Balance Sheet (Domestic Statement)

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

Unit: RMB

Assets	The report period		The same period of last year	
	Consolidation	Parent company	Consolidation	Parent company
Current assets:				
Monetary funds	5,794,358.73	2,407,416.23	5,584,907.67	1,869,172.74
Short-term investment				
Notes receivable	60,308.00	60,308.00	275,000.00	275,000.00
Dividends receivable				
Interests receivable				
Accounts receivable	4,020,808.78	170,502,780.43	8,886,493.76	175,368,466.01
Other receivables	48,226,962.91	41,514,493.55	56,823,261.47	56,721,747.61
Payments in advance	50,504.20	51,704.20	2,588,347.32	2,524,688.32
Subsidy receivable				
Inventories	74,403,475.90	74,403,475.90	68,882,175.95	68,882,175.95
Prepaid expenses	873,657.64	834,849.64	630,648.06	591,840.06
Long-term debt investment due within one year				
Other current assets				
Total of current assets	133,430,076.16	289,775,027.95	143,670,834.23	306,233,090.69
Long-term investments:				
Long-term equity investments	39,070,637.74	39,921,437.57	39,070,637.74	39,769,688.25
Long-term debt investments				
Total of long-term investments	39,070,637.74	39,921,437.57	39,070,637.74	39,769,688.25
Including: consolidated balance				
Fixed assets:				
Original value of fixed assets	736,906,798.62	736,035,604.12	736,470,984.62	735,599,790.12
Minus: accumulated depreciation	406,508,385.20	405,971,538.11	397,796,531.25	397,313,587.46
Net value of fixed assets	330,398,413.42	330,064,066.01	338,674,453.37	338,286,202.66
Minus: impairment losses of fixed assets	76,566,184.10	76,566,184.10	76,566,184.10	76,566,184.10
Net amount of fixed assets	253,832,229.32	253,497,881.91	262,108,269.27	261,720,018.56
Engineering materials				
Constructions in progress				
Disposal of fixed assets				
Total fixed assets	253,832,229.32	253,497,881.91	262,108,269.27	261,720,018.56
Intangible and other assets:				
Intangible assets:				
Long-term prepaid expenses				

Other long-term assets				
Total intangible and other assets				
Deferred taxes:				
Deferred tax-assets				
Total assets	426,332,943.22	583,194,347.43	444,849,741.24	607,722,797.50
Current liabilities:				
Short-term loans	444,519,176.72	370,341,707.49	444,519,176.72	370,341,707.49
Notes payable	5,119,240.00	5,119,240.00	716,425.90	716,425.90
Accounts payable	153,568,099.81	356,507,916.07	142,119,129.21	350,980,392.28
Accounts received in advance	1,384,244.66	1,384,244.66	6,640,558.20	6,600,148.20
Salaries payable	5,057,523.05	4,872,270.39	5,373,290.84	5,149,909.02
Welfare payable	577,689.73	536,776.75	4,542,437.63	4,509,238.08
Dividends payable				
Tax payable	90,145,105.23	90,086,331.02	88,728,816.33	88,644,983.67
Other payments				
Other payables	178,576,532.44	139,143,476.60	205,792,724.75	166,525,958.33
Accrued expenses	34,951,890.20	34,932,090.20	34,240,612.19	34,240,612.19
Estimated liabilities	166,271,000.00	166,271,000.00	166,271,000.00	166,271,000.00
Long-term liabilities due within one year				
Other current liabilities				
Total current liabilities	1,080,170,501.84	1,169,195,053.18	1,098,944,171.77	1,193,980,375.16
Long-term liabilities:				
Long-term loans	88,456,386.30	88,456,386.30	88,456,386.30	88,456,386.30
Bonds payable				
Long-term payable				
Special payables				
Other long-term liabilities	945,063,522.01	945,063,522.01	945,063,522.01	945,063,522.01
Total long-term liabilities	1,033,519,908.31	1,033,519,908.31	1,033,519,908.31	1,033,519,908.31
Deferred tax:				
Deferred tax liabilities				
Total liabilities	2,113,690,410.15	2,202,714,961.49	2,132,464,080.08	2,227,500,283.47
Minority interests	-2,893,459.70	-2,893,459.70	-2,864,512.75	-2,864,512.75
Owner’s equity (shareholder’s equity)				
Paid-in capital (or share capital)	479,433,003.00	479,433,003.00	479,433,003.00	479,433,003.00
Minus: returned investment				
Paid-in capital (or share capital)-net amount	479,433,003.00	479,433,003.00	479,433,003.00	479,433,003.00
Capital reserve	358,019,011.67	358,019,011.67	358,019,011.67	358,019,011.67
Surplus reserve	32,673,227.01	32,673,227.01	32,673,227.01	32,673,227.01
Including: statutory public welfare	32,673,227.01	32,673,227.01	32,673,227.01	32,673,227.01

Retained earnings	-2,486,752,396.04	-2,486,752,396.04	-2,487,038,214.90	-2,487,038,214.90
Including: cash dividends				
Foreign currency translation reserve				
Losses of subsidiaries not offset accumulated	-67,836,852.87		-67,836,852.87	
Total Owner's equity (shareholder's equity)	-1,684,464,007.23	-1,616,627,154.36	-1,684,749,826.09	-1,616,912,973.22
Total liabilities and owner's equity	426,332,943.22	583,194,347.43	444,849,741.24	607,722,797.50

Income Statement and profit distribution Statement

(Domestic Statement)

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

Unit: RMB

Items	The report period		The same period of last year	
	Consolidation	Parent Company	Consolidation	Parent Company
I. Income from major operations	70,121,306.94	68,505,411.79	40,065,561.69	38,480,576.28
Minus: cost of major operations	63,016,680.44	61,650,870.50	37,327,103.87	36,227,709.51
Taxation of core business and affixation	115,723.10	31,696.51	85,534.29	2,980.49
II. Profit of major operations (Loss is listed with "-")	6,988,903.40	6,822,844.78	2,652,923.53	2,249,886.28
Plus: other operating profit (Loss is listed with "-")	6,244,153.39	6,244,153.39	4,519,248.41	4,519,248.41
Minus: operating expenses	4,881,998.11	4,881,998.11	3,026,599.86	3,026,599.86
Administrative expenses	7,817,413.11	7,800,567.12	11,856,539.56	11,433,621.19
Financial expenses	992,923.40	995,460.09	10,813,226.34	10,825,625.63
III. Operating profit (Loss is listed with "-")	-459,277.83	-611,027.15	-18,524,193.82	-18,516,711.99
Plus: investment income (Loss is listed with "-")		151,749.32	4,373.17	119,293.56
Subsidy income				
Non-operating income	734,941.73	734,941.73	19,895,985.75	19,895,985.75
Minus: non-operating expenses	18,037.20	18,037.20	178,931.26	178,931.26
IV. Total profits (Total loss is listed with "-")	257,626.70	257,626.70	1,197,233.84	1,319,636.06
Minus: income tax	754.81	754.81	678.91	678.91
Minus: minority interest	-28,946.97	-28,946.97	-5,922.04	-5,922.04
Minus: losses of subsidiaries not offset			-122,402.22	
V. Net profit (Net loss is listed with "-")	285,818.86	285,818.86	1,324,879.19	1,324,879.19
Plus: retained earnings at the year-begin	-2,487,038,214.90	-2,487,038,214.90	-2,428,356,963.55	-2,428,356,963.55
Other transfer-in	0.00	0.00		

VI. Profit available for distribution	-2,486,752,396.04	-2,486,752,396.04	-2,427,032,084.36	-2,427,032,084.36
Minus: statutory surplus reserve				
Statutory public welfare reserve				
Employee bonus and welfare funds				
Reserve funds				
Enterprise development funds				
Returned investment from profit				
VII. Profits available for distribution to investors	-2,486,752,396.04	-2,486,752,396.04	-2,427,032,084.36	-2,427,032,084.36
Minus: dividends for preferred shares				
Discretionary reserve				
Dividends for ordinary shares				
Dividends for ordinary shares converted into capital (share capital)				
VIII. Retained earnings	-2,486,752,396.04	-2,486,752,396.04	-2,427,032,084.36	-2,427,032,084.36
Supplemental information:				
1. Profit from selling or disposeting branch or investee				
2. Losses from natural disaster				
3.Increase/decrease in total profits due to the changes of accounting policies				
4. Increase/decrease in total profits from the changes of accounting estimation				
5. Losses on debts restructure				
6. Others				

Cash Flow Statement (Domestic Statement)

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

Unit: RMB

Items	The report period	
	Consolidation	Parent company
I. Cash flows arising from operating activities:		
Cash received from selling products and providing services	89,894,630.21	88,278,735.06
Tax refund received		
Other cash received relating to operating activities	3,419,711.12	2,407,254.06
Subtotal of cash inflows	93,314,341.33	90,685,989.12
Cash paid for purchase of products and services	69,903,237.02	68,537,427.09
Cash paid to / for employees	9,392,888.92	8,502,765.47
Added-value tax paid	1,165,272.02	1,165,272.02
Income tax paid	754.81	754.81
Other tax excluding VAT and income tax	342,116.50	258,089.91
Other cash paid relating to operating activities	16,746,807.00	16,147,622.33
Subtotal of cash outflows	97,569,076.27	94,611,931.63
Net cash flows arising from operating activities	-4,254,734.94	-3,925,942.51
II. Cash flows arising from investing activities:		
Cash received from withdrawal of investment		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Other cash received relating to investment activities		
Subtotal of cash inflows		
Net cash paid for the purchase of fixed assets, intangible assets and other long-term assets	435,814.00	435,814.00
Cash paid for investments		
Other cash paid relating to investment activities		
Subtotal of cash outflows	435,814.00	435,814.00
Net cash flows arising from investing activities	-435,814.00	-435,814.00
III. Cash flows arising from financing activities:		
Cash received from obtaining investment		
Cash received from loan	4,900,000.00	4,900,000.00
Other cash received relating to financing activities		
Subtotal of cash inflows	4,900,000.00	4,900,000.00
Cash paid for debts repayment		
Cash paid for dividends, profit distribution or of interest payment		
Other cash paid relating to financing activities		

Subtotal of cash outflows		
Net cash flows arising from financing activities	4,900,000.00	4,900,000.00
IV. Influence on cash from fluctuation in exchange rate		
V. Net increase in cash and cash equivalents	209,451.06	538,243.49
Supplemental information:		
I. Adjusting net profit to cash flows from operating activities		
Net profit	285,818.86	285,818.86
Add: Impairment charge		
Depreciation of fixed assets	8,711,854.57	8,657,950.65
Amortization of intangible assets		
Amortization of long-term prepaid expenses		
Decrease in prepaid expenses (less: increase)	-243,009.58	-243,009.58
Increase in accrued expenses (less: decrease)	-232,547.96	-232,547.96
Losses on disposal of fixed assets, intangible assets and other long-term assets (Less: income)	0.00	0.00
Loss on disposal of fixed assets		
Financial expenses	992,923.40	995,460.09
Investment loss (Less: income)		
Deferred tax liabilities (less: assets)		
Decrease of inventories (Less: increase)	-5,521,299.95	-5,521,299.95
Decrease in operating receivables (Less: increase)	4,865,684.98	-4,865,684.98
Increase in operating payables (Less: decrease)	-13,085,212.29	-12,705,052.63
Others		
Income of minority shareholders in this period	-28,946.97	-28,946.97
Un-offset loss of subsidiaries	0.00	
Net cash flows arising from operating activities	-4,254,734.94	-3,925,942.51
II. Investment and financing activities without cash movement		
Capital converted from debts		
Convertible bonds due within one year		
Financing leased fixed assets		
III. Net increase in cash and cash equivalents		
Ending balance of cash	5,794,358.73	2,407,416.23
Less: Beginning balance of cash	5,584,907.67	1,869,172.74
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	209,451.06	538,243.49