in CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Cash flows arising from operating activities		
Cash received from sales of goods and supply of labor service	23,691,590.71	31,984,503.43
Rebated taxes received		
Cash received from other operating activities	1,037,138.23	1,008,342.77
Sub-total of cash flow received from operation activities	24,728,728.94	32,992,846.20
Cash paid for purchase of goods and reception of labor services		
Cash paid to and for employees	22,276,696.93	19,274,568.28
Taxes paid	2,132,790.01	2,332,731.40
Cash paid for other operating activities	98,776,583.80	28,044,499.05
Subtotal of cash flow paid for operating activities	123,186,070.74	49,651,798.73
Net cash flow arising from operating activities	-98,457,341.80	-16,658,952.53
II. Cash flows arising from investing activities:		
Cash received from investment recovery		
Cash received from return on investment	112,000,000.00	
Net cash received from disposal of fixed assets,		100,800.00

intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Sub-total of cash flow-in received from investing activities	112,000,000.00	100,800.00
Cash paid for purchase and construction of fixed assets, intangible assets and other long term assets	29,283,647.41	31,366,387.60
Cash paid for investment	42,270,000.00	
Net cash paid for acquisition of subsidiaries and other operation units		
Cash paid for other investment related activities		
Sub-total of cash flow paid for investment activities	71,553,647.41	31,366,387.60
Net cash flow arising from investment activities	40,446,352.59	-31,265,587.60
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans	315,000,000.00	650,000,000.00
Cash received from bond issuing		
Cash received from other financing activities		
Sub-total cash flow received from financing activities	315,000,000.00	650,000,000.00
Cash paid for debt repayment	400,000,000.00	360,000,000.00
Cash paid for dividend/profit distribution or repayment of interest	29,713,522.43	32,678,179.37

Cash paid for other financing activities	992,669.19	150,421,008.00
Sub-total cash flow paid for financing activities	430,706,191.62	543,099,187.37
Net cash flow arising from financing activities	-115,706,191.62	106,900,812.63
IV. Change of exchange rate influencing the cash and cash equivalent		
V. Net increase of cash and cash equivalents	-173,717,180.83	58,976,272.50
Plus: Opening balance of cash and cash equivalents	512,294,824.81	35,485,566.79
VI. Ending balance of cash and cash equivalents	338,577,643.98	94,461,839.29

Legal representative: Xu Dongsheng Chief Financial Officer: Hu Xinglong

Person in charge of the Accounting Department: Tian Hui

## II. Auditors' Report

Has the First Quarterly Report been audited?

No