

CSG HOLDING CO., LTD.

THE FIRST QUARTER REPORT 2015



Chairman of the Board:
ZENG NAN

April 2015

I. Important Notice

Board of Directors and the Supervisory Committee of CSG Holding 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 jointly and severally, for the truthfulness, accuracy and completeness of the whole contents.

All directors are present the meeting of the Board for deliberating the First Quarter Report of the Company in person.

Chairman of the Board of the Company Mr. Zeng Nan, CFO Mr. Luo Youming and principal of the financial department Mr. Zhang Guoming hereby confirm the truthfulness and completeness of the Financial Report in the First Quarter Report of 2015.

This report is prepared both in Chinese and English. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

Section II Main accounting data and Changes in Shareholders

I. Main accounting data and indices

Whether retrospective adjustment has been carried out on financial reports of previous periods or not

☐ Yes ☒ No

	The 1 st quarter of 2015	The 1 st quarter of 2014	Percentage of change (%)
Operating income (RMB)	1,539,206,800	1,482,894,670	3.80%
Net profit attributable to shareholders of the listed company(RMB)	82,201,310	123,051,443	-33.20%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	29,979,957	108,589,698	-72.39%
Net cash flow arising from operating activities(RMB)	37,738,405	90,191,987	-58.16%
Basic earnings per share (RMB/Share)	0.0396	0.0593	-33.22%
Diluted earnings per share (RMB/Share)	0.0396	0.0593	-33.22%
The weighted average return on net assets (%)	0.98%	1.52%	-0.54%
	31 March 2015	31 December 2014	Percentage of change (%)
Total assets (RMB)	15,361,037,178	15,116,808,305	1.62%
Net assets attributable to shareholder of listed company(RMB)	8,490,615,365	8,348,561,765	1.70%

Items and amounts of extraordinary profit (gains)/loss

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Amount from beginning of the year to the end of the report period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	2,847,302	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	14,999,805	
Gains on disposal of available-for-sale financial assets, gains and losses from change of fair values of held-for-transaction financial assets and financial liabilities except for the effective hedge business related to normal business of the Company, and investment income from disposal of transactional financial assets and liabilities and financial assets available for sale	37,582,746	

Other non-operating income and expenditure except for the aforementioned items	1,111,480	
Less: Impact on income tax	3,074,613	
Impact on minority shareholders' equity (post-tax)	1,245,367	
Total	52,221,353	--

Explain reasons for the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

☐Applicable ☒Not applicable

It does not exist that items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

II. Total of shareholders at the end of the report period and particulars about the shares held by the top ten shareholders

1. Total of shareholders at the end of the report period and particulars about the shares held by the top ten shareholders

Unit: Share

Total of shareholders at the end of the report period				173,146		
Particulars about shares held by the top ten shareholders						
Name of shareholder	Nature of shareholder	Proportion of shares held (%)	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					Share status	Amount
Foresea Life Insurance Co., Ltd- Universal Insurance products	Domestic non state-owned legal person	3.92%	81,405,744	0		
China Northern Industries Corporation	State-owned legal person	3.62%	75,167,934	0		
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	2.62%	54,459,899	0		
Shenzhen International Holdings (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	2.34%	48,605,713	0		
China Merchants Securities (HK) Co., Ltd.	State-owned legal person	1.21%	25,209,137	0		
CITIC Securities Company Limited	State-owned legal person	1.03%	21,450,727	0		
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.74%	15,311,292	0		
GUOTAIJUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	0.69%	14,231,158	0		
Hua Xia Bank Co., Ltd. – Huashang Dapan	Domestic non state-owned	0.44%	9,176,898	0		

quantize selected Flexibly Configured Mix Securities Investment Fund	legal person					
GIC PRIVATE LIMITED	Foreign legal person	0.40%	8,329,614	0		
Particular about top ten shareholders with un-restrict shares held						
Shareholders' name	Amount of un-restrict shares held at Period-end	Type of shares				
		Type	Amount			
Foresea Life Insurance Co., Ltd- Universal Insurance products	81,405,744	RMB ordinary shares	81,405,744			
China Northern Industries Corporation	75,167,934	RMB ordinary shares	75,167,934			
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	54,459,899	RMB ordinary shares	54,459,899			
Shenzhen International Holdings (Shenzhen) Co., Ltd.	48,605,713	RMB ordinary shares	48,605,713			
China Merchants Securities (HK) Co., Ltd.	25,209,137	Domestically listed foreign shares	25,209,137			
CITIC Securities Company Limited	21,450,727	RMB ordinary shares	21,450,727			
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	15,311,292	Domestically listed foreign shares	15,311,292			
GUOTAIJUNAN SECURITIES(HONGKONG) LIMITED	14,231,158	Domestically listed foreign shares	14,231,158			
Hua Xia Bank Co., Ltd. – Huashang Dapan quantize selected Flexibly Configured Mix Securities Investment Fund	9,176,898	RMB ordinary shares	9,176,898			
GIC PRIVATE LIMITED	8,329,614	Domestically listed foreign shares	8,329,614			
Statement on associated relationship or consistent action among the above shareholders:	Among shareholders as listed above, Shenzhen International Holdings (Shenzhen) Co., Ltd. and Xin Tong Chan Development (Shenzhen) Co., Ltd. are holding enterprises and belong to controlling enterprise of Shenzhen International Holdings Co., Ltd. Except for this, It is unknown whether other shareholders belong to related party or have associated relationship regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Companies.					
Explanation on shareholders involving margin business about top ten common shareholders with un-restrict shares held(if applicable)	N/A					

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

☐ Yes ☒ No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

Section III Important Events

I. Particulars and explanations about significant changes in main accounting statement and financial indexes

√Applicable □ Not applicable

Unit: RMB'0,000

	Note	31 March 2015	31 December 2014	Amount of change	Percentage of change
Account receivable	(1)	49,063	31,827	17,236	54%
Inventory	(2)	52,607	39,065	13,542	35%
Development expenditure	(3)	2,453	1,768	685	39%
Note payable	(4)	2,050	350	1,700	486%
Wages payable	(5)	8,282	15,904	-7,622	-48%
	Note	Jan.-Mar.2015	Jan.-Mar.2014	Amount of change	Percentage of change
Investment earnings	(6)	1,673	638	1,035	162%
Income tax expenses	(7)	127	3,549	-3,422	-96%
Net profit	(8)	8,981	13,319	-4,338	-33%
Other comprehensive income	(9)	5,953	1,035	4,918	475%

Note:

(1) Account receivable increased mainly because business of architectural glass was impacted by centralized delivery of products after the spring festival while payback period of which was not matured.

(2) Inventory increased mainly because inventory of the flat glass increased for Macro Economy continued depression.

(3)The increase of development expenditure was mainly due to the increase of investment for R&D in the Year.

(4)Note payable increased mainly because notes newly issued increased slightly in the report period and the balance was lower in previous period.

(5) Wages payable decreased mainly because the year-end bonus for employees which accrued at end of last year was paid in the report period.

(6) Investment earnings increased mainly because the earnings from sales of the financial assets available for sale increased in the report period.

(7) Income tax expenses decreased mainly because profit declined in the report period and some subsidiaries of the Company applied to a preferential income tax rate for receiving the qualification certificate of High and New-Tech Enterprise in the Year.

(8) The decrease of net profit was mainly due to the impact of continued depression in economy and decline of product prices.

(9) Other comprehensive income increased mainly because fair value of the Group's financial assets available for sale changed in the report period.

II. The progress of material events and the analysis of the solutions

√Applicable □ Not applicable

1. Plan of domestically listed foreign shares converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction

The proposal of domestically listed foreign shares converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction was deliberated and approved by the interim meeting of the 7th session of the Board of the Company on 22 April 2015.

The Board agreed B-share converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction.

The implement for the above items shall need deliberation and approval from the 2nd meeting of the Board, approval by shareholders' meeting, verification, confirmation or approved by regulators, Stock Exchange of Hong Kong and China Securities Regulatory Commission, and approvals from other government departments and authorities (if necessary).

2. Plan of non-public offering of A-share

Proposals of non-public offering of A-share to specific investors etc. were deliberated and approved by the interim meeting of the 7th session of the Board on 22 April 2015.

The Company plans to exercise equity financing by means of non-public offering of A-share. The total amount of non-public offering of A-share was 179,977,502 shares, 67,491,563 shares of which was specifically issued to China Northern Industries Corporation, and 112,485,939 shares of which was specifically issued to Foresea Life Insurance Co., Ltd.

The A shares subscribed by China Northern Industries Corporation and Foresea Life Insurance Co., Ltd. in this plan are not allowed to be transferred within 36 months from the listing date.

Pricing benchmark is the announcement day of board resolution for this issue. The offering price is RMB 8.89/share, no less than 90% of the average trading price of 20 trading days before pricing benchmark. Offering price shall be adjusted if issues such as dividends, bonus shares, capital reserve and other ex dividend issues occurred before offering.

The total amount of raised funds of non-public offering of A-share is no more than RMB1.6 billion, and the net capital will be used for the following investment projects after issuance costs deducted:

Unit: RMB'0,000

Serial No.	Project	Practice subject	Overall investment	Plan to use the amount of raised funds
1	Update and expanding & reforming project for the electronic-grade Polysilicon of Yichang CSG	Yichang CSG	61,322.01	61,322.00
2	Production line construction project of the high-alumina glass of Qingyuan CSG	Qingyuan CSG	43,666.00	43,666.00
3	Repayment of bank loans	The Company	20,000.00	20,000.00
4	Supplement working capital	The Company	35,012.00	35,012.00
Total			160,000.01	160,000.00

Relevant events concerned with non-public offering of A-share need to acquire approvals from the shareholders' meeting, China Securities Regulatory Commission and other related authorities.

3. Short-term Financing Bonds

On 6 August 2012, the First Extraordinary Shareholders' General Meeting 2012 of CSG Holding Co., Ltd deliberated and approved the proposal of short-term financing bills offering with application of short-term financing bill within RMB 2.2 billion limit. On 11 January 2013, National Association of Financial market Institutional Investors held its 1st registration meeting of 2013, in which NAFMII decided to accept the Company's short-term financing bills registration, amounting to RMB 1.1 billion, valid until January 25, 2015. China Merchants Bank Co., Ltd, and Shanghai Pudong Development Bank Co., Ltd were joint lead underwriters of these short-term financing bills, which could be issued by stages within the validity period of registration. On 7 March 2013, the Company issued the 1st batch of short-term financing bills with a total amount of RMB 1.1 billion and deadline of one year, and cashed completed on 6 March 2014. On 27 June 2014, the Company continued to issue the 2nd batch of short-term financing bills for the year with a total amount of RMB 700 million and annual interest rate of 5.10%, and the expiry date is 27 June 2015. On 25 August 2014, the Company continued to issue the 3rd batch of short-term financing bills for the year with a total amount of RMB 400 million and annual interest rate of 5.10%, and the expiry date is 25 August 2015.

On 23 April 2013, annual general meeting of 2012 of CSG Holding Co., Ltd deliberated and approved the proposal of short-term financing bills offering with application of short-term financing bills with a total amount of no more than 40 percent of the Company's net assets (the issued short-term financing bills included). On 20 December 2013, National Association of Financial market Institutional Investors held its 74th registration meeting of 2013, in which NAFMII decided to accept the Company's short-term financing bills registration, amounting to RMB 1.1 billion, valid for two years. China CITIC Bank Corporation Limited and Agricultural Bank of China Co., Ltd were joint lead underwriters of these short-term financing bills, which could be issued by stages within the validity period of registration. On 14 March 2014, the Company issued short-term financing bills with a total amount of RMB 0.5 billion and deadline of one year, which was redeemed on 16 March 2015. On 22 April 2015, the Company issued the 1st batch of short-term financing bills for the year of 2015 with a total amount of RMB 0.6 billion and annual interest rate of 4.28%, and the expiry date is 23 April 2016.

For details, please refer to www.chinabond.com.cn and www.chinamoney.com.cn.

III. Commitments made by the Company or shareholders holding above 5% shares of the Company in reporting period or extending to reporting period.

√Applicable □ Not applicable

Commitments	Promisee	Content of commitments	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform	The original non-tradable shareholder Shenzhen International Holdings (SZ) Limited and Xin Tong Chan Industrial Development (Shenzhen)	The Company has implemented share merger reform in May 2006. Till June 2008, the share of the original non-tradable shareholders which holding over 5% total shares of the Company had all released. Therein, the original non-tradable shareholder Shenzhen International Holdings (SZ) Limited and Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd. both are wholly-funded subsidiaries to Shenzhen International Holdings Limited (hereinafter Shenzhen International for short) listed in Hong Kong united stock exchange main board. Shenzhen International made commitment that it would strictly carry out related regulations of Securities Law, Administration of the Takeover of Listed Companies	2006-5-22	N/A	By the end of the report period, the above shareholders of the Company had strictly carried out their promises.

	Co., Ltd.	Procedures and Guiding Opinions on the Listed Companies' Transfer of Original Shares Released from Trading Restrictions issued by CSRC during implementing share decreasingly-held plan and take information disclosure responsibility timely.			
Commitments in report of acquisition or equity change					
Commitments in assets reorganization					
Commitments in initial public offering or re-financing					
Other commitments for medium and small shareholders					
Completed on time or not	Yes				
Detail reasons for unfinished commitment and further plan	Not applicable				

IV. Predict of the business performance from January to June 2015

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

☐Applicable ☒Not applicable

V. Securities Investment

☐Applicable ☒Not applicable

There was no securities investment in the report period.

VI. Explanation on equity of other listed company held

☒Applicable ☐Not applicable

The Company now holds 8,660,829 shares of the Golden Glass, and has 4.01% voting right of Golden Glass. Directors and key managers of Golden Glass are not appointed by the Company, the Company doesn't participate or impact finance and operation decision-making or routine operation activities of Golden Glass in other way, thus, the Company shows no major influence on Golden Glass, so the shares held by the Company is calculated as equity instrument available for sale.

In the report period, the Company sold 5,709,171 shares of Golden Glass and the return on investment was RMB 25,558,847.

VII. Derivative investment

☐ Applicable ☒ Not applicable

There was no derivative investment in the report period.

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

☒ Applicable ☐ Not applicable

Date	Place	Method	Type of investors	Investor	Contents discussed and materials supplied
2015-1-19	The Company	Field research	Institution	Shenzhen JunHai Investment Management Co., Ltd., Chian Galaxy Securities Co., Ltd., China Galaxy International Financial Holding Limited, Shenzhen Minsen Investment Co., Ltd., and Springs (Beijing) Investment Management Co., Ltd.	Introduced the operation condition of the Company disclosed
2015-1-20	The Company	Field research	Institution	Guotai Junan Securities, Anbang Asset Management Co., Ltd., Yinhua Fund Management Co., Ltd., Guangdong Yinshi Investment Co., Ltd., Jixiang Life Insurance Co., Ltd., Shenzhen Qianhai Black Swan Asset Management Co., Ltd., Beijing Yuanxu Equity Investment Fund Management Co., Ltd., Shenzhen Taihe Investment Management Co., Ltd., Jingxi Startup Mansion and First Capital Securities Co., Ltd.	Introduced the operation condition of the Company disclosed
2015-1-26	The Company	Field research	Institution	KHAZANAH NASIONAL, Cathay Securities Investment Trust Co., Ltd., Jirong Asset Management Co., Ltd., Zexi Investment Management Co., Ltd. and CITIC Securities Co., Ltd.	Introduced the operation condition of the Company disclosed

Section IV Financial Report

I. Financial Statements

I. Financial Statements

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Ending balance	Beginning balance
Current asset:		
Monetary capital	135,468,984	158,139,050
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value of which changes are recorded in current profits and losses		
Derivative financial assets		
Notes receivable	129,463,872	155,588,629
Account receivable	490,628,687	318,274,574
Prepayment	74,369,698	84,231,553
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	27,781,893	25,973,156
Repurchasing of financial assets		
Inventories	526,072,983	390,652,618
Assets held for sale		
Non-current asset due in 1 year		
Other current asset	219,663,261	219,908,717
Total of current asset	1,603,449,378	1,352,768,297
Non-current assets		
Disburse of consigned loans		
Available-for-sale financial asset	159,359,254	145,568,100
Expired investment in possess		

Long-term receivable		
Long-term share equity investment	742,871,404	751,623,543
Investment real estates		
Fixed assets	10,041,259,053	9,851,117,915
Construction in process	1,734,158,957	1,934,595,736
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	938,021,170	946,586,310
R&D expense	24,530,690	17,675,656
Goodwill	3,039,946	3,039,946
Long-term amortizable expenses	2,138,334	2,391,824
Differed income tax asset	104,549,908	103,781,894
Other non-current asset	7,659,084	7,659,084
Total of non-current assets	13,757,587,800	13,764,040,008
Total of assets	15,361,037,178	15,116,808,305
Current liabilities		
Short-term loans	2,141,117,487	1,957,123,175
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value of which changes are recorded in current profits and losses		
Derivative financial liabilities		
Notes payable	20,500,000	3,500,000
Account payable	920,044,711	960,537,876
Prepayment received	88,959,879	113,994,747
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	82,817,182	159,040,363
Tax payable	53,698,125	57,213,608
Interest payable	91,469,937	74,556,982
Dividend payable		

Other account payable	147,595,741	147,269,978
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sale		
Non-current liability due in 1 year	2,145,416,558	2,119,066,755
Other current liability	300,000	300,000
Total of current liability	5,691,919,620	5,592,603,484
Non-current liabilities		
Long-term borrowings	389,000,000	383,817,820
Bond payable		
Of which: preferred shares		
Perpetual bonds		
Long-term payable		
Long-term payroll payables		
Special payable		
Anticipated liabilities		
Deferred income	432,502,673	444,909,519
Differed income tax liability	47,694,900	42,029,332
Other non-recurring liabilities		
Total of non-current liabilities	869,197,573	870,756,671
Total of liability	6,561,117,193	6,463,360,155
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	2,075,335,560	2,075,335,560
Other equity instruments		
Of which: preferred shares		
Perpetual bonds		
Capital reserves	1,340,172,052	1,340,090,907
Less: Shares in stock		
Other comprehensive income	46,228,818	-13,521,093
Special reserves	14,584,061	14,562,826
Surplus reserves	830,772,731	830,772,731
Common risk provision		

Retained profit	4,183,522,143	4,101,320,834
Total of owner's equity belong to the parent company	8,490,615,365	8,348,561,765
Minor shareholders' equity	309,304,620	304,886,385
Total of owners' equity (or shareholders' equity)	8,799,919,985	8,653,448,150
Total of liability and shareholders' equity (or owners' equity)	15,361,037,178	15,116,808,305

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

2. Balance Sheet of the Parent Company

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Ending balance	Beginning balance
Current asset:		
Monetary capital	61,405,111	69,089,926
Financial assets measured at fair value of which changes are recorded in current profits and losses		
Derivative financial assets		
Notes receivable		
Account receivable		
Prepayment		
Interest receivable		
Dividend receivable		
Other account receivable	3,688,295,755	3,574,791,409
Inventories		
Assets held for sale		
Non-current asset due in 1 year		
Other current asset		
Total of current asset	3,749,700,866	3,643,881,335
Non-current assets		
Available-for-sale financial asset	159,359,254	139,854,780
Expired investment in possess		
Long-term receivable	1,658,290,000	1,636,290,000
Long-term share equity investment	4,725,193,876	4,733,050,730
Investment real estates		

Fixed assets	30,986,348	32,554,885
Construction in process	194,940	
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	2,094,886	2,205,836
R&D expense		
Goodwill		
Long-term amortizable expenses	1,473,628	1,701,424
Differed income tax asset		
Other non-current asset		
Total of non-current assets	6,577,592,932	6,545,657,655
Total of assets	10,327,293,798	10,189,538,990
Current liabilities		
Short-term loans	1,773,500,000	1,681,000,000
Financial liabilities measured at fair value of which changes are recorded in current profits and losses		
Derivative financial liabilities		
Notes payable		
Account payable	167,256	169,337
Prepayment received		
Employees' wage payable	2,375,891	50,356,110
Tax payable	202,499	1,323,122
Interest payable	53,810,344	54,281,022
Dividend payable		
Other account payable	283,371,301	270,915,072
Liabilities held for sale		
Non-current liability due in 1 year	1,997,099,182	1,995,783,205
Other current liability		
Total of current liability	4,110,526,473	4,053,827,868
Non-current liabilities		
Long-term borrowings	218,000,000	196,000,000
Bond payable		

Of which: preferred shares		
Perpetual bonds		
Long-term payable		
Long-term payroll payables		
Special payable		
Anticipated liabilities		
Deferred income	11,167,800	11,167,800
Differed income tax liability	37,073,160	30,553,445
Other non-recurring liabilities		
Total of non-current liabilities	266,240,960	237,721,245
Total of liability	4,376,767,433	4,291,549,113
Owners' equity (or shareholders' equity)		
Capital paid in (or share capital)	2,075,335,560	2,075,335,560
Other equity instruments		
Of which: preferred shares		
Perpetual bonds		
Capital reserves	1,403,988,071	1,403,806,545
Less: Shares in stock		
Other comprehensive income	44,168,509	-15,223,855
Special reserves		
Surplus reserves	845,318,091	845,318,091
Retained profit	1,581,716,134	1,588,753,536
Total of owners' equity (or shareholders' equity)	5,950,526,365	5,897,989,877
Total of liability and shareholders' equity (or owners' equity)	10,327,293,798	10,189,538,990

3. Consolidated Income Statement

Unit: RMB

Items	Balance of this period	Balance of last period
I. Total revenue	1,539,206,800	1,482,894,670
Incl. Business income	1,539,206,800	1,482,894,670
Interest income		
Insurance fee earned		
Fee and commission received		

II. Total business cost	1,483,814,575	1,344,181,492
Incl. Business cost	1,219,078,366	1,101,922,703
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	5,465,909	7,492,146
Sales expense	65,898,919	58,234,783
Administrative expense	133,870,454	122,486,203
Financial expenses	56,173,221	51,307,640
Asset impairment loss	3,327,706	2,738,017
Plus: gains from change of fair value (“-“ for loss)		
Investment gains (“-“ for loss)	16,725,566	6,383,626
Incl. Investment gains from affiliates		
Exchange gains (“-“ for loss)		
III. Operational profit (“-“ for loss)	72,117,791	145,096,804
Plus: non-operational income	18,971,646	25,025,825
Including: Gains on disposal of non-current assets	2,854,584	592,302
Less: non-operational expenditure	13,059	1,450,126
Incl. Loss from disposal of non-current assets	7,282	1,421,153
IV. Gross profit (“-“ for loss)	91,076,378	168,672,503
Less: Income tax expenses	1,265,071	35,485,420
V. Net profit (“-“ for net loss)	89,811,307	133,187,083
Net profit attributable to the owners of parent company	82,201,310	123,051,443
Minor shareholders' equity	7,609,997	10,135,640
VI. After-tax net amount of other comprehensive incomes	59,528,906	10,352,885
After-tax net amount of other comprehensive incomes attributable to owners of the Company	59,749,912	10,352,885
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		

2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses	59,749,912	10,352,885
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets	60,138,670	10,115,238
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		
4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference	-388,758	237,647
6. Other		
After-tax net amount of other comprehensive incomes attributable to minority shareholders	-221,006	
VII. Total comprehensive incomes	149,340,213	143,539,968
Attributable to owners of the Company	141,951,222	133,404,328
Attributable to minority shareholders	7,388,991	10,135,640
VIII. Earnings per share		
(I) Basic earnings per share	0.0396	0.0593
(II) Diluted earnings per share	0.0396	0.0593

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

4. Income Statement of the Parent Company

Unit: RMB

Items	Balance of this period	Balance of last period
I. Turnover	0	0
Less: Operation cost	0	0
Business tax and surcharge	0	0
Sales expense	0	0
Administrative expense	7,070,729	6,203,406
Financial expenses	32,205,941	23,005,979

Asset impairment loss	2,168	-2,049
Plus: gains from change of fair value (“-“ for loss)		
Investment gains (“-“ for loss)	18,173,520	8,735,293
Incl. Investment gains from affiliates		
II. Operational profit (“-“ for loss)	-21,105,318	-20,472,043
Plus: Non business income	790,176	839,045
Including: Gains on disposal of non-current assets		
Less: Non-business expenses		
Incl. Loss from disposal of non-current assets		
III. Total profit (“-“ for loss)	-20,315,142	-19,632,998
Less: Income tax expenses	-13,277,740	
IV. Net profit (“-“ for net loss)	-7,037,402	-19,632,998
V. After-tax net amount of other comprehensive incomes	59,392,364	7,558,785
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses	59,392,364	7,558,785
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets	59,392,364	7,558,785
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		
4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference		
6. Other		
VI. Total comprehensive incomes	52,354,962	-12,074,213
VII. Earnings per share		
(I) Basic earnings per share		

(II) Diluted earnings per share		
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5. Consolidated Cash Flow Statement

Unit: RMB

Items	Balance of this period	Balance of last period
I. Net cash flow from business operation		
Cash received from sales of products and providing of services	1,638,344,300	1,702,304,935
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		
Net increase of disposal of financial assets measured at fair value of which changes are recorded into current gains and losses		
Cash received as interest, processing fee, and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	2,825,244	421,908
Other cash received from business operation	14,219,488	17,575,287
Sub-total of cash inflow from business activities	1,655,389,032	1,720,302,130
Cash paid for purchasing of merchandise and services	1,137,589,502	1,097,649,946
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	258,205,741	250,906,812
Taxes paid	111,806,996	182,733,978
Other cash paid for business activities	110,048,388	98,819,407

Sub-total of cash outflow from business activities	1,617,650,627	1,630,110,143
Cash flow generated by business operation, net	37,738,405	90,191,987
II. Cash flow generated by investing		
Cash received from investment retrieving	91,792,420	
Cash received as investment profit		444,816
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	2,654,139	8,328,943
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	1,832,684	95,250,749
Sub-total of cash inflow due to investment activities	96,279,243	104,024,508
Cash paid for construction of fixed assets, intangible assets and other long-term assets	320,005,251	411,824,679
Cash paid as investment		55,914,929
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	672,760	
Sub-total of cash outflow due to investment activities	320,678,011	467,739,608
Net cash flow generated by investment	-224,398,768	-363,715,100
III. Cash flow generated by financing		
Cash received as investment		21,136,000
Incl. Cash received as investment from minor shareholders		21,136,000
Cash received as loans	1,053,352,855	2,027,074,580
Cash received from bond placing		
Other financing-related cash received		20,096,157
Subtotal of cash inflow from financing activities	1,053,352,855	2,068,306,737
Cash to repay debts	839,142,536	1,735,961,256
Cash paid as dividend, profit, or interests	48,991,916	63,293,058
Incl. Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	92,208	
Subtotal of cash outflow due to financing activities	888,226,660	1,799,254,314
Net cash flow generated by financing	165,126,195	269,052,423

IV. Influence of exchange rate alternation on cash and cash equivalents	-1,248,106	136,529
V. Net increase of cash and cash equivalents	-22,782,274	-4,334,161
Plus: Balance of cash and cash equivalents at the beginning of term	156,838,261	276,450,869
VI. Balance of cash and cash equivalents at the end of term	134,055,987	272,116,708

6. Cash Flow Statement of the Parent Company

Unit: RMB

Items	Balance of this period	Balance of last period
I. Net cash flow from business operation		
Cash received from sales of products and providing of services		
Tax returned		
Other cash received from business operation	943,126	326,465
Sub-total of cash inflow from business activities	943,126	326,465
Cash paid for purchasing of merchandise and services		1,500
Cash paid to staffs or paid for staffs	45,642,137	47,862,295
Taxes paid	69,646	274,607
Other cash paid for business activities	1,490,598	4,625,703
Sub-total of cash outflow from business activities	47,202,381	52,764,105
Cash flow generated by business operation, net	-46,259,255	-52,437,640
II. Cash flow generated by investing		
Cash received from investment retrieving	83,721,977	
Cash received as investment profit	2,970,186	18,685,428
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		294
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	86,692,163	18,685,722
Cash paid for construction of fixed assets, intangible assets and other long-term assets	207,220	143,185
Cash paid as investment	791,650	114,778,929

Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	20,000	
Sub-total of cash outflow due to investment activities	1,018,870	114,922,114
Net cash flow generated by investment	85,673,293	-96,236,392
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans	859,296,702	1,871,301,593
Cash received from bond placing		
Other financing-related cash received		1,016,912
Subtotal of cash inflow from financing activities	859,296,702	1,872,318,505
Cash to repay debts	744,796,702	1,719,250,000
Cash paid as dividend, profit, or interests	32,690,865	28,228,411
Other cash paid for financing activities	128,891,119	
Subtotal of cash outflow due to financing activities	906,378,686	1,747,478,411
Net cash flow generated by financing	-47,081,984	124,840,094
IV. Influence of exchange rate alternation on cash and cash equivalents	-16,868	7,801
V. Net increase of cash and cash equivalents	-7,684,814	-23,826,137
Plus: Balance of cash and cash equivalents at the beginning of term	67,898,286	129,337,516
VI. Balance of cash and cash equivalents at the end of term	60,213,472	105,511,379

II. Report of the Auditors

Whether the First Quarter Report has been audited or not

☐ Yes ☒ No

The First Quarter Report hasn't been audited.

Board of Directors of

CSG Holding Co., Ltd.

30 April 2015