



Shenzhen Properties Group

深房集团

**SHENZHEN SPECIAL ECONOMIC ZONE REAL ESTATE &
PROPERTIES (GROUP) CO., LTD.**

FIRST QUARTER REPORT 2017

2017-032

April 2017

Section I Important Statements

The board of directors (the “Board”), the supervisory board (the “Supervisory Board”), as well as the directors, supervisors and senior executive officers of ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any false representation, misleading statements or material omissions in this Report.

All directors attended the board meeting for the review of this Report.

Zhou Jianguo, board chairman, Chen Maozheng, general manager, Tang Xiaoping, accounting head for this Report, and Qiao Yanjun, head of the accounting department (head of accounting), hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

This Report and its abstract have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

Section II Key Financial Results and Shareholders' Profile

I Key financial results

Indicate by tick mark whether the Company retroactively restated any of its accounting data due to changes of accounting policies or correction of accounting errors.

Yes No

	January-March 2017	January-March 2016	+/-%
Operating revenues (RMB)	272,038,375.78	332,573,819.86	-18.20%
Net profit attributable to shareholders of the Company (RMB)	34,621,550.04	31,138,409.00	11.19%
Net profit attributable to shareholders of the Company before exceptional profit and loss (RMB)	34,426,151.00	31,099,423.53	10.70%
Net cash flows from operating activities (RMB)	-30,280,598.74	127,807,035.61	-123.69%
Basic earnings per share (RMB/share)	0.0342	0.0308	11.04%
Diluted earnings per share (RMB/share)	0.0342	0.0308	11.04%
Weighted average return on equity (%)	1.30%	1.33%	-0.03%
	March 31, 2017	December 31, 2016	+/-%
Total assets (RMB)	3,852,659,213.36	3,785,600,783.23	1.77%
Net assets attributable to shareholders of the Company (RMB)	2,678,819,539.50	2,643,860,443.09	1.32%

Exceptional profit/loss

Applicable Not applicable

Unit: RMB

Item	January-March 2017	Note
Profit/loss on disposal of non-current assets (including offset asset impairment provisions)	-3,584.80	
Non-operating income and expense other than the above	264,116.86	
Less: Corporate income tax	65,133.02	
Total	195,399.04	--

Explanation of why the Company classified an item as exceptional profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Profit and Loss, or reclassified any exceptional profit/loss item given as an example in the said explanatory announcement to recurrent profit/loss

Applicable Not applicable

No such cases in this Reporting Period.

II Total number of shareholders at the period-end and their shareholdings

1. Numbers of common shareholders and preference shareholders with resumed voting rights, as well as shareholdings of top ten shareholders

Unit: share

Total number of common shareholders at the period-end		74,625		Total number of preference shareholders with resumed voting rights at the period-end (if any)		0	
Top ten shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total shares held at the period-end	Number of restricted shares held	Pledged or frozen shares		
					Status	Number	
Shenzhen Investment Holdings Co., Ltd	State-owned corporation	63.55%	642,884,262	0			
Shanjin Jinkong Capital Management Co., Ltd. — Shanjin Jinkong Sustaining Fund No. 1	Domestic non-state-owned corporation	1.02%	10,300,000	0			
Lu Zhigao	Domestic individual	0.32%	3,246,949	0			
Tan Shiqing	Domestic individual	0.13%	1,286,701	0			
Yang Shuilian	Domestic individual	0.13%	1,273,700	0			
Yang Jianxiong	Domestic individual	0.12%	1,255,750	0			
Central Huijin Asset Management Co., Ltd.	State-owned corporation	0.12%	1,165,500	0			
Peng Wei	Domestic individual	0.11%	1,129,082	0			
Wu Haoyuan	Foreign	0.11%	1,109,300	0			

	individual					
Guotai Junan Securities (Hong Kong) Limited	Foreign corporation	0.10%	1,015,683	0		
Top ten non-restricted shareholders						
Name of shareholder	Number of non-restricted shares held at the period-end	Type of shares		Number		
		Type	Number			
Shenzhen Investment Holdings Co., Ltd	642,884,262	RMB share	common	642,884,262		
Shanjin Jinkong Capital Management Co., Ltd. — Shanjin Jinkong Sustaining Fund No. 1	10,300,000	RMB share	common	10,300,000		
Lu Zhigao	3,246,949	RMB share	common	3,246,949		
Tan Shiqing	1,286,701	RMB share	common	1,286,701		
Yang Shuilian	1,273,700	RMB share	common	1,273,700		
Yang Jianxiong	1,255,750	Domestically listed share	foreign	1,255,750		
Central Huijin Asset Management Co., Ltd.	1,165,500	RMB share	common	1,165,500		
Peng Wei	1,129,082	RMB share	common	1,129,082		
Wu Haoyuan	1,109,300	Domestically listed share	foreign	1,109,300		
Guotai Junan Securities (Hong Kong) Limited	1,015,683	Domestically listed share	foreign	1,015,683		
Related or acting-in-concert parties among the shareholders above	The Company has found among the above shareholders no related parties or acting-in-concert parties as defined in the Information Administration Measures for Changes in Shareholdings in Listed Companies.					
Top ten common shareholders conducting securities margin trading (if any)	The 4 th shareholder holds all of his shares in the Company in a credit securities account, and the 3 rd shareholder holds part of his shares in the Company in such an account.					

Indicate by tick mark whether any of the top ten common shareholders or the top ten non-restricted common shareholders of the Company conducted any promissory repo during this Reporting Period.

Yea No

No such cases in this Reporting Period.

2. Total number of preference shareholders and shareholdings of the top ten of them

Applicable Not applicable

Section III Significant Events

I Changes in the key financial results of this Reporting Period, as well as the reasons for such changes

√ Applicable □ Not applicable

Operating revenues for the current period stood at RMB272.0384 million, down 18.20% year on year, and operating costs for the current period stood at RMB202.2259 million, down 21.11% year on year. These were mainly because affected by the real estate development progress and the sales cycle, the sales of the Company's real estate projects decreased year on year.

Taxes and surtaxes for the current period stood at RMB9.3485 million, down 59.18% year on year, mainly because of the decreased sales revenue.

Selling expenses for the current period stood at RMB3.5002 million, up 34.50% year on year, mainly because of the increased preliminary promotion expenses on new projects.

Finance costs for the current period stood at RMB-2.3750 million, down 36.44% year on year, mainly because the contractual interest revenue from deposits increased.

The after-tax net amount of other comprehensive income for the current period stood at RMB0.4822 million, up 111.19% year on year, mainly because the income from the foreign-currency statement translation difference due to fluctuations in exchange rates increased.

The subtotal of cash inflows from operating activities for the current period stood at RMB373.9536 million, down 38.80% year on year, mainly because the cash received from sale of goods and provision of service (sale of houses) decreased.

The subtotal of cash outflows from investing activities for the current period stood at RMB0.0176 million, down 95.46% year on year, mainly because of the decreased purchase of fixed assets.

The subtotal of cash outflows from financing activities for the current period stood at RMB10.3796 million, down 77.48% year on year, mainly because the repayments for principals and interest of loans decreased.

Other current assets stood at RMB22.1561 million at the period-end, up 65.86% from the opening amount, mainly because of the business tax and land VAT paid in advance in the current period.

Accounts payable stood at RMB105.3868 million at the period-end, down 37.50% from the opening amount, mainly because the Company paid the balance payments for completed projects in the current period.

Accounts received in advance stood at RMB413.0710 million at the period-end, up 26.77% from the opening amount, mainly because the advances received for houses and construction service increased.

Payroll payable stood at RMB21.8496 million at the period-end, down 43.90% from the opening amount, mainly because the payroll provision made at the end of last year were paid in the current period.

II Progress of significant events and their influence and solutions

√ Applicable □ Not applicable

Since the planning of controlling shareholders of the Company involves major issues, based on the application submitted to Shenzhen Stock Exchange, certain shares of the Company (A share: short name of stock: SSFA, stock code: 000029; B share: short name of stock: SSFB, stock code: 200029) were suspended from trading as of 14 Sep., 2016. The Company disclosed the *Announcement on Share Trading Suspension Due to Planning of Major Issues* (No. 2016-022), the *Announcement on Continued Share Trading Suspension Due to Planning of Major Issues* (No. 2016-023) and the *Announcement on Continued Share Trading Suspension Due to Planning of Major Issues* (No. 2016-024) on 14 Sep. 2016, 22 Sep. 2016 and 29 Sep. 2016 respectively. Upon verification, the issues constitute major assets reorganization. The listed company disclosed the *Announcement on Share Trading Suspension Due to Planning of Major Assets Reorganization* (No. 2016-025) on 30 Sep. 2016 and the *Announcement on Signing the Cooperation Agreement on Assets Reorganization for Listing on Market* (No. 2016-027) on 10 Oct. 2016.

Upon expiration of the suspension period of 1 month, based on the application submitted by the Company, shares of the Company were suspended from trading continuously as of 14 Oct. 2016 after market opening. The listed company disclosed the *Announcement on Relisting in the Period of Major Assets Reorganization Progress Delay* (No. 2016-028) on 14 Oct. 2016.

Prior to the expiration of the suspension period of 2 months, based on the *Motion on Continued Share Trading Suspension Due to Major Assets Reorganization* reviewed and approved by the 33rd Session of the 7th Board of the Directors held on 11 Nov. 2016, the Company applied to Shenzhen Stock Exchange for continued suspension as of 14 Nov. 2016. The suspension period shall not exceed 3 months accumulatively from the first day of suspension. The Company disclosed the *Announcement on Continued Share Trading Suspension after Expiration of Suspension Period Due to Planning of Assets Reorganization* (No. 2016-039) on 14 Nov. 2016.

Prior to the expiration of the suspension period of 3 months, the Company held the 1st Extraordinary General Meeting on 12 Dec. 2016, reviewed and approved the *Motion on Continued Share Trading Suspension Due to Planning of Assets Reorganization*, and disclosed the *Announcement on Application for Continued Share Trading Suspension after Expiration of Suspension Period Due to Planning of Assets Reorganization* (No. 2016-047). Upon the application, the Company shall continue to suspend the trading of its shares as of 14 Dec, 2016 after market opening and undertook that the suspension period shall not exceed 6 months accumulatively from the first day of suspension (i.e., to 13 Mar. 2017).

Prior to the expiration of the suspension period of 6 months, the Company held the online illustration meeting to investors on 10 Mar. 2017, exchanged and communicated relevant information of the major assets reorganization event with investors and answered the questions that have caused the general concern of investors. Please refer to the *Announcement on Holding Online Illustration Meeting to Investors* (No. 2017-012) disclosed on 11 Mar. 2017 for details. Upon application to the exchange, the Company issued the *Announcement on Relisting Delay Due to Planning of Major Assets Reorganization* (No. 2017-013 and No. 2017-024) on 14 Mar. 2017 and 14 Apr. 2017 respectively. To ensure the smooth progress of the major assets reorganization work, prevent abnormal fluctuation of the share price of the Company and protect the rights and interests of medium and small shareholder investors, upon application to Shenzhen Stock Exchange, the

Company will continue to suspend the trading of its shares for no more than 1 month as of 14 Apr. 2017 and is expected to disclose the major assets reorganization plan or report and apply for relisting according to the requirements of the *Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No. 26—Major Assets Reorganization of Listed Companies* prior to 14 May 2017.

During the suspension period, the Company shall disclose the progress of relevant issues every five business days at least in strict accordance with the requirements of relevant laws and regulations. At present, all work involved with the major assets reorganization is proceeding smoothly.

The major assets reorganization planned by the Company is still very uncertain, thus the investors should take invest risk into account.

Summary of significant event	Disclosure date	Disclosure website
Significant asset reorganization	04/14/2017	The Announcement on Postponed Resumption of Share Trading due to Significant Asset Reorganization in Planning disclosed on http://www.cninfo.com.cn

III Overdue commitments of the Company's actual controller, shareholders, related parties and acquirer, as well as the Company and other commitment makers in this Reporting Period or ongoing at the period-end

Applicable Not applicable

No such cases in this Reporting Period.

IV Operating result forecast for January-June 2017

Warning of a forecast deficit or considerable YoY change in the accumulative net profit made during the period from the beginning of the year to the end of the next reporting period, as well as explanation of why:

Applicable Not applicable

Forecast of operating results: Significant decrease in the same direction

Type of forecast data: Interval data

	January-June 2017		January-June 2016		+/-%			
Forecast accumulative net profit (RMB'0,000)	5,500	--	7,500	13,473	Down	59.18%	--	44.33%
Basic earnings per share (RMB /share)	0.0544	--	0.0741	0.1332	Down	59.16%	--	44.37%
Note	Affected by the real estate development progress and the sales cycle, the sales of the Company's real estate projects decreased year on year.							

V Securities investments

Applicable Not applicable

No such cases in the Reporting Period.

VI Investments in derivative financial instruments

Applicable Not applicable

No such cases in the Reporting Period.

VII Visits paid to the Company in the Reporting Period for purposes of research, communication, interview, etc.

Applicable Not applicable

Date of visit	Way of visit	Type of visitor	Main inquiry information
01/16/2017	By phone	Individual	About the fundamentals of the Company and the asset reorganization progress, with no written materials provided by the Company
02/08/2017	By phone	Individual	About the development and sales progress of projects and the asset reorganization progress, with no written materials provided by the Company
02/28/2017	By phone	Individual	About the annual business results, the disclosure date of the annual report, the asset reorganization progress and the expected date for resumption of share trading, with no written materials provided by the Company
03/09/2017	By phone	Individual	About the date for resumption of share trading and the investor orientation to be held, with no written materials provided by the Company
03/28/2017	By phone	Individual	About the asset reorganization progress and the date for resumption of share trading, with no written materials provided by the Company

VIII Illegal provision of guarantees for external parties

Applicable Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company's funds by the controlling shareholder or its related parties for non-operating purposes

Applicable Not applicable

No such cases in the Reporting Period.

Section IV Financial Statements

I Financial statements

1. Consolidated balance sheet

Prepared by ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

March 31, 2017

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	1,227,934,197.10	1,266,057,324.40
Settlement reserve		
Interbank lendings		
Financial assets at fair value through profit/loss		
Derivative financial assets		
Notes receivable	20,619,963.61	20,606,778.91
Accounts receivable	128,219,044.28	108,298,050.40
Accounts paid in advance	17,635,272.84	15,865,139.33
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserve		
Interest receivable		
Dividends receivable	1,052,192.76	1,052,192.76
Other accounts receivable	70,882,107.84	67,514,794.65
Financial assets purchased under agreements to resell		
Inventories	1,813,668,861.11	1,734,553,042.10
Assets held for sale		
Non-current assets due within one year		
Other current assets	22,156,110.66	13,358,714.45
Total current assets	3,302,167,750.20	3,227,306,037.00
Non-current assets:		

Loans and advances to customers		
Available-for-sale financial assets	17,464,240.74	17,464,240.74
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investments	37,447,267.61	37,447,267.61
Investment property	410,566,561.89	416,227,686.30
Fixed assets	44,192,791.29	45,531,813.41
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	5,018,895.00	5,146,080.00
R&D expenses		
Goodwill		
Long-term deferred expenses	722,317.88	695,720.30
Deferred tax assets	35,079,388.75	35,781,937.87
Other non-current assets		
Total non-current assets	550,491,463.16	558,294,746.23
Total assets	3,852,659,213.36	3,785,600,783.23
Current liabilities:		
Short-term borrowings	124,994,816.81	111,709,916.44
Borrowings from the Central Bank		
Money deposits accepted and inter-bank deposits		
Interbank borrowings		
Financial liabilities at fair value through profit/loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	105,386,778.56	168,614,299.95
Accounts received in advance	413,070,958.45	325,851,112.54
Financial assets sold for repurchase		
Fees and commissions payable		
Payroll payable	21,849,576.00	38,949,995.06

Taxes payable	71,473,601.30	65,765,997.90
Interest payable	16,535,277.94	17,142,210.94
Dividends payable		
Other accounts payable	373,142,664.29	358,208,718.03
Reinsurance premiums payable		
Insurance contract reserve		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within one year	35,301,097.69	37,234,933.67
Other current liabilities		
Total current liabilities	1,161,754,771.04	1,123,477,184.53
Non-current liabilities:		
Long-term borrowings	130,000,000.00	136,000,000.00
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term accounts payable	9,789,911.48	10,156,728.82
Long-term payroll payable		
Special payables		
Provisions		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	139,789,911.48	146,156,728.82
Total liabilities	1,301,544,682.52	1,269,633,913.35
Owners' equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserve	978,244,910.11	978,244,910.11

Less: Treasury shares		
Other comprehensive income	10,990,078.06	10,652,531.69
Special reserve		
Surplus reserve	59,394,668.24	59,394,668.24
Provisions for general risks		
Retained earnings	618,529,883.09	583,908,333.05
Equity attributable to owners of the Company	2,678,819,539.50	2,643,860,443.09
Minority interests	-127,705,008.66	-127,893,573.21
Total owners' equity	2,551,114,530.84	2,515,966,869.88
Total liabilities and owners' equity	3,852,659,213.36	3,785,600,783.23

Legal representative: Zhou Jianguo

Accounting head for this Report: Tang Xiaoping

Head of the accounting department: Qiao Yanjun

2. Balance sheet of the Company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	821,144,924.94	818,261,250.52
Financial assets at fair value through profit/loss		
Derivative financial assets		
Notes receivable		
Accounts receivable	4,905,866.49	7,327,250.98
Accounts paid in advance		
Interest receivable		
Dividends receivable	169,393,952.18	
Other accounts receivable	849,272,383.75	844,149,690.07
Inventories	524,249,843.53	538,828,597.52
Assets held for sale		
Non-current assets due within one year		
Other current assets	11,108,692.40	1,884,516.01
Total current assets	2,380,075,663.29	2,210,451,305.10
Non-current assets:		
Available-for-sale financial assets	12,000,000.00	12,000,000.00

Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investments	297,461,748.63	297,461,748.63
Investment property	356,064,463.94	360,712,864.13
Fixed assets	26,168,832.35	26,785,752.21
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	248,400.00	331,200.00
R&D expenses		
Goodwill		
Long-term deferred expenses	581,762.10	623,881.08
Deferred tax assets	3,313,320.43	3,313,320.43
Other non-current assets		
Total non-current assets	695,838,527.45	701,228,766.48
Total assets	3,075,914,190.74	2,911,680,071.58
Current liabilities:		
Short-term borrowings		
Financial liabilities at fair value through profit/loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	20,699,117.44	32,687,289.94
Accounts received in advance	89,852,961.60	96,638,512.60
Payroll payable	11,471,418.25	16,433,909.11
Taxes payable	32,018,726.56	30,504,993.33
Interest payable	16,535,277.94	17,142,210.94
Dividends payable		
Other accounts payable	231,540,128.49	232,434,218.15
Liabilities held for sale		
Non-current liabilities due within one year	35,301,097.69	37,234,933.67
Other current liabilities		

Total current liabilities	437,418,727.97	463,076,067.74
Non-current liabilities:		
Long-term borrowings	130,000,000.00	136,000,000.00
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payable		
Special payables		
Provisions		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	130,000,000.00	136,000,000.00
Total liabilities	567,418,727.97	599,076,067.74
Owners' equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserve	978,244,910.11	978,244,910.11
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	36,265,054.83	36,265,054.83
Retained earnings	482,325,497.83	286,434,038.90
Total owners' equity	2,508,495,462.77	2,312,604,003.84
Total liabilities and owners' equity	3,075,914,190.74	2,911,680,071.58

3. Consolidated income statement

Unit: RMB

Item	January-March 2017	January-March 2016
1. Operating revenues	272,038,375.78	332,573,819.86
Including: Sales income	272,038,375.78	332,573,819.86
Interest income		

Premium income		
Fee and commission income		
2. Operating costs	224,314,815.24	291,880,778.81
Including: Cost of sales	202,225,932.36	256,347,948.80
Interest expenses		
Fee and commission expenses		
Surrenders		
Net claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and surtaxes	9,348,504.25	22,904,132.21
Selling expenses	3,500,211.22	2,602,459.70
Administrative expenses	11,615,180.55	11,766,957.80
Finance costs	-2,375,013.14	-1,740,719.70
Asset impairment loss		
Add: Profit on fair value changes (“-” means loss)		
Investment income (“-” means loss)	650,000.00	689,000.00
Including: Share of profit/loss of associates and joint ventures		
Exchange gains (“-” means loss)		
3. Operating profit (“-” means loss)	48,373,560.54	41,382,041.05
Add: Non-operating income	284,621.56	100,191.21
Including: Profit on disposal of non-current assets		
Less: Non-operating expense	24,089.50	48,210.58
Including: Loss on disposal of non-current assets	3,584.80	335.00
4. Total profit (“-” means loss)	48,634,092.60	41,434,021.68
Less: Corporate income tax	13,968,640.73	10,258,603.13
5. Net profit (“-” means loss)	34,665,451.87	31,175,418.55
Net profit attributable to owners of the Company	34,621,550.04	31,138,409.00
Minority interests' income	43,901.83	37,009.55
6. Other comprehensive income net of tax	482,209.10	-4,308,115.12

Other comprehensive income net of tax attributable to owners of the Company	337,546.37	-2,983,400.13
6.1 Other comprehensive income that will not be reclassified into profit/loss		
6.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
6.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		
6.2 Other comprehensive income to be subsequently reclassified into profit/loss	337,546.37	-2,983,400.13
6.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		
6.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
6.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
6.2.4 Effective profit/loss on cash flow hedges		
6.2.5 Currency translation differences	337,546.37	-2,983,400.13
6.2.6 Other		
Other comprehensive income net of tax attributable to minority interests	144,662.73	-1,324,714.99
7. Total comprehensive income	35,147,660.97	26,867,303.43
Attributable to owners of the Company	34,959,096.42	28,155,008.87
Attributable to minority interests	188,564.55	-1,287,705.44
8. Earnings per share		
8.1 Basic earnings per share	0.0342	0.0308
8.2 Diluted earnings per share	0.0342	0.0308

Where business mergers under the same control occurred in this Reporting Period, the net profit achieved by the merged parties

before the business mergers was RMB0.00, with the corresponding amount for the last period being RMB0.00.

Legal representative: Zhou Jianguo

Accounting head for this Report: Tang Xiaoping

Head of the accounting department: Qiao Yanjun

4. Income statement of the Company

Unit: RMB

Item	January-March 2017	January-March 2016
1. Operating revenues	70,517,089.34	102,235,267.63
Less: Operating costs	35,131,220.91	60,579,951.61
Taxes and surtaxes	3,211,986.71	10,080,103.29
Selling expenses	377,351.35	1,374,782.92
Administrative expenses	4,981,295.54	5,867,146.22
Finance costs	-7,649,431.84	-2,105,327.23
Asset impairment loss		
Add: profit on fair value changes (“-” means loss)		
Investment income (“-” means loss)	170,043,952.18	689,000.00
Including: Share of profit/loss of associates and joint ventures		
2. Operating profit (“-” means loss)	204,508,618.85	27,127,610.82
Add: Non-operating income		48,516.00
Including: Profit on disposal of non-current assets		
Less: Non-operating expense		19,500.00
Including: Loss on disposal of non-current assets		
3. Total profit (“-” means loss)	204,508,618.85	27,156,626.82
Less: Corporate income tax	8,617,159.92	6,614,126.47
4. Net profit (“-” means loss)	195,891,458.93	20,542,500.35
5. Other comprehensive income net of tax		
5.1 Other comprehensive income that will not be reclassified into profit and loss		
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		

5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		
5.2 Other comprehensive income to be subsequently reclassified into profit/loss		
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
5.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
5.2.4 Effective profit/loss on cash flow hedges		
5.2.5 Currency translation differences		
5.2.6 Other		
6. Total comprehensive income	195,891,458.93	20,542,500.35
7. Earnings per share		
7.1 Basic earnings per share	0.1936	0.0203
7.2 Diluted earnings per share	0.1936	0.0203

5. Consolidated cash flow statement

Unit: RMB

Item	January-March 2017	January-March 2016
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	349,371,612.56	590,586,568.40
Net increase in money deposits from customers and interbank placements		
Net increase in loans from the Central Bank		
Net increase in funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance		

business		
Net increase in deposits of policy holders and investment fund		
Net increase in disposal of financial assets at fair value through profit/loss		
Interest, fees and commissions received		
Net increase in interbank borrowings		
Net increase in funds in repurchase business		
Tax refunds received		
Cash received from other operating activities	23,581,953.94	18,825,466.97
Subtotal of cash inflows from operating activities	372,953,566.50	609,412,035.37
Cash paid for goods and services	271,660,067.44	356,662,303.76
Net increase in loans and advances to customers		
Net increase in funds deposited in the Central Bank and interbank placements		
Cash paid for claims of original insurance contracts		
Interest, fees and commissions paid		
Cash paid as policy dividends		
Cash paid to and for employees	46,874,822.62	35,667,883.58
Taxes paid	40,309,529.03	39,994,554.81
Cash paid for other operating activities	44,389,746.15	49,280,257.61
Subtotal of cash outflows due to operating activities	403,234,165.24	481,604,999.76
Net cash flows from operating activities	-30,280,598.74	127,807,035.61
2. Cash flows from investing activities:		
Cash received from retraction of investments		
Cash received as investment income	650,000.00	689,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of		

subsidiaries or other business units		
Cash received from other investing activities		
Subtotal of cash inflows from investing activities	650,000.00	689,000.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	17,621.00	388,078.34
Cash paid for investment		
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		
Subtotal of cash outflows due to investing activities	17,621.00	388,078.34
Net cash flows from investing activities	632,379.00	300,921.66
3. Cash flows from financing activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received as borrowings		
Cash received from issuance of bonds		
Cash received from other financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings	7,914,918.53	38,150,556.53
Cash paid for interest expenses and distribution of dividends or profit	2,464,710.97	7,944,234.76
Including: dividends or profit paid by subsidiaries to minority interests		
Cash paid for other financing activities		
Sub-total of cash outflows due to financing activities	10,379,629.50	46,094,791.29
Net cash flows from financing activities	-10,379,629.50	-46,094,791.29
4. Effect of foreign exchange rate	-95,420.10	34,460.72

changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-40,123,269.34	82,047,626.70
Add: Opening balance of cash and cash equivalents	1,265,767,290.57	1,169,756,306.36
6. Closing balance of cash and cash equivalents	1,225,644,021.23	1,251,803,933.06

6. Cash flow statement of the Company

Unit: RMB

Item	January-March 2017	January-March 2016
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	69,759,767.31	221,850,248.45
Tax refunds received		
Cash received from other operating activities	6,653,936.44	10,582,340.01
Subtotal of cash inflows from operating activities	76,413,703.75	232,432,588.46
Cash paid for goods and services	23,224,035.38	48,782,972.69
Cash paid to and for employees	12,654,048.17	8,486,973.77
Taxes paid	23,798,753.26	25,079,724.96
Cash paid for other operating activities	4,332,281.70	34,321,124.76
Subtotal of cash outflows due to operating activities	64,009,118.51	116,670,796.18
Net cash flows from operating activities	12,404,585.24	115,761,792.28
2. Cash flows from investing activities:		
Cash received from retraction of investments		
Cash received as investment income	650,000.00	689,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries or other business units		
Cash received from other investing activities		
Subtotal of cash inflows from investing activities	650,000.00	689,000.00

Cash paid to acquire fixed assets, intangible assets and other long-term assets	6,949.00	12,396.00
Cash paid for investment		
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		
Subtotal of cash outflows due to investing activities	6,949.00	12,396.00
Net cash flows from investing activities	643,051.00	676,604.00
3. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received as borrowings		
Cash received from issuance of bonds		
Cash received from other financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings	7,914,918.53	38,150,556.53
Cash paid for interest expenses and distribution of dividends or profit	2,242,863.97	7,565,068.09
Cash paid for other financing activities		
Sub-total of cash outflows due to financing activities	10,157,782.50	45,715,624.62
Net cash flows from financing activities	-10,157,782.50	-45,715,624.62
4. Effect of foreign exchange rate changes on cash and cash equivalents	-6,179.32	1,879.08
5. Net increase in cash and cash equivalents	2,883,674.42	70,724,650.74
Add: Opening balance of cash and cash equivalents	818,261,250.52	852,492,165.42
6. Closing balance of cash and cash equivalents	821,144,924.94	923,216,816.16

II Auditor's report

Is this Report audited?

Yes No

This Report is not audited.