

Stock Code: 000581, 200581

Notice No.: 2012-028

Short Form of the Stock: Weifu High-Tech, Su Weifu-B

Weifu High-Technology Group Co., Ltd. First Quarterly Report 2012

§1. Important Notes

1.1 Board of Directors and the Supervisory Committee of Weifu High-Technology Group Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

1.2 Other directors are attended the Meeting for quarterly report deliberation except for the follow directors:

Name of absent	Title for absentee	Reasons for absent	Name of entrustee
Rudolf Maier	Director	Business trip	Chen Yudong
Wang Weiliang	Director	Business trip	Chen Xuejun

1.3 The First Quarterly Financial Report of 2012 has not been audited by CPAs.

1.4 Chen Xuejun, Principal of the Company; Ou Jianbin, Person in Charge of Accounting Works and Person in Charge of Accounting Organ(Accounting Supervisor) hereby confirm that the Financial Report of the First Quarterly Report is true and complete.

§2. Company Profile

2.1 Main accounting highlights and financial indexes:

Unit: RMB

	At the end of the report period	At the period-end of the last year	Changes of increase/decrease (%)
Total assets (RMB)	10,504,347,309.51	7,929,217,436.19	32.48
Owners' equity attributable to shareholders of the listed company (RMB)	8,232,929,040.93	5,064,060,401.35	62.58
Total share capital (Share)	680,133,995.00	567,275,995.00	19.89
Net asset per share attributable to shareholders of listed company (RMB/Share)	12.10	8.93	35.50
	In the report period	The same period of last year	Changes of increase/decrease (%)
Total operating income (RMB)	1,340,401,162.00	1,617,839,294.12	-17.15
Net profit attributable to shareholders of the listed company (RMB)	247,112,386.65	290,729,479.27	-15.00
Net cash flow arising from operating activities (RMB)	135,895,279.94	-107,850,912.52	
Net cash flow arising from operating activities per share (RMB/Share)	0.20	-0.19	
Basic earnings per share (RMB/Share)	0.41	0.51	-19.61
Diluted earnings per share (RMB/Share)	0.41	0.51	-19.61
Weighted average return on equity (%)	4.03	6.84	-2.81
Weighted average return on equity after deducting non-recurring gains and losses (%)	4.01	6.84	-2.83

Items of non-recurring gains and losses

√ Applicable □ Inapplicable

Unit: RMB

Items of non-recurring gains and losses	Amount in year-begin to the end of report period	Remarks (If applicable)
Gains and losses from the disposal of non-current asset	1,385,856.03	
Other non-operating income and expenditure except for the aforementioned items	235,717.56	
Impact on income tax	-398,079.84	
Influenced amount of minority shareholders' equity	-68,454.81	
Total	1,155,038.94	-

2.2 Total number of shareholders at the end of the report period and shares held by the top ten shareholders with unrestricted conditions

Unit: Share

Total number of shareholders at the end of report period		33,405
Particulars about the shares held by the top ten tradable shareholders with unrestricted conditions		
Full Name of shareholder	Amount of tradable shares with unrestricted conditions held at the end of report period	Type of shares
WUXI INDUSTRY DEVELOPMENT CROUP CO., LTD.	28,363,800	RMB common share
China Construction Bank- Fullgoal Tianbo Innovation Theme Stock Fund,	20,000,000	RMB common share
ROBERT BOSCH GMBH	18,387,200	Domestically listed foreign share
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	12,733,479	Domestically listed foreign share
GAOLING FUND,L.P.	12,502,715	Domestically listed foreign share
DRAGON BILLION CHINA MASTER FUND	10,936,046	Domestically listed foreign share
China Construction Bank- China AMC Advantage Growth Stock Fund	9,103,321	RMB common share
Agriculture Bank of China – Changsheng Tongde Theme Growth Stock Fund	8,805,148	RMB common share
Bank of Communications—E-fund Kexun Stock Investment Fund	8,600,000	RMB common share
Bank of Communications—fulgoal Tianyi Value Stock Investment Fund	7,792,449	RMB common share

§3. Significant Events

3.1 Particulars about material changes in items of main accounting statement and financial index, and explanations of reasons

√ Applicable □ Inapplicable

Administrative expense gains a 37.52% down y-o-y in report period, mainly due to the order in this first quarter less than same period of last year, the Company strictly control vary expenditures.

Financial expense gains a 57.43% down y-o-y in report period, mainly because privately offering of

A-stock has completed in February, current capital was supplied and return loans to bank, and then financial expenses reduced.

Investment income gains a 49.19% down y-o-y in report period, mainly because auto industry market in first quarter shows totally down over same period of last, major stock jointly enterprise has a decline in performance, resulted a decrease of investment income.

Current liability has a 24.29% down over that of year-begin, mainly because privately offering of A-stock has completed in February, current capital was supplied and return loans to bank

Monetary capital gains a 257.10% up over that of year-begin, current assets has 51.3% over that of year-begin, capital reserve gains 313.52% over that of year-begin, equity attributable to shareholders of parent company has a 62.58 growth over year-begin and total assets show a 32.48% up over that of year-begin mainly because privately offering of A-stock has completed, capital raised has fully funded.

Cash outflow from operating activities have a 29.49% down y-o-y in report period, mainly because cash paid for goods purchased and labor received decreased.

Cash outflow from investment activities gains a 40.40% up y-o-y in report period, mainly due to the participation of privately offering of SDEC.

Cash inflow from financing activities has dramatically growth mainly due to the fully funded from privately offering of A-stock.

3.2 Analysis and explanation of significant events and their influence and solutions

3.2.1 Particular about Qualified Opinion

☐Applicable ☒Inapplicable

3.2.2 Particular about fund offered to shareholder or its related parties by the Company and external guarantee with procedure violation

☐Applicable ☒Inapplicable

3.2.3 Particular about the significant contract of routine operation signed and implemented

☐Applicable ☒Inapplicable

3.2.4 Other

☐Applicable ☒Inapplicable

3.3 Implementations of commitments by the Company, shareholders and actual controller

Commitments make within the report period or persisted to the period by listed company and its director, supervisor and senior executives, shareholder with over 5 percent shares held and its actual controller

☒Applicable ☐Inapplicable

Item of Commitments	Promisee	Content of commitments	Implementation
Commitments for Share Merger Reform	Wuxi Industry Development Group Co., Ltd.	Non-tradable stocks of Weifu Hi-Tech, held by Industry Group, should not be listed or transferred within 60 months since right of trading obtained. When commitment terms expires, listed for trading in Shenzhen Stock Exchange for original non-tradable stocks, with total sales amount no more than 5% of total share capital of Weifu Hi-Tech in 12 months and no more than 10% of total share capital of Weifu Hi-Tech in 24 months for sales price of no less than 10 yuan per share(if ex-rights occurred in line with regulations, calculated based on minimum price of reduction for ex-rights exercised)	The commitment in process of implementation and no shares held reduction.
Commitments made in Acquisition	Inapplicable	Inapplicable	Inapplicable

Report or Reports on Change in Interests			
Commitments made in Material Assets Reorganization	Inapplicable	Inapplicable	Inapplicable
Commitments made in issuing	Wuxi Industry Development Group Co., Ltd. and ROBERT BOSCH GMBH	Totally 112.858 million A-stocks, privately offered to largest shareholder Wuxi Industry Group and foreign strategy investor ROBERT BOSCH GMBH, have listing in Shenzhen Stock Exchange dated 29 February 2012 with limited sales period of 36 months.	In process of implementation
Other commitments (including additional commitments)	Wuxi Industry Development Group Co., Ltd.	In order to promote the listed company's steady and healthy development, fully mobilize senior executives so as to ensure to combine the interests of the governance and shareholders of the Company, Weifu Industry Group committed: after Weifu High-tech finishing Share Merger Reform, under related regulations of the state and Wuxi government in terms of governance encouragement system of listed company, the Group would the stock incentive plan for management level of Weifu High-tech.	The said commitment is being implemented, and would be performed since related policy is perfected.

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

☐Applicable ☒Inapplicable

3.5 Other significant events which need explanations

3.5.1 Particulars about securities investment

☒Applicable ☐Inapplicable

Unit: RMB

Serial	Type	Code	Shot form	Initial investment amount (RMB)	Amount held at period-end (Share)	Book value at period-end	Ratio in total security investment at period-end (%)	Gains/losses in report period
1	Stock	600841	SDEC	199,208,000.00	14,800,000	270,840,000.00	100.00	0.00
Other security investment held at period-end				0.00	-	0.00	0.00	0.00
Gains/losses of security investment sold in report period				-	-	-	-	0.00
Total				199,208,000.00	-	270,840,000.00	100	0.00

Explanation of securities investment

Participated in subscription of SDEC privately offering of A-stocks was deliberated and approved in 23rd Meeting of 6th Session of the Board. Subscribe 14,800,000 shares of SDEC with 13.46 yuan per

share, a 2.72% in total share capital of SDEC after privately offering. The Company promised not to transfer the shares within 12 months since subscription, limited sales terms (23 March 2012 to 22 March 2013), book value at period-end amounting to RMB 270,840,000.00.

3.5.2 Registration form for receiving research, communication and interview in the report period

Date	Place	Method	Type of investors	Investor	Contents discussed and materials supplied
2012-03-02	Conference room of the Company	Spot research	Institution	China Merchants Securities	Analysis of market for year of 2012
2012-03-07	Conference room of the Company	Spot research	Institution	CITIC Securities, Ping An Securities	Analysis of market for year of 2012

3.6 Particulars about derivatives investment

☐Applicable ☒Inapplicable

3.6.1 Particulars about derivatives investment held at the end of report period

☐Applicable ☒Inapplicable

Board of Directors of
Weifu High-Technology Group Co., Ltd.
18 April 2012