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**DONGFENG MOTOR GROUP COMPANY LIMITED\***

**東風汽車集團股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 489)**

## **OVERSEAS REGULATORY ANNOUNCEMENT AND INSIDE INFORMATION**

This announcement is made by Dongfeng Motor Group Company Limited (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) is pleased to announce that on 3 December 2018, the Company published the following documents on the website of the Shanghai Stock Exchange:

- (1) announcement on the public issuance of the second tranche of 2018 corporate bonds (for qualified investors) (the “**Bond Issuance**”);
- (2) the prospectus regarding the Bond Issuance (the “**Prospectus**”);
- (3) the summary of the Prospectus; and
- (4) the rating report relating to the Bond Issuance.

Please refer to <http://www.sse.com.cn/> for details and for reference only.

The Prospectus and the summary of the Prospectus contains certain information which was not previously disclosed publicly by the Company. The Company is making this announcement to facilitate equal dissemination of information to shareholders and investors.

The Prospectus does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities. The Prospectus must not be regarded as an inducement to subscribe for or purchase any securities of the Company, and no such inducement is intended. No investment decision should be based solely on the information contained in the Prospectus.

## **INFORMATION NOT PREVIOUSLY DISCLOSED**

The unaudited financial results of the Company for the nine months ended 30 September 2018 prepared in accordance with the China Accounting Standards for Business Enterprises are set out in the Appendix. Such financial information was originally prepared in Chinese and published in both Chinese and English. In the case of any discrepancy, the Chinese text shall prevail over the English text.

By order of the Board  
**ZHU YANFENG**  
*Chairman*

Wuhan, the PRC, 3 December 2018

*As at the date of this announcement, Mr. Zhu Yanfeng and Mr. Li Shaozhu are the executive Directors, and Mr. Ma Zhigeng, Mr. Zhang Xiaotie, Mr. Cao Xinghe and Mr. Chen Yunfei are the independent non-executive Directors.*

\* *For identification purposes only*

# 1. CONSOLIDATED BALANCE SHEET

**Table 6-1 Consolidated Balance Sheet of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	As at 30 September 2018	As at 31 December 2017	As at 31 December 2016 (restated)	As at 31 December 2015
<b>Current assets:</b>				
Monetary capital	34,115,478,529	43,861,369,348	37,495,713,338	35,565,976,412
Financial assets at fair value through profit or loss	14,834,371	–	–	–
Due from banks and other financial institutions	–	–	–	–
Notes receivable	14,073,511,825	14,663,737,963	15,488,598,155	13,015,098,778
Accounts receivable	8,392,385,374	6,741,528,708	6,131,772,902	4,098,069,927
Advanced payments	3,917,380,926	3,972,570,982	3,645,543,238	4,496,078,564
Interests receivable	715,658,041	456,533,463	248,244,890	425,682,564
Other receivables	979,958,604	2,345,056,684	1,617,758,472	971,141,747
Dividends receivable	11,176,074	7,968,160,645	3,875,312,612	2,606,141,690
Inventories	11,364,385,264	10,206,755,942	8,735,053,896	8,665,263,944
Assets classified as held for sale	–	–	–	–
Non-current assets due within one year	25,148,991,587	22,139,710,646	14,089,970,764	9,884,932,153
Other current assets	4,447,390,880	2,502,188,385	3,330,203,491	2,005,967,180
<b>Total current assets</b>	<b>103,181,151,475</b>	<b>114,857,612,766</b>	<b>94,658,171,758</b>	<b>81,734,352,959</b>

Unit: RMB

Item	As at 30 September 2018	As at 31 December 2017	As at 31 December 2016 (restated)	As at 31 December 2015
<b>Non-current assets:</b>				
Available-for-sale financial assets	172,635,824	174,161,640	174,464,294	189,518,669
Loans and advances	14,800,262,094	12,589,235,137	9,049,583,268	6,938,864,519
Long-term equity investments	66,506,991,041	54,652,814,371	53,329,007,955	49,872,208,917
Held-to-maturity investments	100,000,000	—	—	—
Fixed assets	12,918,782,141	12,371,849,875	11,663,116,733	10,493,405,195
Construction in progress	2,695,324,882	2,633,160,105	2,210,050,915	2,435,741,670
Disposal of fixed assets	34,129,616	862,260	3,669,464	5,335,796
Intangible assets	3,779,890,111	3,529,357,821	3,734,396,515	2,673,603,287
Development expenses	1,956,082,488	1,914,521,467	1,180,333,222	1,060,400,867
Goodwill	1,762,627,253	1,762,627,253	1,798,108,929	1,792,482,068
Long-term deferred expenses	373,264,420	153,478,856	128,927,639	123,961,986
Deferred income tax assets	2,459,150,984	2,519,569,861	2,133,931,671	1,802,827,974
Other non-current assets	3,648,971,177	5,514,225,559	5,198,253,640	1,844,873,093
<b>Total non-current assets</b>	<b>111,208,112,031</b>	<b>97,815,864,205</b>	<b>90,603,844,245</b>	<b>79,233,224,041</b>
<b>Total assets</b>	<b>214,389,263,505</b>	<b>212,673,476,971</b>	<b>185,262,016,003</b>	<b>160,967,577,000</b>

Unit: RMB

Item	As at 30 September 2018	As at 31 December 2017	As at 31 December 2016 (restated)	As at 31 December 2015
<b>Current liabilities:</b>				
Short-term borrowings	3,269,404,625	2,087,772,441	936,440,770	1,736,399,000
Borrowings from the Central Bank	258,750,122	—	—	—
Deposits and placements from other financial institutions	9,299,358,119	13,967,815,141	7,438,322,218	5,777,227,164
Placements from banks and other financial institutions	—	—	—	—
Financial assets sold under repurchase agreements	400,000,000	1,500,000,000	1,500,000,000	1,200,000,000
Notes payable	24,105,982,123	21,525,741,532	14,867,195,533	10,980,090,536
Accounts payable	21,093,491,200	25,718,449,475	26,023,598,239	19,510,993,400
Advances from customers	3,544,080,894	3,272,683,520	4,488,532,401	4,381,269,469
Employee benefits payable	1,577,538,008	1,879,413,521	1,694,459,125	1,443,188,168
Taxes payable	924,649,432	1,629,364,379	1,579,154,522	608,752,250
Interests payable	155,034,173	70,315,837	78,616,117	70,202,905
Dividends payable	631,996	631,996	14,856,090	7,587,882
Other payables	9,291,439,060	10,447,143,716	8,223,763,719	8,815,523,793
Liabilities classified as held for sale	—	—	—	—
Accrued liabilities	1,110,879,432	1,285,006,424	1,084,816,857	1,156,923,981
Non-current liabilities due within one year	4,215,337,097	4,247,116,623	242,792,395	1,329,577,493
Other current liabilities	3,940,306,828	3,050,469,771	2,015,169,323	1,619,445,039
<b>Total current liabilities</b>	<b>83,186,883,109</b>	<b>90,681,924,376</b>	<b>70,187,717,309</b>	<b>58,637,181,080</b>

Unit: RMB

Item	As at 30 September 2018	As at 31 December 2017	As at 31 December 2016 (restated)	As at 31 December 2015
<b>Non-current liabilities:</b>				
Long-term borrowings	2,302,920,661	2,398,266,610	3,442,739,494	4,024,438,808
Bonds payable	300,000,000	–	3,644,427,650	3,534,085,102
Long-term accounts payable	320,300,142	360,878,535	354,975,066	–
Deposits	–	–	–	–
Deferred income	740,471,845	771,347,502	871,620,036	542,504,474
Deferred income tax liabilities	1,759,142,656	1,555,104,735	1,301,536,677	1,032,186,735
Long-term employee benefits payable	611,086,151	629,398,228	660,999,416	669,143,654
Special payable	152,054,393	64,855,000	57,900,000	58,650,000
Accrued liabilities	657,994,987	682,155,189	694,727,230	578,099,950
Other non-current liabilities	461,250,782	352,939,371	225,200,213	225,775,161
<b>Total non-current liabilities</b>	<b>7,305,221,617</b>	<b>6,814,945,170</b>	<b>11,254,125,782</b>	<b>10,664,883,884</b>
<b>Total liabilities</b>	<b>90,492,104,726</b>	<b>97,496,869,546</b>	<b>81,441,843,091</b>	<b>69,302,064,964</b>

Unit: RMB

Item	As at 30 September 2018	As at 31 December 2017	As at 31 December 2016 (restated)	As at 31 December 2015
<b>Owner's equity:</b>				
Share capital	8,616,120,000	8,616,120,000	8,616,120,000	8,616,120,000
Capital reserves	2,928,169,377	3,309,676,968	3,441,268,486	3,282,820,530
Other comprehensive income	(505,427,008)	(247,266,446)	(632,538,578)	(906,134,903)
Special reserve	1,200,226	–	–	–
Surplus reserve	12,255,282,690	11,006,648,381	9,513,998,953	7,935,189,306
Provision for general risk	495,869,833	495,869,833	394,152,668	257,012,747
Retained earnings	93,266,090,671	85,200,383,155	75,575,390,340	65,646,634,933
<b>Total equity attributable to the owners of the parent</b>	<b>117,057,305,788</b>	<b>108,381,431,891</b>	<b>96,908,391,869</b>	<b>84,831,642,613</b>
Minority interests	6,839,852,991	6,795,175,534	6,911,781,043	6,833,869,423
<b>Total owner's equity</b>	<b>123,897,158,779</b>	<b>115,176,607,425</b>	<b>103,820,172,912</b>	<b>91,665,512,036</b>
<b>Total liabilities and owners' equity</b>	<b>214,389,263,505</b>	<b>212,673,476,971</b>	<b>185,262,016,003</b>	<b>160,967,577,000</b>

## 2. CONSOLIDATED INCOME STATEMENT

**Table 6-2 Consolidated Income Statement of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	January to September 2018	2017	2016 (restated)	2015
<b>I. Total operating income</b>	<b>84,474,208,027</b>	<b>133,179,456,796</b>	<b>129,383,945,191</b>	<b>132,411,756,414</b>
Including: Operating income	81,699,795,927	130,173,952,203	126,993,099,122	130,457,071,534
Interest income	2,754,745,118	2,985,704,394	2,373,081,453	1,926,237,215
Premium earned	–	–	–	–
Handling fees and commission income	19,666,982	19,800,199	17,764,616	28,447,665
<b>II. Total operating costs</b>	<b>84,558,068,802</b>	<b>134,062,086,604</b>	<b>128,108,028,209</b>	<b>130,539,182,937</b>
Including: Operating costs	70,880,684,087	114,364,458,286	109,255,055,824	113,155,269,718
Interest expenses	112,690,146	274,671,873	150,837,047	150,381,924
Handling fees and commission expenses	–	–	–	–
Taxes and surcharges	697,691,053	1,379,036,853	1,732,135,612	1,515,063,503
Selling expenses	5,420,631,304	8,650,864,033	9,105,968,435	8,481,916,201
Administrative expenses	6,462,486,364	9,131,841,508	7,827,159,201	7,716,503,261
Financial expenses	(179,422,817)	(388,646,232)	(439,345,463)	(941,562,863)
Loss on impairment of assets	1,163,308,663	649,860,283	476,217,553	461,611,193
Add: Gains from changes in fair value	14,834,371	–	(10,033,557)	–
Net investment income	12,498,521,281	15,925,434,666	13,721,209,550	11,875,622,535
Net gains from foreign exchange	–	–	–	–
Gains from disposal of assets	1,609,603	(1,198,676)	2,459,081	–
Other gains	405,009,634	724,878,879	–	–



Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
<b>III. Operating profit</b>	<b>12,836,114,115</b>	<b>15,766,485,061</b>	<b>14,989,552,056</b>	<b>13,748,196,012</b>
Add: Non-operating income	82,538,793	136,360,228	763,416,234	669,620,155
Less: Non-operating expenses	228,547,243	127,597,862	22,695,992	352,842,873
<b>IV. Total profit</b>	<b>12,690,105,665</b>	<b>15,775,247,427</b>	<b>15,730,272,298</b>	<b>14,064,973,294</b>
Less: Income tax expenses	1,256,239,013	1,141,466,399	1,275,614,550	1,353,284,561
<b>V. Net profit</b>	<b>11,433,866,652</b>	<b>14,633,781,028</b>	<b>14,454,657,748</b>	<b>12,711,688,733</b>
Net profit attributable to the owners of the parent	11,157,666,835	14,062,679,008	13,344,748,403	11,549,979,666
Minority gains and losses	276,199,817	571,102,020	1,109,909,345	1,161,709,067
<b>VI. Other comprehensive income</b>	<b>–</b>	<b>430,173,921</b>	<b>264,498,654</b>	<b>(19,999,285)</b>
<b>VII. Total comprehensive income</b>	<b>–</b>	<b>15,063,954,949</b>	<b>14,719,156,402</b>	<b>12,691,689,448</b>
Total comprehensive income attributable to the owners of the parent	–	14,447,951,140	13,620,101,336	11,551,431,347
Total comprehensive income attributable to the minority shareholders	–	616,003,809	1,099,055,066	1,140,258,101
<b>VIII. Basic earnings per share</b>	<b>1.29</b>	<b>1.63</b>	<b>1.55</b>	<b>1.34</b>
<b>IX. Diluted earnings per share</b>	<b>1.29</b>	<b>1.63</b>	<b>1.55</b>	<b>1.34</b>

### 3. CONSOLIDATED CASH FLOW STATEMENT

**Table 6-3 Consolidated Cash Flow Statement of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	January to September 2018	2017	2016 (restated)	2015
<b>I. Cash flows from operating activities:</b>				
Cash received from sale of goods and the rendering of services	106,684,746,437	151,372,995,603	145,924,352,020	154,237,238,897
Receipt of government subsidies	421,195,982	670,637,572	744,264,537	590,322,155
Cash received relating to other operating activities	1,079,645,511	1,839,975,758	1,934,429,675	1,602,626,872
Net increase in deposits and investment funds from policy holds	—	—	—	—
Net increase in customers' deposits and inter-bank deposits	—	6,529,492,923	1,661,095,054	506,368,207
Net increase in borrowings from the Central Bank	—	—	—	—
Net decrease in reserve with the Central Bank	263,404,883	—	—	1,425,654,911
Net increase in placements from banks and other financial institutions	—	—	—	—
Cash received from interests, handling fees, and commissions	2,774,412,100	3,005,504,593	2,390,846,069	1,954,684,880
Cash received from premiums under original insurance contract	—	—	—	—
Net cash received from reinsurance business	—	—	—	—
Net increase in the disposal of financial assets at fair value through profit or loss	—	—	—	—

Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
Net increase in placements from banks and other financial institutions	—	—	—	—
Net increase in cash received from repurchase business	—	—	—	—
<b>Sub-total of cash inflows from operating activities</b>	<b><u>111,223,404,913</u></b>	<b><u>163,418,606,449</u></b>	<b><u>152,654,987,355</u></b>	<b><u>160,316,895,922</u></b>
Cash paid for goods purchased and services received	90,948,663,566	125,293,204,289	114,858,982,674	131,784,293,436
Cash paid to and on behalf of employees	5,491,317,139	7,533,882,300	6,315,235,419	6,180,902,413
Payments of taxes and surcharges	3,793,171,590	5,211,470,680	5,832,424,244	6,385,487,347
Cash paid relating to other operating activities	7,392,727,356	10,408,695,173	12,747,640,750	10,556,175,882
Net increase in loans and advances	7,154,711,861	8,803,520,616	7,357,698,236	3,480,943,621
Net increase in deposits in the Central Bank	—	893,233,162	328,990,444	—
Net decrease in customers' deposits and interbank deposits	4,554,275,353	—	—	—
Cash paid for compensation payments under the original insurance contract	—	—	—	—
Cash paid for interests, handling fees and commissions	361,094,683	274,671,873	150,837,047	150,381,924
Cash paid for insurance policy dividend	—	—	—	—
<b>Sub-total of cash outflows from operating activities</b>	<b><u>119,695,961,548</u></b>	<b><u>158,418,678,093</u></b>	<b><u>147,591,808,814</u></b>	<b><u>158,538,184,623</u></b>
<b>Net cash flows from operating activities</b>	<b><u>(8,472,556,635)</u></b>	<b><u>4,999,928,356</u></b>	<b><u>5,063,178,541</u></b>	<b><u>1,778,711,299</u></b>

Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
<b>II. Cash flows from investing activities:</b>				
Cash received from investment	276,196,933	28,777,614	55,862,263	22,020,338
Cash received from investment income	9,093,040,009	10,646,212,727	9,192,811,924	9,453,307,509
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	28,998,197	47,422,974	31,366,249	335,056,197
Net increase in cash from acquisition of subsidiaries and other business entities	–	–	30,397,697	–
Cash received relating to other investing activities	<u>1,258,105,053</u>	<u>126,017,968</u>	<u>181,332,080</u>	<u>118,854,325</u>
<b>Sub-total of cash inflows from investing activities</b>	<b><u>10,656,340,192</u></b>	<b><u>10,848,431,283</u></b>	<b><u>9,491,770,213</u></b>	<b><u>9,929,238,369</u></b>

Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets	2,210,022,028	4,475,166,283	3,918,660,315	3,795,369,413
Cash paid for disposal of subsidiaries	–	173,763,941	–	113,790,086
Cash outflow for investments in subsidiaries and acquisition of control in joint venture of subsidiaries	374,743,154	116,592,500	1,232,713,093	1,309,347,205
Cash outflow for investments in joint venture and acquisition of control in subsidiaries of joint venture	85,000,000			
Cash paid relating to other investing activities	4,889,156,159	4,927,720,239	3,098,242,055	135,260,256
Cash outflow for receipt of term deposits over one year unavailable for withdrawal in advance	–	–	3,000,000,000	–
<b>Sub-total of cash outflows from investing activities</b>	<b><u>7,558,921,341</u></b>	<b><u>9,693,242,963</u></b>	<b><u>11,249,615,463</u></b>	<b><u>5,353,766,960</u></b>
<b>Net cash flows generated from investing activities</b>	<b><u>3,097,418,851</u></b>	<b><u>1,155,188,320</u></b>	<b><u>(1,757,845,250)</u></b>	<b><u>4,575,471,409</u></b>

Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
<b>III. Cash flows from financing activities:</b>				
Cash received from disposal of equity interests of subsidiaries to minority shareholders	–	–	–	5,489,767,299
Cash received from investments	300,000,000	75,239,000	97,837,437	10,000,000
Issuance of short-term notes	–	–	–	1,500,000,000
Cash received from borrowings	4,043,654,967	2,625,268,000	4,938,588,014	11,855,521,200
Cash received relating to other financing activities	–	–	–	–
<b>Sub-total of cash inflows from financing activities</b>	<b>4,343,654,967</b>	<b>2,700,507,000</b>	<b>5,036,425,451</b>	<b>18,855,288,499</b>
Cash payments for borrowings repaid	2,957,368,731	2,562,782,689	6,314,471,996	10,556,777,278
Cash paid for distribution of short-term/mid-term notes	–	–	–	5,500,000,000
Refundable deposits	–	–	–	–
Loans to related parties	–	–	–	–
Cash paid for distribution of dividends or profits and for interest expense	2,532,178,888	3,795,374,211	3,114,359,345	2,406,804,896
Cash paid relating to other financing activities	–	–	–	12,155,325
<b>Sub-total of cash outflows from financing activities</b>	<b>5,489,547,619</b>	<b>6,358,156,900</b>	<b>9,428,831,341</b>	<b>18,475,737,499</b>
<b>Net cash flows from financing activities</b>	<b>(1,145,892,652)</b>	<b>(3,657,649,900)</b>	<b>(4,392,405,890)</b>	<b>379,551,000</b>

Unit: RMB

Item	January to September 2018	2017	2016 (restated)	2015
IV. Effect of changes in exchange rate on cash and cash equivalents	<u>38,968,648</u>	<u>2,078,995</u>	<u>25,771,404</u>	<u>(160,713,532)</u>
V. Net increase in cash and cash equivalents	(6,482,061,788)	2,499,545,771	(1,061,301,195)	6,573,020,176
Add: Balance of cash and cash equivalents at the beginning of the period	<u>33,440,984,737</u>	<u>30,850,788,852</u>	<u>31,912,090,047</u>	<u>25,232,773,805</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>26,958,922,948</u>	<u>33,350,334,623</u>	<u>30,850,788,852</u>	<u>31,805,793,981</u>

*Note:* In March 2018, the issuer acquired 100% equity interests of Dongfeng Automobile Trade Co., Ltd. from Dongfeng Motor Corporation. Prior to the acquisition, Dongfeng Motor Corporation was the controlling shareholder of Dongfeng Automobile Trade Co., Ltd. to be acquired by the issuer, therefore, the acquisition constituted a business combination under the same control. To this end, the comparative data of 2017 and the data at the beginning of 2018 are represented in consolidated financial statements.

#### 4. THE COMPANY'S BALANCE SHEET

**Table 6-4 The Company's Balance Sheet of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	30 September 2018	31 December 2017	31 December 2016	31 December 2015
<b>Current assets:</b>				
Monetary capital	31,826,256,917	29,711,138,440	28,381,536,141	24,925,165,961
Notes receivable	227,690,475	758,783,989	869,319,376	1,634,437,182
Accounts receivable	2,889,126,633	2,222,666,741	1,562,959,484	573,780,732
Advanced payments	1,162,872,560	650,936,702	477,993,380	607,222,253
Interests receivable	825,207,069	524,744,521	109,409,480	494,834,795
Dividends receivable	11,176,074	7,968,160,645	4,416,277,347	3,233,330,994
Other receivables	374,850,655	471,268,924	198,122,116	237,536,177
Inventories	1,157,683,792	1,345,010,523	1,446,097,921	1,125,810,445
Non-current assets due within one year	–	1,633,500,000	213,500,000	50,000,000
Other current assets	1,187,282,559	463,556,073	214,997,379	–
<b>Total current assets</b>	<b>39,662,146,734</b>	<b>45,749,766,558</b>	<b>37,890,212,624</b>	<b>32,882,118,539</b>
<b>Non-current assets:</b>				
Available-for-sale financial assets	50,000,000	67,871,990	67,871,990	67,871,990
Long-term equity investments	69,150,429,603	54,010,782,901	54,058,650,740	52,481,749,046
Investment properties	–	–	–	–
Fixed assets	2,393,929,369	2,501,706,139	2,689,251,692	2,468,600,869
Construction in progress	1,079,119,746	866,804,942	656,254,737	753,427,861
Construction materials	–	–	–	–
Disposal of fixed assets	872,884	–	97,923	–
Productive biological assets	–	–	–	–
Oil and gas assets	–	–	–	–
Intangible assets	549,789,439	664,125,493	774,255,553	532,235,168



Unit: RMB

Item	30 September 2018	31 December 2017	31 December 2016	31 December 2015
Development expenses	246,971,683	486,560,928	405,040,816	551,083,225
Goodwill	–	–	–	–
Long-term prepaid expenses	–	–	–	–
Deferred income tax assets	–	–	–	–
Other non-current assets	–	2,000,000,000	3,000,000,000	–
<b>Total non-current assets</b>	<b>73,471,112,723</b>	<b>60,597,852,393</b>	<b>61,651,423,451</b>	<b>56,854,968,159</b>
<b>Total assets</b>	<b>113,133,259,457</b>	<b>106,347,618,951</b>	<b>99,541,636,075</b>	<b>89,737,086,698</b>
<b>Current liabilities:</b>				
Short-term borrowings	–	–	350,000,000	1,000,000,000
Borrowings from the Central Bank	–	–	–	–
Notes payable	825,520,000	666,490,000	1,068,630,000	714,410,000
Accounts payable	3,809,247,062	4,534,653,581	5,656,351,604	4,031,434,527
Advances from customers	569,163,460	375,477,377	678,610,781	995,655,495
Employee benefits payable	413,667,729	544,118,572	557,920,442	551,525,466
Taxes payable	420,841,249	326,815,365	355,509,717	100,559,432
Interests payable	–	–	–	–
Dividends payable	–	–	–	–
Other payables	1,406,617,975	1,376,774,611	1,126,821,104	1,164,048,459
Non-current liabilities due within one year	10,890,000	250,000,000	20,000,000	1,232,713,093
Accrued liabilities	146,804,982	144,381,030	124,495,079	282,435,978
<b>Total current liabilities</b>	<b>7,602,752,457</b>	<b>8,218,710,536</b>	<b>9,938,338,727</b>	<b>10,072,782,450</b>

Unit: RMB

Item	30 September 2018	31 December 2017	31 December 2016	31 December 2015
<b>Non-current liabilities:</b>				
Long-term borrowings	–	–	250,000,000	270,000,000
Bonds payable	300,000,000	–	–	–
Long-term accounts payable	–	–	–	–
Specific payable	56,600,000	56,600,000	56,600,000	56,600,000
Accrued liabilities	263,762,720	275,807,790	261,500,012	176,169,109
Deferred income	80,862,571	80,862,571	85,671,738	58,945,388
Other current liabilities	–	–	–	–
<b>Total non-current liabilities</b>	<b>701,225,292</b>	<b>413,270,361</b>	<b>653,771,750</b>	<b>561,714,497</b>
<b>Total liabilities</b>	<b>8,303,977,749</b>	<b>8,631,980,897</b>	<b>10,592,110,477</b>	<b>10,634,496,947</b>
<b>Owner's equity interests</b>				
Paid-in capital	8,616,120,000	8,616,120,000	8,616,120,000	8,616,120,000
Capital reserves	1,364,219,464	1,425,965,193	1,459,388,131	1,367,329,015
Other comprehensive income	31,593,658	30,803,170	13,334,216	13,542,512
Surplus reserve	10,464,206,381	9,301,667,777	8,153,836,874	6,976,071,982
Retained earnings	84,353,142,206	78,341,081,914	70,706,846,377	62,129,526,242
<b>Total owners' equities</b>	<b>104,829,281,708</b>	<b>97,715,638,054</b>	<b>88,949,525,598</b>	<b>79,102,589,751</b>
<b>Total liabilities and owners' equities</b>	<b>113,133,259,457</b>	<b>106,347,618,951</b>	<b>99,541,636,075</b>	<b>89,737,086,698</b>

## 5. THE COMPANY'S INCOME STATEMENT

**Table 6-5 The Company's Income Statement of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	January to September 2018	2017	2016	2015
<b>I. Total operating income</b>	<b>6,330,134,289</b>	<b>10,640,377,920</b>	<b>12,968,305,127</b>	<b>11,087,310,446</b>
Including: Operating income	6,330,134,289	10,640,377,920	12,968,305,127	11,087,310,446
Interest income	—	—	—	—
Premium earned	—	—	—	—
Handling fees and commission income	—	—	—	—
<b>II. Total operating costs</b>	<b>8,338,681,076</b>	<b>14,085,210,950</b>	<b>15,170,560,500</b>	<b>13,350,813,509</b>
Including: Operating costs	6,075,047,018	10,240,657,443	11,526,366,027	9,634,655,180
Interest expenses	—	—	—	—
Handling fees and commission expenses	—	—	—	—
Business taxes and surcharges	188,374,646	278,088,011	552,573,246	498,156,982
Selling expenses	688,775,355	1,129,310,677	1,228,762,098	1,156,665,895
Administrative expenses	2,043,693,288	3,042,475,154	2,529,532,326	2,579,941,337
Financial expenses	(692,667,133)	(897,172,566)	(706,239,633)	(699,088,253)
Including: Net loss on foreign exchange	29,006,549	—	—	—
Loss on impairment of assets	35,457,903	291,852,231	39,566,436	180,482,368
Add: Gains from changes in fair value	—	—	—	—
Net investment income	11,093,231,899	14,713,290,849	13,410,700,631	14,156,737,915
Net gains from foreign exchange	—	—	—	—
Gains from disposal of assets	—	249,112	21,248	—
Other gains	239,325,900	364,630,821	—	—

Unit: RMB

Item	January to September 2018	2017	2016	2015
<b>III. Operating profit</b>	<b>9,324,011,012</b>	<b>11,633,337,752</b>	<b>11,208,466,506</b>	<b>11,893,234,852</b>
Add: Non-operating income	5,191,274	7,907,185	272,767,491	144,425,762
Less: Non-operating expenses	573,390	15,858,898	2,924,970	260,011,692
<b>IV. Total profit</b>	<b>9,328,628,896</b>	<b>11,625,386,039</b>	<b>11,478,309,027</b>	<b>11,777,648,922</b>
Less: Income tax expenses	–	–	–	–
<b>V. Net profit</b>	<b>9,328,628,896</b>	<b>11,625,386,039</b>	<b>11,478,309,027</b>	<b>11,777,648,922</b>
<b>VI. Other comprehensive income</b>	<b>–</b>	<b>17,468,954</b>	<b>(208,296)</b>	<b>1,619,372</b>
<b>VII. Total comprehensive income</b>	<b>9,328,628,896</b>	<b>11,642,854,993</b>	<b>11,478,100,731</b>	<b>11,779,268,294</b>

## 6. THE COMPANY'S CASH FLOW STATEMENT

**Table 6-6 The Company's Cash Flow Statement of the Issuer for the Last Three Years and the Latest Period**

*Unit: RMB*

Item	January to September 2018	2017	2016	2015
<b>I. Cash flows from operating activities:</b>				
Cash received from the sale of goods and the rendering of services	6,749,524,362	11,516,594,161	14,317,593,987	12,428,868,927
Receipt of government subsidies	92,038,257	—	—	—
Cash received relating to other operating activities	836,681,843	585,596,505	1,301,220,095	802,947,614
Net increase in deposits from policyholders	—	—	—	—
Net increase in customer's deposits and interbank deposits	—	—	—	—
Net increase in borrowings from the Central Bank	—	—	—	—
Net increase in placements from banks and other financial institutions	—	—	—	—
Net increase in interests and fees received	—	—	—	—
Cash received from premiums under original insurance contract	—	—	—	—
Net cash received from reinsurance business	—	—	—	—
Net increase in disposal of held-for-trading financial assets	—	—	—	—
Net increase in placements from banks and other financial institutions	—	—	—	—
Net increase in cash received from repurchase business	—	—	—	—
<b>Sub-total of operating cash inflows</b>	<b>7,678,244,462</b>	<b>12,102,190,666</b>	<b>15,618,814,082</b>	<b>13,231,816,541</b>

Unit: RMB

Item	January to September 2018	2017	2016	2015
Cash paid for goods purchased and services received	6,525,158,678	13,026,572,473	11,170,491,410	10,796,794,332
Cash paid to and on behalf of employees	1,138,073,653	1,578,581,312	1,362,299,301	1,483,694,357
Payments of taxes and surcharges	389,661,216	720,218,192	610,219,990	661,108,905
Cash paid relating to other operating activities	1,217,242,351	2,256,709,174	2,228,645,171	1,897,451,274
Net increase in customer loans and advance	–	–	–	–
Net increase in deposits in the central bank and interbank deposits	–	–	–	–
Cash paid for compensation payments under original insurance contract	–	–	–	–
Cash paid for handling fees	–	–	–	–
Cash paid for insurance policy dividend	–	–	–	–
<b>Sub-total of cash outflows from operating activities</b>	<b><u>9,270,135,898</u></b>	<b><u>17,582,081,151</u></b>	<b><u>15,371,655,872</u></b>	<b><u>14,839,048,868</u></b>
<b>Net cash flows from operating activities</b>	<b><u>(1,591,891,436)</u></b>	<b><u>(5,479,890,485)</u></b>	<b><u>247,158,210</u></b>	<b><u>(1,607,232,327)</u></b>

Unit: RMB

Item	January to September 2018	2017	2016	2015
<b>II. Cash flows from investing activities:</b>				
Cash received from investment	–	–	50,000,000	250,000,000
Cash received from investment income	8,279,644,363	11,446,700,498	10,829,745,571	10,687,247,124
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	893,869	12,178,280	91,543	202,037,644
Cash received for borrowings and interests from related parties	124,000,000	–	–	–
Cash received from disposal of equity interests of subsidiaries to minority shareholders	–	–	–	5,489,767,299
Cash received relating to other investing activities	148,010,391	238,477,516	4,824,082	8,379,042
Sub-total of investing cash inflows	8,552,548,623	11,697,356,294	10,884,661,196	16,637,431,109
Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets	395,230,559	765,104,327	697,037,917	903,017,287
Cash paid for investment	4,564,757,754	285,239,000	1,324,579,343	1,716,713,205
Cash paid for disposal of subsidiaries	–	–	–	155,595,578
Net cash paid for acquisition of subsidiaries and other business entities	35,000,000	–	–	–
Cash paid relating to other investing activities	1,174,210,000	2,431,488,000	3,631,029,972	902,116,056
<b>Sub-total of cash outflows from investing activities</b>	<b>6,169,198,313</b>	<b>3,481,831,327</b>	<b>5,652,647,232</b>	<b>3,677,442,126</b>
<b>Net cash flows generated from investing activities</b>	<b>2,383,350,310</b>	<b>8,215,524,967</b>	<b>5,232,013,964</b>	<b>12,959,988,983</b>

Unit: RMB

Item	January to September 2018	2017	2016	2015
<b>III. Cash flows from financing activities:</b>				
Cash received from investments	–	–	–	–
Cash received from borrowings	–	–	1,000,000,000	2,770,000,000
Cash received relating to other financing activities	–	–	–	–
Cash received from issuing bonds	300,000,000	–	–	–
<b>Sub-total of cash inflows from financing activities</b>	<b>300,000,000</b>	<b>–</b>	<b>1,000,000,000</b>	<b>2,770,000,000</b>
Cash payments for borrowings repaid	250,000,000	350,000,000	1,650,000,000	7,780,000,000
Cash paid for distribution of dividends or profits and for interest expense	2,160,695,917	2,854,020,183	1,790,331,966	2,023,586,194
Cash paid relating to other financing activities	–	–	–	–
<b>Sub-total of cash outflows from financing activities</b>	<b>2,410,695,917</b>	<b>3,204,020,183</b>	<b>3,440,331,966</b>	<b>9,803,586,194</b>
<b>Net cash flows from financing activities</b>	<b>(2,110,695,917)</b>	<b>(3,204,020,183)</b>	<b>(2,440,331,966)</b>	<b>(7,033,586,194)</b>
<b>IV. Effect of changes in exchange rate on cash and cash equivalents</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>(1,319,237,043)</b>	<b>(468,385,701)</b>	<b>3,038,840,208</b>	<b>4,319,170,462</b>
Add: Balance of cash and cash equivalents at the beginning of the reporting period	25,416,418,440	25,884,804,141	22,845,963,933	18,526,793,471
<b>VI. Balance of cash and cash equivalents at the end of the reporting period</b>	<b>24,097,181,397</b>	<b>25,416,418,440</b>	<b>25,884,804,141</b>	<b>22,845,963,933</b>