

Guangdong Provincial Expressway Development Co., Ltd.

The Third Quarterly Report 2017

October 2017

I. Important Notice

The Board of Directors and the Supervisory Committee of 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 of the directors presented the board meeting at which this Quarterly Report was examined.

Mr.Zheng Renfa, Leader, Mr.Wang Chunhua,General Manager, Mr. Fang Zhi, Chief of the accounting work, Ms.Zhou Fang, Chief of the accounting organ (chief of accounting) hereby confirm the authenticity and completeness of the financial report enclosed in this report.

II. Basic information about the company

I.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

| | As at the end of the reporting period | As at the end of last year | Changed (%) over end of prev. year | |
|--|---------------------------------------|---|---|------------------------------------|
| Gross assets (RMB) | 16,368,527,561.41 | 16,072,445,216.59 | 1.84% | |
| Net assets attributable to the shareholders of the listed company (RMB) | 8,788,268,514.86 | 8,289,020,301.39 | 6.02% | |
| | Reporting period | Increase/decrease over the same period of last year (%) | Between beginning of the year to the end of the report period | Changed (%) over end of prev. year |
| Operating income (RMB) | 822,526,484.69 | 10.93% | 2,262,749,048.43 | 9.05% |
| Net profit attributable to the shareholders of the listed company (RMB) | 384,780,778.72 | 32.01% | 1,277,628,791.25 | 60.23% |
| Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed | 384,692,818.22 | 32.27% | 1,026,626,418.65 | 58.50% |

| | | | | |
|--|-------|--------|------------------|--------|
| company (RMB) | | | | |
| Cash flow generated by business operation, net (RMB) | -- | -- | 1,644,824,158.38 | 11.42% |
| Basic earning per share(RMB/Share) | 0.18 | 28.57% | 0.61 | 41.86% |
| Diluted gains per share(RMB/Share)(RMB/Share) | 0.18 | 28.57% | 0.61 | 41.86% |
| Weighted average income/asset ratio (%) | 4.48% | 26.91% | 15.03% | 26.09% |

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 |
|--|--|--|
| Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made) | -2,574,727.37 | |
| Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies) | 237,210.65 | |
| Other non-business income and expenditures other than the above | 61,629,387.84 | It receives the compensation 59,995,667.68 yuan for early termination of charging for Jiujiang Bridge in the current period. |
| Less :Influenced amount of income tax | -191,717,677.81 | The department confirms the deferred income tax totaling 206,421,769.46 yuan for losses of previous years in the current period. |
| Influenced amount of minor shareholders' equity (after tax) | 7,176.33 | |
| Total | 251,002,372.60 | -- |

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public-Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item.

□ 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 | | 66,820 | | Total preference shareholders with the voting power recovered at the end of the reporting period(if any) | | 0 |
|--|---------------------------------------|--------------------|-------------|--|----------------------|-------------|
| Total preference shareholders with the voting power recovered at the end of the reporting period(if any) | | | | | | |
| Shareholder name | Properties of shareholder | Share proportion % | Quantity | Amount of tradable shares with Conditional held | Pledging or freezing | |
| | | | | | Status of the shares | Quantity |
| Guangdong Communication Group Co., Ltd. | State-owned legal person | 24.55% | 513,382,595 | 410,002,853 | | |
| Guangdong Highway Construction Co., Ltd. | State-owned legal person | 22.30% | 466,325,020 | 466,325,020 | | |
| Yadong Fuxing Yalian Investment Co., Ltd. | Domestic non State-owned Legal person | 9.68% | 202,429,149 | 202,429,149 | Pledge | 202,429,149 |
| Tibet Yingyue Investment Management Co., Ltd. | Domestic non State-owned Legal person | 4.84% | 101,214,574 | 101,214,574 | | |
| Guangdong Expressway Co., Ltd. | State-owned legal person | 2.53% | 52,937,491 | 52,937,491 | | |
| Guangfa Securities Co., Ltd. | Domestic non State-owned Legal person | 1.45% | 30,364,372 | 30,364,372 | | |
| Feng Wuchu | Domestic natural person shares | 1.03% | 21,438,522 | | | |
| Xingye Securities Co., Ltd. | State-owned legal person | 0.98% | 20,520,063 | | | |
| PERSHING LLC | Foreign legal person | 0.90% | 18,744,850 | | | |
| Xinyue Co., Ltd. | Foreign legal | 0.63% | 13,201,086 | | | |

| | person | | | | | |
|---|--|--|-------------|--|--|--|
| Shareholding of top 10 shareholders of unrestricted shares | | | | | | |
| Name of the shareholder | Quantity of unrestricted shares held at the end of the reporting period | Share type | | | | |
| | | Share type | Quantity | | | |
| Guangdong Communication Group Co., Ltd. | 103,379,742 | RMB Common shares | 103,379,742 | | | |
| Feng Wuchu | 21,438,522 | RMB Common shares | 19,700,583 | | | |
| | | Foreign shares placed in domestic exchange | 1,737,939 | | | |
| Xingye Securities Co., Ltd. | 20,520,063 | RMB Common shares | 20,520,063 | | | |
| PERSHING LLC | 18,744,850 | Foreign shares placed in domestic exchange | 18,744,850 | | | |
| Xinyue Co., Ltd. | 13,201,086 | Foreign shares placed in domestic exchange | 13,201,086 | | | |
| Khazanah Nasional Berhad—Self fund | 10,522,779 | RMB Common shares | 10,522,779 | | | |
| MATTHEWS CHINA DIVIDEND FUND | 9,341,406 | Foreign shares placed in domestic exchange | 9,341,406 | | | |
| GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED | 8,853,611 | Foreign shares placed in domestic exchange | 8,853,611 | | | |
| PRUSIK UMBRELLA UCITS FUND PLC | 8,028,796 | Foreign shares placed in domestic exchange | 8,028,796 | | | |
| ICBC—South preferred value stock Securities Investment Fund | 8,000,028 | RMB Common shares | 8,000,028 | | | |
| Explanation on shareholders participating in the margin trading | Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Highway Construction Co., Ltd, Guangdong Expressway Co., Ltd. and Xinyue Co., Ltd.. It is unknown | | | | | |

| | |
|---|---|
| business | whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies. |
| Participation of top 10 unconditional common share shareholders in securities margin trading (if any) | Nil |

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

(I) Items of balance sheet as compared with the beginning of this year.

1.Account receivable increased by RMB 51.18 million and 125.80% over the beginning of the year, Mainly in Guangdong Province, Fokai Expressway Co., Ltd. to pay the Fokai Expressway Xiebian to Sanbao section of the expansion of the project due to warranty. The main reason is that Guangfo Expressway Co., Ltd , Fokai Expressway Co., Ltd. And Jingzhu Expressway Guangzhu Section Co., Ltd. have increased their incomes of toll due to the natural increase of traffic volume.

2.Construction in process increased by RMB 106.31 million and 71.23% over the beginning of the year, Mainly due to the increase in the investment in the expansion project of the Sanbao-Shuikou section of Fokai Expressway by Guangdong Fokai Expressway Co., Ltd.

3. Deferred income tax assets Increased by RMB 197.51 million and 1,827.05% over the beginning of the year, The main reason is that the parent company absorbed and consolidated the subsidiary, which is expected to have enough taxable income to make up for the previous years' loss and confirm deferred income tax assets.

4.Account payable decreased by RMB 98 million and 32.73% over the beginning of the year, Mainly due to the subsidiary paid the project progress payment.

5. Taxes payable increased by RMB49.98 million and 46.99% over the beginning of the year, The main reason is that the increase in total profit in the current period resulted in an increase in the amount of enterprise income tax payable.

6.Other payable decreased by RMB 68.07 million and 50.70% over the beginning of the year, Mainly in Guangdong Province, Fokai Expressway Co., Ltd. to pay the Fokai Expressway Xiebian to Sanbao section of the expansion of the project due to warranty.

7.Deferred income tax liabilities increased by RMB87.80 million and 31.53% over the beginning of the year , Mainly are: (1) The parent company confirmed the deferred income tax liability of RMB 108.81 million corresponding to the rise of the fair value of stock of China Everbright Bank Co.,Ltd; (2) Guangdong Fokai Expressway Co., Ltd and Beijing-Zhuhai Expressway Guangzhu Section Co., Ltd shifted back the deferred income tax liability of RMB 21.01 million due to the road asset accounting depreciation bigger than the tax depreciation.

(II) Items of income statement as compared with the same period of the previous year

1.Operating income increased by RMB 187.80 million and 9.05% year on year, The main reason for the increase

(1) The natural growth of the traffic flow leads to that the toll revenue of Guangfo Expressway Co. Ltd., Guangdong Fokai Expressway Co. Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd increased by RMB 102.37 million; (2) Due to the impact of some vehicle circumventing Guangzhu Section of Jingzhu Expressway because of Bridge Closure of Hong Qili bridge of Fan Zhong Highway (S111), that section of the highway got an increase of traffic volume, so the toll revenue increased by RMB 75 million.

2. Operating cost decreased by RMB49.27 million and 5.70% year on year, The main reason for the decrease (1) The cooperation period with Guangfo Expressway Co. Ltd will be terminated on July 31, 2017, and Guangfo Expressway adopts the vehicle flow method to draw depreciation, and the depreciation has been fully drawn in the current reporting period, with a decrease of RMB 103.56 million compared to the same period last year;(2)Due to the natural growth of the traffic volume, the depreciation of road asset of Guangdong Fokai Expressway Co. Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd increased by about RMB 58.22 million; (3) (3) There was RMB 3.35 million operating costs of Jingzhu Expressway Guangzhu Section Co., Ltd affected by the decrease of bridge repair and reinforcement expenses.

3.Business tax and surcharge decreased by RMB24.70 million and 70.62% year on year, The main reason for the decrease: Since the full implementation of “replacing business tax with value-added tax” from May 1, 2016, the company’s toll revenue and the relevant income are no longer pay business tax but pay VAT. However, the VAT is not accounted in this accounting item.

4. Financial expenses decreased by RMB 72.25 million and 26.49% year on year, It’s mainly due to the comprehensive impact of repayment of interest-bearing debt, lower interest and the increase in interest income from bank deposits.

5.Income tax expenses decreased by RMB 165.48million and 67.41% year on year, Mainly due to the combined influence of the following factors: (1)The parent company is expected to have sufficient taxable income to make up for the previous year’s losses due to the absorption of the consolidated subsidiaries, to recognize the deferred income tax assets, correspondingly reduce the income tax expense of approximately RMB224.06 million; (2) From August 1, 2017 , The parent company to absorb the merger of subsidiaries after the merger tax, reduce tax losses, back to deferred income tax assets, increase income tax costs 16.01 million yuan; (3) As a result of the increase of the total profits of Guangfo Company, Fokai Company and Guangzhu-Dong Company, the income tax expenses increased by RMB 42.57 million.

6.The net profit for the owners of the parent company increased by RMB 480.25 million and 60.23% year on year due to the combined influence of the above factors.

(III) Notes of main items of cash flow statement

1. Cash paid for purchasing of merchandise and services

Mainly calculates the payment of special projects, upkeep costs and service fee of networking charge-collection etc. The current period increased RMB 23.75 million compared to the same period, an increase of 30.54%, which is mainly due to the increase of payment for projects by Guangfo Expressway Co., Ltd, Guangdong Fokai Expressway Co., Ltd and Jingzhu Expressway Guangzhu Section Co. Ltd in the current period.

2. Cash received from investment retrieving

Mainly calculates the obtained cash dividends due to the equity investment. In the current period, it decreased RMB 111.69 million compared to the same period last year, a decrease of 38.16%, Mainly due to that the cash dividends of Guangdong Guanghui Expressway Co. Ltd decreased by RMB 113.89 million year-on-year.The company received the cash dividends of RMB 81.11 million from Guangdong Guanghui Expressway Co., Ltd, received the cash dividends of RMB 55.17 million from Zhaoqing Yuezhao Highway Co., Ltd., received the cash dividends of RMB 23.05 million from China Everbright Bank, received the cash dividends of RMB 11.04 million from Guangdong Jiangzhong Expressway Co., Ltd, received the cash dividends of RMB 9.6 million from Ganzhou Gankang Expressway Co., Ltd.and received the cash dividends of RMB 1 million from Guangdong No.1 Network Partnership Firm (limited partnership).

3. Cash paid for construction of fixed assets, intangible assets and other long-term assets increased by RMB 161.84 million and 170.51% year on year, It’s mainly due to Guangdong Fokai Expressway Co., Ltd’s paying of guarantee money for the reconstruction and extension project of Fokai expressway to Xiebian-Sanbao section and

the increase in the payment for the reconstruction and extension project of Fokai expressway to Xiebian-Sanbao section.

4 Cash paid for investment decreased by RMB 803.50 million and 100% year on year, The reason is that the company paid cash to buy 25% stake of Guangdong Fokai Expressway Co., Ltd-which was held by Guangdong Expressway Co., Ltd-due to the major asset restructuring in the previous period and there was no such thing in the current period.

5. Payment of other cash related to investment activities increased by RMB 987.90 million and 100% year on year, The reason is that the company paid cash to buy the Guangdong Highway Construction Co., Ltd's creditor's rights to Jingzhu Expressway Guangzhu Section Co., Ltd due to the major asset restructuring in the previous period and there was no such thing in the current period.

6. Cash received from investment decreased by RMB 1633.50 million and 100% year on year, The reason is that the company issued shares to raise matching funds due to the major asset restructuring in the previous period and there was no such thing in the current period.

7.The cash received from obtaining loans decreased by RMB 690 million and 34.53% year on year, Mainly due to the company's current borrowing decrease.

8. Cash paid as dividend, profit, or interests increased by RMB 542.05 million and 137.36% year on year, Mainly due to the increase in the company's cash dividend payment caused by raising the dividend payout ratio.

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

Applicable Not applicable

At the end of June 2017, the Company received RMB 59,995,667.68 compensation for the loss due to the ahead-of-time cancelation of toll of Jiujiang Bridge. Such compensation was included in the non operating income, which increased the net profit attributable to the company's shareholders in the period of Jan-Jun 2017 by RMB 44,996,750.76, accounting for 4.49% of the company's 2016-year net profit attributable to the shareholders-which was RMB 1,001,205,945.39.

As of now, the Company has received all the compensation money due to the ahead-of-time cancelation of toll of Jiujiang Bridge.

| Overview of material matters | Date of disclosing | Description of the website for disclosing provisional announcements |
|--|--------------------|---|
| Notice of Significant Events of Guangdong Provincial Expressway Development Co., Ltd. | June 26,2013 | www.cninfo.com.cn |
| Announcement on Progress of Jiujiang Bridge of Guangdong Provincial Expressway Development Co., Ltd. | September 12,2015 | www.cninfo.com.cn |
| Announcement on Progress of Jiujiang Bridge of Guangdong Provincial Expressway Development Co., Ltd. | July 27,2016 | www.cninfo.com.cn |
| Announcement on Progress of Jiujiang Bridge of Guangdong Provincial | July 6,2017 | www.cninfo.com.cn |

| | | |
|----------------------------------|--|--|
| Expressway Development Co., Ltd. | | |
|----------------------------------|--|--|

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

The company has no commitments completed in period and those without completed till lend of the period from actual controller, shareholders, related parties, purchaser and companies.

IV. Prediction of Business performance for 2017

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason.

Applicable Not applicable

V. Investment in securities

√ Applicable □ Not applicable

| Security category | Security code | Stock Abbreviation: | Initial investment cost | Mode of accounting measurement | Book value balance at the beginning of the reporting period | Changes in fair value of the this period | Cumulative fair value changes in equity | Purchase amount in the this period | Sale amount in the this period | Gain/loss of the reporting period | Book value balance at the end of the reporting period | Accounting items | Source of the shares |
|--|---------------|-----------------------|-------------------------|--------------------------------|---|--|---|------------------------------------|--------------------------------|-----------------------------------|---|-------------------------------------|----------------------|
| Domestic and foreign stocks | 601818 | China Everbright Bank | 51,756,087,876.80 | Fair value measurement | 919,846,831.04 | 32,935,692.16 | 326,416,234.80 | 0.00 | 0.00 | 23,054,984.51 | 952,782,523.20 | Financial assets available for sale | Self fund |
| Total | | | 51,756,087,876.80 | -- | 919,846,831.04 | 32,935,692.16 | 326,416,234.80 | 0.00 | 0.00 | 23,054,984.51 | 952,782,523.20 | -- | -- |
| Disclosure date for the notice of approval by the Board (If any) | | | July 22,2009 | | | | | | | | | | |
| Disclosure date for the notice of approval by shareholders' Meeting (If any) | | | August 7,2009 | | | | | | | | | | |

VI. Investment in derivatives

Applicable Not applicable

The Company had no derivatives investment in Period.

VII. Registration form of such Activities as Reception, Research, Communication, Interview in the Reporting Period

Applicable Not applicable

| Reception time | Way of reception | Types of visitors | Basic index |
|----------------|----------------------|-------------------|--|
| July 18,2017 | Onsite investigation | Organization | 1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports |
| July 21,2017 | Onsite investigation | Organization | 1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports |
| August 30,2017 | Telephone | Organization | 1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports |
| August 30,2017 | Telephone | Organization | 1. The main content of research:1. the daily operation; 2. the company's financial data analysis;3. development strategy; 4. analysis on the industry. 2.Primary data investigation: Public information company regularly reports |

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

X.Implementation of the social Responsibility of taking targeted measures to alleviate poverty in light of local Conditions.

In The report third quarter, the company neither carried out the work of taking targeted measures to alleviate poverty in light of local conditions nor has such a plan.

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Guangdong Provincial Expressway Development Co., Ltd.

September 30, 2017

In RMB

| Items | At the end of term | Beginning of term |
|---|--------------------|-------------------|
| Current asset: | | |
| Cash and bank balances | 2,980,434,574.99 | 2,603,279,644.25 |
| Settlement provision | | |
| Outgoing call loan | | |
| Financial assets at fair value through profit or loss | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Account receivable | 91,856,731.95 | 40,681,197.01 |
| Advance payments | 1,660,931.62 | 2,860,130.35 |
| Insurance receivable | | |
| Reinsurance receivable | | |
| Provisions of Reinsurance contracts receivable | | |
| Interest receivable | | |
| Dividend receivable | | |
| Other account receivable | 22,542,487.60 | 25,167,879.53 |
| Securities purchased under agreements to resell | | |
| Inventories | 1,867,867.55 | 323,888.89 |
| Held-for-sale assets | | |
| Current portion of non-current assets | 55,669.14 | 55,719.14 |
| Other current asset | | |
| Total of current assets | 3,098,418,262.85 | 2,672,368,459.17 |
| Non-current assets: | | |
| Loans and advances | | |
| Available-for-sale financial assets | 1,751,357,624.93 | 1,718,421,932.77 |

| Items | At the end of term | Beginning of term |
|---|--------------------|-------------------|
| Held-to-maturity investments | | |
| Long-term receivable | | |
| Long term share equity investment | 2,377,167,529.91 | 2,220,805,130.31 |
| Property investment | 2,871,811.03 | 3,219,971.08 |
| Fixed assets | 8,668,633,139.67 | 9,285,823,302.77 |
| Construction in progress | 255,556,902.16 | 149,244,110.30 |
| Engineering material | 1,549,556.00 | 1,549,556.00 |
| Fixed assets pending for disposal | | |
| Productive biological assets | | |
| Gas & petrol | | |
| Intangible assets | 3,599,051.15 | 6,138,294.90 |
| Research and Development Expenditures | | |
| Goodwill | | |
| Long-term prepaid expenses | 404,213.04 | 1,763,966.07 |
| Deferred income tax | 208,320,314.60 | 10,810,322.94 |
| Other non-current asset | 649,156.07 | 2,300,170.28 |
| Total of non-current assets | 13,270,109,298.56 | 13,400,076,757.42 |
| Total of assets | 16,368,527,561.41 | 16,072,445,216.59 |
| Current liabilities | | |
| Short-term bank loan facilities | | |
| Borrowings from central bank | | |
| Deposits and placements from other financial institutions | | |
| Placement from banks and other financial institution | | |
| Financial liabilities at fair value through profit and loss | | |
| Derivative financial liabilities | | |
| Notes payable | | |
| Account payable | 201,413,801.42 | 299,414,047.07 |
| Advances from customers | 15,636,951.71 | 17,440,023.40 |
| Securities sold under agreement to repurchase | | |
| Fees and commissions payable | | |

| Items | At the end of term | Beginning of term |
|--|--------------------|-------------------|
| Payroll payable | 10,344,053.37 | 8,840,599.13 |
| Taxes and surcharges payable | 156,350,708.84 | 106,370,898.31 |
| Interest payable | 7,861,801.85 | 8,945,283.52 |
| Dividend payable | 14,738,941.49 | 12,506,777.92 |
| Other payable | 66,192,987.78 | 134,266,141.34 |
| Reinsurance amounts payable | | |
| Provision of insurance contract | | |
| Securities brokering | | |
| Securities underwriting | | |
| Held-for-sale liabilities | | |
| Current portion of non-current liabilities | 997,610,000.00 | 957,880,000.00 |
| Other current liability | | |
| Total of current liability | 1,470,149,246.46 | 1,545,663,770.69 |
| Non-current liabilities: | | |
| Long-term bank loan facilities | 5,045,950,000.00 | 5,402,780,000.00 |
| Bond payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term payable | 2,022,210.11 | 2,022,210.11 |
| Long-term employee benefits payable | | |
| Grants payable | | |
| Provisions | | |
| Deferred income | | |
| Deferred tax liabilities | 366,260,479.41 | 278,463,647.00 |
| Other non-current liabilities | | |
| Total non-current liabilities | 5,414,232,689.52 | 5,683,265,857.11 |
| Total of liability | 6,884,381,935.98 | 7,228,929,627.80 |
| Equity | | |
| Share capital | 2,090,806,126.00 | 2,090,806,126.00 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Reserves | 2,508,408,342.99 | 2,508,408,342.99 |

| Items | At the end of term | Beginning of term |
|--|--------------------|-------------------|
| Less: treasury shares | | |
| Other comprehensive income | 326,416,234.80 | 402,285,954.24 |
| Specialized reserve | | |
| Surplus reserves | 366,956,549.89 | 366,956,549.89 |
| General risk reserve | | |
| Retained earnings | 3,495,681,261.18 | 2,920,563,328.27 |
| Equity contributable to parent company | 8,788,268,514.86 | 8,289,020,301.39 |
| Minority interests | 695,877,110.57 | 554,495,287.40 |
| Total equity | 9,484,145,625.43 | 8,843,515,588.79 |
| Total liabilities and equity | 16,368,527,561.41 | 16,072,445,216.59 |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

2.Parent Company Balance Sheet

In RMB

| Items | Year-end balance | Year-beginning balance |
|---|------------------|------------------------|
| Current asset : | | |
| Cash and bank balances | 2,804,168,822.78 | 1,795,455,123.88 |
| Financial assets at fair value through profit or loss | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Account receivable | 29,681,367.45 | |
| Advance payments | 977,315.72 | 2,059,362.84 |
| Interest receivable | 54,954,999.49 | 34,833.33 |
| Dividend receivable | 10,000,000.00 | 24,000,000.00 |
| Other receivable | 10,995,936.38 | 2,350,265.24 |
| Inventories | | |
| Held-for-sale assets | | |
| Current portion of non-current assets | 85,000,000.00 | 95,000,000.00 |
| Other current asset | | |
| Total of current assets | 2,995,778,441.82 | 1,918,899,585.29 |

| Items | Year-end balance | Year-beginning balance |
|---|-------------------|------------------------|
| Non-current assets: | | |
| Available-for-sale financial assets | 1,751,357,624.93 | 1,718,421,932.77 |
| Held-to-maturity investments | | |
| Long-term receivable | | |
| Long term share equity investment | 7,546,829,749.58 | 7,385,967,349.97 |
| Property investment | 2,619,672.78 | 2,967,832.83 |
| Fixed assets | 5,917,967,808.66 | 2,744,611.16 |
| Construction in progress | 238,417,593.30 | |
| Engineering material | | |
| Fixed assets pending for disposal | | |
| Productive biological assets | | |
| Gas & petrol | | |
| Intangible assets | 1,524,518.88 | 725,234.38 |
| Research and Development Expenditures | | |
| Goodwill | | |
| Long-term prepaid expenses | 283,613.51 | 1,559,874.44 |
| Deferred income tax | 208,048,582.44 | |
| Other non-current asset | 857,903,684.98 | 847,903,684.98 |
| Total of non-current assets | 16,524,952,849.06 | 9,960,290,520.53 |
| Total of assets | 19,520,731,290.88 | 11,879,190,105.82 |
| Current liabilities | | |
| Short-term bank loan facilities | | |
| Financial liabilities at fair value through profit and loss | | |
| Derivative financial liabilities | | |
| Notes payable | | |
| Account payable | 179,354,787.84 | |
| Advances from customers | | |
| Payroll payable | 3,351,099.78 | 1,347,078.47 |
| Tax payable | 7,085,818.44 | 1,986,670.18 |
| Interest payable | 7,227,385.15 | 4,469,288.30 |
| Dividend payable | 14,738,941.49 | 12,506,777.92 |
| Other payable | 3,837,136,478.41 | 1,989,088.70 |

| Items | Year-end balance | Year-beginning balance |
|--|-------------------|------------------------|
| Held-for-sale liabilities | | |
| Current portion of non-current liabilities | 917,610,000.00 | 50,200,000.00 |
| Other current liability | 899,838,189.28 | 836,363,256.69 |
| Total of current liability | 5,866,342,700.39 | 908,862,160.26 |
| Non-current liabilities: | | |
| Long-term bank loan facilities | 4,596,950,000.00 | 2,999,700,000.00 |
| Bond payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term payable | 2,022,210.11 | 2,022,210.11 |
| Long-term employee benefits payable | | |
| Grants payable | | |
| Provisions | | |
| Deferred income | | |
| Deferred income tax | 210,567,399.77 | |
| Other non-current liabilities | | |
| Total of Non-current liabilities | 4,809,539,609.88 | 3,001,722,210.11 |
| Total of liability | 10,675,882,310.27 | 3,910,584,370.37 |
| Equity | | |
| Share capital | 2,090,806,126.00 | 2,090,806,126.00 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Reserves | 3,359,791,693.12 | 3,359,791,693.12 |
| Less: treasury shares | | |
| Other comprehensive income | 326,416,234.80 | 402,285,954.24 |
| Specialized reserve | | |
| Surplus reserves | 351,112,266.24 | 351,112,266.24 |
| Retained earnings | 2,716,722,660.45 | 1,764,609,695.85 |
| Total equity | 8,844,848,980.61 | 7,968,605,735.45 |
| Total liabilities and equity | 19,520,731,290.88 | 11,879,190,105.82 |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

3.Consolidated Income statement of the Report period**In RMB**

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I. Revenue | 822,526,484.69 | 741,459,581.99 |
| Including: business revenue | 822,526,484.69 | 741,459,581.99 |
| Interest income | | |
| Premiums earned | | |
| Fees and commissions income | | |
| II. Total operating cost | 391,978,517.38 | 428,810,522.37 |
| Including: Cost of sales | 281,272,481.97 | 305,283,543.01 |
| Interest expense | | |
| Fees and commissions expense | | |
| Cash surrender amount | | |
| Net expenses of claim settlement | | |
| Net provisions for insurance contract reserves | | |
| Policy dividend expenses | | |
| Reinsurance expenses | | |
| Business taxes and surcharges | 3,382,365.58 | 2,696,476.12 |
| Selling expenses | | |
| Administrative expense | 40,620,068.97 | 38,686,992.60 |
| Financial expenses | 66,703,600.86 | 82,143,510.64 |
| Impairment loss on assets | | |
| Add: Gain from fair-value changes(“-“for loss) | | |
| Investment income(“-“for loss) | 113,907,034.97 | 109,156,739.38 |
| Including: investment income from associates and joint ventures | 113,907,034.97 | 109,156,739.38 |
| Gain on foreign exchange(“-“for loss) | | |
| Other income | | |
| III. Operating profit (“-” for loss) | 544,455,002.28 | 421,805,799.00 |
| Add:Non-operating income | 1,121,057.31 | 1,913,046.35 |

| Items | Amount in this period | Amount in last period |
|--|-----------------------|-----------------------|
| Including: Gains from disposal of non-current assets | | 35,674.48 |
| Less: Non business expenses | 1,028,790.51 | 765,994.15 |
| Incl: Loss from disposal of non-current assets | -54,289.06 | 69,835.80 |
| IV. Profit before tax("“for loss) | 544,547,269.08 | 422,952,851.20 |
| Less: Income tax expense | 99,958,901.51 | 88,169,879.72 |
| V. Net profit ("“for net loss) | 444,588,367.57 | 334,782,971.48 |
| Net profit attributable to the owners of parent company | 384,780,778.72 | 291,476,074.93 |
| Minority interests | 59,807,588.85 | 43,306,896.55 |
| VI. Other comprehensive income after tax | | 7,057,648.32 |
| Net of profit of other comprehensive income attributable to owners of the parent company | | 7,057,648.32 |
| (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. | | 7,057,648.32 |
| 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 | | 7,057,648.32 |
| 3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets | | |
| 4.The effective portion of cash flow hed | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| ges and losses | | |
| 5.Translation differences in currency financial statements | | |
| 6.Other | | |
| Net after-tax of other comprehensive income attributable to Minority shareholders' equity | | |
| VII. Total comprehensive income | 444,588,367.57 | 341,840,619.80 |
| Total comprehensive income attributable to the owner of the parent company | 384,780,778.72 | 298,533,723.25 |
| Total comprehensive income attributable minority shareholders | 59,807,588.85 | 43,306,896.55 |
| VIII. Earnings per share | | |
| (I) Basic earnings per share | 0.18 | 0.14 |
| (II)Diluted earnings per share | 0.18 | 0.14 |

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

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

4.Income statement of the Parent Company of the Report period

In RMB

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I.Revenue | 243,646,856.46 | 20,658,732.80 |
| Less: Business cost | 107,539,198.57 | 116,053.35 |
| Business tax and surcharge | 1,135,202.88 | |
| Selling expenses | | |
| Administrative expense | 16,820,363.64 | 13,019,284.71 |
| Financial expenses | 52,147,873.91 | 42,042,957.40 |
| Impairment loss on assets | | |
| Add: Gain from fair-value changes("“for loss) | | |

| Items | Amount in this period | Amount in last period |
|--|-----------------------|-----------------------|
| Investment income(“-“for loss) | 501,673,481.88 | 336,768,519.45 |
| Including: investment income from associates and joint ventures | 113,907,034.97 | 109,156,739.37 |
| Other income | | |
| II. Operational profit (“-“for loss) | 567,677,699.34 | 302,248,956.79 |
| Add:Non-operating income | 279,044.71 | |
| Including: Gains from disposal of non-current assets | | |
| Less:Non-operating expenses | | |
| Incl: Loss from disposal of non-current assets | | |
| III. Profit before tax(“-“for loss) | 567,956,744.05 | 302,248,956.79 |
| Less: Income tax expense | 8,943,088.28 | |
| IV. Net profit (“-“for net loss) | 559,013,655.77 | 302,248,956.79 |
| V.Net of profit of other comprehensive income | | 7,057,648.32 |
| (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. | | 7,057,648.32 |
| 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 | | 7,057,648.32 |
| 3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets | | |
| 4.The effective portion of cash flow hed | | |

| Items | Amount in this period | Amount in last period |
|--|-----------------------|-----------------------|
| ges and losses | | |
| 5.Translation differences in currency financial statements | | |
| 6.Other | | |
| VI. Total comprehensive income | 559,013,655.77 | 309,306,605.11 |
| VII. Earnings per share: | | |
| (I) Basic earnings per share | | |
| (II)Diluted earnings per share | | |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

5. Consolidated income statement between the beginning of the year and end of the report period

In RMB

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I.Revenue | 2,262,749,048.43 | 2,074,951,761.76 |
| Including: Operating income | 2,262,749,048.43 | 2,074,951,761.76 |
| Interest income | | |
| Insurance gained | | |
| Commission charge and commission income | | |
| II. Total operating cost | 1,144,258,992.54 | 1,291,061,746.90 |
| Including: Operating cost | 814,962,327.13 | 864,231,016.09 |
| Interest expense | | |
| Commission chare and commission expense | | |
| Insurance discharge payment | | |
| Net claim amount paid | | |
| Insurance policy dividend paid | | |
| Insurance policy dividend paid | | |
| Reinsurance expenses | | |
| Business tax and surcharge | 10,278,140.64 | 34,979,823.57 |
| Selling expenses | | |

| Items | Amount in this period | Amount in last period |
|--|-----------------------|-----------------------|
| Administrative expense | 118,313,983.81 | 119,266,608.44 |
| Financial expenses | 200,507,959.88 | 272,761,745.85 |
| Asset impairment loss | 196,581.08 | -177,447.05 |
| Add: Gains from change of fair value (“-”for loss) | | |
| Investment gain (“-”for loss) | 337,337,399.41 | 336,587,426.70 |
| Incl: investment gains from affiliates | 313,283,142.59 | 290,889,715.03 |
| Gains from currency exchange (“-”for loss) | | |
| Other income | | |
| III. Operational profit (“-”for loss) | 1,455,827,455.30 | 1,120,477,441.56 |
| Add: Non-business income | 63,420,135.89 | 65,594,191.49 |
| Incl: Gains from disposal of non-current assets | | 146,849.95 |
| Less: Non business expenses | 4,128,264.77 | 1,644,322.74 |
| Incl: Loss from disposal of non-current assets | 2,574,727.37 | 172,289.45 |
| IV. Total profit (“-”for loss) | 1,515,119,326.42 | 1,184,427,310.31 |
| Less: Income tax expenses | 80,018,819.53 | 245,502,700.15 |
| V. Net profit (“-”for net loss) | 1,435,100,506.89 | 938,924,610.16 |
| Net profit attributable to the owners of parent company | 1,277,628,791.25 | 797,375,219.22 |
| Minority shareholders' equity | 157,471,715.64 | 141,549,390.94 |
| VI. Net after-tax of Other comprehensive income | -75,869,719.44 | -105,864,724.80 |
| Net after-tax of other comprehensive income attributable to owners of the parent company. | -75,869,719.44 | -105,864,724.80 |
| (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 th | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| the equity method investee can not be reclassified into profit or loss. | | |
| (II) Other comprehensive income that will be reclassified into profit or loss. | -75,869,719.44 | -105,864,724.80 |
| 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 | -75,869,719.44 | -105,864,724.80 |
| 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 after-tax of other comprehensive income attributable to Minority shareholders' equity | | |
| VII. Total comprehensive income | 1,359,230,787.45 | 833,059,885.36 |
| Total comprehensive income attributable to the owner of the parent company | 1,201,759,071.81 | 691,510,494.42 |
| Total comprehensive income attributable minority shareholders | 157,471,715.64 | 141,549,390.94 |
| VIII. Earnings per share | | |
| (I) Basic earnings per share | 0.61 | 0.43 |
| (II) Diluted earnings per share | 0.61 | 0.43 |

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

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

6.Income Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I.Revenue | 281,871,132.87 | 31,163,735.61 |
| Less: Business cost | 107,771,305.27 | 348,160.05 |
| Business tax and surcharge | 1,180,772.15 | 361,322.43 |
| Selling expenses | | |
| Administrative expense | 43,378,310.99 | 44,002,056.60 |
| Financial expenses | 119,005,596.12 | 115,490,339.57 |
| Asset impairment loss | | |
| Add: Gains from change of fir value (“-”for loss) | | |
| Investment gain (“-”for loss) | 1,432,408,272.61 | 629,165,956.85 |
| Incl: investment gains from affiliates | 313,283,142.59 | 325,057,770.08 |
| Other income | | |
| II. Operational profit | 1,442,943,420.95 | 500,127,813.81 |
| Add: Non-business income | 352,923.13 | |
| Incl: Gains from disposal of non-current assets | | |
| Less: Non business expenses | | |
| Incl: Loss from disposal of non-current assets | | |
| III.Total profit | 1,443,296,344.08 | 500,127,813.81 |
| Less: Income tax expenses | -211,327,478.86 | |
| IV. Net profit | 1,654,623,822.94 | 500,127,813.81 |
| V. Net after-tax of Other comprehensive income | -75,869,719.44 | -105,864,724.80 |
| (I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period | | |
| 1.Re-measurement of defined benefit pl ans of changes in net debt or net assets | | |
| 2.Other comprehensive income under th e equity method investee can not be recl | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| classified into profit or loss. | | |
| (II) | | |
| Other comprehensive income that will be reclassified into profit or loss. | -75,869,719.44 | -105,864,724.80 |
| 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 | -75,869,719.44 | -105,864,724.80 |
| 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 | 1,578,754,103.50 | 394,263,089.01 |
| VII. Earnings per share | | |
| (I) Basic earnings per share | | |
| (II) Diluted earnings per share | | |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

7. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

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 | 2,269,246,330.63 | 2,090,706,476.39 |
| 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 | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| 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 | | |
| Other cash received from business operation | 67,752,504.28 | 64,414,941.26 |
| Sub-total of cash inflow | 2,336,998,834.91 | 2,155,121,417.65 |
| Cash paid for purchasing of merchandise and services | 101,493,279.85 | 77,747,481.21 |
| 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 | 203,043,259.59 | 202,712,813.20 |
| Taxes paid | 325,795,159.90 | 312,423,889.98 |
| Other cash paid for business activities | 61,842,977.19 | 86,041,616.58 |
| Sub-total of cash outflow from business activities | 692,174,676.53 | 678,925,800.97 |
| Cash flow generated by business operation, net | 1,644,824,158.38 | 1,476,195,616.68 |
| II. Cash flow generated by investing | | |
| Cash received from investment | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| retrieving | | |
| Cash received as investment gains | 180,974,999.80 | 292,667,352.01 |
| Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets | 138,750.00 | 656,801.00 |
| Net cash received from disposal of subsidiaries or other operational units | | |
| Other investment-related cash received | 60,287,001.01 | 61,275,293.24 |
| Sub-total of cash inflow due to investment activities | 241,400,750.81 | 354,599,446.25 |
| Cash paid for construction of fixed assets, intangible assets and other long-term assets | 256,756,858.37 | 94,916,306.81 |
| Cash paid as investment | | 803,500,000.00 |
| Net increase of loan against pledge | | |
| Net cash received from subsidiaries and other operational units | | |
| Other cash paid for investment activities | | 987,903,684.98 |
| Sub-total of cash outflow due to investment activities | 256,756,858.37 | 1,886,319,991.79 |
| Net cash flow generated by investment | -15,356,107.56 | -1,531,720,545.54 |
| III.Cash flow generated by financing | | |
| Cash received as investment | | 1,633,499,989.30 |
| Incl: Cash received as investment from minor shareholders | | |
| Cash received as loans | 1,308,000,000.00 | 1,998,000,000.00 |
| Cash received from bond placing | | |
| Other financing –related ash received | | 5,173.81 |
| Sub-total of cash inflow from financing activities | 1,308,000,000.00 | 3,631,505,163.11 |
| Cash to repay debts | 1,625,100,000.00 | 1,283,400,000.00 |
| Cash paid as dividend, profit, or interests | 936,660,204.59 | 394,611,135.28 |
| Incl: Dividend and profit paid by subsidiaries to minor shareholders | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| Other cash paid for financing activities | | 4,727,368.84 |
| Sub-total of cash outflow due to financing activities | 2,561,760,204.59 | 1,682,738,504.12 |
| Net cash flow generated by financing | -1,253,760,204.59 | 1,948,766,658.99 |
| IV. Influence of exchange rate alternation on cash and cash equivalents | 1,447,084.51 | -523,203.86 |
| V.Net increase of cash and cash equivalents | 377,154,930.74 | 1,892,718,526.27 |
| Add: balance of cash and cash equivalents at the beginning of term | 2,603,279,644.25 | 1,199,629,276.85 |
| VI ..Balance of cash and cash equivalents at the end of term | 2,980,434,574.99 | 3,092,347,803.12 |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

8. Cash Flow Statement of the Parent Between the Beginning of the Year and End of the Report Period

| 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 | 204,860,249.44 | 8,146,814.48 |
| Tax returned | | |
| Other cash received from business operation | 711,264,490.94 | 171,178,904.77 |
| Sub-total of cash inflow | 916,124,740.38 | 179,325,719.25 |
| Cash paid for purchasing of merchandise and services | 6,155,244.77 | |
| Cash paid to staffs or paid for staffs | 34,315,661.16 | 27,376,371.77 |
| Taxes paid | 4,409,052.82 | 4,606,170.36 |
| Other cash paid for business activities | 285,269,012.07 | 29,074,861.23 |
| Sub-total of cash outflow from business activities | 330,148,970.82 | 61,057,403.36 |
| Cash flow generated by business operation, net | 585,975,769.56 | 118,268,315.89 |
| II.Cash flow generated by investing | | |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| Cash received from investment retrieving | | |
| Cash received as investment gains | 1,290,045,873.00 | 551,077,827.12 |
| Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets | 128,000.00 | |
| Net cash received from disposal of subsidiaries or other operational units | | |
| Other investment-related cash received | 10,786,916.66 | 73,220,416.67 |
| Sub-total of cash inflow due to investment activities | 1,300,960,789.66 | 624,298,243.79 |
| Cash paid for construction of fixed assets, intangible assets and other long-term assets | 1,413,815.93 | 394,590.00 |
| Cash paid as investment | 4,500,000.00 | 803,500,000.00 |
| Net cash received from subsidiaries and other operational units | | |
| Other cash paid for investment activities | 10,000,000.00 | 987,903,684.98 |
| Sub-total of cash outflow due to investment activities | 15,913,815.93 | 1,791,798,274.98 |
| Net cash flow generated by investment | 1,285,046,973.73 | -1,167,500,031.19 |
| III.Cash flow generated by financing | | |
| Cash received as investment | | 1,633,499,989.30 |
| Cash received as loans | | 1,000,000,000.00 |
| Cash received from bond placing | | |
| Other financing –related ash received | | 5,173.81 |
| Sub-total of cash inflow from financing activities | | 2,633,505,163.11 |
| Cash to repay debts | 50,100,000.00 | |
| Cash paid as dividend, profit, or interests | 813,656,128.90 | 255,146,238.66 |
| Other cash paid for financing activities | | 4,727,368.84 |
| Sub-total of cash outflow due to financing activities | 863,756,128.90 | 259,873,607.50 |
| Net cash flow generated by financing | -863,756,128.90 | 2,373,631,555.61 |

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| IV. Influence of exchange rate alternation on cash and cash equivalents | 1,447,084.51 | -523,203.86 |
| V.Net increase of cash and cash equivalents | 1,008,713,698.90 | 1,323,876,636.45 |
| Add: balance of cash and cash equivalents at the beginning of term | 1,795,455,123.88 | 822,286,507.11 |
| VI ..Balance of cash and cash equivalents at the end of term | 2,804,168,822.78 | 2,146,163,143.56 |

Legal Representative: Zhen Renfa General Manager : Wang Chunhua

Person in charge of accounting: Fang Zhi Accounting Dept Leader: Zhou Fang

II. Auditor's report

Whether the Q3 report is audited

Yes No

The Q3 Report is not audited.