

Stock code: 200706

stock short form: Wazhou B

Report code: 2016-10

## Wafangdian Bearing Company Limited

### The First Quarterly Report for 2016 (Main Text)

#### §1 Important Notes

The Board of Directors, Board of Supervisors, directors, supervisors, and top management of the Company hereby guaranteed that there are no false records, misleading statements, and major omissions in this report, and assumed the individual and associated responsibilities for the truth, accuracy and completeness of the contents.

Chairman of the Board Mr Meng Wei, Financial manager Ms. Sun Najuan, Accounting charger Ms. Yao Chunjuan hereby confirms that the Financial Report of the quarterly report is true and complete.

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

Name	Post	Reasons	Assignee name
Tang Yurong	Director	Busy work	Fang Bo

#### §2 Major accounting data and shareholder change

##### 1 Major accounting data and financial indexes

Unit: RMB

	Jan-Mar 2016	Jan-Mar 2015	+/- to previous
Operating income(Yuan)	534,404,100.68	582,509,508.85	-8.26%
Net profits attributed Shareholders(Yuan)	2,340,344.55	-39,057,333.13	-105.99%
Net profit available for shareholders of listing company with abnormal incomes deducted	-1,164,062.96	-41,560,197.87	97.20%
Net cash flows from operation activities	16,496,758.57	-62,129,152.74	-126.55%
Basic gains on per share	0.01	-0.10	-110.00%
Diluted gains on per share	0.01	-0.10	-110.00%
Net returns on assets (%)	0.17%	-2.87%	3.04%
	Jan-Mar 2016	Jan-Mar 2015	+/- to previous
Total assets	3,589,537,082.53	3,523,969,203.48	1.86%
Owners' equity (shareholders' equity)	1,350,805,319.88	1,348,464,975.33	0.17%

Items of non-recurring gains and losses

Applicable  Inapplicable

Unit: RMB

Items of non-recurring gains and losses	Amount	Note (if applicable)
Gain or loss from disposal of non-current assets	-43,770.58	
Gains and losses included in the current period of government subsidies, excluding those government grants which are closely related to normal business and in line with national policy, or in accordance with fixed standards or quantities	1,838,388.97	
Profit or loss from debts restructuring	1,028,287.75	
Other non-business income and expenditures other than the above	1,299,926.22	
Influenced amount of income tax	618,424.85	
<b>Total</b>	<b>3,504,407.51</b>	<b>-</b>

## 2 Total number of shareholders at the end of the report period and shares held by the top ten shareholders

Unit: Share

Total number of shareholder at the end of report period		7499		Total number of shareholder at the end of report period with preferred stock		0		
Shareholders with 5% or above Shares								
Name	Nature	Ratio (%)	Total shares held	Increase or decrease in the report period	Non-current shares held	Current shares held	Impawned or Frozen Shares	
							Status	Amount
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	402,600,000		244,000,000			
AKTIEBOLAGET SKF	Foreign shareholder	19.70%	79,300,000			79,300,000	Frozen	79,300,000
Huang Junyue	Domestic shareholder	1.00%	3,990,000					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign shareholder	0.70%	2,708,740					
BOCI SECURITIES LIMITED	Foreign shareholder	0.60%	2,220,000					
Jin Yunhuang	Foreign shareholder	0.50%	2,017,729					
Hu Xiaofeng	Domestic shareholder	0.50%	1,879,277					
CREDIT SUISSE (HONG KONG) LIMITED	Foreign shareholder	0.30%	1,049,915					
MAN,KWAI WING 文贵荣	Foreign private shareholde	0.20%	713,101					
Liao Yun	Domestic shareholder	0.10%	550,000					
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders		In the report period, the frozen period of the shares purchased by the company's strategic investor AKTIEBOLAGET SKF expired in 1999, and has not dealt with the releasing-procedure in this report period.						
Notes to relationship or "action in concert" among the top ten shareholders.								
Top Ten Tradable Shareholders								
Name	Current shares held at end of year	Category of Shares						
		Categories	Amount					
AKTIEBOLAGET SKF	79,300,000	B	79,300,000					
Huang Junyue	3,990,000	B	3,990,000					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	2,708,740	B	2,708,740					
BOCI SECURITIES LIMITED	2,220,000	B	2,220,000					
Jin Yunhuang	2,017,729	B	2,017,729					
Hu Xiaofeng	1,879,277	B	1,879,277					
CREDIT SUISSE (HONG KONG) LIMITED	1,049,915	B	1,049,915					
MAN,KWAI WING 文贵荣	713,101	B	713,101					

Liao Yun	550,000	B	550,000
Zhou Jun lin	525,100	B	525,100
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders and the Top Ten Tradable Shareholders	There was no relationship and consistent activities between the first big shareholder and other 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.		

### §3 Significant items

#### 1 Particulars about material changes in items of main accounting statement and financial index, and explanations of reasons

√Applicable □Inapplicable

No	Item	The end of year	Beginning of year	%	Reason
1	Bills receivable	15,921.1	10,050.6	58.4%	Because the returned money by bank acceptance increase.
2	Dividend receivable	-	24.0	-100.0%	Dividend receivable with 240 thousand Yuan from ME at the beginning of the year
3	Other receivables	3,210.9	2,146.3	49.6%	Mainly because some travel expense and meeting expense which are not reimbursed increased 8.91 million Yuan compared with year begin.
4	Short-term loan	53,500.0	38,500.0	39.0%	Mainly because the short-time loan increase 1500 million Yuan in the report period
5	Accounts received in advance	2,952.1	4,483.6	-34.2%	Mainly because the account received in advance from some clients of parent company decline, of which Dalian Huarui Zhonggong decrease with 5.08 million Yuan, the account received in advance from sales branch company decreased with 9.96 million Yuan.
6	Financial expense	625.5	1,086.7	-42.4%	1. Liquidity loan interest withdrawing decline 2.3 million Yuan; 2. net income on exchange increase by 2.34 million Yuan.
7	Loss of impairment of assets	0.1	1.5	-93.1%	Last period write-off the account difference with Liao Ning Shu Guang by 15 thousand Yuan.
8	Non-operating revenue	442.3	285.2	55.1%	Mainly because the fine income from agency with 1.05 million Yuan.
9	Non-operating cost	30.1	16.5	81.9%	1. debt restructuring losses increased with 90 thousand Yuan; 2. non-current assets disposal losses increase with 30 thousand Yuan
10	Net profit	234.0	-3,905.7	-106.0%	1. main business gross rate is 12.1%, increase 5.1% compared with last period, which lead to gross profit increase 21.39 million Yuan; 2. other business gross rate is 1.8%, increase by 0.8%, lead to gross profit increase about 410 thousand Yuan; 3. sale expense decline 10.16 million Yuan; 4. financial expense decline 4.61 million Yuan; 5. administration expense decline 2.87 million Yuan.
11	Other cash received relating to operating activities	130.7	346.1	-62.2%	Mainly because the subsidy decline compared with last period
12	Cash paid for goods and services	14,135.9	20,210.4	-30.1%	Mainly because forging discount acceptance due repayment separately to financing activities for cash, which is accounted in to Cash paid for goods and services
13	Cash received from return of investment	24.0	0.0		Mainly because received from return of investment of 2014 from ME with 240 thousand Yuan.
14	Cash paid to acquire fixed assets, intangible assets and other long-term assets	162.7	438.6	-62.9%	Mainly because the cash paid on fix asset investment decline compared with last period.

15	Cash paid to acquire investment	0.0	1,125.0	-100.0%	Mainly because last year the company buy Dalian sikaifu ZWZ Bearing Co., Ltd. 51% of the equity, the issuing bank letter of credit of 11.25 million yuan payment at maturity
16	Other proceeds relating to financing activities	9,796.4	0.0		mainly due to the forging discount payment collection to receive other related to financing activities cash. Over the same period, the 973 million imputation in the sale of goods and services received in cash
17	Distribution of dividends or profits & interest expenses	925.5	669.6	38.2%	The loan interest shall paid in the report period increased.
18	Cash paid for other financing activities	14,000.0	0.0		Generations of forging discounted repayment separately to the payment related to financing activities cash. At the same time, the imputation in the purchase of goods and receive services paid cash
19	Effects of foreign exchange rate changes on cash	-54.00	17.59	-407.0%	Mainly due to the Fed's interest rate hike is expected to drag, leading to short-term decline in the dollar exchange rate, the impact of the current dollar denominated bank deposits

## 2 Progress of significant events, their influence, and analysis and explanation of their solutions

Applicable Inapplicable

## 3 The company, shareholders, actual controller, the acquirer, directors, supervisors and senior management personnel or other related parties to fulfill commitments and the final report has not been fulfilled in the reporting period

Applicable Inapplicable

## 4 Estimation of accumulative net profit from Jan to June 2016

Applicable Inapplicable

## 5 Particular about security investment

Applicable Inapplicable

## 6 Particular about derivatives

Applicable Inapplicable

## 7 Activities on receiving research, communication and interview in the report period

Time	Site	Method	Object	Content and documents supplied	Time
2016.01.27	Office	Telephone communication	Private investor	The general information of the company	Office
2016.03.09	Office	Telephone communication	Private investor	The general information of the company	Office
2016.03.17	Office	Telephone communication	Private investor	The general information of the company	Office

## 8 Illegal external guarantee

Applicable Inapplicable

## 9 Controlling shareholder and its related parties to the listing Corporation's non operating funds

Applicable Inapplicable