

DALIAN REFRIGERATION CO., LTD.

QUARTERLY REPORT FOR FIRST QUARTER, 2016

§1 Important Notes

1.1 The directors and the Board of Directors, the supervisors and the Supervisory Board, and Senior staff members of Dalian Refrigeration Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any important omissions, fictitious statements or serious misleading carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completeness of the whole contents.
1.2 All the directors have attended this Board meeting of the Company except Mr Kudou sinn.
1.3 Chairman of the Board of Directors of the Company Mr. Ji Zhijian, Financial Majordomo Mr. Ma Yun, and the head of Accounting Department Mrs. Mao Chunhua hereby confirm that the financial report of the quarterly report is true and complete.
1.4 This report is written respectively in Chinese and in English. In the event of any discrepancy between the two above-mentioned versions, the Chinese version shall prevail.

§2 Company Profile

2.1 Major accounting data and financial indexes

	January-March, 2016	January-March, 2015	Increase/decrease over the same period of last year
Total operating income	400,592,922.66	393,941,332.13	1.69%
Net profit attributable to shareholders of listed companies	25,527,518.21	22,435,890.92	13.78%
Net profit attributable to shareholders of listed companies after deducting non-recurring gains/losses	25,497,476.68	22,373,319.52	13.96%
Net cash generated from operating activities	-89,736,770.51	-128,634,794.42	30.24%
Basic earnings per share	0.07	0.06	16.67%
Diluted earnings per share	0.07	0.06	16.67%
Return on equity	0.96%	1.13%	Decrease 0.17percentage points
	March 31, 2016	December 31, 2015	Increase/decrease over the end of last year
Total assets	4,099,235,264.83	4,082,499,864.42	0.41%
Owner's equity attributable to shareholders of listed companies	2,568,111,104.17	2,647,609,091.41	-3.00%

Item of non-recurring gains and losses	Amount from beginning of year to the end of report period
Disposal gains and losses of non-current asset	58,965.19
Tax returned/reduced by chance	14.56
Other operating revenue or expense	-13,838.03
Income tax effect	9,919.42
Minority shareholders' gains and losses	5,180.77
Total	30,041.53

2.2 Total number and particulars of the shareholders by the end of the report period

Total shareholders at the end of report period						32,714
Shareholding of top ten shareholders						
Name	Nature	Proportion	Total number	Number of shares with sale restriction	Number of pledged shares or shares frozen	
Dalian Bingshan Group Co., Ltd.	Domestic non-state-owned legal person	22.31%	80,355,683	19,213,921		
SANYO ELECTRIC CO LTD	Foreign legal person	9.72%	35,001,500	0		
National Social Security Fund 107 Portfolio	Others	3.04%	10,946,061	0		
Industrial Securities Gold Kylin 2 Aggregate asset management plan	Others	1.75%	6,301,038	0		
China industry selected hybrid securities investment fund	Others	1.07%	3,852,364	0		
Upthrow morgan manufacturing excellence equity investment funds	Others	0.94%	3,392,766	0		
Vanguard harmony growth hybrid securities investment fund	Others	0.92%	3,314,158	0		
Lin Zhenming	Foreign natural person	0.77%	2,780,000	0		
Industrial international trust Co., Ltd Yao Huijin 1 assembled funds trust plan	Others	0.75%	2,696,915	0		
Sun Huiming	Domestic natural person	0.68%	2,458,966	0		
Particulars about shares held by the top ten negotiable shareholders not subject to conditional sales						
Name of shareholder			EORP (shares)	Type		
Dalian Bingshan Group Co., Ltd.			61,141,762	A		
SANYO ELECTRIC CO LTD			35,001,500	B		
National Social Security Fund 107 Portfolio			10,946,061	A		
Industrial Securities Gold Kylin 2 Aggregate asset management plan			6,301,038	A		
China industry selected hybrid securities investment fund			3,852,364	A		
Upthrow morgan manufacturing excellence equity investment funds			3,392,766	A		
Vanguard harmony growth hybrid securities investment fund			3,314,158	A		
Lin Zhenming			2,780,000	B		
Industrial international trust Co., Ltd Yao Huijin 1 assembled funds trust plan			2,696,915	A		
Sun Huiming			2,458,966	B		
Notes to the associated relationship and uniform actions of the above shareholders			Dalian Bingshan Group Co., Ltd. had the association relationship with Sanyo Electric Co., Ltd. among the above shareholders. Sanyo Electric Co., Ltd. holds 26.6% of Dalian Bingshan Group Co., Ltd.'s equity.			

§3 Important Matters

3.1 Major changes in main financial items and indexes, and description of the cause

✓ Applicable Inapplicable

<ol style="list-style-type: none"> Dividends receivable increased significantly compared with the year-beginning, mainly due to the increase in unexpired dividends receivable in the period. Other receivables increased significantly compared with the year-beginning, mainly due to the increase in bid bond in the period. Other current assets decreased significantly compared with the year-beginning, mainly due to the decrease in value added tax and income tax of the accrued trade in allowance that the taxes payable transferred. Employee compensation payable decreased significantly compared with the year-beginning, mainly due to

in the period the payment of provision employee compensation of last period-end.

5. Long term loans increased significantly compared with the year-beginning, due to the increase in special fund loans of China Development Fund.

6. Financial expenses increased significantly y-o-y, mainly due to the reduction in time deposits and interest income in the period.

7. Assets impairment loss decreased significantly y-o-y, mainly due to the reduction in long age receivables and the provision for bad debts in the period.

8. Investment income increased significantly y-o-y, mainly due to the increase in the current profit of Company's associate company Dalian Fuji Bingshan Vending Machine Co., Ltd.

9. Net cash from operating activities increased significantly y-o-y, mainly due to the increase in cash received by the current sales of goods.

10. Net cash flow from investing activities reduced significantly y-o-y, mainly due to the increase in the Company's new plant construction investment.

11. Net cash flow from financing activities increased significantly y-o-y, mainly due to the receiving of special fund of China Development Fund.

3.2 Important Progress and the analysis of the influence and solution

Applicable Inapplicable

3.3 Commitments of the Company or its shareholders , actual controller and other related parties in the reporting period or carried to the reporting period

Applicable Inapplicable

3.4 Precautions on forecasting that by the beginning of year till the end of the next report period, the accumulated net profit may be turned into loss or change greatly compared with that in the same period of the last year, and description of the cause

Applicable Inapplicable

3.5 the securities investment

Applicable Inapplicable

3.6 Derivative investment

Applicable Inapplicable

3.7 Table of investigation, communication, interview received

Receiving time	Way of receiving	Received object type	Basic situation index
Jan. 05, 2016	Field investigation	Institution	http:// www.cninfo.com.cn
Jan.06, 2016	Field investigation	Institution	http:// www.cninfo.com.cn
Jan. 07, 2016	Field investigation	Institution	http:// www.cninfo.com.cn
Jan. 18, 2016	Field investigation	Institution	http:// www.cninfo.com.cn
Jan. 27, 2016	Field investigation	Institution	http:// www.cninfo.com.cn
Feb.24,2016	Field investigation	Institution	http:// www.cninfo.com.cn
Mar.31, 2016	Field investigation	Institution	http:// www.cninfo.com.cn

3.8 Violation of external guaranty

Applicable Inapplicable

3.9 Non-operation capital occupation by holding shareholders and their related parties in the listed company

Applicable Inapplicable

Board of Directors of Dalian Refrigeration Co., Ltd.

April 22, 2016