



深圳南山热电股份有限公司
Shenzhen Nanshan Power Co., Ltd.
The First Quarterly Report 2016

2016-027

April 2016

Section I. Important Notes

Board of Directors and the Supervisory Committee of Shenzhen Nanshan Power Co., Ltd. (hereinafter referred to as 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 Directors are attended the Board Meeting for Quarterly Report deliberation. Yang Haixian, person in charge of the Company, Director GM Wu Dongxiang, person in charge of accounting works and CFO Huang Jian as well as Leng Jiwei (act for the financial management dept.), person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Trading of the shares of the Company have implemented delisting risk warning on 5 April 2016, according to relevant provisions of the Rules of Shares for Listing on Shenzhen Stock Exchange, shares of the Company will suspended if the Company make another loss in 2016. The Company reminds investors to pay attention to risk, make rational investment decisions thoughtfully.

Concerning the forward-looking statements with future planning involved in the Semi-Report, they do not constitute a substantial commitment for investors. Investors are advised to exercise caution of investment risks.

The report has been prepared in both Chinese and English, for any discrepancies, the Chinese version shall prevail. Please read the full report seriously.

Paraphrase

Items	Refers to	Contents
Company, the Company, Shen Nan Dian	Refers to	Shenzhen Nanshan Power Co., Ltd.
Shen Nan Dian Zhongshan Company	Refers to	Shen Nan Dian (Zhongshan) Electric Power Co., Ltd.
Shen Nan Dian Dongguan Company	Refers to	Shen Nan Dian (Dongguan) Weimei Electric Power Co., Ltd
Shen Nan Dian Engineering Company	Refers to	Shenzhen Shennandian Turbine Engineering Technology Co., Ltd.
Shen Nan Dian Environment Protection Company	Refers to	Shenzhen Shen Nan Dian Environment Protection Co., Ltd.
Server Company	Refers to	Shenzhen Server Petrochemical Supplying Co., Ltd
New Power Company	Refers to	Shenzhen New Power Industrial Co., Ltd.
Shenzhong Properties Company	Refers to	Zhongshan Shenzhong Real Estate Investment Properties Co., Ltd
Shenzhong Real Estate Development Company	Refers to	Zhongshan Shenzhong Real Estate Development Co., Ltd
Sinopec China Shipping	Refers to	China Shipping & Sinopec Suppliers Co., Ltd.
CSRC	Refers to	China Securities Regulatory Commission
Securities regulatory bureau	Refers to	Shenzhen Securities Regulatory Commission of China Securities Regulation Commission
SZ Stock Exchange, Exchange	Refers to	Shenzhen Stock Exchange
Company Law	Refers to	Company Law of The People's Republic of China
Securities Law	Refers to	Securities Law of The People's Republic of China
Rules of Listing	Refers to	Rules of Shenzhen Stock Exchange for the Listing of Stocks
Yuan/RMB, ten thousand Yuan, hundred million Yuan	Refers to	Except the special description of the monetary unit, the unit for monetary refers to RMB/CNY, RMB ten thousand and RMB hundred million
Reporting period	Refers to	1 Jan. 2016 to 31 Mar. 2016

Section II. Main financial data and changes of shareholders

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

Yes No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	244,369,581.94	258,686,630.32	-5.53%
Net profit attributable to shareholders of the listed company(RMB)	-46,283,508.47	-88,448,771.06	-47.67%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	-48,339,504.61	-89,502,281.74	-45.99%
Net cash flow arising from operating activities(RMB)	-53,539,090.49	-80,257,201.83	-33.29%
Basic earnings per share (RMB/Share)	-0.08	-0.15	-46.67%
Diluted earnings per share (RMB/Share)	-0.08	-0.15	-46.67%
Weighted average ROE	-7.89%	-7.30%	8.08%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	4,708,633,482.66	4,579,853,736.04	2.81%
Net assets attributable to shareholder of listed company (RMB)	589,735,558.99	636,006,699.57	-7.28%

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-7,531.70	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	2,085,790.05	
Other non-operating income and expenditure except for the aforementioned items	-13,179.49	

Impact on minority shareholders' equity (post-tax)	9,082.72	
Total	2,055,996.14	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

II. Total number of shareholders at the end of this report period and top ten shareholders

1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period		42,819	Total preferred stockholders with voting rights recover at the end of report period (if applicable)		0	
Top ten share-holding						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
HONG KONG NAM HOI (INTERNATIONAL) LIMITED	Overseas legal person	15.28%	92,123,248			
Shenzhen Guangju Industrial Co., Ltd.	State-owned legal person	12.02%	72,451,123			
SHENZHEN ENERGY (GROUP) CO., LTD.	State-owned legal person	10.80%	65,106,130			
National Social Security Fund -604	Other	1.52%	9,179,257			
Zeng Yin	Domestic nature person	0.84%	5,048,370			
Yang Huijuan	Domestic nature person	0.68%	4,077,556			
YAO XIU GUANG	Overseas	0.65%	3,939,000			

	nature person					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas legal person	0.64%	3,885,128			
Kang Qianlong	Domestic nature person	0.59%	3,528,000			
National Social Security Fund -408	Other	0.49%	2,936,912			
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
HONG KONG NAM HOI (INTERNATIONAL) LIMITED	92,123,248	Domestically listed foreign shares	92,123,248			
Shenzhen Guangju Industrial Co., Ltd.	72,451,123	RMB common shares	72,451,123			
SHENZHEN ENERGY (GROUP) CO., LTD.	65,106,130	RMB common shares	65,106,130			
National Social Security Fund -604	9,179,257	RMB common shares	9,179,257			
Zeng Yin	5,048,370	Domestically listed foreign shares	5,048,370			
Yang Huijuan	4,077,556	RMB common shares	4,077,556			
YAO XIU GUANG	3,939,000	Domestically listed foreign shares	3,939,000			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	3,885,128	Domestically listed foreign shares	3,885,128			
Kang Qianlong	3,528,000	RMB common shares	3,528,000			
National Social Security Fund -408	2,936,912	RMB common shares	2,936,912			
Explanation on associated relationship among the aforesaid shareholders	<p>1. 100% equity of HONG KONG NAM HOI (INTERNATIONAL) LIMITED was held by SHENZHEN ENERGY (GROUP) CO., LTD</p> <p>2. Among other social public shareholders, the Company did not know whether there were associated relationships or belonging to consistent actors.</p>					

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 shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Events

I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√Applicable □Not applicable

1. Note receivables as at period-end was RMB 0, a decrease of 100% from beginning of the Period, mainly because the RMB 1.2 million note receivables of Shen Nan Dian Engineering Company received in the Period.
2. Account receivables as at period-end was RMB 532,030,346.61, an increase of 31.24% from beginning of the Period, mainly because the income from power selling increased.
3. Account paid in advance as at period-end was RMB 17,761,708.03, an increase of 6,877.49% from beginning of the Period, mainly because account paid in advance for goods increased.
4. Other account receivable as at period-end was RMB 45,515,839.73, an increase of 48.33% from beginning of the Period, mainly because accounts current increased.
5. Account payable as at period-end was RMB 94,982,086.97, an increase of 149.86% from beginning of the Period, mainly because account payable for natural gas increased.
6. Tax payable as at period-end was RMB 9,307,135.08, a decrease of 30.77% from beginning of the Period, mainly due to the decrease of tax-paying
7. Long-term loans amounting to RMB 945,000,000.00 at period-end, a increase of 35.78% from last year, mainly due to the increase of loans.
8. Business tax and surcharge amounting to RMB 2,294,763.29, a increase of 31.93% from last year, mainly due to the increase of turnover tax.
9. Non-operating income amounting to RMB 2,093,790.05, a decrease of 94.35% from last year, mainly due to the decrease of process cost for fuel in the Period.

II. Analysis and explanation of significant events and their influence and solutions

√Applicable □Not applicable

1. In order to satisfy the demands of production, operation and development for capital, broaden financing channels, and optimize capital structure, the company plans to apply the National Association of Financial Market Institutional Investors for the registration and issuance of mid-term bills not exceeding RMB500.00 million(inclusive) (For details, refer to the *Announcement on Issuing Mid-term Bills*(2015-062) published by the Company on *China Securities News*, *Securities Times*, *Hong Kong Commercial Daily* and *Juchao* website on Aug. 25, 2015). On Jan. 4, 2016, the National Association of Financial Market Institutional Investors issued Registration Acceptance Notification (ZHSXZHN0. [2016]MTN2, the valid period is three months). At present, the company has the acceptance registration notice issued by Nafmii. The company is negotiating with the underwriter bank on the relevant matters during the Period.
2. In order to broaden financing channels, supplement working capital and promote business development, the Company plans to issue non-public offering of corporate bonds not exceeding RMB2.00 billion (inclusive) (For details, refer to the *Announcement on Issuing Non-Public Offering of Corporate Bonds* (2015-063) published by the Company on *China Securities News*, *Securities Times*,

Hong Kong Commercial Daily and Juchao website on Aug. 25, 2015). The Company are conducting consultations on the way of issuance with underwriter during the Period.

3. The company participated into the projects initiated by Guangdong Province to support Xinjiang Uygur Autonomous Region. On the basis of completing the preparation of early feasibility study, regional heat supply plan and other documents, the company has obtained the replay of Xinjiang Autonomous Region Development and Reform Commission to approve the company to carry out preparatory work of the project. Besides, the Company signed tripartite investment agreement with the people's government of Shufu County, Kashi and the Support- Xinjiang Headquarters of Guangdong Province. (For details, refer to the *2013 Semiannual Report* (2013-026) published by the Company on *China Securities News*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao Website on Aug. 13, 2013). The project is currently suspended since the price of natural gas and electricity is difficult to implement.

4. On Jan. 14, 2016, controlling subsidiary Shen Nan Dian Dongguan Company received the *Replay on the Approval of Guangdong Development & Reform Committee on the Gas-Stream Combined Cycle Power Generation Project of Gaobu Natural Power Plant*(YFGNDHNo.[2016]140)(hereinafter "Project Approval Replay"), stating "comprehensively considering the safe operation of the electricity power system of Guangdong Province and through research, Guangdong Development and Reform Commission approved the 2×180MW gas-steam combed cycle power generation project of Gaobu Natural Gas Power Plant of Shen Nan Dian Dongguan Company." (For further information, refer to the *Announcement on the Shareholding Subsidiary, Shen Nan Dian (Dongguan) Weimei Electric Power Co., Ltd Granted with the Replay on the Approval of Guangdong Development & Reform Commission on the Gas-Stream Combined Cycle Power Generation Project of Gaobu Natural Power Plant* of the Company(2016-001) on *China Securities News*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao website on Jan. 16, 2016). During the Period, Shen Nan Dian Dongguan Company has completed related procedures of power generation, signed supporting documents, obtained the *Power Business License* granted by the South China Bureau of the National Energy Board and resumed normal electricity production.

5. In order to improve relevant procedures, achieve industrial upgrading, and create conditions for power generation and realize sustainable operation, on Jan. 22, 2016, the eighth temporary meeting of the seventh board of directors of the Company deliberated and approved the *Resolutions on the Phase 1 Heat Distribution Network Engineering of Combined Heat and Power Project of Shen Nan Dian Zhongshan Company, A Shareholding Subsidiary of the Company*(for details, refer to the *Announcement on Phase 1 Heat Distribution Network Engineering of Combined Heat and Power Project of Shen Nan Dian Zhongshan Company, A Shareholding Subsidiary of the Company* (2016-004) published by the Company on *China Securities News*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao website on Jan. 23, 2016). The project is being implemented during the Period.

6. On Apr. 10, 2015 and Apr. 27, 2015, the third meeting of the seventh session of the board of directors and the second extraordinary shareholders' meeting in the year of 2015 respectively deliberated and approved the *Resolution on Accelerating the Development of 53.82Mu Lands of Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd and Investment and Development Plan from Jan. 2015 to Aug. 2016*, which approved Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd , a shareholding subsidiary of the Company, to formally initiate the development and construction of 53.82 Mu lands(for details, refer to the related announcement(2015-017 and 2015-040) published by the Company on *China Securities News*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao website on Apr. 11 and Apr. 28). In order to ensure the smooth progress of project development, Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd carried out bidding of construction units and raised construction funds. Through open bid, Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd signed construction contact the successful bidder, Zhongheng Construction Group Co., Ltd on Jul. 2, 2015. On Dec. 9, 2015 and Dec. 28, 2015, the sixth extraordinary meeting of the seventh board of directors and the fifth extraordinary

shareholders' meeting deliberately and approved the Resolution on the Financing and Guarantee of Shuimu Nianhua Garden of the Shareholding Subsidiary, Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd. (For further information, refer to the *Report on the Development Progress of 53.82 Mu Lands of Zhongshan Shenzhong Real Estate Real Estate Investment Properties Co., Ltd* and other announcements(2015-051 Announcement, 2015-080 Accouchement and 2015-086 Accouchement) published by the Company on *China Securities News, Securities Times, Hong Kong Commercial Daily* and Juchao website_on Jan. 16, 2016). The development and construction of such 53.82Mu land is under progress during the Period.

7. On Dec. 9, 2015 and Dec. 28, 2015, the sixth temporary meeting of the seventh session of the board of directors and the fifth extraordinary shareholders' meeting respectively deliberated and approved the *Resolution on the Government Purchase and Reservation of 346 Mu Lands of Zhongshan Shenzhong Real Estate Development Co., Ltd.* (For detailed information, refer to the related 2015-080 and 2015-086 Announcements published by the Company on *China Securities News, Securities Times, Hong Kong Commercial Daily* and Juchao website on Dec. 10, 2015 and Dec. 29, 2015). During the Period, Zhongshan Shenzhong Development Company has not been reach consensus with Zhongshan Government in aspect of the purchasing and storage condition for 346 Mu lands.

8. In order to satisfy the demands of normal operation of New Power Company, a wholly owned subsidiary and Shen Nan Dian Zhongshan Company, a shareholding subsidiary of the Company, on Jun. 8, 2015 and Jun. 25, 2015, the fourth extraordinary meeting of the seventh session of the board of director and the third extraordinary shareholders' meeting in 2015 deliberated and approved respectively the *Resolution on the Financing Leasing of the Wholly Owned and Shareholding Subsidiaries of the Company*, which approved the Company to furnish guarantee with joint and several liabilities for the sale & lease back financing leasing at RMB190.00 million and RMB61.00 million for New Power Company and Shen Nan Dian Zhongshan Company respectively.(For further information, refer to the *Announcement on Furnishing Guarantee for Wholly Owned and Shareholding Subsidiaries of the Company*(2015-047 and 2015-050) published by the Company on *China Securities News, Securities Times, Hong Kong Commercial Daily* and Juchao website_on Jun. 6, 2015 and Jun.26, 2015). During the Period, the finance leasing company is stepping up the implementation of funding sources.

9. The 2×460MW(9F) natural gas combined heat and power generation expansion construction project of the shareholding subsidiary of the Company, Shen Nan Dian Zhongshan Company, has been listed in the *Development Plan of Centralized Heat Supply of Industry Park and Industrial Agglomeration Region of Zhongshan City(2013-2020)* in 2014 and the *Application for Carrying Out of Prophase Work to Newly Construct 2×460MW(9F) Natural Gas Combined Heat and Power Generation Project* has been submitted to Guangdong Province Development and Reform Commission. There has no further progress of the project so far.

10. During the Period, controlling subsidiary Server Company carried out collection works on the overdue account for oil under the name of Sinopec China Shipping, while no oil account have been paid by Sinopec China Shipping. Therefore, Server Company began proceedings against Sinopec China Shipping and submit filing materials and Civil Complaint to People's Court of Huangpu District, Guangzhou City on 24 April 2016, the court decided to placed on file and trial (found more in *Notice of Lawsuit of the Subordinate Company Shenzhen Server Petrochemical Supplying Co., Ltd.* Notice No.: 2016-007 released on *China Securities Journal, Securities Times, Hong Kong Commercial Daily* and Juchao Website dated 1 March 2016). As of the disclosure date, relevant bank accounts have deactivated under the name of Sinopec China Shipping by People's Court of Huangpu District and will open a court session at end of April.

11.From 2003 to 2007, pursuant to the decision and relevant documents on "technological upgrading benefit funds" of the Company from Shenzhen regulatory authority of CSRC and CPC Shenzhen Commission for Discipline Inspection, the Company actively take various measures to repaying the bonus of "technological upgrading benefit funds" which break the rules, and disclosed in the Annual Report of 2005 dated 10 April 2006 (found more in Annual Report of 2005, Notice No.: 2006-21). Total of RMB 8,479,700 refundable dividend still not collected so far upon investigation, and the involved people are Chen Zhizhong, Zhao Rubing, Li Yongjian, Lu Jingcheng, Lai Weicheng, Sui Ke, Zhao Lijin and Zhao Hubin. The Company will examine relevant condition of the "technological upgrading benefit funds" according to requirement of related departments and documents, and implemented duty of information disclosure with file requirement implemented.

Overview	Disclosure date	Query index for temporary report on website
On 28 January 2016, controlling subsidiary Shen Nan Dian Dongguan Company received a <i>Reply on Authorized Temporary Grid Purchase Price of the Gaobu Power Plant of Shen Nan Dian (Dongguan) Weimei Power Co., Ltd.</i> (YFGJGH[2016]No.379) from Guangdong Provincial Development and Reform Commission. The grid purchase price of teh Gaobu Power Plant of Shen Nan Dian Dongguan Company was RMB 0.745(tax included)/kwh, and begins since 1 February 2016.	2016-01-30	Found more in Notice of controlling subsidiary Shen Nan Dian Dongguan Company received a Reply on Authorized Temporary Grid Purchase Price of the Gaobu Power Plant of Shen Nan Dian (Dongguan) Weimei Power Co., Ltd. Notice No.:2016-006) released on China Security Journal, Securities Times, Hong Kong Commercial Daily and Juchao Website dated 30 Jan. 2016.
The audited net profit for fiscal year of 2014 and 2015 was RMB-330,513,284.99 and RMB -634,623,667.06 respectively. according to relevant rules of Stock Listing Rules of the Shenzhen Stock Exchange, stock of the Company will suspended on the date when Annual Report of 2015 released on 1 April 2016, and the stocks will carry out delisting risk warning since resumption of trading on 5 April (the 2nd,3rd, and 4th of April is the statutory public holiday and festivals). Shares of the Company will list with"*ST" with 5% price rise and drop daily. Shares of the Company probably suspended if the Company has another loss in 2016. Investment risks are advice to investors.	2016-04-01	Found more in <i>Notice of Delisting Risk Warning on Stock of the Company</i> (Notice No.: 2016-015) released on China Security Journal, Securities Times, Hong Kong Commercial Daily and Juchao Website dated 1 April 2016

III. Commitments completed during the Period and those un-completed as of the period-end from the Company, shareholders, actual controller, buyer, director, supervisor, senior executives or other related party

Applicable Not applicable

The Company has no commitments completed during the Period and those un-completed as of the period-end from the Company, shareholders, actual controller, buyer, director, supervisor, senior executives or other related party.

IV. Predict of the business performance from January to June 2016

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be

loss or have great changes comparing with the same period of last year

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

No security investment in Period.

VI. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

VII. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

No registration form for receiving research, communication or interview in the Period.

VIII. External security against the rules

Applicable Not applicable

The Company has no external security against the rules in the Period.

IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company

Applicable Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Shenzhen Nanshan Power Co., Ltd

2016-04-25

In RMB

Items	Closing Balance	Opening Balance
Current assets:		
Monetary funds	1,038,965,433.23	1,026,626,480.06
Settlement provisions		
Capital lent		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		1,200,000.00
Accounts receivable	532,030,346.61	405,391,442.85
Accounts paid in advance	17,761,708.03	254,557.09
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	45,515,839.73	30,685,319.69
Purchase restituted finance asset		
Inventories	680,328,493.80	672,683,049.42
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	584,034,136.20	604,426,110.04
Total current assets	2,898,635,957.60	2,741,266,959.15
Non-current assets:		

Loans and payments on behalf		
Finance asset available for sales	57,315,000.00	57,315,000.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	21,972,348.85	22,520,274.78
Investment property	3,145,681.11	3,194,715.51
Fixed assets	1,639,567,466.38	1,667,494,083.42
Construction in progress	9,093,287.42	8,473,276.90
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	53,115,790.83	53,801,475.81
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	2,905,768.69	2,905,768.69
Other non-current asset	22,882,181.78	22,882,181.78
Total non-current asset	1,809,997,525.06	1,838,586,776.89
Total assets	4,708,633,482.66	4,579,853,736.04
Current liabilities:		
Short-term loans	2,255,300,000.00	2,385,300,000.00
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	357,000,000.00	340,000,000.00
Accounts payable	94,982,086.97	38,014,729.22
Accounts received in advance		58,575.45
Selling financial asset of repurchase		
Commission charge and		

commission payable		
Wage payable	48,145,603.39	47,521,710.84
Taxes payable	9,307,135.08	13,444,485.85
Interest payable	70,193,369.73	63,142,049.81
Dividend payable		
Other accounts payable	367,401,703.60	371,926,173.24
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	3,202,329,898.77	3,259,407,724.41
Non-current liabilities:		
Long-term loans	945,000,000.00	696,000,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities	27,100,000.00	27,100,000.00
Deferred income	47,487,524.65	48,435,206.35
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,019,587,524.65	771,535,206.35
Total liabilities	4,221,917,423.42	4,030,942,930.76
Owner's equity:		
Share capital	602,762,596.00	602,762,596.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		

Capital public reserve	362,770,922.10	362,758,554.21
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	332,908,397.60	332,908,397.60
Provision of general risk		
Retained profit	-708,706,356.71	-662,422,848.24
Total owner's equity attributable to parent company	589,735,558.99	636,006,699.57
Minority interests	-103,019,499.75	-87,095,894.29
Total owner's equity	486,716,059.24	548,910,805.28
Total liabilities and owner's equity	4,708,633,482.66	4,579,853,736.04

Legal Representative: President Yang Haixian

Person in charge of accounting works: Director GM Wu Dongxiang, CFO Huang Jian

Person in charge of accounting institute: Financial Manager Leng Jiwei

2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	707,505,625.84	685,708,711.65
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes receivable		
Accounts receivable	390,919,609.05	309,114,888.65
Account paid in advance	285,986.20	215,431.80
Interest receivable		
Dividends receivable	79,495,331.17	79,495,331.17
Other receivables	1,232,467,776.91	1,260,619,190.09
Inventories	71,687,455.81	73,381,539.62
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets	445,938,690.87	460,714,889.70
Total current assets	2,928,300,475.85	2,869,249,982.68

Non-current assets:		
Available-for-sale financial assets	57,315,000.00	57,315,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	691,982,849.76	691,982,849.76
Investment property		
Fixed assets	238,335,588.72	240,657,379.95
Construction in progress	784,068.38	744,725.65
Project materials		
Disposal of fixed assets		
Productive biological assets		
Oil and natural gas assets		
Intangible assets	5,109,392.84	5,469,452.93
Research and development costs		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	993,526,899.70	996,169,408.29
Total assets	3,921,827,375.55	3,865,419,390.97
Current liabilities:		
Short-term borrowings	1,844,000,000.00	2,024,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	357,000,000.00	340,000,000.00
Accounts payable	71,735,750.00	24,793,826.11
Accounts received in advance		
Wage payable	25,123,684.81	25,958,401.01
Taxes payable	2,420,745.56	2,488,252.98
Interest payable	4,182,108.21	4,072,366.54
Dividend payable		
Other accounts payable	123,886,829.46	167,136,669.31

Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	2,428,349,118.04	2,588,449,515.95
Non-current liabilities:		
Long-term loans	480,000,000.00	250,000,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income	27,771,415.26	28,425,205.59
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	507,771,415.26	278,425,205.59
Total liabilities	2,936,120,533.30	2,866,874,721.54
Owners' equity:		
Share capita	602,762,596.00	602,762,596.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	288,869,612.11	288,857,244.22
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	332,908,397.60	332,908,397.60
Retained profit	-238,833,763.46	-225,983,568.39
Total owner's equity	985,706,842.25	998,544,669.43
Total liabilities and owner's equity	3,921,827,375.55	3,865,419,390.97

3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	244,369,581.94	258,686,630.32
Including: Operating income	244,369,581.94	258,686,630.32
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	307,460,792.12	404,494,421.92
Including: Operating cost	235,656,874.76	322,806,976.27
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	2,294,763.29	1,739,376.86
Sales expenses	903,530.46	908,956.01
Administration expenses	21,320,442.94	20,414,436.75
Financial expenses	47,285,180.67	58,624,676.03
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	-547,925.93	-455,578.62
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	-63,639,136.11	-146,263,370.22

Add: Non-operating income	2,093,790.05	37,063,558.75
Including: Disposal gains of non-current asset		
Less: Non-operating expense	28,711.19	10,000.00
Including: Disposal loss of non-current asset	7,531.70	
IV. Total Profit (Loss is listed with “-”)	-61,574,057.25	-109,209,811.47
Less: Income tax expense	633,056.68	136,586.81
V. Net profit (Net loss is listed with “-”)	-62,207,113.93	-109,346,398.28
Net profit attributable to owner’s of parent company	-46,283,508.47	-88,448,771.06
Minority shareholders’ gains and losses	-15,923,605.46	-20,897,627.22
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		

3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-62,207,113.93	-109,346,398.28
Total comprehensive income attributable to owners of parent Company	-46,283,508.47	-88,448,771.06
Total comprehensive income attributable to minority shareholders	-15,923,605.46	-20,897,627.22
VIII. Earnings per share:		
(i) Basic earnings per share	-0.08	-0.15
(ii) Diluted earnings per share	-0.08	-0.15

Legal Representative: President Yang Haixian

Person in charge of accounting works: Director GM Wu Dongxiang, CFO Huang Jian

Person in charge of accounting institute: Financial Manager Leng Jiwei

4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	46,513,779.10	58,913,307.62
Less: Operating cost	45,467,181.41	83,349,118.87
Operating tax and extras	1,738,950.92	1,476,307.09
Sales expenses		
Administration expenses	2,885,320.94	11,470,917.77
Financial expenses	9,926,311.23	14,148,332.73
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		

Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
II. Operating profit (Loss is listed with “-”)	-13,503,985.40	-51,531,368.84
Add: Non-operating income	653,790.33	36,571,531.33
Including: Disposal gains of non-current asset		
Less: Non-operating expense		
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with “-”)	-12,850,195.07	-14,959,837.51
Less: Income tax expense	-	
IV. Net profit (Net loss is listed with “-”)	-12,850,195.07	-14,959,837.51
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of		

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	-12,850,195.07	-14,959,837.51
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	159,473,281.47	251,417,636.64
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from		

disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	647,705.34	
Other cash received concerning operating activities	12,291,336.49	89,578,973.73
Subtotal of cash inflow arising from operating activities	172,412,323.30	340,996,610.37
Cash paid for purchasing commodities and receiving labor service	170,022,861.32	374,342,810.91
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	31,231,432.87	34,706,002.42
Taxes paid	12,739,371.58	4,241,019.51
Other cash paid concerning operating activities	11,957,748.02	7,963,979.36
Subtotal of cash outflow arising from operating activities	225,951,413.79	421,253,812.20
Net cash flows arising from operating activities	-53,539,090.49	-80,257,201.83
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment		

income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets	4,900,140.03	1,156,506.35
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	4,900,140.03	1,156,506.35
Net cash flows arising from investing activities	-4,900,140.03	-1,156,506.35
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	955,000,000.00	1,351,760,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities	5,300,000.00	
Subtotal of cash inflow from financing activities	960,300,000.00	1,351,760,000.00
Cash paid for settling debts	836,000,000.00	850,000,000.00
Cash paid for dividend and profit distributing or interest paying	48,199,874.56	54,704,000.89

Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	884,199,874.56	904,704,000.89
Net cash flows arising from financing activities	76,100,125.44	447,055,999.11
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-21,941.75	12,784.63
V. Net increase of cash and cash equivalents	17,638,953.17	365,655,075.56
Add: Balance of cash and cash equivalents at the period -begin	1,016,326,480.06	568,494,957.02
VI. Balance of cash and cash equivalents at the period -end	1,033,965,433.23	934,150,032.58

6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	82,701,475.00	38,781,179.00
Write-back of tax received		
Other cash received concerning operating activities	9,135,128.92	104,792,581.81
Subtotal of cash inflow arising from operating activities	91,836,603.92	143,573,760.81
Cash paid for purchasing commodities and receiving labor service	32,770,089.24	137,870,763.10
Cash paid to/for staff and workers	18,177,010.38	19,453,146.75
Taxes paid	4,083,939.63	2,554,325.39
Other cash paid concerning	29,319,811.14	8,612,002.92

operating activities		
Subtotal of cash outflow arising from operating activities	84,350,850.39	168,490,238.16
Net cash flows arising from operating activities	7,485,753.53	-24,916,477.35
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets	181,380.00	85,782.14
Cash paid for investment		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	181,380.00	85,782.14
Net cash flows arising from investing activities	-181,380.00	-85,782.14
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	820,000,000.00	1,180,000,000.00
Cash received from issuing bonds		
Other cash received concerning	5,300,000.00	

financing activities		
Subtotal of cash inflow from financing activities	825,300,000.00	1,180,000,000.00
Cash paid for settling debts	770,000,000.00	700,000,000.00
Cash paid for dividend and profit distributing or interest paying	35,507,313.18	38,475,271.26
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	805,507,313.18	738,475,271.26
Net cash flows arising from financing activities	19,792,686.82	441,524,728.74
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-146.16	-513.30
V. Net increase of cash and cash equivalents	27,096,914.19	416,521,955.95
Add: Balance of cash and cash equivalents at the period -begin	675,408,711.65	332,803,493.04
VI. Balance of cash and cash equivalents at the period -end	702,505,625.84	749,325,448.99

II. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

1Q report of the Company is unaudited.