



Bengang Steel Plates Co., Ltd.

First Quarter Report 2019

April 2019

I. Important Notice

The Board of Directors, the Supervisory Committee and the Directors, members of the Supervisory Committee and senior management of the Company guarantee that there are no misrepresentations or misleading statements, or material omission in this report, and individually and collectively accept full responsibility for the authenticity, accuracy and integrity of the information contained in this report.

All the members of the Board of Directors attended the board meeting on which this report was examined.

Gao Lie, Chairman of the Company, Shen Qiang, the principal in charge of the accounting, and Zhao Zhonghua, Chief of Accounting Affairs, make the pledge for the authenticity, accuracy and integrity of the attached financial statements.

II. Company Profile

I. Main Accounting data and Financial index

Whether the Company makes retroactive adjustment or restatement of the accounting data of the previous year

☐ Yes ☒ No

	Jan.-Mar. 2019	Jan.-Mar. 2018	Changes (+/-)
Operating income (RMB)	11,761,190,575.63	11,641,518,226.15	1.03%
Net profit attributable to the shareholders of the listed company (RMB)	271,606,318.07	350,629,492.24	-22.54%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	259,096,025.14	347,300,210.06	-25.40%
Net Cash flows generated by business operation (RMB)	2,752,557,195.47	-8,871,507,868.81	129.35%
Basic earnings per share (RMB/Share)	0.07	0.09	-22.22%
Diluted earnings per share (RMB/Share)	0.07	0.09	-22.22%
Weighted average net assets yield (%)	1.41%	2.13%	-0.72%
	31 Mar. 2019	31 Mar. 2018	Changes (+/-)
Gross assets (RMB)	60,065,338,433.65	59,632,504,915.83	0.73%
Net assets attributable to shareholders of the listed company (RMB)	19,404,994,363.90	19,126,258,116.67	1.46%

Items and amount of non-recurring profit and loss

☒ Applicable ☐ Not applicable

Unit: RMB

Items	Jan.-Mar. 2019	Notes
Profit or loss from disposal of non-current assets (including the write-off part for which assets impairment provision is made)	-3,900,743.31	
Details of government subsidies recorded into current profits and loss (except such government subsidy closely related to the company's normal business)	20,821,500.00	

operation, meeting the regulation of national policy and enjoyed constantly in certain quota or quantity according to a certain standard)		
Debt restructuring gains and losses	50,640.00	
Other non-operating revenue and expenditure other than above items	-289,318.62	
Less: Impact of income tax	4,170,519.52	
Impact of minority interests (after tax)	1,265.62	
Total	12,510,292.93	--

For the Company's non-recurring profit and loss items as defined in "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" and its non-recurring profit and loss items as illustrated in "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" which have been defined as recurring profits and losses, it is necessary to explain the reason.

☐ Applicable ☒ Not applicable

None of Non-recurring profit and loss items recognized as recurring profit and loss items as defined by "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" in the report period.

II Total Number of Shareholders and Shareholding of Top 10 Shareholders

1. Total number of common shareholders, preferred shareholders whose voting rights restored, and shareholding of top 10 shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	59,625	The total number of preferred shareholders whose voting rights has been restored at end of the reporting period (if any)	0			
Shareholding by Top 10 shareholders						
Name of the shareholder	Nature of shareholder	Proportion of shares held	Quantity of shares	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Quantity
Benxi Steel & Iron (Group) Co., Ltd.	State-owned legal person	60.78%	2,355,409,263		Pledged	1,652,095,133
					Frozen	45,000,000
Liaoning Provincial	State-owned legal person	4.77%	184,842,883	184,842,883		

Transportation Investment Group Co., Ltd.						
CCB Principal Asset Management – ICBC – CR Trust – CR Trust · Xing Sheng No. 5 Collective Fund Trust Plan	Others	4.77%	184,842,883	184,842,883		
Bei Xin Rui Feng Fund – China Merchants Bank – Bei Xin Rui Feng Fund Feng Qing No. 229 Asset Management Plan	Others	4.77%	184,842,883	184,842,883		
China Life AMP Fund– ICBC – China Life AMP – Hua Xin Trust Targeted Additional Shares Issuance No. 10 Asset Management Plan	Others	4.77%	184,842,883	184,842,883		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.21%	8,157,311			
Chen Jinhong	Domestic natural person	0.18%	6,880,675			
Chen Guohua	Domestic natural person	0.14%	5,432,514			

VANGUARD TOTAL INTERNATIO NAL STOCK INDEX FUND	Overseas legal person	0.14%	5,415,341			
Lyu ruijun	Domestic natural person	0.13%	5,218,200			
Shareholding of top 10 shareholders of unrestricted shares						
Name of the shareholder	Number of non-restricted common shares held at the period-end	Category of shares				
		Category of shares	Quantity			
Benxi Steel & Iron (Group) Co., Ltd.	2,355,409,263	Common shares in RMB	2,355,409,263			
VANGUARD EMERGING MARKETS STOCK INDEX FUND	8,157,311	Foreign shares placed in domestic exchange	8,157,311			
Chen Jinhong	6,880,675	Common shares in RMB	6,880,675			
Chen Guohua	5,432,514	Common shares in RMB	5,432,514			
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	5,415,341	Foreign shares placed in domestic exchange	5,415,341			
Lvu Ruijun	5,218,200	Foreign shares placed in domestic exchange	5,218,200			
Agricultural bank of China - China Securities 500 Trading Open Index Securities Investment Fund	3,923,310	Common shares in RMB	3,923,310			
Xu Hekun	3,738,800	Foreign shares placed in domestic exchange	3,738,800			
Yu Xiaofan	3,402,707	Foreign shares placed in domestic exchange	3,402,707			

Haitong International Securities Company Limited-Account Client	3,211,109	Foreign shares placed in domestic exchange	3,211,109
Related-parties or acting-in-concert parties among the above-mentioned shareholders	It is unknown to the Company whether there is any related connection or action-in-concert parties among the top 10 un-restricted shareholders.		
Shareholders among the top 10 participating in securities margin trading (if any)	Benxi Steel & Iron (Group) Co., Ltd. holds 2,105,409,263 shares of the company through an ordinary securities account, and holds 250,000,000 shares through the investor's credit securities account, therefore, it holds a total of 2,355,409,263 shares.		

Whether top ten common shareholders or top ten common shareholders with unrestricted shares carried out any buy-back agreement dealing in the reporting period.

☐ Yes ☒ No

Top ten common shareholders or top ten common shareholders with unrestricted shares did not carry out buy-back agreement dealing in the reporting period. .

2. Number of total preferred shareholders and preferred shares hold by Top 10 preferred shareholders

☐ Applicable ☒ Not applicable

III Important Events

I. Major Changes in Financial Data and Financial Index and Reasons

√ Applicable □ Not applicable

- Significant changes and reasons in major accounting data, financial indicators which changed over 30% compared to the consolidated financial statement at the end of 2018

1. Statement of Financial Position	Increase / Decrease	Reasons
Other receivable	33%	Due to the increase of the ending balance of accounts receivable
Tax payable	-90%	Due to the decrease of VAT payable at the end of this period
Long-term payable	211%	Due to the increase of equipment leasing at the end of this period
Special reserves	1042%	Due to the decrease of payment of safety production cost

- Significant changes and reasons in major accounting data, financial indicators which changed over 30% compared to the consolidated financial statement of the first quarter of 2018

2. Statement of comprehensive income	Increase / Decrease	Reasons
Taxes and surcharges	-42%	Due to the decrease of VAT payable and surcharges
Research and development expenses	171%	Due to the increase of Research and development expenses
Financial expenses	-131%	Due to the increase of net exchange gains
Other income	222%	Due to the increase of deferred income of government subsidies
Investment income	-100%	Due to the decrease of Finance products
Non-operating income	94%	Due to the increase of fixed assets scrapping gains
Non-operating expenses	100%	Due to the increase of disposal loss on fixed assets
Income tax expenses	93%	Due to the increase of deferred income tax expenses
Profit or loss of non-controlling shareholders	-185%	Due to the decrease in profit of the holding subsidiaries
3. Statement of cash flows	Increase / Decrease	Reasons
Tax rebate received	80%	Due to the increase of tax refund in the period.

Cash paid for goods and services	-76%	Due to the decrease of cash paid for goods and services during the period
Cash paid for all types of taxes	75%	Due to the increase of VAT and other taxes paid during the period
Net cash flows generated from operating activities	-71%	Due to the decrease of cash paid for goods and services in the period
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	-42%	Due to the decrease of payment of acquisition of fixed assets, intangible assets in the period
Cash paid for debt repayment	-40%	Due to the decrease of repayment of debt

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

☐ Applicable ☒ Not applicable

Progress in the implementation of share repurchase

☐ Applicable ☒ Not applicable

Progress in the implementation of the reduction of shareholding shares by means of centralized bidding

☐ Applicable ☒ Not applicable

III. The Under-Fulfillment Commitments by the End of the Period Made by Actual Controller, Acquirer, Director, Supervisor, Senior Management Personnel and other Related Parties.

☐ Applicable ☒ Not applicable

There was no under-fulfillment commitment by the end of the period made by actual controller, acquirer, director, supervisor, senior management personnel and other related parties.

IV. Forecast of operating results for January to June of 2019

Warning of possible loss or considerable change of the accumulated net profit made during the period-start until the end of the next reporting period according to predictions as well as any explanations for these reasons:

☐ Applicable ☒ Not applicable

V. Investment in Securities

☐ Applicable ☒ Not applicable

There is no securities investments in the reporting period.

VI. Investment in Derivatives

☐ Applicable ☒ Not applicable

There is no investment in derivatives in the reporting period.

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

☐ Applicable ☒ Not applicable

There is no researches, visits and interviews received in the reporting period.

VIII. Violation of Regulations in Provision of External Guaranty

☐ Applicable ☒ Not applicable

There is no violation of regulations in provision of external guaranty during the reporting period.

IX. Illustrations of Non-Operating Occupation of Funds by the Controlling Shareholder and Related Parties

☐ Applicable ☒ Not applicable

There is no non-operating occupation of funds by the controlling shareholder and related parties.

IV Financial Statement

I. Financial Statement

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Prepared by: Bengang Steel Plates Co., Ltd.

31 March 2019

Unit: RMB

Item	Ending balance	Beginning balance
Current asset		
Cash at bank and on hand	17,313,051,825.69	16,567,471,755.77
Settlement provisions		
Capital lent		
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable and Accounts receivable	4,204,362,257.56	4,219,628,324.83
Including: Notes receivable	3,815,821,668.89	3,580,145,843.38
Accounts receivable	598,540,588.67	639,482,481.45
Prepayments	1,321,725,727.72	1,321,537,514.78
Premium receivable		
Reinsurance accounts receivable		
Receivable deposit for reinsurance contract		
Other receivables	269,260,617.08	202,763,964.98
Including: Interest receivable	11,608,705.43	11,608,705.43
Dividend receivable		
Redemptory financial assets for sale		
Inventories	10,932,086,921.62	10,677,747,112.40
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	230,526,813.08	292,119,771.13

Total current assets	34,271,014,162.75	33,281,268,443.89
Non-current assets		
Loan and advances issued		
Debt investments		
Available-for-sale financial assets		1,041,824,829.00
Other debt investments		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	2,284,192.80	2,455,681.55
Other equity investments	1,041,824,829.00	
Other non-current financial assets		
Investment property		
Fixed assets	23,359,988,838.87	23,924,504,539.97
Construction in progress	866,938,432.50	836,594,457.82
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	276,425,551.44	278,062,441.04
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred tax assets	178,559,260.94	191,452,547.21
Other non-current assets	68,303,165.35	76,341,975.35
Total non-current assets	25,794,324,270.90	26,351,236,471.94
Total assets	60,065,338,433.65	59,632,504,915.83
Current Liabilities		
Short-term loans	11,956,365,000.00	11,938,490,375.85
Loan from central bank		
Loan from other financial institutions		
Financial liability held for trading		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable and Accounts payable	15,802,225,068.25	15,535,234,825.67

Advance from customers	3,800,130,116.73	3,331,854,098.42
Financial assets sold for repurchase		
Absorbed deposit and interbank deposit		
Receiving from vicariously traded securities		
Receiving from vicariously sold securities		
Employee benefits payable	44,879,756.74	51,466,231.72
Current tax liabilities	50,776,551.90	515,752,369.68
Other payables	836,164,307.83	862,511,178.96
Including: Interest payable	9,658,681.99	9,658,681.99
Dividend payable		
Handling charges and commission payable		
Reinsurance accounts payable		
Contract liability		
Liabilities held for sale		
Non-current liabilities due within one year	302,955,576.32	350,965,576.32
Other current liabilities		
Total current liabilities	32,793,496,377.77	32,586,274,656.62
Non-current liabilities		
Standard insurance contract provision		
Long-term loans	7,022,610,594.33	7,083,640,094.16
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Lease liabilities		
Long-term payables	42,530,820.96	13,686,705.92
Long-term employee benefits payable		
Estimated liabilities		
Deferred income	268,677,502.97	289,499,002.97
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	7,333,818,918.26	7,386,825,803.05

Total liabilities	40,127,315,296.03	39,973,100,459.67
Shareholders' equity		
Share capital	3,875,371,532.00	3,875,371,532.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		
Capital reserve	12,343,209,847.29	12,343,209,847.29
Less: treasury shares		
Other comprehensive income		
Special reserves	7,813,866.87	683,937.71
Surplus reserves	961,105,529.85	961,105,529.85
General risk reserve		
Undistributed profits	2,217,493,587.89	1,945,887,269.82
Total equity attributable to equity holders of the parent company	19,404,994,363.90	19,126,258,116.67
Non-controlling interests	533,028,773.72	533,146,339.49
Total shareholder's equity	19,938,023,137.62	19,659,404,456.16
Total of liabilities and owners' equity	60,065,338,433.65	59,632,504,915.83

Legal Representative: Gao Lie

Chief Financial Officer: Shen Qiang

Chief Accountant: Zhao Zhonghua

2. STATEMENT OF FINANCIAL POSITION

Unit: RMB

Items	Ending balance	Beginning balance
Current asset		
Cash at bank and on hand	16,349,468,551.01	15,536,305,375.00
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Note receivable account receivable	3,912,313,044.17	3,765,573,658.16
Including: Notes receivable	3,508,626,142.68	3,356,020,598.89
Account receivable	403,686,901.49	409,553,059.27
Prepayments	1,300,690,997.88	1,309,194,738.97
Other receivables	221,616,301.70	235,037,391.46

Including: Interest receivables	9,815,280.04	9,815,280.04
Dividend receivables		
Inventories	9,217,108,051.08	8,681,362,081.72
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	191,417,104.59	193,989,096.20
Total current assets	31,192,614,050.43	29,721,462,341.51
Non-current assets		
Debt investment		
Available-for-sale financial assets		1,041,624,829.00
Other debt investments		
Held-to-maturity financial assets		
Long-term receivables		
Long-term equity investments	2,016,081,902.16	2,016,281,902.16
Other equity investments	1,041,824,829.00	
Other non-current financial assets		
Investment properties		
Fixed assets	21,555,880,298.85	22,035,187,328.57
Construction in progress	853,336,815.31	825,553,510.15
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	147,949,643.64	148,776,177.96
Development expenditure		
Goodwill		
Long-term deferred expense		
Deferred tax assets	83,326,716.73	96,220,003.00
Other non-current assets	68,303,165.35	76,341,975.35
Total non-current assets	25,766,703,371.04	26,239,985,726.19
Total assets	56,959,317,421.47	55,961,448,067.70
Current liabilities		
Short-term loans	10,656,365,000.00	10,624,270,375.85
Financial liability held for trading		

Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable and Account payable	16,175,086,668.53	15,154,564,853.70
Advance from customers	3,486,213,353.66	3,189,143,565.45
Contract liability		
Employee benefits payable	44,493,216.70	49,378,095.47
Current tax liabilities	8,562,680.17	507,003,883.57
Other payables	524,656,369.51	538,051,513.13
Including: Interest payables	7,341,833.33	7,341,833.33
Dividend payables		
Liabilities held for sale		
Non-current liabilities due within one year	302,955,576.32	350,965,576.32
Other current liabilities		
Total current liability	31,198,332,864.89	30,413,377,863.49
Non-current liability		
Long term loans	7,022,610,594.33	7,083,640,094.16
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Lease liabilities		
Long-term payables	42,530,820.96	13,686,705.92
Long-term employee benefits payables		
Estimated liabilities		
Deferred income	268,677,502.97	289,499,002.97
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	7,333,818,918.26	7,386,825,803.05
Total liabilities	38,532,151,783.15	37,800,203,666.54
Shareholder's equity:		
Share capital	3,875,371,532.00	3,875,371,532.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		

Capital reserves	11,923,058,165.17	11,923,058,165.17
Less: Treasury shares		
Other comprehensive income		
Special reserves	6,256,623.95	525,218.48
Surplus reserves	961,105,529.85	961,105,529.85
Undistributed Profits	1,661,373,787.35	1,401,183,955.66
Total shareholder's equity	18,427,165,638.32	18,161,244,401.16
Total liabilities and shareholder's equity	56,959,317,421.47	55,961,448,067.70

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unit: RMB

Item	Jan.-Mar. 2019	Jan.-Mar. 2018
1. Total operating income	11,761,190,575.63	11,641,518,226.15
Including: Operating income	11,761,190,575.63	11,641,518,226.15
Interest income		
Premium earned		
Income from handling charges and commission		
2. Total operating cost	11,490,405,098.16	11,292,484,306.53
Including: Operating cost	11,082,217,546.55	10,774,961,797.37
Interest expense		
Expenditure for handling charges and commission		
Surrender value		
Net expenditure for compensation		
Net provision for insurance contract appropriated		
Bonus payment for policy		
Reinsurance premium		
Tax and surcharges	54,057,558.75	93,231,022.33
Selling and distribution expenses	312,825,124.15	270,705,255.98

General and administrative expenses	229,520,730.11	235,383,241.43
Research and development expenses	2,797,993.86	1,032,058.92
Financial expenses	-191,013,855.26	-82,829,069.50
Including: Interest expense	293,019,846.37	276,791,535.46
Interest income	67,726,988.83	37,395,303.33
Asset impairment loss		
Expeced credit loss		
Add: Other income	20,821,500.00	6,463,438.70
Income on investment (“-” for loss)		3,493,150.68
Including: Income from associates and joint ventures		
Exchange gains		
Net exposure hedging income (“-” for loss)		
Gains from the change of fair value (“-” for loss)		
Assets disposal gains (“-” for loss)	2,097,867.55	
3. Operational profit (“-” for loss)	293,704,845.02	358,990,509.00
Add: Non-operating income	3,075,607.08	1,585,742.03
Less: Non-operating expenses	7,215,029.01	
4. Total profit (“-” for loss)	289,565,423.09	360,576,251.03
Less: Income tax expenses	18,343,089.25	9,494,399.80
5. Net profit (“-” for loss)	271,222,333.84	351,081,851.23
1.Classification by continuing operating		
1) Net profit from continuing operation	271,222,333.84	351,081,851.23
2) Net profit from discontinued operation		
2.Classification by ownership		
1) Net profit attributable to the owners of parent company	271,606,318.07	350,629,492.24
2) Net profit attributable to	-383,984.23	452,358.99

non-controlling shareholders		
6.Other comprehensive income		
Other comprehensive income attributable to owners of the parent company after tax		
1.Other comprehensive income items that will not be reclassified into gains/losses		
(1) Re-measurement of defined benefit plans of changes in net debt or net assets		
(2) Other comprehensive income under the equity method investee cannot be reclassified into profit or loss		
(3) Changes in the fair value of other equity investments		
(4) Changes in the fair value of Corporate credit risk		
(5) Others		
2.Other comprehensive income that will be reclassified into profit or loss		
(1) Share of other comprehensive income of investee to be classified into profit or loss afterwards under equity method		
(2) Changes in the fair value of other debt investments		
(3) Fair value gain on available-for-sale financial assets		
(4) Changes in the fair value of financial assets at fair value through other comprehensive income		
5) Profit or loss raised from the reclassification of held-to-maturity investments to assets held for sale		
(6) Provision for credit loss of other debt investments		
(7) Cash flow hedge reserve		
(8) Translation differences in currency financial statements		
(9) Others		

Other comprehensive income attributable to non-controlling shareholders after tax		
7. Total comprehensive income	271,222,333.84	351,081,851.23
Total comprehensive income attributable to the owner of the parent company	271,606,318.07	350,629,492.24
Total comprehensive income attributable to non-controlling shareholders	-383,984.23	452,358.99
8. Earnings per share		
1) Basic earnings per share	0.07	0.09
2) Diluted earnings per share	0.07	0.09

The current business combination under common control, the net profits of the combined party before achieved: Yuan, net profit of previous period of the combined party realized: Yuan.

Legal Representative: Gao Lie

Chief Financial Officer: Shen Qiang

Chief Accountant: Zhao Zhonghua

4. STATEMENT OF COMPREHENSIVE INCOME

Unit: RMB

Item	Jan.-Mar. 2019	Jan.-Mar. 2018
1. Total operating income	11,318,044,807.71	11,808,077,059.64
Less: Operating cost	10,828,824,566.71	11,117,984,591.44
Tax and surcharges	40,172,247.54	86,278,192.35
Selling and distribution expenses	178,902,194.54	145,350,744.25
General and administrative expenses	215,696,958.84	223,684,498.48
Research and development expenses	2,797,993.86	1,032,058.92
Financial expenses	-204,007,003.82	-97,141,152.03
Including: Interest expense	278,494,138.86	260,781,725.96
Interest income	66,189,925.11	35,694,260.20
Asset impairment loss		
Expeced credit loss		
Add: Other income	20,821,500.00	6,463,438.70
Income on investment (“-” for loss)		3,493,150.68
Including: Income from associates and joint ventures		
Net exposure hedging income (“-” for loss)		

Gains from change of fair value ("-" for loss)		
Assets disposal gains ("-" for loss)	2,144,869.80	
2. Operational profit ("-" for loss)	278,624,219.84	340,844,715.61
Add: Non-operating income	3,021,409.27	1,454,913.42
Less: Non-operating expenses	7,215,029.01	
3. Total profit ("-" for loss)	274,430,600.10	342,299,629.03
Less: Income tax expenses	14,240,768.41	4,625,935.23
4. Net profit ("-" for loss)	260,189,831.69	337,673,693.80
1.Net profit from continuing operation	260,189,831.69	337,673,693.80
2.Net profit from discontinued operation		
5.Other comprehensive income		
1.Other comprehensive income items that will not be reclassified into gains/losses		
(1) Re-measurement of defined benefit plans of changes in net debt or net assets		
(2) Other comprehensive income under the equity method investee cannot be reclassified into profit or loss		
(3) Changes in the fair value of other equity investments		
(4) Changes in the fair value of Corporate credit risk		
(5) Others		
2.Other comprehensive income that will be reclassified into profit or loss.		
(1) Share of other comprehensive income of investee to be classified into profit or loss afterwards under equity method		
(2) Changes in the fair value of other debt investments		
(3) Fair value gain on available-for-sale financial assets		
(4) Changes in the fair value of financial assets at fair value through other comprehensive income		

5) Profit or loss raised from the reclassification of held-to-maturity investments to assets held for sale		
(6) Provision for credit loss of other debt investments		
(7) Cash flow hedge reserve		
(8) Translation differences in currency financial statements		
(9) Others		
6. Total comprehensive income	260,189,831.69	337,673,693.80
7. Earnings per share		
1) Basic earnings per share		
2) Diluted earnings per share		

5. CONSOLIDATED STATEMENT OF CASH FLOWS

Unit: RMB

Item	Jan.-Mar. 2019	Jan.-Mar. 2018
1. Cash flow from operating activities		
Cash received from sale of goods or rendering of services	7,419,619,557.25	7,731,797,062.14
Net increase of customers' deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of loans from other financial institutions		
Cash received for premium of original insurance contract		
Net cash received for reinsurance business		
Net increase of deposit and investment of the insured		
Net increase of Financial assets at fair value through profit or loss		
Cash from receiving interest, handling charge and commission		
Net increase of loans from Borrowing funds		
Net increase of fund for buy-back business		

Net increase of receivings from vicariously traded securities		
Tax rebate received	129,603,306.84	72,002,572.86
Other cash received relating to operating activities	52,630,739.69	60,576,344.20
Subtotal of cash inflows from operating activities	7,601,853,603.78	7,864,375,979.20
Cash paid for goods and services	3,796,837,688.74	15,907,402,800.35
Net increase of customer's loan and advances		
Net increase of deposit in central bank and interbank deposit		
Net increase of financial assets held for trading		
Net increase of capital lent		
Cash for payment of interest, handling charge and commission		
Cash for payment of policy bonus		
Cash paid to and on behalf of employees	466,895,154.36	481,878,788.59
Cash paid for all types of taxes	564,138,089.50	322,300,081.76
Other cash paid relating to operating activities	21,425,475.71	24,302,177.31
Subtotal of cash outflows from operating activities	4,849,296,408.31	16,735,883,848.01
Net cash flows from operating activities	2,752,557,195.47	-8,871,507,868.81
2. Cash flows from investing activities		
Cash received from return on investments		500,000,000.00
Cash received from distribution of dividends or profit		3,493,150.68
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiary and other operating units		
Other cash paid relating to investing activities		
Subtotal of cash inflows from investing activities		503,493,150.68

Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	213,446,363.20	367,847,024.60
Cash paid for acquisition of investments		
Net increase of mortgage loan		
Net cash received from subsidiary and other operating unit		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	213,446,363.20	367,847,024.60
Net cash flows from investing activities	-213,446,363.20	135,646,126.08
3. Cash flows from financing activities		
Proceeds from investment		3,965,799,988.19
Including: Proceeds from investment of non-controlling shareholders of subsidiary		
Proceeds from borrowings	3,762,429,000.00	6,576,220,000.00
Cash received from bond issuance		
Other proceeds relating to financing activities		
Subtotal of cash inflows from financing activities	3,762,429,000.00	10,542,019,988.19
Cash repayments of borrowings	3,853,593,875.68	6,452,965,440.62
Cash payments for distribution of dividends, profit or interest expenses	293,019,846.37	292,806,531.43
Including: Cash paid to non-controlling shareholders as dividend and profit by subsidiaries		
Other cash payments relating to financing activities		
Subtotal of cash outflows from financing activities	4,146,613,722.05	6,745,771,972.05
Net cash flows from financing activities	-384,184,722.05	3,796,248,016.14
4. Effect of foreign exchange rate changes on cash and cash equivalents	-25,741,813.31	-6,488,117.13
5. Net increase in cash and cash equivalents	2,129,184,296.91	-4,946,101,843.72
Add: Cash and cash equivalents at the beginning of the period	11,752,548,621.97	12,317,576,778.93

6. Cash and cash equivalents at the ending of the period	13,881,732,918.88	7,371,474,935.21
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6. STATEMENT OF CASH FLOWS

Unit: RMB

Item	Jan.-Mar. 2019	Jan.-Mar. 2018
1. Cash flow from operating activities		
Cash received from sale of goods or rendering of services	7,083,398,928.22	7,332,137,869.58
Tax rebate received	102,717,420.63	135,442.49
Other cash received relating to operating activities	40,251,068.14	42,405,069.68
Subtotal of cash inflows from operating activities	7,226,367,416.99	7,374,678,381.75
Cash paid for goods and services	3,505,322,597.12	15,657,723,198.78
Cash paid to and on behalf of employees	441,580,806.88	456,027,325.34
Cash paid for all types of taxes	540,256,412.01	289,677,174.70
Other cash paid relating to operating activities	18,206,333.60	20,458,086.55
Subtotal of cash outflows from operating activities	4,505,366,149.61	16,423,885,785.37
Net cash flows from operating activities	2,721,001,267.38	-9,049,207,403.62
2. Cash flows from investing activities		
Cash received from return on investments		500,000,000.00
Cash received from distribution of dividends or profit		3,493,150.68
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiary and other operating units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities		503,493,150.68
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	211,879,503.05	366,691,846.42

Cash paid for acquisition of investments		173,500,000.00
Net cash paid for acquisition of subsidiary and other operating unit		
Other cash paid relating to investing activities		
Subtotal of cash outflows paid for investing activities	211,879,503.05	540,191,846.42
Net cash flows from investing activities	-211,879,503.05	-36,698,695.74
3. Cash flows from financing activities		
Proceeds from investment		3,965,799,988.19
Cash received from borrowings	3,522,429,000.00	6,053,220,000.00
Cash received from bond issuance		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	3,522,429,000.00	10,019,019,988.19
Cash repayments of borrowings	3,599,373,875.68	6,012,965,440.62
Cash payments for distribution of dividends, profit or interest	278,494,138.86	279,903,047.33
Other cash payments relating to financing activities		
Subtotal of cash outflows from financing activities	3,877,868,014.54	6,292,868,487.95
Net cash flows from financing activities	-355,439,014.54	3,726,151,500.24
4. Effect of foreign exchange rate changes on cash and cash equivalents	-25,737,308.54	-6,484,800.97
5. Net increase in cash and cash equivalents	2,127,945,441.25	-5,366,239,400.09
Add: Cash and cash equivalents at the beginning of the period	10,807,824,843.20	12,152,285,550.21
6. Ending balance of cash and cash equivalents	12,935,770,284.45	6,786,046,150.12

II. Adjustment of Financial Statement

1. Adjustment to the financial statement towards beginning balance due to the first time implementation of new financial instrument standards, new revenue standards, and new leasing standards

√ Applicable □ Not applicable

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustment amount
Current assets			
Cash at bank and on hand	16,567,471,755.77	16,567,471,755.77	
Note receivable and account receivable	4,219,628,324.83	4,219,628,324.83	
Including: Note receivable	3,580,145,843.38	3,580,145,843.38	
Account receivable	639,482,481.45	639,482,481.45	
Prepayments	1,321,537,514.78	1,321,537,514.78	
Other receivable	202,763,964.98	202,763,964.98	
Including: interest receivable	11,608,705.43	11,608,705.43	
Inventories	10,677,747,112.40	10,677,747,112.40	
Other current assets	292,119,771.13	292,119,771.13	
Total current assets	33,281,268,443.89	33,281,268,443.89	
Non-current assets			
Available-for-sale financial assets	1,041,824,829.00	Not applicable	-1,041,824,829.00
Long-term equity investments	2,455,681.55	2,455,681.55	
Other equity investments	Not applicable	1,041,824,829.00	1,041,824,829.00
Fixed assets	23,924,504,539.97	23,924,504,539.97	
Construction in progress	836,594,457.82	836,594,457.82	
Intangible assets	278,062,441.04	278,062,441.04	
Deferred tax assets	191,452,547.21	191,452,547.21	
Other non-current assets	76,341,975.35	76,341,975.35	
Total non-current assets	26,351,236,471.94	26,351,236,471.94	
Total assets	59,632,504,915.83	59,632,504,915.83	
Current Liabilities			
Short-term loans	11,938,490,375.85	11,938,490,375.85	

Notes payable and Accounts payable	15,535,234,825.67	15,535,234,825.67	
Advance from customers	3,331,854,098.42	3,331,854,098.42	
Employee benefits payable	51,466,231.72	51,466,231.72	
Current tax liabilities	515,752,369.68	515,752,369.68	
Other payables	862,511,178.96	862,511,178.96	
Including: interest payable	9,658,681.99	9,658,681.99	
Non-current liabilities due within one year	350,965,576.32	350,965,576.32	
Total current liabilities	32,586,274,656.62	32,586,274,656.62	
Non-current liabilities			
Long-term loans	7,083,640,094.16	7,083,640,094.16	
Long-term payables	13,686,705.92	13,686,705.92	
Deferred income	289,499,002.97	289,499,002.97	
Total non-current liabilities	7,386,825,803.05	7,386,825,803.05	
Total liabilities	39,973,100,459.67	39,973,100,459.67	
Shareholders' equity:			
Share capital	3,875,371,532.00	3,875,371,532.00	
Capital reserve	12,343,209,847.29	12,343,209,847.29	
Other equity instruments		683,937.71	
Surplus reserves	961,105,529.85	961,105,529.85	
Undistributed profits	1,945,887,269.82	1,945,887,269.82	
Total equity attributable to equity holders of the parent company	19,126,258,116.67	19,126,258,116.67	
Non-controlling interests	533,146,339.49	533,146,339.49	
Total shareholder's equity	19,659,404,456.16	19,659,404,456.16	
Total of liabilities and owners' equity	59,632,504,915.83	59,632,504,915.83	

Illustration of adjustment

STATEMENT OF FINANCIAL POSITION

RMB

Item	31 December 2018	1 January 2019	Adjustment amount
Current assets			
Cash at bank and on hand	15,536,305,375.00	15,536,305,375.00	
Note receivable and account receivable	3,765,573,658.16	3,765,573,658.16	

Including: Note receivable	3,356,020,598.89	3,356,020,598.89	
Account receivable	409,553,059.27	409,553,059.27	
Prepayments	1,309,194,738.97	1,309,194,738.97	
Other receivable	235,037,391.46	235,037,391.46	
Including: interest receivable	9,815,280.04	9,815,280.04	
Inventories	8,681,362,081.72	8,681,362,081.72	
Other current assets	193,989,096.20	193,989,096.20	
Total current assets	29,721,462,341.51	29,721,462,341.51	
Non-current assets			
Available-for-sale financial assets	1,041,624,829.00	Not applicable	-1,041,624,829.00
Long-term equity investments	2,016,281,902.16	2,016,281,902.16	
Other equity investments	Not applicable	1,041,624,829.00	1,041,624,829.00
Fixed assets	22,035,187,328.57	22,035,187,328.57	
Construction in progress	825,553,510.15	825,553,510.15	
Intangible assets	148,776,177.96	148,776,177.96	
Deferred tax assets	96,220,003.00	96,220,003.00	
Other non-current assets	76,341,975.35	76,341,975.35	
Total non-current assets	26,239,985,726.19	26,239,985,726.19	
Total assets	55,961,448,067.70	55,961,448,067.70	
Current liabilities			
Short-term loans	10,624,270,375.85	10,624,270,375.85	
Notes payable and Accounts payable	15,154,564,853.70	15,154,564,853.70	
Advance from customers	3,189,143,565.45	3,189,143,565.45	
Employee benefits payable	49,378,095.47	49,378,095.47	
Current tax liabilities	507,003,883.57	507,003,883.57	
Other payables	538,051,513.13	538,051,513.13	
Including: interest payable	7,341,833.33	7,341,833.33	
Non-current liabilities due within one year	350,965,576.32	350,965,576.32	
Total current liabilities	30,413,377,863.49	30,413,377,863.49	
Non-current liabilities			
Long term loans	7,083,640,094.16	7,083,640,094.16	

Long-term payables	13,686,705.92	13,686,705.92	
Deferred income	289,499,002.97	289,499,002.97	
Total non-current liabilities	7,386,825,803.05	7,386,825,803.05	
Total liabilities	37,800,203,666.54	37,800,203,666.54	
Shareholder's equity:			
Share capital	3,875,371,532.00	3,875,371,532.00	
Capital reserves	11,923,058,165.17	11,923,058,165.17	
Other comprehensive income		525,218.48	
Surplus reserves	961,105,529.85	961,105,529.85	
Undistributed Profits	1,401,183,955.66	1,401,183,955.66	
Total shareholder's equity	18,161,244,401.16	18,161,244,401.16	
Total liabilities and shareholder's equity	55,961,448,067.70	55,961,448,067.70	

Illustration of adjustment

2. Illustration of the first implementation of the new financial instrument standards, the new lease criteria, retrospective adjustment towards the previous data

☐ Applicable ☒ Not applicable

III. Audit report

Whether the first quarter report is audited

☐ Yes ☒ No

The first quarter report is not audited.