

Guangdong Provincial Expressway Development Co., Ltd.

The First Quarterly Report 2017

April 2017

I. Important Notice

The Board of Directors and the Supervisory Committee of the Company and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and or joint.

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

Mr.Zheng Renfa, Leader, Mr.Wang Chunhua,General Manager, Mr. Fang Zhi, Chief of the accounting work, Ms.Zhou Fang, Chief of the accounting organ (chief of accounting) hereby confirm the authenticity and completeness of the financial report enclosed in this report.

II. Basic information about the company

I.Main financial 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

	This period	Same period of last year		Changes of this period over same period of last year (%)
		Before adjustment	After adjustment	After adjustment
Operating income (RMB)	708,861,624.37	384,703,107.66	656,556,265.87	7.97%
Net profit attributable to the shareholders of the listed company (RMB)	286,719,172.39	127,187,345.72	189,257,712.78	51.50%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	286,448,939.47	126,779,718.66	128,692,184.78	122.58%
Cash flow generated by business operation, net (RMB)	479,844,717.92	274,943,372.62	445,375,345.51	7.74%
Basic earning per share(RMB/Share)	0.14	0.10	0.11	27.27%
Diluted gains per share(RMB/Share)(RMB/Share)	0.14	0.10	0.11	27.27%

Weighted average return on equity (%)	3.39%	2.44%	3.21%	0.18%
	End of this period	End of last period		Changes of this period-end over same period-end of last year(%)
		Before adjustment	After adjustment	After adjustment
Gross assets (RMB)	16,371,491,963.52	16,072,445,216.59	16,072,445,216.59	1.86%
Net assets attributable to the shareholders of the listed company (RMB)	8,622,790,462.58	8,289,020,301.39	8,289,020,301.39	4.03%

The causes of accounting policy changes and the correction of accounting errors

Nil

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-16,609.06	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	197,210.65	
Other non-business income and expenditures other than the above	223,716.48	
Less: Amount of influence of income tax	108,579.48	
Amount of influence of minority interests(after tax)	25,505.67	
Total	270,232.92	--

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		61,784		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	
Guangdong Communication Group Co., Ltd.	State-owned legal person	24.55%	513,382,595	410,002,853			
Guangdong Highway Construction Co., Ltd.	State-owned legal person	22.30%	466,325,020	466,325,020			
Yadong Fuxing Yalian Investment Co., Ltd.	Domestic non State-owned Legal person	9.68%	202,429,149	202,429,149	Pledge	202,429,000	
Tibet Yingyue Investment Management Co., Ltd.	Domestic non State-owned Legal person	4.84%	101,214,574	101,214,574			
Guangdong Expressway Co., Ltd.	State-owned legal person	2.53%	52,937,491	52,937,491			
Guangfa Securities Co., Ltd.	Domestic non State-owned Legal person	1.45%	30,364,372	30,364,372			
Feng Wuchu	Domestic natural person shares	0.97%	20,384,965				
PERSHING LLC	Foreign legal person	0.90%	18,744,850				
Xinyue Co., Ltd.	Overseas legal person	0.63%	13,201,086				
Bank of	Other	0.61%	12,722,170				

Communications —Hybrid securities investment fund in Huaan strategy optimization						
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	
		Share type	Quantity			
Guangdong Communication Group Co., Ltd.	103,379,742	RMB Common shares		RMB Common shares	103,379,742	
Feng Wuchu	20,384,965	RMB Common shares		RMB Common shares	19,976,565	
		Foreign shares placed in domestic exchange		Foreign shares placed in domestic exchange	408,400	
PERSHING LLC	18,744,850	Foreign shares placed in domestic exchange		Foreign shares placed in domestic exchange	18,744,850	
Xinyue Co., Ltd.	13,201,086	Foreign shares placed in domestic exchange		Foreign shares placed in domestic exchange	13,201,086	
Bank of Communications—Hybrid securities investment fund in Huaan strategy optimization	12,722,170	RMB Common shares		RMB Common shares	12,722,170	
ICBC—CCB preferred growth hybrid securities investment fund	11,781,833	RMB Common shares		RMB Common shares	11,781,833	
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	10,971,862	Foreign shares placed in domestic exchange		Foreign shares placed in domestic exchange	10,971,862	
MATTHEWS CHINA DIVIDEND FUND	8,198,481	Foreign shares placed in domestic exchange		Foreign shares placed in domestic exchange	8,198,481	
Truvalue Asset Management—China Merchants Bank—China Resources SZITIC Trust Co.,Ltd.—Xin Rui 2	8,180,310	RMB Common shares		RMB Common shares	8,180,310	

single fund trust			
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	6,541,331	Foreign shares placed in domestic exchange	6,541,331
Explanation on associated relationship or concerted action of the above shareholders	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd, Guangdong Expressway Co., Ltd. and Xinyue Co., Ltd.. It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.		

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

Yes No

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

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

Applicable Not applicable

III. Significant Events

I. Particular about large-margin change of main accounting statement item and financial index and its reason.

√ Applicable □ Not applicable

(I) Items of balance sheet as compared with the beginning of this year.

1. Monetary capital Increased by RMB 348.46 million and 13.39% over the beginning of the year, mainly due to net cash inflow of RMB 479.84 million from operating activities, net cash inflow of RMB 57.56 million from investing activities and net cash outflow of RMB 73.82 million from financing activities.

2. Account receivable increased by RMB 77.14 million and 189.62% over the beginning of the year, Mainly in Guangdong Province, Fokai Expressway Co., Ltd. to pay the Fokai Expressway Xiebian to Sanbao section of the expansion of the project due to warranty.

3. Other account receivable decreased by RMB 8.71 million and 34.61% over the beginning of the year, Mainly in Guangdong Province, Fokai Expressway Co., Ltd. to recover Yaoyao service area rent.

4. Taxes payable increased by RMB 38.45 million and 36.15% over the beginning of the year, The main reason is that the increase in total profit in the current period resulted in an increase in corporate income tax payable in the current period.

5. Other account payable decreased by RMB 60.10 million and 44.76% over the beginning of the year, Mainly in Guangdong Province, Fokai Expressway Co., Ltd. to pay the Fokai Expressway Xiebian to Sanbao section of the expansion of the project due to warranty.

(II) Items of Income statement as compared with the same period of the previous year

1. Operating income increased by RMB 52.31 million and 7.97% year on year, The main reason for the increase (1) Due to the impact of some vehicle circumventing Guangzhu Section of Jingzhu Expressway because of Bridge Closure of Hong Qili bridge of Fan Zhong Highway (S111), that section of the highway got an increase of traffic volume, so the toll revenue increased by RMB 32.38 million; (2) The natural growth of the traffic flow leads to that the toll revenue of Guangfo Expressway Co. Ltd., Guangdong Fokai Expressway Co. Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd increased by RMB 16.7 million.

(2) Operating cost decreased by RMB 2.35 million and 0.867% year on year, The main reason for the decrease (1) Due to the natural growth of the traffic volume, the depreciation of road asset of Guangdong Fokai Expressway Co. Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd increased by about RMB 23.19 million; (2) The cooperation period with Guangfo Expressway Co. Ltd will be terminated on July 31, 2017, and Guangfo Expressway adopts the vehicle flow method to draw depreciation, and the depreciation has been fully drawn in the current reporting period, with a decrease of RMB 17.5 million compared to the same period last year; (3) The upkeep costs and labor costs decreased RMB 8.04 million compared to the same period last year.

(3) Business tax and surcharge decreased by RMB 19.11 million and 84.73% year on year, The main reason for the decrease: Since the full implementation of “replacing business tax with value-added tax” from May 1, 2016, the company’s toll revenue and the relevant income are no longer pay business tax but pay VAT. However, the VAT is not accounted in this accounting item.

(4) Financial expenses decreased by RMB 31.49 million and 31.52% year on year, It’s mainly due to the comprehensive impact of repayment of interest-bearing debt, lower interest and the increase in interest income from bank deposits.

(5) Investment income Increased by RMB 13.8 million and 15.49% year on year, The main reason for the

increase: Due to the increase in toll revenue caused by the natural growth of the traffic volume and the decrease in the financial expenses, the profit of the company's share-participation highway sections of Guangdong Guanghui Expressway Co., Ltd, Ganzhou Kangda Expressway Co., Ltd and Shenzhen Huiyan Expressway Co., Ltd etc increased, thus the investment income from them increased RMB 13.52 million compared to the same period last year.

(6) Income tax expenses increased by RMB 27.69 million and 40.66% year on year, Mainly due to the increase in the total profit of Guangfo Expressway Co., Ltd., Guangdong Fokai Expressway Co., Ltd. and Jingzhu Expressway Guangzhu Section Co., Ltd.

(7) The net profit for the owners of the parent company increased by RMB 97.46 million and 51.50% year on year due to the combined influence of the above factors.

(III) Notes of main items of cash flow statement

1. Cash received from sales of goods or rendering of services

Mainly calculates the toll revenue received by Guangfo Expressway Co., Ltd, Guangdong Fokai Expressway Co., Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd. It increased RMB 43.02 million compared to the same period last year, an increase of 7.04%, which is mainly due to the increase in the toll revenue.

2. Other cash received from business operation

Mainly calculates the net inflow-that the cash toll income to be split is larger than the split part being drawn-and others such as cash flow of come-and-go money and cash received from the rental income of investment real estate received in the settlement account of Guangfo Expressway Co., Ltd, Guangdong Fokai Expressway Co., Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd. In the current period, it increased RMB 15.13 million compared to the same period last year, an increase of 77.52%, which is mainly due to the increase in highway networking-collected toll to-be-split of each share-controlled highway sections.

3. Cash paid for purchasing of merchandise and services

Mainly calculates the payment of special projects, upkeep costs and service fee of networking charge-collection etc. The current period increased RMB 19.28 million compared to the same period, an increase of 110.85%, which is mainly due to the increase of payment for projects by Guangfo Expressway Co., Ltd, Guangdong Fokai Expressway Co., Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd in the current period.

4. Taxes paid

Mainly calculates the actual payment of income tax, value-added tax and surcharges etc in the current period. In the current period, it increased RMB 12.29 million compared to the same period, an increase of 16.50%, which is mainly due to the increase in paying corporate income tax.

5. Cash received from investment retrieving

Mainly calculates the obtained cash dividends due to the equity investment. In the current period, it decreased RMB 74.83 million compared to the same period last year, a decrease of 57.12%, which is mainly due to that Guangdong Guanghui Expressway Co. Ltd carried out dividends distribution in the same period last year but did not carried out dividends distribution in the current period. The company received the cash dividends of RMB 55.17 million from Zhaoqing Yuezhao Highway Co., Ltd and received the cash dividends of RMB 1 million from Guangdong No.1 Network Partnership Firm (limited partnership).

6. Cash paid for construction of fixed assets, intangible assets and other long-term assets increased by RMB 56.16 million and 97.55% year on year, It's mainly due to Guangdong Fokai Expressway Co., Ltd's paying of guarantee money for the reconstruction and extension project of Fokai expressway to Xiebian-Sanbao section and the increase in the payment for the reconstruction and extension project of Fokai expressway to Xiebian-Sanbao section.

7. Cash received as loans increased by RMB 499 million year on year, but none in the previous period.

The reason is that the Jingzhu Expressway Guangzhu Section Co., Ltd. current loans RMB 499 million.

8. Cash to repay debts increased by RMB 499 million year on year, but none in the previous period.

The reason is that the Jingzhu Expressway Guangzhu Section Co., Ltd. current loans RMB 499 million.

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

Applicable Not applicable

The Proposal about Guangdong Provincial Expressway Development Co., Ltd's Merger of Guangdong Fokai Expressway Co., Ltd was examined and approved in the 8th provisional meeting of the eighth board of directors of the company.

The company, as the acquirer, will absorb and merge the whole assets, liabilities and business of Fokai Company. After the merger, the company continues to operate, and the independent legal person qualification of Fokai Company shall be cancelled; after the completion of the merger, all the assets of Fokai Company will be consolidated into the company, and the whole creditor's rights and debts of Fokai Company shall be inherited by the company; it planned to set up a new company to take over and manage the assets, liabilities, business and staff of Fokai Company. The gains and losses arising from the period-from the base date of the merger to the completion date of the merger-shall be borne by the company.

Purpose and impact of the Merger: (1) The merger by consolidation will be conducive to the integration of the company's assets, business, human resource, finance and other resources, and it's conducive for optimizing the management structure, improving operational efficiency and reducing management costs. (2) The tax treatment of this merger will be carried out according to the general asset reorganization. In the light of that there was not-yet-made-up tax losses existed in the company itself during 2012 to 2016, after the completion of the merger, it will produce the corresponding taxable income to make up, and with the consideration of the impact of the company's integration, after the preliminary estimates, this merger by consolidation will increase the 2017-annual net profit attributable to shareholders of the listed company by about RMB 240.29 million to RMB 290.35 million, which will account for about 24%-29% of the 2016-annual net profit attributable to shareholders of the listed company-which is RMB 1001.2059 million. The above-said data are the results of the company's preliminary calculation, but there is a time limitation for the make-up of the not-yet-made-up losses according to the income tax law and there is impact of the changes of factors of earnings forecasts, so the above-said estimates of the data may have some changes.

Overview of material matters	Date of disclosing	Description of the website for disclosing provisional announcements
The Announcement of Guangdong Provincial Expressway Development Co., Ltd. Merging of wholly-owned subsidiary.	April 8, 2017	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

Applicable Not applicable

The company has no commitments completed in period and those without completed till the end of the period from

actual controller, shareholders, related parties, purchaser and companies.

IV. Prediction of Business performance for January- June 2017

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

Security category	Security code	Short form of security	Initial investment cost(RMB)	Number of shares held at the beginning of the reporting period(share s)	Shareholding proportion at the beginning of the reporting period(%)	Number of shares held at the end of the reporting period (shares)	Shareholding proportion at the end of the reporting period(%)	Book balance at the end of the reporting period (RMB)	Gain. loss of the reporting period (RMB)	Accounting items	Source of the shares
Stock	601818	China Everbright Bank	517,560,876.80	235,254,944	0.50%	235,254,944	0.50%	966,897,819.84	0.00	Financial assets available for sale	Subscribe on 2009
Total			517,560,876.80	235,254,944	--	235,254,944	--	966,897,819.84	0.00	--	--
Disclosure date for the notice of approval by the Board (If any)			July 22,2009								
Disclosure date for the notice of approval by shareholders' Meeting (If any)			August 7, 2008								

VI. Investment in derivatives

Applicable Not applicable

The Company had no derivatives investment in 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
February 15,2017	Onsite investigation	Organization	I.The main contents of the research included: (1) the

Reception time	Way of reception	Types of visitors	Basic index
			status of the company's daily operation; (2) the analysis of the company's financial data; (3) the company's development strategy; (4) the company's analysis on its industry. II. The main documents for the research: regular reports and other public information of the company.
March 30,2017	Onsite investigation	Organization	I.The main contents of the research included: (1) the status of the company's daily operation; (2) the analysis of the company's financial data; (3) the company's development strategy; (4) the company's analysis on its industry. II. The main documents for the research: regular reports and other public information of the company.

VIII. External guarantee get out of line

Applicable Not applicable

The Company has no external guarantee get out of the line in the Period

IX. Controlling shareholder and its related parties occupying non-business capital of the listed company

Applicable Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Guangdong Provincial Expressway Development Co., Ltd.

April 28, 2017

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	2,951,743,797.84	2,603,279,644.25
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable		
Account receivable	117,818,969.61	40,681,197.01
Prepayments	1,394,688.22	2,860,130.35
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	16,456,512.87	25,167,879.53
Repurchasing of financial assets		
Inventories	323,888.89	323,888.89
Assets held for sales		
Non-current asset due in 1 year	55,719.14	55,719.14
Other current asset		
Total of current assets	3,087,793,576.57	2,672,368,459.17
Non-current assets:		
Loans and payment on other's behalf disbursed		

Items	At the end of term	Beginning of term
Disposable financial asset	1,765,472,921.57	1,718,421,932.77
Expired investment in possess		
Long-term receivable		
Long term share equity investment	2,262,104,332.21	2,220,805,130.31
Property investment	3,103,917.73	3,219,971.08
Fixed assets	9,069,979,957.72	9,285,823,302.77
Construction in progress	159,192,341.07	149,244,110.30
Engineering material	1,549,556.00	1,549,556.00
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	5,211,508.07	6,138,294.90
R & D petrol		
Goodwill		
Long-germ expenses to be amortized	1,310,715.06	1,763,966.07
Deferred income tax asset	13,531,472.96	10,810,322.94
Other non-current asset	2,241,664.56	2,300,170.28
Total of non-current assets	13,283,698,386.95	13,400,076,757.42
Total of assets	16,371,491,963.52	16,072,445,216.59
Current liabilities		
Short-term loans		
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		
Account payable	247,130,091.75	299,414,047.07
Advance payment	18,510,163.76	17,440,023.40
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	9,398,000.36	8,840,599.13

Items	At the end of term	Beginning of term
Tax payable	144,825,659.69	106,370,898.31
Interest payable	9,028,437.59	8,945,283.52
Dividend payable	12,474,136.38	12,506,777.92
Other account payable	74,163,473.20	134,266,141.34
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	1,006,610,000.00	957,880,000.00
Other current liability		
Total of current liability	1,522,139,962.73	1,545,663,770.69
Non-current liabilities:		
Long-term loan	5,354,050,000.00	5,402,780,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable	2,022,210.11	2,022,210.11
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability	272,935,673.70	278,463,647.00
Other non-current liabilities		
Total non-current liabilities	5,629,007,883.81	5,683,265,857.11
Total of liability	7,151,147,846.54	7,228,929,627.80
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	2,508,408,342.99	2,508,408,342.99

Items	At the end of term	Beginning of term
Less: Shares in stock		
Other comprehensive income	449,336,943.04	402,285,954.24
Special reserves		
Surplus reserves	366,956,549.89	366,956,549.89
Common risk provision		
Undistributed profit	3,207,282,500.66	2,920,563,328.27
Total of owner's equity belong to the parent company	8,622,790,462.58	8,289,020,301.39
Minority shareholders' equity	597,553,654.40	554,495,287.40
Total of owners' equity	9,220,344,116.98	8,843,515,588.79
Total of liabilities and owners' equity	16,371,491,963.52	16,072,445,216.59

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

2.Parent Company Balance Sheet

In RMB

Items	At the end of term	Beginning of term
Current asset :		
Monetary fund	2,531,248,393.73	1,795,455,123.88
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable		
Account receivable		
Prepayments	471,698.10	2,059,362.84
Interest receivable	18,128,364.07	34,833.33
Dividend receivable		24,000,000.00
Other account receivable	2,910,069.40	2,350,265.24
Inventories		
Assets held for sales		
Non-current asset due in 1 year	85,000,000.00	95,000,000.00
Other current asset		

Items	At the end of term	Beginning of term
Total of current assets	2,637,758,525.30	1,918,899,585.29
Non-current assets:		
Disposable financial asset	1,765,472,921.57	1,718,421,932.77
Expired investment in possess		
Long-term receivable		
Long term share equity investment	7,427,266,551.87	7,385,967,349.97
Property investment	2,851,779.48	2,967,832.83
Fixed assets	2,437,481.44	2,744,611.16
Construction in progress		
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	648,571.90	725,234.38
R & D petrol		
Goodwill		
Long-germ expenses to be amortized	1,134,454.13	1,559,874.44
Deferred income tax asset		
Other non-current asset	847,903,684.98	847,903,684.98
Total of non-current assets	10,047,715,445.37	9,960,290,520.53
Total of assets	12,685,473,970.67	11,879,190,105.82
Current liabilities		
Short-term loans		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		
Account payable		
Advance payment		
Employees' wage payable	1,335,322.71	1,347,078.47
Tax payable	1,299,808.59	1,986,670.18
Interest payable	4,585,824.32	4,469,288.30
Dividend payable	12,474,136.38	12,506,777.92

Items	At the end of term	Beginning of term
Other account payable	3,322,347.31	1,989,088.70
Classified as held for sale debt		
Non-current liability due in 1 year	50,200,000.00	50,200,000.00
Other current liability	1,116,978,894.48	836,363,256.69
Total of current liability	1,190,196,333.79	908,862,160.26
Non-current liabilities:		
Long-term loan	2,999,700,000.00	2,999,700,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable	2,022,210.11	2,022,210.11
Long-term payable to employees		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total of Non-current liabilities	3,001,722,210.11	3,001,722,210.11
Total of liability	4,191,918,543.90	3,910,584,370.37
Owners' equity		
Share capital	2,090,806,126.00	2,090,806,126.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	3,359,791,693.12	3,359,791,693.12
Less: Shares in stock		
Other comprehensive income	449,336,943.04	402,285,954.24
Special reserves		
Surplus reserves	351,112,266.24	351,112,266.24
Undistributed profit	2,242,508,398.37	1,764,609,695.85
Total of owners' equity	8,493,555,426.77	7,968,605,735.45
Total of liabilities and owners' equity	12,685,473,970.67	11,879,190,105.82

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

3.Consolidated Income statement

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	708,861,624.37	656,556,265.87
Incl: Business income	708,861,624.37	656,556,265.87
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	381,174,667.38	433,158,879.19
Incl: Business cost	271,049,367.90	273,397,575.90
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	3,443,510.59	22,557,096.31
Sales expense		
Administrative expense	38,257,241.20	37,284,987.45
Financial expenses	68,424,547.69	99,919,219.53
Asset impairment loss		
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)	97,471,152.80	84,395,832.55
Incl: investment gains from affiliates	96,471,880.49	83,396,560.25
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	425,158,109.79	307,793,219.23
Add : Non-operational income	583,642.64	978,831.12
Including: Income from disposal of non-current assets		7,417.07
Less: Non business expenses	179,324.57	335,207.81

Items	Amount in this period	Amount in last period
Incl: Loss from disposal of non-current assets	16,609.06	59,156.93
IV.Total profit("-"for loss)	425,562,427.86	308,436,842.54
Less: Income tax expenses	95,784,888.47	68,097,578.81
V. Net profit	329,777,539.39	240,339,263.73
Net profit attributable to the owners of parent company	286,719,172.39	189,257,712.78
Minority shareholders' equity	43,058,367.00	51,081,550.95
VI. Other comprehensive income	47,050,988.80	-115,274,922.56
Net of profit of other comprehensive income attributable to owners of the parent company.	47,050,988.80	-115,274,922.56
(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.	47,050,988.80	-115,274,922.56
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	47,050,988.80	-115,274,922.56
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		

Items	Amount in this period	Amount in last period
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	376,828,528.19	125,064,341.17
Total comprehensive income attributable to the owner of the parent company	333,770,161.19	73,982,790.22
Total comprehensive income attributable minority shareholders	43,058,367.00	51,081,550.95
VIII. Earnings per share		
(I) Basic earnings per share	0.14	0.11
(II) Diluted earnings per share	0.14	0.11

If there are entities merged under common control, their net profit realized before the merger were totaled to RMB***. While it was RMB*** previous period.

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	19,955,682.04	2,165,724.61
Less: Business cost	116,053.35	116,053.35
Business tax and surcharge	28,965.70	121,280.31
Sales expense		
Administrative expense	12,781,201.64	13,076,357.09
Financial expenses	34,321,379.12	36,940,014.68
Asset impairment loss		
Add: Gains from change of fair value ("-"for loss)		
Investment gain ("-"for loss)	505,190,620.29	104,346,091.82
Incl: investment gains from affiliates	96,471,880.49	103,346,819.52
II. Operational profit ("-"for loss)	477,898,702.52	56,258,111.00
Add : Non-operational income		

Items	Amount in this period	Amount in last period
Including: Income from disposal of non-current assets		
Less: Non business expenses		
Incl: Loss from disposal of non-current assets		
III.Total profit("-"for loss)	477,898,702.52	56,258,111.00
Less: Income tax expenses		
IV. Net profit ("-"for net loss)	477,898,702.52	56,258,111.00
V.Net of profit of other comprehensive income	47,050,988.80	-115,274,922.56
(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.	47,050,988.80	-115,274,922.56
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	524,949,691.32	-59,016,811.56
VII. Earnings per share:		

Items	Amount in this period	Amount in last period
(I) Basic earnings per share		
(II) Diluted earnings per share		

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

5. Consolidated Cash flow statement

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	654,396,443.21	611,378,742.24
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 the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned		
Other cash received from business operation	34,657,581.68	19,522,969.85
Sub-total of cash inflow	689,054,024.89	630,901,712.09

Items	Amount in this period	Amount in last period
Cash paid for purchasing of merchandise and services	36,673,740.77	17,393,510.10
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	70,894,980.53	74,696,344.15
Taxes paid	86,763,105.47	74,472,575.93
Other cash paid for business activities	14,877,480.20	18,963,936.40
Sub-total of cash outflow from business activities	209,209,306.97	185,526,366.58
Cash flow generated by business operation, net	479,844,717.92	445,375,345.51
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	56,171,950.90	130,999,272.30
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	3,800.00	419,007.00
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	56,175,750.90	131,418,279.30
Cash paid for construction of fixed assets, intangible assets and other long-term assets	113,731,853.71	57,570,411.79
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		

Items	Amount in this period	Amount in last period
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	113,731,853.71	57,570,411.79
Net cash flow generated by investment	-57,556,102.81	73,847,867.51
III.Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	499,000,000.00	
Cash received from bond placing		
Other financing –related ash received		5,173.81
Sub-total of cash inflow from financing activities	499,000,000.00	5,173.81
Cash to repay debts	499,000,000.00	
Cash paid as dividend, profit, or interests	73,824,461.52	66,974,388.02
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		451,000.00
Sub-total of cash outflow due to financing activities	572,824,461.52	67,425,388.02
Net cash flow generated by financing	-73,824,461.52	-67,420,214.21
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	348,464,153.59	451,802,998.81
Add: balance of cash and cash equivalents at the beginning of term	2,603,279,644.25	1,199,629,276.85
VI ..Balance of cash and cash equivalents at the end of term	2,951,743,797.84	1,651,432,275.66

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

6. Cash Flow Statement of the Parent Company

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	2,732,392.40	1,048,494.68
Tax returned		
Other cash received from business operation	286,775,467.69	257,413,660.63
Sub-total of cash inflow	289,507,860.09	258,462,155.31
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	8,786,519.48	10,038,866.36
Taxes paid	523,115.02	300,681.47
Other cash paid for business activities	5,143,830.51	121,556,976.90
Sub-total of cash outflow from business activities	14,453,465.01	131,896,524.73
Cash flow generated by business operation, net	275,054,395.08	126,565,630.58
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	487,891,418.39	130,999,272.30
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	10,283,812.50	1,074,625.01
Sub-total of cash inflow due to investment activities	498,175,230.89	132,073,897.31
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		
Net cash received from subsidiaries and other operational units		

Items	Amount in this period	Amount in last period
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities		
Net cash flow generated by investment	498,175,230.89	132,073,897.31
III.Cash flow generated by financing		
Cash received as investment		
Cash received as loans		
Cash received from bond placing		
Other financing –related ash received		5,173.81
Sub-total of cash inflow from financing activities		5,173.81
Cash to repay debts		
Cash paid as dividend, profit, or interests	37,436,356.12	22,412,917.61
Other cash paid for financing activities		451,000.00
Sub-total of cash outflow due to financing activities	37,436,356.12	22,863,917.61
Net cash flow generated by financing	-37,436,356.12	-22,858,743.80
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	735,793,269.85	235,780,784.09
Add: balance of cash and cash equivalents at the beginning of term	1,795,455,123.88	822,286,507.11
VI ..Balance of cash and cash equivalents at the end of term	2,531,248,393.73	1,058,067,291.20

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

II. Auditor' report

Is the First Quarterly Report be audited?

Yes No

The First Quarterly report is not audited.