



**Bengang Steel Plates Co., Ltd.**

**The 1<sup>st</sup> Quarterly Report 2016**

**April 2016**

## **Chapter I. Important Statement**

**The Board of Directors and the directors of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.**

**All of the directors presented the board meeting at which this Quarterly Report was examined.**

**Chairman of the Board – Mr. Zhao Zhongmin, Chief Financial Officer – Mr. Han Ge, and Head of Accounting Dept. – Mr. Wang Shaoyu hereby declare: the authenticity and integrity of the report are guaranteed.**

## II. Main financial data and changes of shareholders

### (1) Main financial data and financial index

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

Yes  No

	This period	Same period of last year	Changes of this period over same period of last year (%)
Operating income (RMB)	6,163,797,202.21	9,571,892,099.49	-35.61%
Net profit attributable to the shareholders of the listed company (RMB)	41,106,090.36	71,707,881.99	-42.68%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	34,751,636.45	52,169,643.70	-33.39%
Cash flow generated by business operation, net (RMB)	2,598,490,197.76	601,173,782.82	332.24%
Basic earning per share(RMB/Share)	0.013	0.023	-43.48%
Diluted gains per share(RMB/Share)(RMB/Share)	0.013	0.023	-43.48%
Weighted average return on equity (%)	0.34%	0.46%	-0.12%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (RMB)	47,685,280,386.51	44,461,643,345.33	7.25%
Net assets attributable to the shareholders of the listed company (RMB)	11,978,750,747.00	11,934,100,372.02	0.37%

Items and amount of non-current gains and losses

Applicable  Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business	6,259,000.00	

and granted under the state's policies)		
Other non-operating income and expenditure beside for the above items	125,914.32	
Amount of influence of minority interests (After tax)	30,460.41	
Total	6,354,453.91	--

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  Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

## II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

### 1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Total number of common shareholders at the period-end		56,985		Total preference shareholders with the voting power recovered at the end of the reporting period(if any)	0	
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Benxi Steel (Group) Ltd.	State-owned legal person	78.37%	2,457,560,978			
Li Guoyuan	Domestic natural person	0.82%	25,762,691			
Li Chen	Domestic natural person	0.82%	25,762,538			
GIC PRIVATE LIMITED	Overseas legal person	0.31%	9,754,211			
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.26%	8,157,311			
Zhan Changcheng	Domestic natural person	0.15%	4,648,615			
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas legal person	0.15%	4,606,141			
Feng Meijuan	Domestic natural person	0.15%	4,592,983			
Wu Limin	Domestic natural person	0.14%	4,255,663			

Zhou Jie	Domestic natural person	0.14%	4,249,198			
Shares held by the Top 10 Shareholders of Non-restricted shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			
Benxi Steel (Group) Ltd.	2,457,560,978	RMB Common shares	2,457,560,978			
Li Guoyuan	25,762,691	RMB Common shares	25,762,691			
Li Chen	25,762,538	RMB Common shares	25,762,538			
GIC PRIVATE LIMITED	9,754,211	Foreign shares placed in domestic exchange	9,754,211			
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	8,157,311	Foreign shares placed in domestic exchange	8,157,311			
Zhan Changcheng	4,648,615	Foreign shares placed in domestic exchange	4,648,615			
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	4,606,141	Foreign shares placed in domestic exchange	4,606,141			
Feng Meijuan	4,592,983	RMB Common shares	4,592,983			
Wu Limin	4,255,663	RMB Common shares	4,255,663			
Zhou Jie	4,249,198		4,249,198			
Explanation on associated relationship or concerted action of the above shareholders	<p>Benxi Steel &amp; Iron (Group) Co., Ltd., the holding shareholder, has no relationship with any of the other shareholders among the top 10 shareholders, neither being regarded as action-in-concert parties by the Information Disclosure Regulations for Change of Shareholding in PLC</p> <p>The Company is not aware of any relationship among the other shareholders, nor of any action-in-concert as recognized according to the Information Disclosure Regulations for Change of Shareholding in PLC.</p> <p>The Company is not aware of any relationship among the top 10 shareholders, nor of any action-in-concert as recognized according to the Information Disclosure Regulations for Change of Shareholding in PLC.</p>					
Note to the top 10 common stockholders involved in margin financing & securities lending (If	<p>Li Guoyuan holds 25,762,691 A shares of the Company through stock account with credit transaction and guarantee, Li Chen holds 25,762,538 A shares of the Company through stock account with credit transaction and guarantee.</p>					

any)	
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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 number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable  Not applicable

### III. Significant Events

I. Particular about large-margin change of main accounting statement item and financial index and its reason.

√ Applicable □ Not applicable

Major items in the consolidated statements which changed by over 30% comparing with the balances at of the end of 2015

I. Balance sheet items	Rate of change	Cause of change
Monetary fund	59%	Due to the increase of the company current reserves
Interest receivable	-100%	Due to the current maturity date.
Other account receivable	-33%	Due to the increase of current account receivable recovery
Account payable	56%	Due to the current increase in accounts payable
Tax payable	-67%	Due to the reduction of VAT overpaid
Interest payable	-64%	Due to the reduction of the interest accrual of corporate bonds
Special reserves	901%	Due to the reduction security fee paid for the current period

\* Major items in the consolidated statements which changed by over 30% comparing with that of Jan-Mar 2015

II. Income statement items	Rate of change	Cause of change
Business income	-36%	Due to the current lower prices of clearing.
Business cost	-38%	Due to the current decrease in raw material purchase price
Business tax and surcharge	-76%	Due to the reduction of the impact caused by the current VAT
Financial expenses	-36%	Due to the increase of the current loan interest rate and exchange rate gains and losses declined
Non-operational income	-72%	Due to the reduction of funds of government grants received in the current period
Income tax expenses	1372%	Due to the provision for inventory depreciation of reversal of the current period
Net profit attributable to the owners of parent company	-43%	Due to the reduction of the current market price and other factors



Minor shareholders' equity	-80%	Due to the decrease of the current holding company profits
III. Cash flow statement	Rate of change	Cause of change
Cash received from sales of goods or rendering of services	-44%	Due to the reduction of the current market price and other factors
Sub-total of cash inflow generated by business operation	-42%	Due to the reduction of the current market price and other factors
Cash paid for purchasing of merchandise and services	-78%	Due to the reduction of the current purchase of goods, services paid for in cash accepted
Taxes paid	-35%	Due to the reduction of the current VAT and other taxes paid
Sub-total of cash outflow from business activities	-72%	Due to the reduction of the current purchase of goods, services paid for in cash accepted
Cash flow generated by business operation, net	332%	Due to the reduction of the current purchase of goods, services paid for in cash accepted
Cash received from investment retrieving	-100%	Decrease of financial instruments purchased this period
Cash received as investment gains	-100%	Decrease of financial instruments purchased this period
Sub-total of cash inflow due to investment activities	-100%	Decrease of financial instruments purchased this period
Cash paid as investment	-96%	Decrease of financial instruments purchased this period
Sub-total of cash outflow due to investment activities	-68%	Decrease of financial instruments purchased this period
Net cash flow generated by investment	-46%	Decrease of financial instruments purchased this period
Cash received from bond placing	-100%	Due to not issuance of bonds.
Sub-total of cash inflow from financing activities	-33%	Due to not issuance of bonds.
Net cash flow generated by financing	-52%	Due to the reduction of the current period new financing

## II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

Applicable  Not applicable

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**III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period**

Applicable  Not applicable

During the reporting period, there is no commitment that the company, shareholders, actual controller, offer or, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

**IV. Anticipation of Business Performance from January to June, 2016**

Alert of loss or significant change in net profit from the beginning of year to the end of next report period or comparing with the same period of last year, and statement of causations.

Applicable  Not applicable

**V Securities investments**

Applicable  Not applicable

No such cases in the Reporting Period

**VI. Investment in derivatives**

Applicable  Not applicable

No such cases in the Reporting Period

**VII. Reception of investigations, communications, or interviews**

Applicable  Not applicable

**No investigation, communication, or visiting occurred in report period.**

**VIII. External guarantee get out of line**

Applicable  Not applicable

The Company has no external guarantee get out of the line in the Period

**IX. Controlling shareholder and its related parties occupying non-business capital of the listed company**

Applicable  Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

## IV. Financial Statement

### I. Financial statement

#### 1. Consolidated balance sheet

Prepared by: Bengang Steel Plates Co., Ltd.

March 31,2016

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	8,185,319,102.34	5,140,480,509.97
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	2,183,614,447.39	2,449,682,561.16
Account receivable	423,836,338.77	488,584,624.72
Prepayments	419,544,913.95	569,851,950.69
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		3,524,615.12
Dividend receivable		
Other account receivable	102,174,529.75	151,668,877.26
Repurchasing of financial assets		
Inventories	9,698,107,421.73	8,601,734,442.42
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	353,646,344.39	431,360,541.21
Total of current assets	21,366,243,098.32	17,836,888,122.55

Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset	20,271,278.63	20,271,278.63
Expired investment in possess		
Long-term receivable		
Long term share equity investment		
Property investment		
Fixed assets	19,572,168,737.90	20,046,254,726.74
Construction in progress	5,926,666,614.41	5,646,624,293.27
Engineering material	4,134,139.91	4,152,880.79
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	264,036,148.28	265,520,912.57
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	531,760,369.06	641,931,130.78
Other non-current asset		
Total of non-current assets	26,319,037,288.19	26,624,755,222.78
Total of assets	47,685,280,386.51	44,461,643,345.33
Current liabilities		
Short-term loans	18,942,494,796.60	18,139,885,596.60
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	1,552,659,570.32	2,110,511,950.79
Account payable	7,830,122,394.95	5,015,900,664.47
Advance payment	2,008,056,087.93	1,815,443,452.05
Selling of repurchased financial assets		

Fees and commissions receivable		
Employees' wage payable	35,513,217.27	36,455,143.76
Tax payable	14,918,297.59	45,194,528.35
Interest payable	25,390,890.87	70,958,686.96
Dividend payable		
Other account payable	386,412,532.18	444,734,704.90
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	1,376,147,332.04	1,434,004,649.14
Other current liability		
Total of current liability	32,171,715,119.75	29,113,089,377.02
Non-current liabilities:		
Long-term loan	1,125,848,419.58	1,005,919,974.09
Bond payable	1,491,315,715.94	1,490,352,572.75
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income	406,929,000.00	413,188,000.00
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	3,024,093,135.52	2,909,460,546.84
Total of liability	35,195,808,255.27	32,022,549,923.86
Owners' equity		
Share capital	3,136,000,000.00	3,136,000,000.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		

Capital reserves	9,114,845,542.05	9,114,845,542.05
Less: Shares in stock		
Other comprehensive income		
Special reserves	3,937,656.67	393,372.05
Surplus reserves	961,105,529.85	961,105,529.85
Common risk provision		
Undistributed profit	-1,237,137,981.57	-1,278,244,071.93
Total of owner's equity belong to the parent company	11,978,750,747.00	11,934,100,372.02
Minority shareholders' equity	510,721,384.24	504,993,049.45
Total of owners' equity	12,489,472,131.24	12,439,093,421.47
Total of liabilities and owners' equity	47,685,280,386.51	44,461,643,345.33

Legal Representative: Zhao Zhongmin Person in charge of accounting: Han Ge Accounting Dept Leader: Wang Shaoyu

## 2. Parent Company Balance Sheet

In RMB

Items	At the end of term	Beginning of term
Current asset :		
Monetary fund	7,909,868,523.73	4,921,089,319.57
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	1,988,953,639.71	2,298,691,410.40
Account receivable	389,666,035.36	449,193,422.02
Prepayments	399,246,002.29	549,553,039.03
Interest receivable		3,524,615.12
Dividend receivable		
Other account receivable	157,046,352.38	229,428,159.94
Inventories	8,402,893,318.85	7,452,873,949.34
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	290,607,949.78	387,259,423.54

Total of current assets	19,538,281,822.10	16,291,613,338.96
Non-current assets:		
Disposable financial asset	18,303,673.00	18,303,673.00
Expired investment in possess		
Long-term receivable		
Long term share equity investment	1,700,981,902.16	1,700,981,902.16
Property investment		
Fixed assets	16,789,289,702.82	17,179,043,906.45
Construction in progress	5,925,739,832.98	5,646,077,292.11
Engineering material	4,134,139.91	4,134,138.91
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	157,868,055.50	158,694,589.82
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	453,626,824.72	562,072,018.42
Other non-current asset		
Total of non-current assets	25,049,944,131.09	25,269,307,520.87
Total of assets	44,588,225,953.19	41,560,920,859.83
Current liabilities		
Short-term loans	17,460,822,800.00	16,798,213,600.00
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	1,374,839,487.55	1,651,808,822.92
Account payable	8,068,076,680.67	5,263,012,477.37
Advance payment	1,795,889,792.47	1,957,484,054.73
Employees' wage payable	33,718,815.22	34,194,188.88
Tax payable	2,467,003.85	9,986,022.56
Interest payable	24,275,033.03	70,113,698.63
Dividend payable		
Other account payable	306,426,511.71	324,906,037.82

Classified as held for sale debt		
Non-current liability due in 1 year	1,376,147,332.04	1,434,004,649.14
Other current liability		
Total of current liability	30,442,663,456.54	27,543,723,552.05
Non-current liabilities:		
Long-term loan	1,125,848,419.58	1,005,919,974.09
Bond payable	1,491,315,715.94	1,490,352,572.75
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable to employees		
Special payable		
Expected liabilities		
Deferred income	406,929,000.00	413,188,000.00
Deferred income tax liability		
Other non-current liabilities		
Total of Non-current liabilities	3,024,093,135.52	2,909,460,546.84
Total of liability	33,466,756,592.06	30,453,184,098.89
Owners' equity		
Share capital	3,136,000,000.00	3,136,000,000.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	8,694,693,859.93	8,694,693,859.93
Less: Shares in stock		
Other comprehensive income		
Special reserves	3,937,656.67	393,372.05
Surplus reserves	961,105,529.85	961,105,529.85
Undistributed profit	-1,674,267,685.32	-1,684,456,000.89
Total of owners' equity	11,121,469,361.13	11,107,736,760.94
Total of liabilities and owners' equity	44,588,225,953.19	41,560,920,859.83

### 3.Consolidated Income statement

In RMB



Items	Amount in this period	Amount in last period
I. Income from the key business	6,163,797,202.21	9,571,892,099.49
Incl: Business income	6,163,797,202.21	9,571,892,099.49
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	6,009,165,031.97	9,488,432,136.18
Incl: Business cost	5,389,535,280.17	8,651,587,783.26
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	6,347,694.24	26,823,125.71
Sales expense	203,842,519.34	250,933,920.68
Administrative expense	174,510,134.26	189,206,117.29
Financial expenses	234,929,403.96	369,881,189.24
Asset impairment loss		
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)		2,452,534.28
Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	154,632,170.24	85,912,497.59
Add : Non-operational income	6,384,914.32	22,808,626.08
Including: Income from disposal of non-current assets		
Less: Non business expenses		6,603.93
Incl: Loss from disposal of non-current assets		6,603.93
IV.Total profit(“-”for loss)	161,017,084.56	108,714,519.74

Less: Income tax expenses	114,182,659.41	7,758,744.70
V. Net profit	46,834,425.15	100,955,775.04
Net profit attributable to the owners of parent company	41,106,090.36	71,707,881.99
Minority shareholders' equity	5,728,334.79	29,247,893.05
VI. Other comprehensive income		
Net of profit of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	46,834,425.15	100,955,775.04

Total comprehensive income attributable to the owner of the parent company	41,106,090.36	71,707,881.99
Total comprehensive income attributable minority shareholders	5,728,334.79	29,247,893.05
VIII. Earnings per share		
(I) Basic earnings per share	0.013	0.023
(II) Diluted earnings per share	0.013	0.023

If there are entities merged under common control, their net profit realized before the merger were totaled to RMB0.00. While it was RMB0.00 previous period.

Legal Representative: Zhao Zhongmin    Person in charge of accounting: Han Ge Accounting Dept Leader: Wang Shaoyu

#### 4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	6,349,888,059.09	10,041,262,488.32
Less: Business cost	5,686,530,851.21	9,347,835,662.54
Business tax and surcharge	2,581,022.77	24,171,920.65
Sales expense	169,910,631.40	213,032,363.48
Administrative expense	159,071,749.26	174,078,341.75
Financial expenses	219,438,179.77	346,685,946.85
Asset impairment loss		
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)		2,452,534.28
Incl: investment gains from affiliates		
II. Operational profit (“-”for loss)	112,355,624.68	-62,089,212.67
Add : Non-operational income	6,277,884.59	22,648,387.62
Including: Income from disposal of non-current assets		
Less: Non business expenses		6,603.93
Incl: Loss from disposal of non-current assets		6,603.93
III. Total profit (“-”for loss)	118,633,509.27	-39,447,428.98

Less: Income tax expenses	108,445,193.70	
IV. Net profit (“-”for net loss)	10,188,315.57	-39,447,428.98
V. Net of profit of other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Gains and losses from changes in fair value available for sale financial assets		
3. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4. The effective portion of cash flow hedges and losses		
5. Translation differences in currency financial statements		
6. Other		
VI. Total comprehensive income	10,188,315.57	-39,447,428.98
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

## 5. Consolidated Cash flow statement

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	4,456,676,706.32	7,889,152,266.83
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	176,587,078.95	173,412,633.74
Other cash received from business operation	72,962,648.74	67,169,422.10
Sub-total of cash inflow	4,706,226,434.01	8,129,734,322.67
Cash paid for purchasing of merchandise and services	1,558,773,903.55	6,845,828,150.13
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		

Cash paid to staffs or paid for staffs	443,360,862.49	530,989,965.62
Taxes paid	79,482,630.79	121,446,057.50
Other cash paid for business activities	26,118,839.42	30,296,366.60
Sub-total of cash outflow from business activities	2,107,736,236.25	7,528,560,539.85
Cash flow generated by business operation, net	2,598,490,197.76	601,173,782.82
II.Cash flow generated by investing		
Cash received from investment retrieving		700,000,000.00
Cash received as investment gains		2,452,534.28
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		702,452,534.28
Cash paid for construction of fixed assets, intangible assets and other long-term assets	495,775,437.02	603,436,817.58
Cash paid as investment	41,000,000.00	1,100,000,000.00
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	536,775,437.02	1,703,436,817.58
Net cash flow generated by investment	-536,775,437.02	-1,000,984,283.30
III.Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	3,653,371,876.26	3,914,775,807.42
Cash received from bond placing		1,500,000,000.00

Other financing –related ash received		
Sub-total of cash inflow from financing activities	3,653,371,876.26	5,414,775,807.42
Cash to repay debts	2,800,725,250.60	3,798,688,565.03
Cash paid as dividend, profit, or interests	249,369,421.96	354,035,536.61
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	3,050,094,672.56	4,152,724,101.64
Net cash flow generated by financing	603,277,203.70	1,262,051,705.78
IV. Influence of exchange rate alternation on cash and cash equivalents	-27,118,253.24	9,393,652.25
V.Net increase of cash and cash equivalents	2,637,873,711.20	871,634,857.55
Add: balance of cash and cash equivalents at the beginning of term	5,140,477,745.07	9,774,657,726.06
VI .Balance of cash and cash equivalents at the end of term	7,778,351,456.27	10,646,292,583.61

## 6. Cash Flow Statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	4,019,869,377.46	6,428,288,152.41
Tax returned	172,506,656.56	130,788,072.89
Other cash received from business operation	57,059,087.68	62,195,406.33
Sub-total of cash inflow	4,249,435,121.70	6,621,271,631.63
Cash paid for purchasing of merchandise and services	1,120,248,395.70	6,391,842,867.92
Cash paid to staffs or paid for staffs	419,087,334.46	506,058,465.58
Taxes paid	30,358,813.93	54,400,166.97

Other cash paid for business activities	22,899,983.64	23,545,525.77
Sub-total of cash outflow from business activities	1,592,594,527.73	6,975,847,026.24
Cash flow generated by business operation, net	2,656,840,593.97	-354,575,394.61
<b>II. Cash flow generated by investing</b>		
Cash received from investment retrieving		700,000,000.00
Cash received as investment gains		2,452,534.28
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		702,452,534.28
Cash paid for construction of fixed assets, intangible assets and other long-term assets	485,499,487.61	593,852,993.00
Cash paid as investment	41,000,000.00	1,100,000,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	526,499,487.61	1,693,852,993.00
Net cash flow generated by investment	-526,499,487.61	-991,400,458.72
<b>III. Cash flow generated by financing</b>		
Cash received as investment		
Cash received as loans	3,412,740,000.00	3,814,565,125.77
Cash received from bond placing		1,500,000,000.00
Other financing –related ash received		
Sub-total of cash inflow from financing activities	3,412,740,000.00	5,314,565,125.77
Cash to repay debts	2,700,039,599.29	2,721,886,565.03
Cash paid as dividend, profit, or	234,110,903.61	321,903,494.07



interests		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	2,934,150,502.90	3,043,790,059.10
Net cash flow generated by financing	478,589,497.10	2,270,775,066.67
IV. Influence of exchange rate alternation on cash and cash equivalents	-27,116,280.47	9,392,244.15
V.Net increase of cash and cash equivalents	2,581,814,322.99	934,191,457.49
Add: balance of cash and cash equivalents at the beginning of term	4,921,089,319.57	9,512,021,457.17
VI ..Balance of cash and cash equivalents at the end of term	7,502,903,642.56	10,446,212,914.66

## II. Auditor' report

Is the First Quarterly Report be audited?

Yes     No

The First Quarterly report is not audited.