



**Wafangdian Bearing Company Limited**

**the Q3 Report for 2017**

**2017-46**

**October 2017**

## Chapter I. Important Prompts

The board of directors, board of supervisors, directors, supervisors and the top management guarantee there is no false record, misleading statement or major omission in the report, and take responsibilities for the truth, accuracy and completeness of the contents.

Besides the following directors, all the other directors attended the Board meeting and discussed the report.

Name	Post	Reasons	Assignee name
Wan Shouyi	Independent director	Busy work	Liu Yuping

The charger of company Mr. Meng Wei, financial controller Ms. Sun Najuan and the charger of accounting department Mr. Wang Jiyuan made the statement: guarantee the truth, completeness of the financial report of the third quarter report.

## Chapter II. Main financial dates and shareholder changes

### 2.1 Main accounting data and financial indicators

Unit: Yuan

	2017.09.30	2016.12.31	+/- (%) compared between the end of current period and last year	
Total assets(RMB)	3,368,772,988.61	3,553,947,227.09	-5.21%	
Owner's Equity Attributed to Shareholders of Listed Company(RMB)	1,378,331,607.49	1,379,337,925.55	-0.07%	
	2017.07-09	+/- (%) to period	2017.01-09	+/- (%) to period
Turnover(RMB)	484,963,005.25	-15.02%	1,620,463,580.58	-4.46%
Net profit attributable to shareholders of the listed company(RMB)	386,046.39		3,019,681.94	
Net profit attributable to the shareholders of the listed company and after deducting of non-recurring gain/loss(RMB)	-5,518,330.61	-59.34%	-7,080,584.92	-89.71%
Net Cash flow generated by business operation(RMB)	--	--	-40,977,936.68	-313.58%
Basic earnings per share(Yuan/share)	0.0010		0.0080	
Diluted earnings per share(Yuan/share)	0.0010		0.0080	
Net assets yield (%)	0.03%	0.77%	0.22%	4.29%

### Abnormal profit and loss items

Applicable    Not applicable

Unit: Yuan

Abnormal profit and loss items	2017.01-2017.09
Profits and losses relating to disposal of fixed assets	-10,614.25
Government grants recorded into profit or loss during current period	4,890,166.91
Profits and losses relating to the debt restructure	1,697,754.73
Other non-business income and expenditures other than the above	4,701,345.34

Less: Influenced amount of income tax	1,178,385.87	
Total	10,100,266.86	

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public–Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public–Non-recurring Gains and Losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Inapplicable

## 2.2. The statement of total number of shareholders and the first 10 shareholders of current shares in the end of the report period

Unit: Share

Total number of shareholder at the end of report period							6,875
The situation of the first 10 shareholders of current shares							
Name	Nature	Ratio (%)	Total shares held	Non-current shares held	Impaired or Frozen Shares		
					Status	Amount	
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	244,000,000	244,000,000			
AKTIEBOLAGET SKF	Foreign shareholder	19.70%	79,300,000				
BOCI SECURITIES LIMITED	Foreign shareholder	1.37%	5,516,953				
Huang Junyue	Domestic shareholder	1.18%	4,768,300				
Hu Xiaofeng	Domestic shareholder	0.47%	1,879,277				
Jin Yunhua	Domestic shareholder	0.33%	1,311,256				
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign shareholder	0.29%	1,184,900				
Zhou Jie	Domestic shareholder	0.25%	1,002,100				
MAN,KWAI WING文贵荣	Foreign private shareholder	0.18%	713,101				
Ma Yuancheng	Domestic shareholder	0.15%	596,966				
The situation of the first 10 shareholders of current shares							
Name	Current shares held at end of year (Note 4)	Category of Shares					
		Categories	Amount				
AKTIEBOLAGET SKF	79,300,000	B	79,300,000				
BOCI SECURITIES LIMITED	5,516,953	B	5,516,953				
Huang Junyue	4,768,300	B	4,768,300				
Hu Xiaofeng	1,879,277	B	1,879,277				
Jin Yunhua	1,311,256	B	1,311,256				
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,184,900	B	1,184,900				
Zhou Jie	1,002,100	B	1,049,915				
MAN,KWAI WING文贵荣	713,101	B	713,101				
Ma Yuancheng	596,966	B	596,966				
Zhou Junlin	547,801	B	547,801				
Notes to relationship or "action in	There was no relationship and consistent activities between the first big shareholder and other						

concert"among the top ten shareholders.	shareholders or the top ten common stock holders; The relationship among other shareholders, top ten circulation shareholders, top ten circulation shareholders and other shareholders was not clear.
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Whether the top ten shareholders with common stock and top ten shareholders with unlimited common stock agree with the company to buy back the stock or not?

Applicable Inapplicable

Chart of preferred stock shareholders and the first tenth shareholders holding shares

Applicable Inapplicable

## Chapter III. Important Items

### 3.1 The great changes in company's key financial statement, financial indicators, and the reasons

Applicable Not applicable

**Unite:0000Yuan**

No.	Items	Beginning peirod	End of year	+/- (%) to period	Explanation
1	Monetary fund	11,228.4	18,441.6	-39.1%	The main reason is that the payment of the bill to the supplier is about 171.41 million yuan, resulting in net cash flow of -40.98 million yuan, so the money funds are reduced from the beginning of the year
2	Bills receivable	18,827.3	10,918.1	72.4%	The balance of the bill is more than the bill payment to the supplier, so the balance of the bill is increased at the beginning of the year
3	Accounts payable in advance	2,520.8	1,608.5	56.7%	Mainly based on the market changes,the advance of material mills increased
4	Other accounts receivable	2,587.7	1,970.6	31.3%	Mainly caused by prepaid expenses increase from the beginning.
5	Iventory	75,813.1	84,242.9	-10.0%	The main reason is that the initial funding of finished products has been reduced by 87.17million,the production fund has been reduced by 2 million at the beginning of the period,and the reserve fund has increased by 4.52million at the beginning of the period,and the low value consumables have increased by 360,000 at the beginning of the period
6	Other current assets	491.5	720.3	-31.8%	Mainly because the branch company's pending deduction entry tax is less than the initial decrease.
7	Long-term prepaid expense	73.1	52.1	40.2%	Mainly increase spherical decorate 279000 modernize of the company.
8	Note payable	26,656.1	42,551.5	-37.4%	The main issue is the bill issued to the supplier and the repayment of the notes payable due to the discount.
9	Tax payable	737.3	1,914.1	-61.5%	It is mainly the end value added tax and the tax attached, the sale of the land value added tax is decreasing from the beginning.
10	Interest payable	-	92.7	-100.0%	This is mainly due to a reduction in interest on borrowing.

11	Non-current liabilities due within 1 year	5,000.0	9,000.0	-44.4%	At the beginning of this period, 90 million borrowings have been repaid, the additional 50 million yuan is a long-term loan due in a year.
12	Long-term loan	-	5,000.0	-100.0%	This period the long-term loan of 50 million yuan due in one year will be reclassified into a non-current liability in a year.
	Items	2017.1.1-9.30	Last period	+/- (%) to period	Explanation
13	Tax & surcharges for main operations	1,458.84	831.33	75.5%	It is mainly affected by the change of the camp, the current tax and the increase of the year-on-year growth accounting inconsistencies.
14	Loss of impairment of assets	-1,252.37	-575.57	117.6%	It is mainly due to the recovery of the commodity value of this period, the sale of overstocked goods, etc., to return to the inventory price to be caused by the price.
15	Financial expense	3,057.55	2,082.91	46.8%	Mainly because working capital loan interest year-on-year increase of 3.65 million yuan, discount rates rose 2.23 million, year-on-year increase of 1.83 million exchange loss, exchange earnings fell 5.62 million, long-term borrowing interest year-on-year decline of 3.65 million."
16	Other income	14.70	0.00		According to the financial information [2017] no.15, government subsidies related to daily activities will be counted into other benefits in accordance with the economic business substance.
17	Non-operating revenue	1,155.20	1,883.86	-38.7%	This is mainly due to the decrease in the current non-current asset disposal, government subsidies and debt restructuring.
18	Non-operating cost	27.33	200.70	-86.4%	The main issue is that there is no loss due to debt restructuring in this period.
19	Net profit	301.97	-5,381.18	-105.6%	Mainly, the operation quality is stabilizing, the cost control is strengthened, the management expenses and sales expenses are obviously reduced, and the profitability of the products is promoted.
20	Other cash received relating to operating activities	545.9	836.6	-34.7%	Mainly because the reduction in government subsidies received during this period.
21	Tax payments	6,516.9	3,763.4	73.2%	The main payment of VAT and its attached tax, the sale of land value added tax increases.
22	Cash received from investment incomes	-	24.0	-100.0%	Mainly because this period received 240,000 dividends from Shanghai Aaimuyi Electromechanical Equipment Chain Company Limited in 2014.
23	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	492.2	1,000.0	-50.8%	This period is mainly for the sale of the Harbin real estate sales of 486.8 million yuan, and the same period 10 million is received the asset payment to the group.

24	Cash paid to acquire fixed assets, intangible assets and other long-term assets	827.7	4,909.9	-83.1%	Mainly because the construction of payment decline compared with last peirod.
25	Other proceeds relating to financing activities	49,186.4	33,884.4	45.2%	Due to the impact of financing,resulting in the other cash received that related to financing activities has increased over the same period.
26	Cash paid for other financing activities	44,824.8	30,000.0	49.4%	Due to the impact of financing,resulting in the other cash payment related to financing activities has increased over the same period.
27	Effects of foreign exchange rate changes on cash	-125.6	185.5	-167.7%	It's mostly about dollar exchange rate movements.

**3.2 The situation of major items in progress and the analysis explanation on its effect and resolved proposal.**

None

**3.3 The fulfillment of the items that the company, shareholder with more than 5% shares and the actual controller etc. during the report period, or before it.**

Applicable  Not applicable

**3.4 Operation forecast for year 2017**

Applicable  Not applicable

**3.5 Security investment information**

Statement of holding other listing company equity

Applicable  Not applicable

**3.6 Statement of holding other listing company equity**

Applicable  Not applicable

**3.7 Reception of investigations,communications,or interviews in the report period**

Time/date	Place	Way	Type of visitors	Visitors	Index catalog
July 11,2017	Office	Telephone communication	Private investor	Private investor	Understand the company's production and operation status

**3.8 Violation of guaranty**

Applicable  Not applicable

**3.9 Controlling shareholders and their related parties' non-operational appropriation of funds for listed companies**

Applicable  Not applicable

### 3.10 social responsibility of targeted poverty alleviation

## Chapter IV Financial report

### 1. Consolidated Balance Sheet.

Unit: RMB Yuan

Item	Closing Balance	Opening Balance
<b>Current assets :</b>		
Monetary fund	112,283,615.19	184,416,042.97
Financial assets held-for-trading		
Bills receivable	188,272,822.75	109,181,156.69
Account receivable	1,197,883,258.38	1,249,891,874.39
Account paid in advance	25,207,647.16	16,084,843.68
Interest receivable		
Dividend receivable		
Other receivables	25,877,401.13	19,705,788.69
Inventory	758,131,440.02	842,429,282.92
Non-current assets due within 1 year		
Other current assets	4,915,142.95	7,202,729.14
<b>Total current assets</b>	<b>2,312,571,327.58</b>	<b>2,428,911,718.48</b>
<b>Non-current assets</b>		
Financial assets available-for-sale	2,000,000.00	2,000,000.00
Investments held-to-maturity		
Long-term receivable		
Long-term equity investment		
Investment property		
Fixed assets	723,752,065.95	785,568,617.02
Construction in progress	190,487,039.27	194,439,963.77
Construction materials		
Fixed assets disposal		
Biological assets		
Gas and petrol assets		
Intangible assets	127,602,305.89	130,876,465.81
Development expenditure		
Goodwill		
Long-term prepaid expense	731,149.58	521,361.67
Deferred tax assets	11,629,100.34	11,629,100.34
Other non-current assets		
<b>Total non-current assets</b>	<b>1,056,201,661.03</b>	<b>1,125,035,508.61</b>
<b>Total assets</b>	<b>3,368,772,988.61</b>	<b>3,553,947,227.09</b>
<b>Current liabilities</b>		
Short-term loan	627,000,000.00	549,900,000.00
Note payable	266,561,068.50	425,514,610.26
Accounts payable	861,719,129.16	833,899,714.83
Accounts received in advance	22,374,597.22	26,959,477.14
Commission charge payable		
Accrued payroll	16,857,428.01	17,256,851.42

Tax payable	7,372,955.20	19,141,230.94
Interest payable		927,000.00
Dividends payable		
Other payables	92,651,635.02	111,790,682.03
Non-current liabilities due within 1 year	50,000,000.00	90,000,000.00
Other current liabilities	4,151,272.50	4,704,022.50
<b>Total current liabilities</b>	<b>1,948,688,085.61</b>	<b>2,080,093,589.12</b>
<b>Non-current liabilities</b>		
Long-term loan		50,000,000.00
Debenture payable		
Long-term payables	1,597,305.72	1,597,305.72
Special payables	296,698.98	296,698.98
Contingent liabilities		
Deferred income	38,919,994.85	41,682,411.76
Deferred tax liabilities	939,295.96	939,295.96
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>41,753,295.51</b>	<b>94,515,712.42</b>
<b>Total liabilities</b>	<b>1,990,441,381.12</b>	<b>2,174,609,301.54</b>
<b>Owner's equity (shareholders' equity)</b>		
Capital stock	402,600,000.00	402,600,000.00
Capital public reserves	485,691,050.47	485,691,050.47
Less: treasury share		
Surplus reserve	131,442,909.11	131,442,909.11
Undistributed profit	358,597,647.91	359,603,965.97
Difference of foreign currency translation		
Equity attributable to parent company	1,378,331,607.49	1,379,337,925.55
Minority interest		
<b>Total owner's equity</b>	<b>1,378,331,607.49</b>	<b>1,379,337,925.55</b>
<b>Total owner's equity and liabilities</b>	<b>3,368,772,988.61</b>	<b>3,553,947,227.09</b>

Chairman: Meng Wei      General Accountant : Sun Najuan      Accounting charger : Wang Jiyuan

## 2. Balance Sheet of Parent Company

Unit: RMB Yuan

Item	Opening Balance	Closing Balance
<b>Current assets :</b>		
Monetary fund	106,898,160.27	160,858,258.16
Financial assets held-for-trading		
Bills receivable	177,055,822.75	105,343,542.29
Account receivable	1,199,484,126.84	1,271,216,667.68
Account paid in advance	21,234,938.01	14,150,176.66
Interest receivable		
Dividend receivable		
Other receivables	22,078,955.53	18,675,828.91
Inventory	690,878,785.31	781,029,612.11
Non-current assets due within 1 year		
Other current assets	3,091,630.30	4,853,373.30
<b>Total current assets</b>	<b>2,220,722,419.01</b>	<b>2,356,127,459.11</b>
<b>Non-current assets</b>		
Financial assets available-for-sale	2,000,000.00	2,000,000.00
Investments held-to-maturity		
Long-term receivable		
Long-term equity investment	211,583,897.67	211,583,897.67
Investment property		
Fixed assets	492,882,127.06	540,414,895.87

Construction in progress	190,171,870.87	194,408,579.15
Construction materials		
Fixed assets disposal		
Biological assets		
Gas and petrol assets		
Intangible assets	108,635,633.04	111,375,548.98
Development expenditure		
Goodwill		
Long-term prepaid expense	470,488.90	521,361.67
Deferred tax assets	10,355,933.09	10,355,933.09
Other non-current assets		
<b>Total non-current assets</b>	1,016,099,950.63	1,070,660,216.43
<b>Total assets</b>	3,236,822,369.64	3,426,787,675.54
<b>Current liabilities</b>		
Short-term loan	627,000,000.00	549,900,000.00
Note payable	266,561,068.50	425,514,610.26
Accounts payable	766,649,277.61	754,015,698.35
Accounts received in advance	24,143,089.58	26,840,178.68
Commission charge payable		
Accrued payroll	9,977,284.75	10,295,412.34
Tax payable	4,225,867.09	15,496,981.29
Interest payable		927,000.00
Dividends payable		
Other payables	51,747,864.16	72,962,085.99
Non-current liabilities due within 1 year	50,000,000.00	90,000,000.00
Other current liabilities	4,053,724.50	4,606,474.50
<b>Total current liabilities</b>	1,804,358,176.19	1,950,558,441.41
<b>Non-current liabilities</b>		
Long-term loan		50,000,000.00
Debenture payable		
Long-term payables		
Special payables	296,698.98	296,698.98
Contingent liabilities		
Deferred income	34,627,882.85	37,390,299.76
Deferred tax liabilities		
Other non-current liabilities		
<b>Total non-current liabilities</b>	34,924,581.83	87,686,998.74
<b>Total liabilities</b>	1,839,282,758.02	2,038,245,440.15
<b>Owner's equity (shareholders' equity)</b>		
Capital stock	402,600,000.00	402,600,000.00
Capital public reserves	485,678,443.26	485,678,443.26
Less: treasury share		
Surplus reserve	131,442,909.11	131,442,909.11
Undistributed profit	377,818,259.25	368,820,883.02
<b>Total owner's equity</b>	1,397,539,611.62	1,388,542,235.39
<b>Total owner's equity and liabilities</b>	3,236,822,369.64	3,426,787,675.54

### 3. Consolidated Income Sheet of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	484,963,005.25	570,651,513.49
Including: Operating revenue	484,963,005.25	570,651,513.49
Interest income		
Handling charge and commission income		
<b>2.Total operating cost</b>	491,459,480.13	584,514,344.89

Including: Operating cost	431,261,903.51	516,065,410.83
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	4,755,972.30	3,617,930.44
Selling expenses	38,858,186.04	44,298,048.43
Administrative expense	14,647,695.23	17,851,425.15
Financial expense	14,559,249.81	8,438,341.22
Loss of impairment of assets	-12,623,526.76	-5,756,811.18
Add: Gains of change of fair value of assets(loss with"-")		
Investment income(loss with "-")		
Including: Income form investment on associated enterprise and jointly enterprise		
Other income	147,000.00	
<b>3.Operating profit (loss with"-")</b>	-6,349,474.88	-13,862,831.40
Add: Non-operating revenue	6,779,448.30	4,834,367.10
Less: Non-operating cost	43,927.03	601,591.65
Including: loss on disposal of non-current assets		
<b>4.Total profit(loss with"-")</b>	386,046.39	-9,630,055.95
Less: Income tax expenses		
<b>5. Net profit(Loss with"-")</b>	386,046.39	-9,787,613.48
Net profit attributable to shareholders of parent company	386,046.39	-9,787,613.48
Minority interests		
<b>6. Other comprehensive returns</b>		
<b>7. Total comprehensive returns</b>	386,046.39	-9,787,613.48
Total comprehensive returns available for parent company	386,046.39	-9,787,613.48
Total comprehensive returns available for minority shareholders		
<b>8.Earnings per share</b>		
(1) Basic earnings per share	0.0010	-0.0240
(2) Diluted earnings per share	0.0010	-0.0240

Chairman: Meng Wei

General Accountant : Sun Najuan

Accounting charger: Wang Jiyuan

#### 4. Income Sheet of Parent Company of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	465,804,543.27	590,797,808.88
Less: Operating cost	414,771,007.66	541,938,280.53
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	3,436,728.55	3,246,628.88
Selling expenses	38,292,795.51	43,776,816.73
Administrative expense	9,290,333.98	12,115,770.97
Financial expense	14,564,619.91	8,448,440.95
Loss of impairment of assets	-12,623,526.76	-5,756,811.18
Add: Gains of change of fair value of assets(loss with"-")		
Investment income(loss with "-")		
Including: Income form investment on associated enterprise and jointly enterprise		
Other income	147,000.00	
<b>2.Operating profit (loss with"-")</b>	-1,780,415.58	-12,971,318.00
Add: Non-operating revenue	6,697,156.64	3,510,626.12
Less: Non-operating cost	24,938.34	564,621.14
Including: loss on disposal of non-current assets		
<b>3.Total profit(loss with"-")</b>	4,891,802.72	-10,025,313.02
Less: Income tax expenses		

<b>4. Net profit(Loss with"-")</b>	4,891,802.72	-10,025,313.02
<b>5. Other comprehensive returns</b>		
<b>6. Total comprehensive returns</b>	4,891,802.72	-10,025,313.02
<b>7.Earnings per share</b>		
(1) Basic earnings per share	0.010	-0.020
(2) Diluted earnings per share	0.010	-0.020

#### 5. Consolidated Income Sheet from the beginning of the year to the end of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	1,620,463,580.58	1,696,106,545.47
Including: Operating revenue	1,620,463,580.58	1,696,106,545.47
Interest income		
Handling charge and commission income		
<b>2.Total operating cost</b>	1,628,869,551.37	1,766,592,395.22
Including: Operating cost	1,435,457,545.50	1,559,667,437.52
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	14,588,420.45	8,313,281.88
Selling expenses	114,878,365.96	129,040,734.31
Administrative expense	45,893,417.05	54,497,602.71
Financial expense	30,575,518.56	20,829,082.94
Loss of impairment of assets	-12,523,716.15	-5,755,744.14
Add: Gains of change of fair value of assets(loss with"-")		
Investment income(loss with "-")		
Including: Income form investment on associated enterprise and jointly enterprise		
Other income	147,000.00	
<b>3.Operating profit (loss with"-")</b>	-8,258,970.79	-70,485,849.75
Add: Non-operating revenue	11,551,972.29	18,838,640.22
Less: Non-operating cost	273,319.56	2,007,032.35
Including: loss on disposal of non-current assets		
<b>4.Total profit(loss with"-")</b>	3,019,681.94	-53,654,241.88
Less: Income tax expenses		
<b>5. Net profit(Loss with"-")</b>	3,019,681.94	-53,811,799.41
Net profit attributable to shareholders of parent company	3,019,681.94	-53,811,799.41
Minority interests		
<b>6. Other comprehensive returns</b>		
<b>7. Total comprehensive returns</b>	3,019,681.94	-53,811,799.41
Total comprehensive returns available for parent company	3,019,681.94	-53,811,799.41
Total comprehensive returns available for minority shareholders		
<b>8.Earnings per share</b>		
(1) Basic earnings per share	0.0080	-0.130
(2) Diluted earnings per share	0.0080	-0.130

#### 6. Income Sheet of Parent Company from the beginning of the year to the end of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	1,587,552,185.01	1,729,949,375.65
Less: Operating cost	1,414,588,162.82	1,607,950,444.59
Interest expenses		
Handling charge and commission income		

Tax & surcharges for main operations	12,072,730.51	7,346,262.32
Selling expenses	113,103,481.25	127,543,404.17
Administrative expense	27,679,263.28	35,828,333.56
Financial expense	30,624,886.06	20,852,114.98
Loss of impairment of assets	-12,523,716.15	-5,755,744.14
Add: Gains of change of fair value of assets(loss with "-")		
Investment income(loss with "-")		
Including: Income form investment on associated enterprise and jointly enterprise		
Other income	147,000.00	
<b>2. Operating profit (loss with "-")</b>	2,154,377.24	-63,815,439.83
Add: Non-operating revenue	11,104,219.80	15,688,741.19
Less: Non-operating cost	235,220.81	1,936,865.74
Including: loss on disposal of non-current assets		
<b>3. Total profit(loss with "-")</b>	13,023,376.23	-50,063,564.38
Less: Income tax expenses		
<b>4. Net profit(Loss with "-")</b>	13,023,376.23	-50,063,564.38
<b>5. Other comprehensive returns</b>		
<b>6. Total comprehensive returns</b>	13,023,376.23	-50,063,564.38
<b>7. Earnings per share</b>		
(1) Basic earnings per share	0.030	-0.120
(2) Diluted earnings per share	0.030	-0.120

## 7. Consolidated Cash Flow Statement.

Unit: RMB yuan

Item	Account for the current period	Account for the prior period
<b>1. Cash from operating activities</b>		
Cash received from sale of goods or rendering of services	714,561,776.75	857,736,739.73
Refund of taxes and fares		117,978.34
Other cash received relating to operating activities	5,458,961.79	8,365,849.98
<b>Sub-total of cash inflows</b>	720,020,738.54	866,220,568.05
Cash paid for goods and services	440,090,540.44	489,459,375.45
Cash paid to or on behalf of the employees	174,249,694.48	227,625,238.56
Tax payments	65,168,685.70	37,634,102.44
Other cash paid relating to operating activities	81,489,754.60	92,315,861.95
<b>Sub-total of cash outflows</b>	760,998,675.22	847,034,578.40
<b>Net cash flows from operating activities</b>	-40,977,936.68	19,185,989.65
<b>2. Cash flows from investing activities</b>		
Cash received from return of investment		
Cash received from investment incomes		240,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,921,699.20	10,000,000.00
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		240,000.00
<b>Sub-total of cash inflows</b>	4,921,699.20	10,480,000.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	8,276,976.39	49,098,685.37
Cash paid to acquire investment		
Net cash used in acquiring subsidiaries and other operating units		
Other cash paid relating to investing activities		
<b>Sub-total of cash outflows</b>	8,276,976.39	49,098,685.37
<b>Net cash flows from investment activities</b>	-3,355,277.19	-38,618,685.37
<b>3. Cash flows from financing activities</b>		

Cash received from absorbing investment		
Including: Cash received from increase in minority interest		
Proceeds from borrowings	470,000,000.00	550,000,000.00
Other proceeds relating to financing activities	491,863,671.22	338,844,256.94
<b>Sub-total of cash inflows</b>	961,863,671.22	888,844,256.94
Repayment of borrowings	482,900,000.00	437,000,000.00
Distribution of dividends or profits & interest expenses	24,661,404.85	24,841,968.00
Including: dividends or profit paid to minority interest		
Cash paid for other financing activities	448,248,452.22	300,000,000.00
<b>Sub-total of cash outflows</b>	955,809,857.07	761,841,968.00
<b>Net cash flows from financing activities</b>	6,053,814.15	127,002,288.94
<b>4. Effects of foreign exchange rate changes on cash</b>	-1,256,122.04	1,855,133.50
<b>5. Net increases in cash and cash equivalents</b>	-39,535,521.76	109,424,726.72
Add: cash and cash equivalent, at the beginning of year	142,233,376.52	78,556,030.56
<b>6. Cash and cash equivalent at the end of the year</b>	102,697,854.76	187,980,757.28

## 8. Cash Flow Statement Of Parent Company.

Unit: RMB yuan

Item	Account for the current period	Account for the prior period
1. Cash from operating activities		
Cash received from sale of goods or rendering of services	735,865,490.56	841,594,457.53
Refund of taxes and fares		
Other cash received relating to operating activities	5,096,996.55	4,654,548.80
<b>Sub-total of cash inflows</b>	740,962,487.11	846,249,006.33
Cash paid for goods and services	498,423,983.26	532,986,279.54
Cash paid to or on behalf of the employees	137,692,018.58	185,417,346.48
Tax payments	53,948,060.87	27,853,525.07
Other cash paid relating to operating activities	75,053,578.28	86,926,925.85
<b>Sub-total of cash outflows</b>	765,117,640.99	833,184,076.94
<b>Net cash flows from operating activities</b>	-24,155,153.88	13,064,929.39
2. Cash flows from investing activities		
Cash received from return of investment		
Cash received from investment incomes		240,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,912,699.20	10,000,000.00
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		240,000.00
<b>Sub-total of cash inflows</b>	4,912,699.20	10,480,000.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	8,246,098.39	48,727,912.06
Cash paid to acquire investment		
Net cash used in acquiring subsidiaries and other operating units		
Other cash paid relating to investing activities		
<b>Sub-total of cash outflows</b>	8,246,098.39	48,727,912.06
<b>Net cash flows from investment activities</b>	-3,333,399.19	-38,247,912.06
3. Cash flows from financing activities		
Cash received from absorbing investment		
Including: Cash received from increase in minority interest		
Proceeds from borrowings	470,000,000.00	550,000,000.00
Other proceeds relating to financing activities	491,863,671.22	338,844,256.94
<b>Sub-total of cash inflows</b>	961,863,671.22	888,844,256.94
Repayment of borrowings	482,900,000.00	437,000,000.00

Distribution of dividends or profits & interest expenses	24,658,617.05	24,840,575.20
Including: dividends or profit paid to minority interest		
Cash paid for other financing activities	448,248,452.22	300,000,000.00
<b>Sub-total of cash outflows</b>	955,807,069.27	761,840,575.20
<b>Net cash flows from financing activities</b>	6,056,601.95	127,003,681.74
<b>4. Effects of foreign exchange rate changes on cash</b>	-1,256,122.04	1,855,133.50
<b>5. Net increases in cash and cash equivalents</b>	-22,688,073.16	103,675,832.57
Add: cash and cash equivalent, at the beginning of year	118,675,591.71	70,822,241.27
<b>6. Cash and cash equivalent at the end of the year</b>	95,987,518.55	174,498,073.84

#### 4.5 Audited report

Audit opinions: not audited.