

Stock code: 200771

Stock ID: Hangqilun B

Announcement No.2019-58

Hangzhou Steam Turbine Co., Ltd.

The Third Quarterly Report 2019(Full Text)

(Stock code: 200771)



October 2019

1 Important notes

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

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

Mr.Zheng Bin, Person in charge of the Company, Mr. Zhao Jiamao, Person in charge of accounting works, Mr.Jin Can , Chief of the accounting organ (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report .

II. Basic information about the company

I. Main financial data and indices

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

No

	As at the end of the reporting period	As at the end of last year		Changed (%) over end of prev. year
Gross assets (Yuan)	12,212,544,839.66	11,569,169,903.81		5.56%
Net assets attributable to the shareholders of the listed company (Yuan)	6,387,256,350.19	6,007,540,929.16		6.32%
	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 (Yuan)	1,259,472,944.08	13.60%	3,179,654,647.11	-6.28%
Net profit attributable to the shareholders of the listed company (Yuan)	128,559,248.99	-21.28%	288,884,381.99	-1.01%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	116,129,508.20	-19.37%	247,703,697.88	6.09%
Cash flow generated by business operation, net (Yuan)	--	--	163,279,420.58	-72.79%
Basic earning per share(Yuan/Share)	0.17	-22.73%	0.38	-2.56%
Diluted gains per share(Yuan/Share)	0.17	-22.73%	0.38	-2.56%
Weighted average income/asset ratio (%)	2.04%	-0.69%	4.66%	-0.23%

Items and amount of non-current gains and losses

In RMB

Non-recurring gain and loss 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)	-326,973.05	

Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	25,729,477.67	
Gain/loss from debt reorganization	-2,196,787.49	
In addition to normal business with the company effective hedging related business, holders of tradable financial assets, transactions and financial liabilities arising from changes in fair value gains and losses, as well as the disposal of trading of financial assets, trading financial liabilities and available-for-sale financial assets gains return on investment	29,778,787.02	
Net amount of non-operating income and expense except the aforesaid items	1,716,098.66	
Less: .Amount of influence of income tax	9,036,858.65	
Influence on minority shareholders' equity (after tax)	4,483,060.05	
Total	41,180,684.11	--

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.

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	13,631	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
Hangzhou Steam Turbine Power Group Co., Ltd.	State-owned legal person	63.64%	479,824,800	479,824,800		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign legal person	0.71%	5,357,736	0		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.63%	4,722,804	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	0.59%	4,423,583	0		
Zhou Jie	Domestic Natural person	0.58%	4,337,000	0		
China Merchants Securities (HK)Co., Ltd.	State-owned legal person	0.47%	3,555,077	0		
ISHARES CORE MSCI EMERGING MARKETS ETF	Foreign legal person	0.46%	3,496,459	0		
NORGES BANK	Foreign legal person	0.33%	2,514,529	0		
Xia Zulin	Domestic Natural person	0.31%	2,301,000	0		
Wang Yihu	Domestic Natural person	0.20%	1,488,524	0		
To 10 holders of unconditional shares						
Shareholders' Names	Amount of shares without sales restriction	Share type				
		Share type	Quantity			
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	5,357,736	Foreign shares placed	5,357,736			

		in domestic exchange	
VANGUARD EMERGING MARKETS STOCK INDEX FUND	4,722,804	Foreign shares placed in domestic exchange	4,722,804
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	4,423,583	Foreign shares placed in domestic exchange	4,423,583
Zhou Jie	4,337,000	Foreign shares placed in domestic exchange	4,337,000
China Merchants Securities (HK)Co., Ltd.	3,555,077	Foreign shares placed in domestic exchange	3,555,077
ISHARES CORE MSCI EMERGING MARKETS ETF	3,496,459	Foreign shares placed in domestic exchange	3,496,459
NORGES BANK	2,514,529	Foreign shares placed in domestic exchange	2,514,529
Xia Zulin	2,301,000	Foreign shares placed in domestic exchange	2,301,000
Wang Yihu	1,488,524	Foreign shares placed in domestic exchange	1,488,524
BOCHK INVESTMENT FUNDS-BOCHK CHINA GOLDEN DRAGON FUND	1,267,627	Foreign shares placed in domestic exchange	1,267,627
Explanation on associated relationship or concerted action of the above shareholders	(1)It is unknown to the Company if there is any relationship among the top 10 common share holders without restriction. (2) Other Shareholders. is not an action-in-concert” party with any of other shareholders as described by the “Administration Rules of Informational Disclosure about Change of Shareholding Statues of PLCs”.		
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Not applicable		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

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

Not applicable

III. Significant Events

I. Changes in the principal accounting statement items and financial indications and the causes

In RMB

Balance sheet items	Ending balance	Opening balance	Scale of change	Causes of change
Transactional financial assets	1,030,270,000.00	0.00		Mainly due to the adjustment of the report items according to the implementation of new financial standard in the current period.
Prepayments	497,157,397.80	370,958,990.74	34.02%	Mainly due to the increase in the prepaid equipment payment for the construction of the new plant.
Dividend receivable	27,827,292.60	16,557,292.60	68.07%	Mainly due to the dividends of Hangzhou Bank and the increase in pledge dividends in the current period.
Other account receivable	22,019,008.05	15,995,166.16	37.66%	Mainly due to the increase of bid bond and reserve fund.
Other current asset	48,913,537.98	1,188,747,955.74	-95.89%	Mainly due to the adjustment of the report items according to the implementation of new financial standard in the current period.
Available for sale of financial assets	0.00	2,130,076,555.2	-100.00%	Mainly due to the adjustment of the report items according to the implementation of new financial standard in the current period.
Long term share equity investment	10,941,439.29	8,221,439.29	33.08%	Mainly due to the capital increase into the joint venture-Zhejiang Zhongrun Gas Turbine Technology Co., Ltd.
Construction in progress	726,277,749.36	454,767,328.93	59.70%	Mainly due to the continuous investment in the construction of the new plant area in the current period.
Other equity instruments investment	2,297,345,490.70	0.00		Mainly due to the adjustment of the report items according to the implementation of new financial standard in the current period.
Other non-current financial assets	180,406,134.44	0.00		Mainly due to the adjustment of the report items according to the implementation of new

				financial standard in the current period.
Short-term loans	97,700,000.00	139,600,000.00	-30.01%	Mainly due to the decrease in short-term borrowings during the period.
Interest payable	0.00	437,314.72	-100.00%	Mainly due to the decrease in interest on borrowings that were not paid during the period.
Long-term payable	777,253,689.21	474,876,451.26	63.67%	Mainly due to the receipt of compensation for removal in the current period.
Income statement items	Amount in the reporting period	Same period of last term	Scale of change	Causes of change
Business tax and surcharge	17,493,111.64	33,984,172.83	-48.53%	Mainly due to the YOY decrease in value-added tax paid during the period.
Financial expenses	-18,382,223.74	-9,991,434.12	-83.98%	Mainly due to the increase in interest income during the period.
Impairment loss of assets	-37,549,167.26	-98,292,739.70	61.80%	Mainly due to decrease in the provision for impairment of assets in the current period due to the debt restructuring and the recovery of long-term accounts receivable and so forth.
Non-operating income	4,831,680.19	11,253,922.23	-57.07%	Mainly due to decrease in the allowable exempt accounts payable in the current period due to the debt restructuring.
Non-operating expenses	5,637,262.06	3,264,511.69	72.68%	Mainly due to the increase in compensation expenses in the current period.
Cash flow statement Items	Amount in the reporting period	Same period of the previous year	Scale of change	Causes of change
Cash flow generated by business operation, net	163,279,420.58	600,061,531.02	-72.79%	Mainly due to the YOY decrease in cash receipts from sales of goods during the period.
Net cash flow generated by investment	160,871,735.69	-417,696,615.32	138.51%	Mainly due to the decrease in newly purchased wealth management products and the decrease in total holdings in the current period.
Net increasing of cash and cash equivalents	-250,913,888.08	-66,417,360.93	-277.78%	Mainly due to the increase in dividends distributed to external and the decrease in bank borrowings during the period.

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

Not applicable

Progress in the implementation of share repurchase

Not applicable

Progress in the implementation of the reduction of the repurchased shares by means of centralized bidding

Not applicable

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

There are no commitments that the company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Investment in securities

In RMB

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	Sauce of the shares
Domestic and foreign stocks	600926	Hangzhou Bank	390,954,040.00	FVM	2,011,876,524.40	285,468,966.30	1,906,391,450.70				2,297,345,490.70	Other Equity Instrument investment	Self funds
Domestic and foreign stocks	000912	LUTIAN HUA	3,756,608.40	FVM		-1,631,104.76	-1,631,104.76	3,756,608.40			2,125,503.64	Other non-current financial assets	See notes below
Total			394,710,648.40	--	2,011,876,524.40	283,837,861.54	0.00	3,756,608.40	0.00	0.00	2,299,470,994.34	--	--
Disclosure Date of Announcement on Securities investment approved by the Board of Directors													
Disclosure Date of Announcement on Securities Investment Approved by the Shareholders Meeting (If any)													

VI. Entrusted financial management

In RMB 10,000

Type	Source	Amount	Unexpired balance	Overdue amount
------	--------	--------	-------------------	----------------

Bank financing product	Self funds	88,127	96,527	0
Brokerage financing product	Self funds	2,400.8	500	0
Trust financing product	Self funds	18,000	6,000	0
Total		108,527.8	103,027	0

Specific Circumstance of Trust Investment which is Large in single amount, low insecurity, poor in liquidity or unguaranteed in high risk

In RMB 10,000

Name of Trustees (or Entrustees)	Type of Trustees (or Entrustees)	Type of Production	Amount	Source	Date of Beginning	Date of Expiry	Capital Investment Orientation	Way of Confirming Rewards	Referential Annualized Yield Rate	Prospective Yield (if any)	Actual profit or loss for the reporting period	Actual recovery of profits and losses during the reporting period	Provision for impairment (if any)	Whether or not due process has been followed	Is there a commission plan in the future	Summary of matters and related query Index (if any)
Hangzhou Industrial Commercial Trust	Investment & management company	Trust	10,000	Disposal of own capital	March 30, 2018	March 21, 2019	Invest in creditors' rights of real estate / other creditors' rights, public and private bonds, public and private equity instruments, short-term/high-liquid debt instruments.	Floating profit	7.50%	733.56	733.56	733.56		Yes	No	
Hangzhou Bank	Bank	Bank non-capital preservation interest management	7,000	Disposal of own capital	December 28, 2018	March 29, 2019	Invest in high liquid assets, debt assets, equity assets.	Floating profit	4.35%	75.92	75.92	75.92		Yes	No	

		products														
CZB	Bank	Bank non-capital preservation interest management products	7,000	Disposal of own capital	November 20,2018	November 18,2019	Investment in bonds, currency market instruments, interbank deposits, trust plans that meet regulatory requirements, asset income rights, currency market funds, bond funds and other fixed income instruments, securitization products, asset management plans that meet the above investment directions, and other financial instruments allowed by policies and regulations.	Floating profit	4.85%	337.64	0	0		Yes	No	
Bank of China	Bank	Bank non-capital preservation interest management products	7,000	Disposal of own capital	July 29,2019	September 2,2019	Government debt, corporate bonds, inter-bank lending, medium-term notes, financing bonds, etc.	Floating profit	2.95%	19.47	19.47	19.47		Yes	No	
Bank of China	Bank	Bank non-capital preservation interest management products	7,000	Disposal of own capital	September 6,2019	October 10,2019	Government debt, corporate bonds, inter-bank lending, medium-term notes, financing bonds, etc.	Floating profit	2.90%	18.91	0	0		Yes	No	

		ment products														
Total			38,000	--	--	--	--	--	--	1,185.5	828.95	--	--	--	--	--

Situation with the appearance of principals which can not be recovered expectedly or other existing situations which may lead to impairment

Not applicable

VI. Investment in derivatives

Applicable Not applicable

There is no derivative investment during the report period.

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

No such cases in the reporting period.

VIII. External guarantee get out of line

Applicable Not applicable

IX. Non-operational Occupancy of the Company's Capital by the Controlling Shareholder and its Related Parties

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: Hangzhou Steam Turbine Co., Ltd.

In RMB

Items	September 30,2019	December 31,2018
Current asset :		
Monetary fund	1,474,367,079.10	1,382,392,009.59
Settlement provision		
Outgoing call loan		
Transactional financial assets	1,030,270,000.00	0.00
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable	663,773,928.40	595,089,175.22
Account receivable	2,018,581,642.30	1,940,798,255.26
Financing of receivables		
Prepayments	497,157,397.80	370,958,990.74
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	49,846,300.65	32,552,458.76
Including: Interest receivable		
Dividend receivable	27,827,292.60	16,557,292.60
Repurchasing of financial assets		
Inventories	1,977,940,204.58	2,188,121,342.87
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	48,913,537.98	1,188,747,955.74
Total of current assets	7,760,850,090.81	7,698,660,188.18
Non-current assets :		
Loans and payment on other's behalf disbursed		
Debt investment		
Available for sale of financial assets	0.00	2,130,076,555.20

Other investment on bonds		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	10,941,439.29	8,221,439.29
Other equity instruments investment	2,297,345,490.70	0.00
Other non-current financial assets	180,406,134.44	0.00
Property investment		
Fixed assets	747,728,356.99	783,740,928.49
Construction in progress	726,277,749.36	454,767,328.93
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	274,277,500.98	279,740,756.49
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	214,718,077.09	213,962,707.23
Other non-current asset		
Total of non-current assets	4,451,694,748.85	3,870,509,715.63
Total of assets	12,212,544,839.66	11,569,169,903.81
Current liabilities		
Short-term loans	97,700,000.00	139,600,000.00
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	203,383,831.40	263,897,462.79
Account payable	1,151,812,574.17	1,086,685,918.74
Advance receipts	2,552,139,715.82	2,582,234,158.36
Contract Liabilities		
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		

Employees' wage payable	81,628,041.93	86,390,955.29
Tax payable	49,851,418.96	62,405,200.62
Other account payable	46,198,091.05	36,904,303.01
Including: Interest payable	0.00	437,314.72
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	100,000,000.00	100,100,000.00
Other current liability		
Total of current liability	4,282,713,673.33	4,358,217,998.81
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	22,600,000.00	22,700,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable	777,253,689.21	474,876,451.26
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	42,435,855.35	44,675,128.30
Deferred income tax liability	287,020,975.81	244,169,946.57
Other non-current liabilities		
Total non-current liabilities	1,129,310,520.37	786,421,526.13
Total of liability	5,412,024,193.70	5,144,639,524.94
Owners' equity		
Share capital	754,010,400.00	754,010,400.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	151,684,419.65	151,684,419.65
Less: Shares in stock		
Other comprehensive income	1,620,186,251.18	1,377,168,522.74

Special reserve	19,636,062.06	21,020,671.47
Surplus reserves	621,112,807.78	621,112,807.78
Common risk provision		
Retained profit	3,220,626,409.52	3,082,544,107.52
Total of owner's equity belong to the parent company	6,387,256,350.19	6,007,540,929.16
Minority shareholders' equity	413,264,295.77	416,989,449.71
Total of owners' equity	6,800,520,645.96	6,424,530,378.87
Total of liabilities and owners' equity	12,212,544,839.66	11,569,169,903.81

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

2.Parent Company Balance Sheet

In RMB

Items	September 30,2019	December 31,2018
Current asset:		
Monetary fund	1,024,800,003.89	877,357,020.98
Transactional financial assets	550,000,000.00	
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable	272,048,207.93	302,284,986.43
Account receivable	1,478,540,676.14	1,374,628,210.45
Financing of receivables		
Prepayments	248,134,193.27	208,498,421.20
Other account receivable	34,356,195.24	19,984,760.06
Including: Interest receivable		
Dividend receivable	27,827,292.60	16,557,292.60
Inventories	1,372,902,913.88	1,584,030,951.83
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		890,000,000.00
Total of current assets	4,980,782,190.35	5,256,784,350.95

Non-current assets:		
Debt investment		
Available for sale of financial assets		2,090,631,297.62
Other investment on bonds		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	860,732,321.62	502,919,378.03
Other equity instruments investment	2,297,345,490.70	
Other non-current financial assets	142,280,276.86	
Property investment		
Fixed assets	431,785,349.13	448,890,495.75
Construction in progress	261,686,676.55	142,310,055.48
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	162,699,868.04	165,734,347.73
Development expenses		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	163,716,346.37	163,871,631.81
Other non-current asset		
Total of non-current assets	4,320,246,329.27	3,514,357,206.42
Total of assets	9,301,028,519.62	8,771,141,557.37
Current liabilities		
Short-term loans		
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	10,000,000.00	24,200,000.00
Account payable	641,335,487.31	630,653,099.86
Advance receipts	1,695,176,632.88	1,877,069,335.29
Contract Liabilities		
Employees' wage payable	52,256,774.59	43,332,523.01
Tax payable	19,132,298.76	37,809,874.53
Other account payable	30,826,263.84	24,708,959.22
Including: Interest payable		212,010.69

Dividend payable		
Liabilities held for sales		
Non-current liability due within 1 year	100,000,000.00	100,000,000.00
Other current liability		
Total of current liability	2,548,727,457.38	2,737,773,791.91
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable	567,664,904.81	264,512,388.24
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	40,931,870.35	41,944,793.30
Deferred income tax liability	287,020,975.81	244,169,946.57
Other non-current liabilities		
Total non-current liabilities	895,617,750.97	550,627,128.11
Total of liability	3,444,345,208.35	3,288,400,920.02
Owners' equity		
Share capital	754,010,400.00	754,010,400.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	138,953,250.09	138,953,250.09
Less: Shares in stock		
Other comprehensive income	1,620,432,733.09	1,377,784,111.74
Special reserve	7,136,365.23	7,609,505.31
Surplus reserves	602,356,402.65	602,356,402.65
Retained profit	2,733,794,160.21	2,602,026,967.56
Total of owners' equity	5,856,683,311.27	5,482,740,637.35
Total of liabilities and owners' equity	9,301,028,519.62	8,771,141,557.37

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

3.Consolidated Income statement of the Report period

Items	In RMB	
	Amount in this period	Amount in last period
I. Turnover	1,259,472,944.08	1,108,687,686.30
Including: Operating income	1,259,472,944.08	1,108,687,686.30
Interest income	0.00	0.00
Insurance fee earned	0.00	0.00
Fee and commission received	0.00	0.00
II. Total operating costs	1,063,402,412.11	928,441,577.15
Including: Operating costs	833,112,502.91	698,663,985.04
Interest expense	0.00	0.00
Fee and commission paid	0.00	0.00
Insurance discharge payment	0.00	0.00
Net claim amount paid	0.00	0.00
Appropriation of deposit for duty, net	0.00	0.00
Insurance policy dividend paid	0.00	0.00
Reinsurance expenses	0.00	0.00
Business tax and surcharge	4,034,970.65	4,164,943.79
Sales expense	53,828,704.09	44,033,676.52
Administrative expense	128,452,938.62	119,519,553.39
R & D expense	58,101,016.42	72,054,029.60
Financial expenses	-14,127,720.58	-9,994,611.19
Including: Interest expense	3,049,492.86	3,615,328.64
Interest income	8,604,496.65	2,712,767.25
Add: Other income	9,967,888.64	2,529,767.83
Investment gain (“-”for loss)	2,238,832.77	70,813,800.50
Including: investment gains from affiliates	0.00	0.00
Financial assets measured at amortized cost cease to be recognized as income	0.00	0.00
Gains from currency exchange	0.00	0.00
Net exposure hedging income	0.00	0.00

Changing income of fair value	-156,349.42	0.00
Credit impairment loss	0.00	0.00
Impairment loss of assets	-43,972,973.96	-55,181,386.88
Assets disposal income	0.00	-3,512.61
III. Operating profit (“-”for loss)	164,147,930.00	198,404,777.99
Add : Non-operating income	4,086,841.03	7,064,195.75
Less: Non-operating expenses	416,499.78	673,357.15
IV. Total profit(“-”for loss)	167,818,271.25	204,795,616.59
Less: Income tax expenses	20,942,187.32	22,054,153.14
V. Net profit	146,876,083.93	182,741,463.45
(I) Classification by business continuity		
1.Net continuing operating profit	146,876,083.93	182,741,463.45
2.Termination of operating net profit	0.00	0.00
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	128,559,248.99	163,313,243.33
2.Minority shareholders’ equity	18,316,834.94	19,428,220.12
VI. Net after-tax of other comprehensive income	28,052,616.28	-23,360,682.96
Net of profit of other comprehensive income attributable to owners of the parent company.	27,868,098.54	-23,405,956.89
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	27,731,271.01	0.00
1.Re-measurement of defined benefit plans of changes in net debt or net assets	0.00	0.00
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.	0.00	0.00
3. Changes in the fair value of investments in other equity instruments	27,731,271.01	0.00
4. Changes in the fair value of the company’s credit risks	0.00	0.00
5.Other	0.00	0.00
(II)		
Other comprehensive income that will be reclassified into profit or loss.	136,827.53	-23,405,956.89
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.	0.00	0.00
2. Changes in the fair value of investments in other debt obligations	0.00	0.00
	0.00	-23,439,529.39

3. Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets	0.00	0.00
5. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets	0.00	0.00
6. Allowance for credit impairments in investments in other debt obligations	0.00	0.00
7. Reserve for cash flow hedges	0.00	0.00
8. Translation differences in currency financial statements	136,827.53	33,572.50
9. Other	0.00	0.00
Net of profit of other comprehensive income attributable to Minority shareholders' equity	184,517.74	45,273.93
VII. Total comprehensive income	174,928,700.21	159,380,780.49
Total comprehensive income attributable to the owner of the parent company	156,427,347.53	139,907,286.44
Total comprehensive income attributable minority shareholders	18,501,352.68	19,473,494.05
VIII. Earnings per share		
(I) Basic earnings per share	0.17	0.22
(II) Diluted earnings per share	0.17	0.22

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

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

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	819,933,432.91	698,411,449.47
Including: Operating costs	550,786,723.53	422,591,187.82
Business tax and surcharge	656,680.27	853,658.87
Sales expense	29,989,897.19	28,830,027.49
Administrative expense	85,386,581.72	78,734,803.39
R & D expense	34,623,248.26	49,502,603.39

Financial expenses	-14,211,732.34	-9,515,143.09
Including: Interest expenses	1,386,892.71	941,722.22
Interest income	6,570,709.61	1,672,779.68
Add: Other income	8,461,395.92	1,603,129.49
Investment gain (“-”for loss)	467,203.13	101,614,644.02
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value	-156,349.42	
Credit impairment loss		
Impairment loss of assets	-44,516,274.64	-49,956,816.30
Assets disposal income		
II. Operating profit (“-”for loss)	96,958,009.27	180,675,268.81
Add : Non-operating income	2,744,198.08	6,804,403.21
Less: Non -operating expenses	-571,413.09	
III. Total profit(“-”for loss)	100,273,620.44	187,479,672.02
Less: Income tax expenses	15,194,105.20	14,396,702.89
IV. Net profit	85,079,515.24	173,082,969.13
1. Net continuing operating profit	85,079,515.24	173,082,969.13
2. Termination of operating net profit	0.00	0.00
V. Net after-tax of other comprehensive income	27,731,271.01	-23,439,529.39
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	27,731,271.01	0.00
1. Re-measurement of defined benefit plans of changes in net debt or net assets	0.00	0.00
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.	0.00	0.00
3. Changes in the fair value of investments in other equity instruments	27,731,271.01	0.00
4. Changes in the fair value of the company’s credit risks	0.00	0.00
5. Other	0.00	0.00
(II) Other comprehensive income that will be reclassified into profit or loss.	0.00	-23,439,529.39
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.	0.00	0.00

2. Changes in the fair value of investments in other debt obligations	0.00	0.00
3. Gains and losses from changes in fair value available for sale financial assets	0.00	-23,439,529.39
4. Other comprehensive income arising from the reclassification of financial assets	0.00	0.00
5. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets	0.00	0.00
6. Allowance for credit impairments in investments in other debt obligations	0.00	0.00
7. Reserve for cash flow hedges	0.00	0.00
8. Translation differences in currency financial statements	0.00	0.00
9. Other	0.00	0.00
VI. Total comprehensive income	112,810,786.25	149,643,439.74
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

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. Turnover	3,179,654,647.11	3,392,818,668.43
Including: Operating income	3,179,654,647.11	3,392,818,668.43
Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total operating costs	2,877,835,659.02	3,036,194,058.93
Including: Operating costs	2,199,516,904.17	2,310,780,137.30
Interest expense		
Fee and commission paid		

Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty,net		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	17,493,111.64	33,984,172.83
Sales expense	140,724,643.41	121,041,978.74
Administrative expense	363,621,264.60	356,975,613.55
R & D expense	174,861,958.94	223,403,590.63
Financial expenses	-18,382,223.74	-9,991,434.12
Including: Interest expense	10,212,822.58	9,518,675.26
Interest income	22,290,646.94	8,999,590.97
Add: Other income	25,729,477.67	22,867,462.28
Investment gain (“-”for loss)	101,699,155.43	107,958,407.94
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value	-1,631,104.76	0.00
Credit impairment loss		
Impairment loss of assets	-37,549,167.26	-98,292,739.70
Assets disposal income	-1,183.02	-3,512.61
III. Operating profit (“-”for loss)	390,066,166.15	389,154,227.41
Add : Non-operating income	4,831,680.19	11,253,922.23
Less: Non-operating expense	5,637,262.06	3,264,511.69
IV. Total profit(“-”for loss)	389,260,584.28	397,143,637.95
Less: Income tax expenses	57,717,586.61	54,032,024.96
V. Net profit	331,542,997.67	343,111,612.99
(I) Classification by business continuity		
1.Net continuing operating profit	331,542,997.67	343,111,612.99
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	288,884,381.99	291,823,837.34

2.Minority shareholders' equity	42,658,615.68	51,287,775.65
VI. Net after-tax of other comprehensive income	243,515,485.04	-96,070,528.59
Net of profit of other comprehensive income attributable to owners of the parent company.	243,017,728.44	-96,069,678.89
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	242,648,621.35	0.00
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.		
3. Changes in the fair value of investments in other equity instruments	242,648,621.35	
4. Changes in the fair value of the company's credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	369,107.09	-96,069,678.89
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3.Gains and losses from changes in fair value available for sale financial assets		-96,069,048.81
4. Other comprehensive income arising from the reclassification of financial assets		
5.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements	369,107.09	-630.08
9.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity	497,756.60	-849.70
VII. Total comprehensive income	575,058,482.71	247,041,084.40
Total comprehensive income attributable to the owner of the parent company	531,902,110.43	195,754,158.45

Total comprehensive income attributable minority shareholders	43,156,372.28	51,286,925.95
VIII. Earnings per share		
(I) Basic earnings per share	0.38	0.39
(II) Diluted earnings per share	0.38	0.39

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

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	2,021,367,165.14	2,189,150,333.95
Including: Operating costs	1,419,479,492.96	1,515,016,894.16
Business tax and surcharge	7,626,103.56	20,834,534.64
Sales expense	78,039,858.11	70,905,475.62
Administrative expense	245,306,228.86	233,577,791.35
R & D expense	106,667,412.13	161,617,772.84
Financial expenses	-21,470,371.54	-10,794,244.88
Including: Interest expenses	4,691,534.25	3,846,459.27
Interest income	18,593,178.48	5,902,263.69
Add: Other income	13,917,270.04	19,859,416.82
Investment gain (“-”for loss)	153,015,943.33	199,260,434.93
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value	-1,631,104.76	
Credit impairment loss		
Impairment loss of assets	-42,320,934.82	-82,930,149.30
Assets disposal income		
II. Operating profit (“-”for loss)	308,699,614.85	334,181,812.67
Add : Non-operating income	3,376,160.54	10,929,928.48
Less: Non -operating expenses	2,332,671.26	991,089.95

III. Total profit("-"for loss)	309,743,104.13	344,120,651.20
Less: Income tax expenses	27,173,831.49	28,421,452.77
IV. Net profit	282,569,272.64	315,699,198.43
1.Net continuing operating profit	282,569,272.64	315,699,198.43
2.Termination of operating net profit		
V. Net after-tax of other comprehensive income	242,648,621.35	-96,069,048.81
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	242,648,621.35	
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.		
3. Changes in the fair value of investments in other equity instruments	242,648,621.35	
4. Changes in the fair value of the company's credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.		-96,069,048.81
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Gains and losses from changes in fair value available for sale financial assets		-96,069,048.81
4. Other comprehensive income arising from the reclassification of financial assets		
5.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements		
9.Other		
VI. Total comprehensive income	525,217,893.99	219,630,149.62
VII. Earnings per share		
(I) Basic earnings per share		
(II)Diluted earnings per share		

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

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	2,401,489,904.17	2,922,174,240.29
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		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	9,452,246.56	4,436,443.28
Other cash received from business operation	38,089,833.69	23,972,719.40
Sub-total of cash inflow	2,449,031,984.42	2,950,583,402.97
Cash paid for purchasing of merchandise and services	1,390,790,562.36	1,410,074,595.43
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	535,189,229.29	546,423,474.68
Taxes paid	206,236,487.81	268,804,298.07

Other cash paid for business activities	153,536,284.38	125,219,503.77
Sub-total of cash outflow from business activities	2,285,752,563.84	2,350,521,871.95
Net cash generated from /used in operating activities	163,279,420.58	600,061,531.02
II. Cash flow generated by investing		
Cash received from investment retrieving	1,319,400.00	101,314,432.00
Cash received as investment gains	90,647,265.02	98,301,115.34
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	267,093.28	4,138.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	2,435,058,131.23	3,373,416,055.08
Sub-total of cash inflow due to investment activities	2,527,291,889.53	3,573,035,740.42
Cash paid for construction of fixed assets, intangible assets and other long-term assets	308,397,153.84	323,721,857.46
Cash paid as investment	64,120,000.00	67,000,000.00
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	1,993,903,000.00	3,600,010,498.28
Sub-total of cash outflow due to investment activities	2,366,420,153.84	3,990,732,355.74
Net cash flow generated by investment	160,871,735.69	-417,696,615.32
III. Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	97,700,000.00	144,800,000.00
Other financing –related cash received		
Sub-total of cash inflow from financing activities	97,700,000.00	144,800,000.00
Cash to repay debts	139,800,000.00	102,800,000.00
Cash paid as dividend, profit, or interests	206,283,221.41	105,886,694.26
Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	2,530,666.67	2,530,666.67
Sub-total of cash outflow due to financing activities	348,613,888.08	211,217,360.93
Net cash flow generated by financing	-250,913,888.08	-66,417,360.93
IV. Influence of exchange rate alternation on cash and cash	5,489,068.91	4,374,942.68

equivalents		
V.Net increase of cash and cash equivalents	78,726,337.10	120,322,497.45
Add: balance of cash and cash equivalents at the beginning of term	1,262,186,817.20	1,222,677,495.94
VI ..Balance of cash and cash equivalents at the end of term	1,340,913,154.30	1,342,999,993.39

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

8. Cash Flow 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.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,270,950,290.66	1,732,346,257.32
Tax returned		1,710,862.98
Other cash received from business operation	21,046,261.46	8,454,029.21
Sub-total of cash inflow	1,291,996,552.12	1,742,511,149.51
Cash paid for purchasing of merchandise and services	714,774,061.03	930,857,428.18
Cash paid to staffs or paid for staffs	348,781,348.27	363,539,423.10
Taxes paid	108,690,832.97	162,465,388.01
Other cash paid for business activities	63,232,732.77	39,414,332.67
Sub-total of cash outflow from business activities	1,235,478,975.04	1,496,276,571.96
Net cash generated from /used in operating activities	56,517,577.08	246,234,577.55
II.Cash flow generated by investing		
Cash received from investment retrieving		100,000,000.00
Cash received as investment gains	141,974,518.67	189,603,142.33
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	242,600.00	
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	1,236,201,629.52	2,429,775,072.51
Sub-total of cash inflow due to investment activities	1,378,418,748.19	2,719,378,214.84
Cash paid for construction of fixed assets, intangible assets	136,069,232.99	120,259,505.35

and other long-term assets		
Cash paid as investment	419,212,943.59	66,000,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	582,000,000.00	2,480,000,000.00
Sub-total of cash outflow due to investment activities	1,137,282,176.58	2,666,259,505.35
Net cash flow generated by investment	241,136,571.61	53,118,709.49
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		
Other financing –related cash received		
Sub-total of cash inflow from financing activities		
Cash to repay debts		
Cash paid as dividend, profit, or interests	155,705,624.93	41,558,617.59
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	155,705,624.93	41,558,617.59
Net cash flow generated by financing	-155,705,624.93	-41,558,617.59
IV. Influence of exchange rate alternation on cash and cash equivalents	5,494,459.15	4,362,150.46
V.Net increase of cash and cash equivalents	147,442,982.91	262,156,819.91
Add: balance of cash and cash equivalents at the beginning of term	877,357,020.98	654,407,180.33
VI .Balance of cash and cash equivalents at the end of term	1,024,800,003.89	916,564,000.24

Legal Representative: Zheng Bin

Person-in-charge of the accounting work: Zhao Jiamao

Person-in -charge of the accounting organ: Jin Can

II Adjustments to the Financial Statements

1. Adjustment of the relevant items of the financial statements at the current year beginning according to the new standards for financial instruments, the new standards for revenues and the new standards for lease implemented commencing from year 2019

Consolidated balance sheet

In RMB

Items	December 31,2018	January 1,2019	Amount involved in the adjustment
Current asset:			
Monetary fund	1,382,392,009.59	1,382,392,009.59	
Settlement provision			
Outgoing call loan			
Transactional financial assets	0.00	1,156,870,000.00	1,156,870,000.00
Financial assets measured at fair value with variations accounted into current income account			
Derivative financial assets			
Notes receivable	595,089,175.22	595,089,175.22	
Account receivable	1,940,798,255.26	1,940,798,255.26	
Financing of receivables			
Prepayments	370,958,990.74	370,958,990.74	
Insurance receivable			
Reinsurance receivable			
Provisions of Reinsurance contracts receivable			
Other account receivable	32,552,458.76	32,552,458.76	
Including: Interest receivable			
Dividend receivable	16,557,292.60	16,557,292.60	
Repurchasing of financial assets			
Inventories	2,188,121,342.87	2,188,121,342.87	
Contract assets			
Assets held for sales			
Non-current asset due within 1 year			
Other current asset	1,188,747,955.74	31,877,955.74	-1,156,870,000.00
Total of current assets	7,698,660,188.18	7,698,660,188.18	
Non-current assets :			
Loans and payment on other's behalf disbursed			
Debt investment			
Available for sale of financial assets	2,130,076,555.20		-2,130,076,555.20
Other investment on bonds			
Expired investment in possess			
Long-term receivable			
Long term share equity investment	8,221,439.29	8,221,439.29	
Other equity instruments investment	0.00	2,011,876,524.40	2,011,876,524.40

Other non-current financial assets	0.00	118,200,030.80	118,200,030.80
Property investment			
Fixed assets	783,740,928.49	783,740,928.49	
Construction in progress	454,767,328.93	454,767,328.93	
Production physical assets			
Oil & gas assets			
Use right assets			
Intangible assets	279,740,756.49	279,740,756.49	
Development expenses			
Goodwill			
Long-germ expenses to be amortized			
Deferred income tax asset	213,962,707.23	213,962,707.23	
Other non-current asset			
Total of non-current assets	3,870,509,715.63	3,870,509,715.63	
Total of assets	11,569,169,903.81	11,569,169,903.81	
Current liabilities			
Short-term loans	139,600,000.00	139,600,000.00	
Loan from Central Bank			
Borrowing funds			
Transactional financial liabilities			
Financial liabilities measured at fair value with variations accounted into current income account			
Derivative financial liabilities			
Notes payable	263,897,462.79	263,897,462.79	
Account payable	1,086,685,918.74	1,086,685,918.74	
Advance receipts	2,582,234,158.36	2,582,234,158.36	
Contract liabilities			
Selling of repurchased financial assets			
Deposit taking and interbank deposit			
Entrusted trading of securities			
Entrusted selling of securities			
Employees' wage payable	86,390,955.29	86,390,955.29	
Tax payable	62,405,200.62	62,405,200.62	
Other account payable	36,904,303.01	36,904,303.01	
Including: Interest payable	437,314.72	437,314.72	
Dividend payable		0.00	

Fees and commissions payable			
Reinsurance fee payable			
Liabilities held for sales			
Non-current liability due within 1 year	100,100,000.00	100,100,000.00	
Other current liability			
Total of current liability	4,358,217,998.81	4,358,217,998.81	
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term loan	22,700,000.00	22,700,000.00	
Bond payable			
Including: preferred stock			
Sustainable debt			
Lease liability			
Long-term payable	474,876,451.26	474,876,451.26	
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	44,675,128.30	44,675,128.30	
Deferred income tax liability	244,169,946.57	244,169,946.57	
Other non-current liabilities			
Total non-current liabilities	786,421,526.13	786,421,526.13	
Total of liability	5,144,639,524.94	5,144,639,524.94	
Owners' equity			
Share capital	754,010,400.00	754,010,400.00	
Other equity instruments			
Including: preferred stock			
Sustainable debt			
Capital reserves	151,684,419.65	151,684,419.65	
Less: Shares in stock			
Other comprehensive income	1,377,168,522.74	1,377,168,522.74	
Special reserve	21,020,671.47	21,020,671.47	
Surplus reserves	621,112,807.78	621,112,807.78	
Common risk provision			
Retained profit	3,082,544,107.52	3,082,544,107.52	
Total of owner's equity belong to the parent	6,007,540,929.16	6,007,540,929.16	

company			
Minority shareholders' equity	416,989,449.71	416,989,449.71	
Total of owners' equity	6,424,530,378.87	6,424,530,378.87	
Total of liabilities and owners' equity	11,569,169,903.81	11,569,169,903.81	

Adjustment statement

Parent Company Balance Sheet

In RMB

Items	December 31,2018	January 1,2019	Amount involved in the adjustment
Current asset:			
Monetary fund	877,357,020.98	877,357,020.98	
Transactional financial assets		890,000,000.00	890,000,000.00
Financial assets measured at fair value with variations accounted into current income account			
Derivative financial assets			
Notes receivable	302,284,986.43	302,284,986.40	
Account receivable	1,374,628,210.45	1,374,628,210.45	
Financing of receivables			
Prepayments	208,498,421.20	208,498,421.20	
Other account receivable	19,984,760.06	19,984,760.06	
Including: Interest receivable			
Dividend receivable	16,557,292.60	16,557,292.60	
Inventories	1,584,030,951.83	1,584,030,951.83	
Contract assets			
Assets held for sales			
Non-current asset due within 1 year			
Other current asset	890,000,000.00		-890,000,000.00
Total of current assets	5,256,784,350.95	5,256,784,350.95	
Non-current assets:			
Debt investment			
Available for sale of financial assets	2,090,631,297.62		-2,090,631,297.62
Other investment on bonds			
Expired investment in possess			
Long-term receivable			
Long term share equity investment	502,919,378.03	502,919,378.03	

Other equity instruments investment		2,011,876,524.40	2,011,876,524.40
Other non-current financial assets		78,754,773.22	78,754,773.22
Property investment			
Fixed assets	448,890,495.75	448,890,495.75	
Construction in progress	142,310,055.48	142,310,055.48	
Production physical assets			
Oil & gas assets			
Use right assets			
Intangible assets	165,734,347.73	165,734,347.73	
Development expenses			
Goodwill			
Long-germ expenses to be amortized			
Deferred income tax asset	163,871,631.81	163,871,631.81	
Other non-current asset			
Total of non-current assets	3,514,357,206.42	3,514,357,206.42	
Total of assets	8,771,141,557.37	8,771,141,557.37	
Current liabilities			
Short-term loans			
Transactional financial liabilities			
Financial liabilities measured at fair value with variations accounted into current income account			
Derivative financial liabilities			
Notes payable	24,200,000.00	24,200,000.00	
Account payable	630,653,099.86	630,653,099.86	
Advance receipts	1,877,069,335.29	1,877,069,335.29	
Contract Liabilities			
Employees' wage payable	43,332,523.01	43,332,523.01	
Tax payable	37,809,874.53	37,809,874.53	
Other account payable	24,708,959.22	24,708,959.22	
Including: Interest payable	212,010.69	212,010.69	
Dividend payable			
Liabilities held for sales			
Non-current liability due within 1 year	100,000,000.00	100,000,000.00	
Other current liability			
Total of current liability	2,737,773,791.91	2,737,773,791.91	
Non-current liabilities:			

Long-term loan			
Bond payable			
Including: preferred stock			
Sustainable debt			
Lease liability			
Long-term payable	264,512,388.24	264,512,388.24	
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	41,944,793.30	41,944,793.30	
Deferred income tax liability	244,169,946.57	244,169,946.57	
Other non-current liabilities			
Total non-current liabilities	550,627,128.11	550,627,128.11	
Total of liability	3,288,400,920.02	3,288,400,920.02	
Owners' equity			
Share capital	754,010,400.00	754,010,400.00	
Other equity instruments			
Including: preferred stock			
Sustainable debt			
Capital reserves	138,953,250.09	138,953,250.09	
Less: Shares in stock			
Other comprehensive income	1,377,784,111.74	1,377,784,111.74	
Special reserve	7,609,505.31	7,609,505.31	
Surplus reserves	602,356,402.65	602,356,402.65	
Retained profit	2,602,026,967.56	2,602,026,967.56	
Total of owners' equity	5,482,740,637.35	5,482,740,637.35	
Total of liabilities and owners' equity	8,771,141,557.37	8,771,141,557.37	

2. Note to the retroactive adjustment of the previous comparative data according to the new standards for financial instruments and the new standards for lease implemented commencing from year 2019

Not applicable

III. Auditor' report

Is the Third Quarterly Report be audited?

Yes No

The Third Quarterly report is not audited.

Hangzhou Steam Turbine Co., Ltd.
Chairman of the Board: Zheng Bin

October 30, 2019