



2018 Third Quarter Report

Of

Chongqing Changan Automobile Company Limited

October, 2018

Chapter 1 Important Notes

The Board of Directors, the Supervisory Committee and directors, supervisors and senior management of Chongqing Changan Automobile Company Limited (hereinafter referred to as “the Company”) hereby guarantee that no false or misleading statement or major omission was made to the materials in this report and that they will assume all the responsibilities, individually and jointly, for the truthfulness, accuracy and completeness of the contents of this report.

The Chairman of the Board Zhang Baolin, the Chief Financial Officer Zhang Deyong and the responsible person of the accounting institution (Accountant in charge) Chen Jianfeng hereby declare that the Financial Statements enclosed in this quarter report are true, accurate and complete.

Except the following directors, all the directors attended the board meeting for reviewing the annual report.

The name of the directors absent	Positions	Reasons for the absence	Name of the consignee
Zhou Zhiping	Directors	Business trip	Zhang Dongjun
Tan Xiaosheng	Independent Directors	Business trip	Li Qingwen
Wei Xinjiang	Independent Directors	Business trip	Liu Jipeng

The report shall be presented in both Chinese and English, and should there be any conflicting understanding of the text, the Chinese version shall prevail.

Chapter 2 Basic Information

I. Main accounting data and financial indicators

Does the company conduct the retrospective adjustment or restatement of previous years accounting data due to changes in accounting policies or accounting errors?

Yes No

	2018.9.30	2017.12.31		Increase/decrease (%)
Total assets (RMB)	94,645,030,905.55	106,125,114,622.69		-10.82%
Net assets attributable to shareholder of the listed company(RMB)	46,890,834,517.49	47,598,690,942.28		-1.49%
	Jul-Sep.2018	Changes of Reporting Period in the same Period last year	Jan.-Sep.2018	Changes of Reporting Period in the same Period last year
Operating revenue (Yuan)	14,208,826,200.12	-20.51%	49,851,658,390.16	-3.07%
Net profit belonging to shareholders of the listed company (Yuan)	-446,525,102.83	-137.52%	1,163,081,476.01	-79.98%
Net profit belonging to shareholders of the listed company after deduction of non-recurring profit and loss (Yuan)	-711,470,154.01	-166.28%	-15,753,465.60	-100.34%
Net cash flow arising from operating activities (Yuan)	/	/	923,849,319.05	23.56%
Basic earnings per share (Yuan/Share)	-0.09	-136.00%	0.24	-80.17%
Diluted earnings per share (Yuan/Share)	-0.09	-136.00%	0.24	-80.17%
Return on equity (ROE) (%)	-0.95%	Down 3.55%	2.46%	Down 10.47%

Accidental gain/loss item and amount

Applicable Not applicable

In RMB Yuan

Item	Amount of the period from the beginning of year to the end of report term
Gain/loss of non-current assets (including the writeoff part of the impairment provision for the provision of assets)	21,092,069.59
Government subsidies accounted into current gain/loss account, other than those closely related to the Company's common business, comply with the national policy and continues to enjoy at certain fixed rate or amount	1,411,214,619.50
Other non-business income and expenditures other than the above	-14,718,582.89
Interest on deferred payment of funds received by non-financial enterprises	16,489,749.32
Less: Influenced amount of income tax	219,605,808.12
Influenced amount of minority shareholders' equity	35,637,105.79
Total	1,178,834,941.61

According to "Public offering of securities information disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses" "Public offering of securities information disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses" defined non-recurring items ,and Public offering of securities information disclosure of the company's information disclosure announcement No. 1 - non-recurring gains and losses "The items listed in the non-recurring items defined as recurring items shall be explained .

Applicable Not applicable

The company in the reporting period does not base on the definition and listing of “Public offering of securities information disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses” about non-recurring gains and losses to define a case of recurring profit or loss.

II. Total number of shareholders at the end of the reporting period and statement on shares held by the top ten shareholders

1. Total number of shareholders at the end of the reporting period and statement on shares held by the top ten shareholders

Unit: share

As of the reporting period, the total number of shareholders		Total number 196,006, of which 167,499 were A share shareholders and 28,507 were B share shareholders.				
Top 10 Shareholders						
Name of the shareholder	Nature of shareholder	Shareholding (%)	Number of shares	Conditional shares	Pledging or freezing	
					Share status	Amount
China South Industries Group Co., Ltd.	State-owned legal person shares	21.56	1,035,312,673		No pledge or freeze	-
China Changan Automobile Co., Ltd.	State-owned legal person shares	19.32	928,044,946	139,762,403	No pledge or freeze	-
China securities finance Co, Ltd	domestic general legal person shares	4.88	234,265,333		No pledge or freeze	-
United Prosperity (Hongkong) Investment Co., Limited	foreign legal person shares	2.88	138,502,185		No pledge or freeze	-
GIC PRIVATE LIMITED	foreign legal person shares	1.65	79,395,550		No pledge or freeze	-
Central Huijin Investment Ltd.	domestic general legal person shares	1.15	55,393,100		No pledge or freeze	-
DRAGON BILLION SELECT MASTER FUND	foreign legal person shares	0.85	40,597,114		No pledge or freeze	-
Anbang Asset Mgmt-China Merchants Bank- Anbang Asset-China	fund, finance products, etc.	0.67	32,070,942		No pledge or freeze	-
Anbang Asset Mgmt – China Minsheng Bank – Anbang Asset-China	fund, finance products, etc.	0.65	31,082,094		No pledge or freeze	-
MONETARY AUTHORITY OF SINGAPORE	foreign legal person shares	0.49	23,588,205		No pledge or freeze	-
Top 10 holders of unconditional shares						
Name of the shareholder		Amount of shares without sales restriction	Category of shares			
			Category of shares	Amount		
China South Industries Group Co., Ltd.		1,035,312,673	RMB ordinary shares	1,035,312,673		
China Changan Automobile Co., Ltd.		788,282,543	RMB ordinary shares	788,282,543		
China securities finance Co, Ltd		234,265,333	RMB ordinary shares	234,265,333		
United Prosperity (Hongkong) Investment Co., Limited		138,502,185	Domestic listed foreign shares	138,502,185		
GIC PRIVATE LIMITED		79,395,550	Domestic listed foreign shares	79,395,550		
Central Huijin Investment Ltd.		55,393,100	RMB ordinary shares	55,393,100		
DRAGON BILLION SELECT MASTER FUND		40,597,114	Domestic listed foreign shares	40,597,114		
Anbang Asset Mgmt-China Merchants Bank- Anbang Asset-China		32,070,942	RMB ordinary shares	32,070,942		
Anbang Asset Mgmt – China Minsheng Bank – Anbang		31,082,094	RMB ordinary shares	31,082,094		

Asset-China			
MONETARY AUTHORITY OF SINGAPORE	23,588,205	Domestic listed foreign shares	23,588,205
Explanation on the relationship and the action alike of above shareholders	Among the top 10 shareholders, China South Industries Group Co., Ltd., the actual controller; China Changan Automobile Group Co., Ltd., the controlling shareholder, and its wholly owned subsidiary United Prosperity (Hong Kong)Investment Co., Limited belong to the concerted actor regulated by "Disclosure Administration of Shares Change Information of The Listed Company".		

Whether the company top 10 shareholders of ordinary shares, and the top 10 circulated shareholders agreed on the repurchase transactions during the report period

Applicable Not Applicable

The top 10 shareholders of ordinary shares, and the top 10 circulated shareholders have not agreed on the repurchase transactions during the report period.

2. Total number of preferred shareholders at the end of the reporting period and statement on preferred shares held by the top ten preferred shareholders

Applicable Not Applicable

Chapter 3 Important Matters

I. Significant changes & reasons in major accounting data, financial indicators

√Applicable □Not Applicable

In RMB Yuan				
Sequence	Balance Sheet Items	September. 30 st ,2018	Jan. 1 st , 2018	Changes (%)
1	Cash	15,640,593,034.03	22,631,536,496.53	-30.89%
2	Notes receivable and accounts receivable	18,843,567,203.82	30,963,288,278.24	-39.14%
3	Other receivables	2,220,947,639.56	1,687,460,718.92	31.61%
4	Inventories	6,445,272,482.65	4,666,183,421.80	38.13%
5	Construction in process	6,018,738,388.23	3,234,173,155.52	86.10%
6	Advances from customers	2,484,704,374.79	3,878,382,556.43	-35.93%
7	Payroll payable	839,970,382.96	1,640,885,322.33	-48.81%
	Income Statement Items	Jan-Sep 2018	Jan-Sep 2017	Changes (%)
8	Operating expenses	3,912,993,343.98	2,350,906,633.64	66.45%
9	Investment income	1,232,775,886.06	5,550,949,277.61	-77.79%
	Cash Flow Statement Items	Jan-Sep 2018	Jan-Sep 2017	Changes (%)
10	Net cash flows from operating activities	923,849,319.05	747,699,887.02	23.56%
11	Net cash flows from investing activities	-5,753,482,959.66	3,644,310,547.25	-257.88%
12	Net cash flows from financing activities	-1,401,416,537.03	-4,640,546,193.74	69.80%
13	Net increase of cash and cash equivalents	-6,208,413,403.91	-254,579,556.96	-2338.69%

As at the end of reporting period, the company's total asset was 94.645 billion Yuan, with 10.82% decrease compared with the beginning of the year. The total liability was 47.882 billion Yuan, with 18.38% decrease compared with the beginning of the year. The debt asset ratio was 50.59%, which was 4.69 percentage points lower than the beginning of the year. Compared with beginning of the year, the decrease of cash was mainly due to the decrease of net cash flows from investing activities. The decrease of notes receivable and accounts receivable was mainly due to the decrease of sales and credit sales. The increase of other receivables was mainly due to the increase of new energy subsidies receivable. The increase of inventories compared with the beginning of the year was mainly due to the increase of goods and raw materials. The increase of construction in process was mainly due to the increase in constructions of factories and buildings. The decrease of advances from customers was mainly due to the decrease of advance payment from car dealers. The balance of the payroll payable was lower than that at the beginning of the year, which was mainly due to the reduction of accrued payroll payable by the company.

During the reporting period, operating expenses substantially increased mainly due to the increase of promotional activities. The significant decrease of investment income was mainly due to the decrease of investment income from associates and joint venture.

During the reporting period, the cash and cash equivalents decreased by 2338.69% on a year-on-year basis, mainly due to the significant decrease in net cash flows from investing activities. The net cash flows from investing activities decreased mainly due to the

decrease in cash dividends received from joint ventures. The net cash flows from financing activities increased significantly on a year-on-year basis mainly due to the decrease of debt repayment and distribution of cash dividends compared to the same period last year.

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

Applicable Not Applicable

III. Commitments made within the reporting period by the controlling shareholders, shareholders, related party, acquirer and the company overdue and not fulfilled

Applicable Not Applicable

IV. Forecast of operation performance of 2018

The warning or a reason for a loss or a significant change of cumulative net profit from the beginning of the year to the end of the next reporting period compared with the same period of last year

Applicable Not Applicable

V. Securities Investment

Applicable Non-applicable

Security variety	Stock code	Stock name	Initial investment cost (RMB Yuan)	Opening equity Holdings (share)	Opening equity holding ratio (%)	Closing equity holdings (share)	Closing equity Holdings (%)	Closing book value (RMB Yuan)	Gain/loss in the reporting period (RMB Yuan)	Accounting title	Equity source
Stock	600369	Southwest Securities	50,000,000	35,500,000	0.63%	35,500,000	0.63%	126,735,000	1,775,001.20	Tradable financial assets	Initial investment
Total			50,000,000	35,500,000	--	35,500,000	--	126,735,000	1,775,001.20	--	--

VI. Entrusted financial management

Applicable Not Applicable

During the reporting period, the company did not have any entrusted financial management.

VII. Derivative Investment

Applicable Not Applicable

During the reporting period, the company did not have any derivative investment.

VIII. Interviews and visits in the reporting period

Applicable Not Applicable

Date	Manner	Object	Content discussed and material offered
2018.1.4	On-Site Survey	Institution	For details, see the January 5, 2018 Shenzhen stock exchange interactive

			(http://irm.cninfo.com.cn) on the Changan Automobile: January 4, 2018 investor relations activities record sheet
2018.1.11	On-Site Survey	Institution	For details, see the January 15, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 11, 2018 investor relations activities record sheet
2018.1.17	On-Site Survey	Institution	For details, see the January 19, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 17, 2018 investor relations activities record sheet
2018.1.18	On-Site Survey	Institution	For details, see the January 19, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan automobile: January 18, 2018 investor relations activities record sheet
2018.1.24	On-Site Survey	Institution	For details, see the January 25, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 24, 2018 investor relations activities record sheet
2018.1.26	On-Site Survey	Institution	For details, see the January 30, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 26, 2018 investor relations activities record sheet
2018.2.12	On-Site Survey	Institution	For details, see the February 13, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: February 12, 2018 investor relations activities record sheet
2018.3.6	On-Site Survey	Institution	For details, see the March 8, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: March 6, 2018 investor relations activities record sheet
2018.3.8	On-Site Survey	Institution	For details, see the March 12, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: March 8, 2018 investor relations activities record sheet
2018.3.13	On-Site Survey	Institution	For details, see the March 16, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: March 13, 2018 investor relations activities record sheet
2018.3.15	On-Site Survey	Institution	For details, see the March 19, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: March 15, 2018 investor relations activities record sheet
2018.7.19	On-Site Survey	Institution	For details, see the July 23, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: July 19, 2018 investor relations activities record sheet
2018.7.24	On-Site Survey	Institution	For details, see the July 26, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: July 24, 2018 investor relations activities record sheet
2018.8.31	On-Site Survey	Institution	For details, see the September 3, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: August 31, 2018 investor relations activities record sheet
2018.9.5	On-Site Survey	Institution	For details, see the September 6, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 5, 2018 investor relations activities record sheet
2018.9.10	On-Site Survey	Institution	For details, see the September 11, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 10, 2018 investor relations activities record sheet
2018.9.13	On-Site Survey	Institution	For details, see the September 14, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 13, 2018 investor relations activities record sheet
2018.9.14	On-Site Survey	Institution	For details, see the September 17, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 14, 2018 investor relations activities record sheet
2018.9.18	On-Site Survey	Institution	For details, see the September 19, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 18, 2018 investor relations activities record sheet
2018.9.19	On-Site Survey	Institution	For details, see the September 21, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 19, 2018

			investor relations activities record sheet
2018.9.25	On-Site Survey	Institution	For details, see the September 27, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 25, 2018 investor relations activities record sheet(1)
2018.9.25	On-Site Survey	Institution	For details, see the September 27, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 25, 2018 investor relations activities record sheet(2)
2018.9.26	On-Site Survey	Institution	For details, see the September 28, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 26, 2018 investor relations activities record sheet(1)
2018.9.26	On-Site Survey	Institution	For details, see the September 28, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 26, 2018 investor relations activities record sheet(2)
2018.9.27	On-Site Survey	Institution	For details, see the September 28, 2018 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: September 27, 2018 investor relations activities record sheet

IX. Illegal external guarantee

Applicable Not Applicable

During the reporting period, the company did not have any illegal external guarantee.

X. Controlling shareholder and its related parties to the listing Corporation's non-operating funds

Applicable Not Applicable

During the reporting period, no controlling shareholder and its related parties occupied the non-operating capital of the listed company.

Chapter 4 Financial Statements

I. Financial Statements

1. Consolidated Balance Sheet

Prepared by: CHONGQING CHANGAN AUTOMOBILE CO., LTD.

In RMB Yuan

Account	Ending Balance	Opening Balance
Current assets:		
Cash	15,640,593,034.03	22,631,536,496.53
Notes receivable and accounts receivable	18,843,567,203.82	30,963,288,278.24
Notes receivable	16,479,324,159.57	29,156,481,085.20
Accounts receivable	2,364,243,044.25	1,806,807,193.04
Prepayments	1,077,714,553.31	1,102,239,931.33
Other receivables	2,220,947,639.56	1,687,460,718.92
Inventories	6,445,272,482.65	4,666,183,421.80
Holding assets for sale		
Non-current assets due within one year		
Other current assets	1,755,288,990.33	1,705,910,530.43
Total current assets	45,983,383,903.70	62,756,619,377.25
Non-current assets:		
Available-for-sale financial assets	554,287,000.00	541,917,000.00
Long-term receivables		
Long-term equity investments	16,221,883,561.62	14,098,523,896.97
Investment properties	7,386,239.17	7,556,272.84
Fixed assets	18,584,109,386.60	19,044,533,667.68
Construction in progress	6,018,738,388.23	3,234,173,155.52
Intangible assets	4,211,101,410.01	4,047,945,129.67
Development expenditure	929,897,320.81	836,638,328.10
Goodwill	9,804,394.00	9,804,394.00
Long-term deferred expenses	15,436,998.30	13,545,589.39
Deferred tax assets	1,574,814,926.23	1,533,857,811.27
Other non-current assets	534,187,376.88	-
Total non-current assets	48,661,647,001.85	43,368,495,245.44
TOTAL ASSETS	94,645,030,905.55	106,125,114,622.69
Current liabilities:		
Short-term loans	186,000,000.00	185,000,000.00
Notes payable and accounts payable	31,592,884,154.18	39,905,752,773.96
Advances from customers	2,484,704,374.79	3,878,382,556.43
Payroll payable	839,970,382.96	1,640,885,322.33
Taxes payable	300,975,711.99	394,321,397.14
Other payables	1,831,131,279.91	2,599,093,153.78

Non-current liabilities within one year	6,594,120.00	13,151,946.67
Other current liabilities	4,085,757,742.31	3,562,154,645.82
Total current liabilities	41,328,017,766.14	52,178,741,796.13
Non-current liabilities:		
Long-term loans	-	6,575,973.33
Long-term payables	309,794,170.98	290,607,151.02
Long-term payroll payable	103,111,980.93	113,012,000.00
Estimated liabilities	2,548,010,533.00	2,423,958,274.70
Deferred Revenue	3,577,208,896.71	3,627,817,419.05
Deferred tax liabilities	15,578,250.00	21,222,750.00
Other non-current liabilities		
Total non-current liabilities	6,553,703,831.62	6,483,193,568.10
Total liabilities	47,881,721,597.76	58,661,935,364.23
Owners' equity (or Shareholders' equity):		
Share capital	4,802,648,511.00	4,802,648,511.00
Capital reserves	5,099,405,956.94	5,099,405,956.94
Other comprehensive income	347,428,824.82	82,959,423.84
Special reserves	50,662,714.94	28,279,733.06
Surplus reserves	2,401,324,255.50	2,401,324,255.50
Retained earnings	34,189,364,254.29	35,184,073,061.94
Equity attributable to owners	46,890,834,517.49	47,598,690,942.28
Minority interests	-127,525,209.70	-135,511,683.82
Total Owners' equity (or Shareholders' equity)	46,763,309,307.79	47,463,179,258.46
Liabilities and owners' equity (or shareholders' equity) in total	94,645,030,905.55	106,125,114,622.69

Legal person: Zhang Baolin

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

2. Balance Sheet

In RMB Yuan

Account	Ending Balance	Opening Balance
Current assets:		
Cash	14,113,130,078.13	20,634,514,487.95
Notes receivable and accounts receivable	22,164,640,182.48	34,002,845,071.70
Notes receivable	15,921,947,401.00	29,010,848,480.70
Accounts receivable	6,242,692,781.48	4,991,996,591.00
Prepayments	971,858,753.10	960,555,695.17
Other receivables	2,347,393,399.75	1,765,907,866.77
Inventories	5,588,477,853.48	4,005,921,440.85
Holding assets for sale		
Non-current assets due within one year		
Other current assets	1,115,149,207.47	1,178,094,749.84
Total current assets	46,300,649,474.41	62,547,839,312.28
Non-current assets:		
Available-for-sale financial assets	544,377,000.00	532,007,000.00
Long-term receivables		
Long-term equity investments	18,064,882,120.32	15,786,743,636.55

Investment properties		
Fixed assets	15,151,138,722.09	15,582,899,632.64
Construction in progress	4,786,688,452.95	2,763,521,275.98
Intangible assets	3,544,130,583.82	3,341,218,169.73
Development expenditure	748,691,134.07	733,947,670.46
Goodwill		
Long-term deferred expenses	12,851,515.57	12,821,802.39
Deferred tax assets	1,465,518,480.06	1,421,165,907.17
Other non-current assets	534,187,376.88	-
Total non-current assets	44,852,465,385.76	40,174,325,094.92
TOTAL ASSETS	91,153,114,860.17	102,722,164,407.20
Current liabilities:		
Short-term loans		
Notes payable and accounts payable	28,226,623,499.46	36,351,223,966.94
Advances from customers	2,273,786,086.04	3,724,183,178.58
Payroll payable	634,368,563.14	1,377,250,229.66
Taxes payable	265,239,809.48	320,050,382.91
Other payables	1,782,700,819.70	3,181,207,281.30
Holding liabilities for sale		
Non-current liabilities within one year		
Other current liabilities	3,913,210,538.52	3,453,269,881.59
Total current liabilities	37,095,929,316.34	48,407,184,920.98
Non-current liabilities:		
Long-term loans		
Long-term payables	254,443,461.58	235,256,441.62
Long-term payroll payable	81,875,678.66	91,263,000.00
Estimated liabilities	2,495,263,231.49	2,380,971,255.26
Deferred Revenue	2,828,703,278.18	2,879,604,719.46
Deferred tax liabilities	15,578,250.00	21,222,750.00
Other non-current liabilities		
Total non-current liabilities	5,675,863,899.91	5,608,318,166.34
Total liabilities	42,771,793,216.25	54,015,503,087.32
Owners' equity (or Shareholders' equity):		
Share capital	4,802,648,511.00	4,802,648,511.00
Capital reserves	4,717,192,101.72	4,717,192,101.72
Other comprehensive income	380,599,378.87	132,520,410.88
Special reserves	24,901,617.08	12,013,706.73
Surplus reserves	2,401,324,255.50	2,401,324,255.50
Retained earnings	36,054,655,779.75	36,640,962,334.05
Total Owners' equity (or Shareholders' equity)	48,381,321,643.92	48,706,661,319.88
Liabilities and owners' equity (or shareholders' equity) in total	91,153,114,860.17	102,722,164,407.20

3. Consolidated Income Statement of the report term (July-September)

In RMB Yuan

Account	Current Period	Prior Period
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I. Total operating income	14,208,826,200.12	17,875,967,836.92
Operating income	14,208,826,200.12	17,875,967,836.92
Interest income		
Earned premium		
Fee and commission income		
II. Total operating cost	14,851,539,785.92	18,622,936,928.98
Including: Operating cost	11,649,373,012.29	16,577,859,499.30
Tax and surcharges	485,653,007.58	606,943,117.87
Operating expenses	1,369,530,915.47	346,730,591.63
General and administrative expenses	1,206,719,665.90	911,791,621.70
R&D expenses	256,006,612.90	325,662,119.26
Financial expenses	-117,539,605.16	-145,299,064.53
Interest expense	162,925.67	4,294,510.99
Interest income	121,932,149.93	158,353,225.22
Impairment loss on assets	1,796,176.94	-750,956.25
Add: Other income	294,983,400.18	91,028,832.62
Investment income ('-' represent loss)	-129,235,929.05	1,719,330,298.97
Investment income from associates and from joint venture	-130,437,799.33	1,715,780,298.97
Asset disposal income	2,320,259.90	515,748.18
III. Operating profit ('-' represent loss)	-474,645,854.77	1,063,905,787.71
Add: Non-operating income	21,403,080.23	68,294,811.18
Less: Non-operating expenses	13,091,796.95	2,814,306.19
IV. Total profit ('-' represent loss)	-466,334,571.49	1,129,386,292.70
Less: Income tax expense	-19,920,848.15	-52,230,483.62
V. Net profit ('-' represent net loss)	-446,413,723.34	1,181,616,776.32
I) Net profit from continuing operations	-446,413,723.34	1,181,616,776.32
II) Net profit from discontinued operations		
Net profit attributable to owners	-446,525,102.83	1,190,050,794.41
Minority interests	111,379.49	-8,434,018.09
VI. Other comprehensive income, net of tax	17,439,867.39	44,639,315.30
Total comprehensive income attributable to owners, net of tax	17,439,867.39	44,639,315.30
I) Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	248,641.80
Change from defined benefit plan		
Other comprehensive income not to be reclassified to profit or loss under equity method	-	248,641.80
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	17,439,867.39	44,390,673.50
Other comprehensive income transferable to profit or loss under the equity method	-9,692,020.90	-
Changes in fair value from available-for-sale financial assets	-8,449,000.00	6,336,750.00
Foreign currency reserve	35,580,888.29	38,053,923.50
VII. Total comprehensive income	-428,973,855.95	1,226,256,091.62
Total comprehensive income attributable to owners	-429,085,235.44	1,234,690,109.71
Total comprehensive income attributable to minority interest	111,379.49	-8,434,018.09
VIII. Earnings per share:		

I) Basic earnings per share	-0.09	0.25
II) Diluted earnings per share	-0.09	0.25

Legal person: Zhang Baolin

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

4. Income Statement of the report term (July-September)

In RMB Yuan

Account	Current Period	Prior Period
I. Operating income	13,093,065,037.67	17,106,576,370.78
Less: Operating cost	10,883,881,181.83	16,033,795,445.11
Tax and surcharges	378,993,565.82	533,601,011.82
Operating expenses	1,266,350,051.18	278,413,026.49
General and administrative expenses	978,001,082.16	733,168,077.10
R&D expenses	281,359,134.12	328,797,058.12
Financial expenses	-115,817,102.01	-151,813,407.79
Interest expense	-	-
Interest income	119,319,924.74	155,521,460.00
Impairment loss on assets	747,130.34	858,777.01
Add: Other income	46,580,913.63	70,318,609.40
Investment income ('-' represent loss)	-126,115,875.65	1,719,929,041.12
Investment income from associates and from joint venture	-130,437,799.33	1,715,780,299.00
Asset disposal income	3,485,853.61	356,095.81
II. Operating profit ('-' represent loss)	-656,499,114.18	1,140,360,129.25
Add: Non-operating income	15,865,485.40	10,728,235.98
Less: Non-operating expenses	12,646,697.02	9,656,993.06
III. Total profit ('-' represent loss)	-653,280,325.80	1,141,431,372.17
Less: Income tax expense	-12,512,741.46	-72,079,441.96
IV. Net profit ('-' represent net loss)	-640,767,584.34	1,213,510,814.13
I) Net profit from continuing operations	-640,767,584.34	1,213,510,814.13
II) Net profit from discontinued operations		
V. Other comprehensive income, net of tax	-18,141,020.90	6,336,750.00
I) Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Change from defined benefit plan		
Other comprehensive income not to be reclassified to profit or loss under equity method		
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	-18,141,020.90	6,336,750.00
Other comprehensive income transferable to profit or loss under the equity method	-9,692,020.90	-
Changes in fair value from available-for-sale financial assets	-8,449,000.00	6,336,750.00
Foreign currency reserve		
VI. Total comprehensive income	-658,908,605.24	1,219,847,564.13
VII. Earnings per share:		
I) Basic earnings per share	-0.13	0.25
II) Diluted earnings per share	-0.13	0.25

5. Consolidated Income Statement of the report term (January-September)

In RMB Yuan

Account	Current Period	Prior Period
I. Total operating income	49,851,658,390.16	51,431,180,946.38
Operating income	49,851,658,390.16	51,431,180,946.38
Interest income		
Earned premium		
Fee and commission income		
II. Total operating cost	51,335,586,962.61	52,494,690,330.87
Including: Operating cost	42,264,218,716.74	45,370,615,189.62
Tax and surcharges	1,772,568,209.15	2,050,729,598.01
Operating expenses	3,912,993,343.98	2,350,906,633.64
General and administrative expenses	2,912,226,138.75	2,251,689,667.31
R&D expenses	705,901,402.10	771,498,144.76
Financial expenses	-343,058,447.47	-392,120,666.68
Interest expense	14,159,292.98	44,997,797.59
Interest income	385,655,025.71	461,863,500.63
Impairment loss on assets	110,737,599.36	91,371,764.21
Add: Other income	1,411,214,619.50	1,244,863,738.48
Investment income ('-' represent loss)	1,232,775,886.06	5,550,949,277.61
Investment income from associates and from joint venture	1,231,574,015.78	5,547,399,277.64
Asset disposal income	21,092,069.59	9,430,234.25
III. Operating profit ('-' represent loss)	1,181,154,002.70	5,741,733,865.85
Add: Non-operating income	50,721,976.99	111,790,585.27
Less: Non-operating expenses	65,440,559.88	15,679,452.21
IV. Total profit ('-' represent loss)	1,166,435,419.81	5,837,844,998.91
Less: Income tax expense	-4,632,530.32	-11,234,378.96
V. Net profit ('-' represent net loss)	1,171,067,950.13	5,849,079,377.87
I) Net profit from continuing operations	1,171,067,950.13	5,849,079,377.87
II) Net profit from discontinued operations		
Net profit attributable to owners	1,163,081,476.01	5,810,596,533.93
Minority interests	7,986,474.12	38,482,843.94
VI. Other comprehensive income, net of tax	264,469,400.98	-4,880,856.36
Total comprehensive income attributable to owners, net of tax	264,469,400.98	-4,880,856.36
I) Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Change from defined benefit plan		
Other comprehensive income not to be reclassified to profit or loss under equity method		
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	264,469,400.98	-4,880,856.36
Other comprehensive income transferable to profit or loss under the equity method	280,064,467.99	-
Changes in fair value from available-for-sale financial assets	-31,985,500.00	-39,529,250.00
Foreign currency reserve	16,390,432.99	34,648,393.64

VII. Total comprehensive income	1,435,537,351.11	5,844,198,521.51
Total comprehensive income attributable to owners	1,427,550,876.99	5,805,715,677.57
Total comprehensive income attributable to minority interest	7,986,474.12	38,482,843.94
VIII. Earnings per share:		
I) Basic earnings per share	0.24	1.21
II) Diluted earnings per share	0.24	1.21

6. Income Statement of the report term (January-September)

In RMB Yuan

Account	Current Period	Prior Period
I. Operating income	47,302,130,753.69	49,946,098,600.48
Less: Operating cost	40,610,368,755.55	44,937,876,569.48
Tax and surcharges	1,471,431,305.62	1,668,642,765.04
Operating expenses	3,564,786,417.55	2,081,892,197.94
General and administrative expenses	2,321,401,008.09	1,719,267,751.58
R&D expenses	742,492,781.56	778,768,122.17
Financial expenses	-364,251,836.70	-408,701,921.11
Interest expense	-	31,482,000.00
Interest income	375,529,402.19	455,031,575.49
Impairment loss on assets	114,762,129.78	134,498,613.87
Add: Other income	808,401,420.89	359,531,064.66
Investment income ('-' represent loss)	1,869,023,010.80	5,550,576,927.03
Investment income from associates and from joint venture	1,231,574,015.78	5,547,399,277.64
Asset disposal income	27,458,836.63	-380,460.22
II. Operating profit ('-' represent loss)	1,546,023,460.56	4,943,582,032.98
Add: Non-operating income	38,466,685.40	43,971,192.31
Less: Non-operating expenses	57,358,989.48	22,682,793.41
III. Total profit ('-' represent loss)	1,527,131,156.48	4,964,870,431.88
Less: Income tax expense	-44,352,572.88	-80,112,303.68
IV. Net profit ('-' represent net loss)	1,571,483,729.36	5,044,982,735.56
I) Net profit from continuing operations	1,571,483,729.36	5,044,982,735.56
II) Net profit from discontinued operations		
V. Other comprehensive income, net of tax	248,078,967.99	-39,529,250.00
I) Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Change from defined benefit plan		
Other comprehensive income not to be reclassified to profit or loss under equity method		
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	248,078,967.99	-39,529,250.00
Other comprehensive income transferable to profit or loss under the equity method	280,064,467.99	-
Changes in fair value from available-for-sale financial assets	-31,985,500.00	-39,529,250.00
Foreign currency reserve		
VI. Total comprehensive income	1,819,562,697.35	5,005,453,485.56

VII. Earnings per share:		
I) Basic earnings per share	0.33	1.05
II) Diluted earnings per share	0.33	1.05

7. Consolidated Cash Flow Statement from the beginning of year to the end of report term

In RMB Yuan

Account	Current Period	Prior Period
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from sale of goods or rendering of services	64,290,961,489.90	64,567,191,647.13
Refunds of taxes	728,229,441.60	179,456,792.87
Cash received relating to other operating activities	2,686,402,763.17	3,118,917,830.77
Sub-total of cash inflows	67,705,593,694.67	67,865,566,270.77
Cash paid for goods and services	54,305,861,406.86	54,247,422,400.97
Cash paid to and on behalf of employees	4,782,070,413.71	4,309,662,082.80
Cash paid for all types of taxes	2,212,209,891.97	3,980,862,710.78
Cash paid relating to other operating activities	5,481,602,663.08	4,579,919,189.20
Sub-total of cash outflows	66,781,744,375.62	67,117,866,383.75
Net cash flows from operating activities	923,849,319.05	747,699,887.02
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from return on investments		
Cash received from investment income	1,346,724,439.40	5,560,550,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	23,899,810.00	12,338,015.93
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities	26,358,750.00	629,600,000.00
Sub-total of cash inflows	1,396,982,999.40	6,202,488,015.93
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	4,609,034,832.18	2,457,337,467.68
Cash paid for acquisition of investments	2,541,431,126.88	100,840,001.00
Net cash paid for subsidiaries and other business units		
Cash paid relating to other investing activities		
Sub-total of cash outflows	7,150,465,959.06	2,558,177,468.68
Net cash flows from investing activities	-5,753,482,959.66	3,644,310,547.25
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received from borrowings	176,000,000.00	195,545,335.27
Cash received from the issuance of bonds		

Cash received relating to other financing activities	782,530,058.59	664,542,033.46
Sub-total of cash inflows	958,530,058.59	860,087,368.73
Cash repayments of borrowings	188,130,000.00	2,176,754,914.36
Cash paid for distribution of dividends or profits and interest expenses	2,171,816,595.62	3,195,206,702.60
Cash paid relating to other financing activities	-	128,671,945.51
Sub-total of cash outflows	2,359,946,595.62	5,500,633,562.47
Net cash flows from financing activities	-1,401,416,537.03	-4,640,546,193.74
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH	22,636,773.73	-6,043,797.49
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	-6,208,413,403.91	-254,579,556.96
Add: Opening balance of cash and cash equivalents	21,451,305,090.53	22,993,432,067.05
VI. CLOSING BALANCE OF CASH AND CASH EQUIVLANT	15,242,891,686.62	22,738,852,510.09

8. Cash Flow Statement from the beginning of year to the end of report term.

In RMB Yuan

Account	Current Period	Prior Period
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from sale of goods or rendering of services	61,513,377,295.68	61,184,129,674.42
Refunds of taxes	383,815,314.26	-
Cash received relating to other operating activities	2,087,450,058.48	1,792,621,109.19
Sub-total of cash inflows	63,984,642,668.42	62,976,750,783.61
Cash paid for goods and services	51,657,866,443.31	52,167,086,686.92
Cash paid to and on behalf of employees	3,816,901,040.92	3,326,481,274.28
Cash paid for all types of taxes	1,612,304,463.01	3,201,708,303.04
Cash paid relating to other operating activities	5,541,806,425.37	4,413,700,158.73
Sub-total of cash outflows	62,628,878,372.61	63,108,976,422.97
Net cash flows from operating activities	1,355,764,295.81	-132,225,639.36
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from return on investments	839,201.56	-
Cash received from investment income	1,353,648,189.40	5,568,652,679.89
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	19,104,810.00	99,593,803.80
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities	117,358,750.00	791,000,000.00
Sub-total of cash inflows	1,490,950,950.96	6,459,246,483.69

Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	4,310,287,332.16	2,187,697,992.01
Cash paid for acquisition of investments	2,696,187,376.88	100,437,390.50
Net cash paid for subsidiaries and other business units		
Cash paid relating to other investing activities	200,000,000.00	100,000,000.00
Sub-total of cash outflows	7,206,474,709.04	2,388,135,382.51
Net cash flows from investing activities	-5,715,523,758.08	4,071,111,101.18
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received from investors		
Cash received from borrowings		
Cash received from the issuance of bonds		
Cash received relating to other financing activities	461,856,503.42	664,542,033.46
Sub-total of cash inflows	461,856,503.42	664,542,033.46
Cash repayments of borrowings	-	1,980,000,000.00
Cash paid for distribution of dividends or profits and interest expenses	2,161,624,947.55	3,184,809,372.47
Cash paid relating to other financing activities		
Sub-total of cash outflows	2,161,624,947.55	5,164,809,372.47
Net cash flows from financing activities	-1,699,768,444.13	-4,500,267,339.01
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH		
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	-6,059,527,906.40	-561,381,877.19
Add: Opening balance of cash and cash equivalents	20,172,657,984.53	22,326,566,084.67
VI. CLOSING BALANCE OF CASH AND CASH EQUIVLANT	14,113,130,078.13	21,765,184,207.48

II. Auditors' Report

Whether the first quarter report has been audited

Yes No

The third quarter report has not been audited.