China National Accord Medicines Corporation Ltd

The Third Quarterly Report for 2016

October 2016

Section I. Important Notice

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of China National Accord Medicines Corporation Ltd. (hereinafter referred to as the Company) 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.

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

Lin Zhaoxiong, person in charge of the Company, head of the accounting works Wei Pingxiao and Wang Ying, accounting body principals (accountant in charge) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Section II. Main accounting data and changes of shareholders

I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

□Yes √ No

	Current period-end	Period-end of last year	Increase/decrease
Total assets(RMB)	14,962,096,742.60	13,218,349,735.31	13.19%
Net assets attributable to shareholders of listed company (RMB)	6,067,416,420.30	5,453,393,694.55	11.26%

	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to period-end of last year
Operating revenue (RMB)	7,332,379,516.04	6.79%	21,421,432,387.92	8.85%
Net profit attributable to shareholders of the listed company (RMB)	180,690,224.79	-3.25%	722,812,308.65	25.91%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	174,075,812.75	-4.89%	578,585,221.16	3.94%
Net cash flow arising from operating activities(RMB)	--	--	530,039,802.32	29.86%
Basic earnings per share (RMB/Share)	0.498	-3.30%	1.993	25.90%
Diluted earnings per share (RMB/Share)	0.498	-3.30%	1.993	25.90%
Weighted average ROE	3.02%	-0.59%	12.56%	1.10%

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	8,589,165.10	Mainly because the subsidiary Guangxi Logistics disposed the assets and obtained income.

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)	14,445,709.44	Mainly refers to the various specific grants and finance discount received in the Period
Reversal of impairment reserve for account receivable with separate impairment testing	2,805,960.48	
Income of trustee fee obtained from trust for management	452,044.03	Mainly due to the earnings from render a hosted services by Sinopharm Holding and China National Pharmaceutical Foreign Trade Corporation
Other non-operating income and expenditure except for the aforementioned items	2,977,962.60	A default for overdue payments of equity transfer received from third party
Subsidiary disposal and gain/losses from long-term investment revaluation	121,754,182.26	Investment gains from disposal of 67% equity of Sinopharm Zhijun Suzhou
Less: impact on income tax	144,750.08	
Impact on minority shareholders' equity (post-tax)	6,653,186.34	
Total	144,227,087.49	--

Concerning 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*, explain reasons

□ Applicable √ Not applicable

In reporting period, the Company has no particular about 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. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

1. Total number of common shareholders at the end of this report period and top ten common shareholders

In Share

<table>
<tr><td colspan="2">Total common shareholders at the end of report period</td><td>13,346</td><td colspan="2">Total preference shareholders with voting rights recovered at end of reporting period (if applicable)</td><td>0</td></tr>
<tr><td colspan="6">Top ten shareholders</td></tr>
<tr><td>Shareholders</td><td>Nature of</td><td>Proportion of</td><td>Amount of shares</td><td>Amount of</td><td>Number of share pledged/frozen</td></tr>
</table>

	shareholder	shares held	held	restricted shares held	State of share	Amount
Sinopharm Group Co., Ltd.	State-owned corporate	51.00%	184,942,291	74,482,543		
HTHK/CMG FSGUFP-CMG FIRST STATE CHINA GROWTH FD	Overseas corporate	2.08%	7,548,119			
China Securities Finance Corporation Limited	State-owned corporate	1.72%	6,229,499			
VALUE PARTNERS CLASSIC FUND	Overseas corporate	1.41%	5,130,353			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas corporate	1.40%	5,075,646			
New China Life Insurance Company Ltd. －Dividend －individual bonuses -018L-FH002 Shen	Domestic non state-owned corporate	1.26%	4,564,263			
CITIC Securities	Domestic non state-owned corporate	1.16%	4,198,728			
China SAFE Investments Limited	State-owned corporate	1.05%	3,804,400			
TARGET VALUE FUND	Overseas corporate	0.89%	3,241,799			
China Merchants Bank Co., Ltd. –Huitianfu Medical Service	Domestic non state-owned corporate	0.75%	2,719,445			

Flexible Mix Securities Investment Funds						

Particular about top ten shareholders with un-restrict shares held			
Shareholders	Amount of un-restrict shares held	Type of shares	
		Type	Amount
Sinopharm Group Co., Ltd.	110,459,748	RMB ordinary shares	110,459,748
HTHK/CMG FSGUFP-CMG FIRST STATE CHINA GROWTH FD	7,548,119	Domestically listed foreign shares	7,548,119
China Securities Finance Corporation Limited	6,229,499	RMB ordinary shares	6,229,499
VALUE PARTNERS CLASSIC FUND	5,130,353	Domestically listed foreign shares	5,130,353
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	5,075,646	Domestically listed foreign shares	5,075,646
New China Life Insurance Company Ltd. －Dividend －individual bonuses -018L-FH002 Shen	4,564,263	RMB ordinary shares	4,564,263
CITIC Securities	4,198,728	RMB ordinary shares	4,198,728
China SAFE Investments Limited	3,804,400	RMB ordinary shares	3,804,400
TARGET VALUE FUND	3,241,799	Domestically listed foreign shares	3,241,799
China Merchants Bank Co., Ltd. –Huitianfu Medical Service Flexible Mix Securities Investment Funds	2,719,445	RMB ordinary shares	2,719,445
Explanation on associated relationship among the aforesaid shareholders	It is unknown that there exists no associated relationship or belongs to the consistent actionist among the other tradable shareholders regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies.		

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 shareholders of the Company have no buy-back agreement dealing in reporting period.

2. Total of shareholders with preferred stock held and the top ten shareholdings

□Applicable √Not applicable

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable □Not applicable

1. Monetary fund: increased 524million Yuan over that of peirod-begin with growth rate of 33.38%, mainly because cash in-flow growth with the soaring sales and money of equity disposal of the subsidiary received;
2. Interest receivable: increased 631,400 Yuan over that of peirod-begin with growth rate of 100.00%, mainly because entrust loans interest receivable from associated enterprise at period-end;
3. Other account receivable: increased 78.0541 million Yuan over that of peirod-begin with growth rate of 204.46%, mainly because entrust loans receivable from associated enterprise at period-end;
4. Assets divided into assets ready for sale: decreased 2,456,900 Yuan over that of peirod-begin with growth rate of -100.00%, mainly because the underlying assets close in the Period;
5. Other current assets: decreased 10.1772 million Yuan over that of peirod-begin with growth rate of -52.31%, mainly because the overpaid VAT decreased in the Peirod;
6. Long-term equity investment: increased 88.5064 million Yuan over that of peirod-begin with growth rate of 48.94%, mainly because part of the subsidiary's equity are disposa in the Period, and resulted by the calculation of equity instead of cost;
7. Development expenditure: decreased 5,619,300 Yuan over that of peirod-begin with growth rate of -100.00%, mainly because equity of subsidiary dispose in the Period, than corresponding development expenditure declined;
8. Goodwill: decreased 28.0194 million Yuan over that of peirod-begin with growth rate of -35.30%, mainly because equity of subsidiary dispose in the Period, than corresponding goodwill declined;
9. Deferred income tax assets: decreased 46.5577 million Yuan over that of peirod-begin with growth rate of -52.78%, mainly because equity of subsidiary dispose in the Period, than corresponding deferred income tax assets declined;
10. Taxes payable: increased 25.0836 million Yuan over that of peirod-begin with growth rate of 34.43%, the accrual income tax increased due to the growth of profit in the Period;
11. Non-current liability due within one year: increased 31.5446 million Yuan over that of peirod-begin with growth rate of 579.35%, mainly because the long-term loans are re-divided to non-current liability due within one year;
12. Long-term loans: decreased 72.4952 million Yuan over that of peirod-begin with growth rate of -100.00%, mainly because the long-term loans are re-divided to non-current liability due within one year;
13. Financial expenses: decreased 27.4838 million Yuan on a y-o-y basis with growth rate of -34.86%, mainly because the loan rate declined with the decrease of the loans in the Period;
14. Investment income: increased 118 million Yuan on a y-o-y basis with growth rate of 299.27%, mainly because obtained investment income from disposal of subsidiary's equity in the Period;
15. Non-operation expenses: increased 1,170,700 Yuan on a y-o-y basis with growth rate of 234.59%, mainly because disposal of non-current assets has a y-o-y growth in the Period;
16. Refund of tax and levies: increased 13.1249 million Yuan on a y-o-y basis with growth rate of 907.21%, mainly because receiving more income tax rebates and export rebates over that of last period;
17. Net cash received from disposal of fixed assets, intangible assets and other long-term assets: increased 1,518,400 Yuan on a y-o-y basis with growth rate of 152.14%, mainly because non-current assets disposal increased from a year earlier;
18. Net cash received from disposal of subsidiary and other business entity: increased 129 million Yuan on a y-o-y basis with growth rate of 100.00%, mainly because receiving equity dispsoal money in the Peirod;

19. Other cash received relating to investing activities: increased 129 million Yuan on a y-o-y basis with growth rate of 100.00%, mainly because received the repayment of entrust loans for associated enterprise;

20. Subtotal of cash in-flow from investment activities: increased 262 million Yuan on a y-o-y basis with growth rate of 723.16%, mainly because receiving equity dispsoal money and received the repayment of entrust loans for associated enterprise in the Peirod;

21. Cash paid for purchasing fixed assets, intangible assets and other long-term assets: decreased 47.1541 million Yuan on a y-o-y basis with growth rate of -32.26%, mainly because the cash paid for purchasing long-term assets in the Peirod decreased from a year earlier;

22. Cash paid for investment: increased 9.86 million Yuan on a y-o-y basis with growth rate of 100.00%, mainly due to investment for associated enterprise in the period;

23. Net cash paid for acquired subsidiary and other business entity: decreased 5.1806 million Yuan on a y-o-y basis with growth rate of -54.81%, mainly because final payment for equity of subsidiary acquisition are paid at same period of last year, an no such business occurred in the Period;

24. Other cash paid relating to investing activities: increased 24.6068 million Yuan on a y-o-y basis with growth rate of 100.00%, mainly due to the deposit paid to the third party for equity of subsidairy acquisition;

25. Net cash flow arising from investment activities: increased 280 million Yuan on a y-o-y basis with growth rate of 234.08%, mainly because the cash in-flow from investment activities growth on a y-o-y basis;

26. Cash received by absorbing investments: decreased 1.47 million Yuan on a y-o-y basis with growth rate of -100.00%, mainly because minority shareholders invested 1.47 million Yuan to the subsidiary at same period of last year, while no such business occurred in the period;

27. Cash received by loans: decreased 73.098 million Yuan on a y-o-y basis with growth rate of -58.14%, mainly because loans business declined from a year earlier;

28. Other cash received relating to finacning activities: increased 164 million Yuan on a y-o-y basis with growth rate of 100.00%, mainly because the supply chain finacning increased from a year earlier;

29. Subtotal of cash in-flow from finacning activities: increased 89.1653 million Yuan on a y-o-y basis with growth rate of 70.10%, mainly because the supply chain finacning increased from a year earlier;

30. Cash paid for debt repayment: increased 139 million Yuan on a y-o-y basis with growth rate of 225.99%, mainly because debt repayment increased from a year earlier;

31. Other cash paid relating to finacning activities: decreased 37.3057 million Yuan on a y-o-y basis with growth rate of -87.12%, mainly because the supply chain financing paid in the Period decreased;

32. Subtotal of cash out-flow from finacning activities: increased 122 million Yuan on a y-o-y basis with growth rate of 47.02%, mainly because debt repayment increased from a year earlier;

33. Impact on cash and cash equivalent from fluctuations in exchange: decreased 7,360.46 Yuan on a y-o-y basis with growth rate of -100.00%, mainly because foreign currency holdings declined on a y-o-y basis;

34. Net increase of cash and cash equivalent: increased 369 million Yuan on a y-o-y basis with growth rate of 234.99%, mainly because the net cash flow arising from investment activities increased 274 million Yuan from a year earlier.

II. Progress and influence of the main events as well as solution analysis specification

√ Applicable □Not applicable

In reporting period, relvant events with material assets reorganization concerned are push forward steadily, annoucements are listed as:

Overview of important matters	Date of disclosure	Interim report disclosure website query

		index
China National Accord: Notice of Received the Letter of Advice for First Feedback on Administrative Licensing Review of CSRC	2016-07-25	Juchao Website (http://www.cninfo.com.cn) Notice No.: 2016-069
China National Accord: Reply on Letter of Advice for First Feedback on Administrative Licensing Review of CSRC	2016-08-18	Juchao Website (http://www.cninfo.com.cn)
China National Accord: Asset Sale, Issuing Shares and Purchasing Assets with Cash as well as Raising Matching Funds and Related Transaction Report (Draft) (the 3rd Revised)	2016-08-18	Juchao Website (http://www.cninfo.com.cn)
China National Accord: Suspension Notice on Reviewing Material Assets Reorganization from Committee of M&A and Restructurings of CSRC	2016-09-01	Juchao Website (http://www.cninfo.com.cn) Notice No.: 2016-080
China National Accord: Review Approval on Asset Sale, Issuing Shares and Purchasing Assets with Cash as well as Raising Matching Funds and Related Transaction from Audit Committee of Listed Company for Merger, Acquisition and Restructuring of CSRC and the Resumption of Trading	2016-09-08	Juchao Website (http://www.cninfo.com.cn) Notice No.: 2016-082
China National Accord: Receiving a Formal Approval on Asset Sale, Issuing Shares and Purchasing Assets with Cash as well as Raising Matching Funds and Related Transaction from CSRC	2016-09-28	Juchao Website (http://www.cninfo.com.cn) Notice No.: 2016-084
China National Accord: Report of the Asset Sale, Issuing Shares and Purchasing Assets with Cash as well as Raising Matching Funds and Related Transaction (Revised)	2016-09-28	Juchao Website (http://www.cninfo.com.cn)

III. Commitments that the company, shareholders, actual controller, purchaser, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

√ Applicable □Not applicable

Commitments	Promise	Type of commitme	Content of commitments	Commitment date	Commitment term	Implementation

		nts				
Commitments for Share Merger Reform						
Commitments in report of acquisition or equity change	Sinopharm Holding	Commitment of shareholders	As a large pharmaceutical commercial enterprise whose business involves pharmaceutical wholesale and retail, Sinopharm Holding may overlap with the Company in geographical segmentation during its future business development. To avoid the potential peer competition brought by such geographical overlap, Sinopharm Holding undertakes that, upon the transfer of shares of Sinopharm Holding Guangzhou it held to Accord Pharma, "1. it will not newly-establish or broaden within Guangdong any business operation that actually compete with that of Accord Pharma, or set up any new subsidiaries or subordinate enterprises who engage in such business. 2. It will enter into business delineation with Accord Pharma and Sinopharm Holding Guangzhou, thereby giving the three parties clear geographical areas to carry out pharmaceutical wholesale and retail businesses, so as to avoid potential peer competition. Apart from above, Sinopharm Holding will no longer newly-establish any enterprise that may compete with Accord Pharma in the production and R&D of pharmaceutical products."	2005-06-21	Long-term effective	Normally implement
Commitments in assets reorganization						
Commitments make in initial public offering or re-financing	Sinopharm Holding	Commitment of shareholders	Sinopharm Holding has undertaken in the Letter of Undertaking from Sinopharm Group Co. Ltd. on Avoiding Peer Competition that, "I. the Company and the enterprises it wholly-owns, controls or has de facto control over (excluding Sinopharm Accord and its controlled enterprises, similarly hereinafter) do not exist any business or operation that would constitute substantive peer competition with Sinopharm Accord and its controlled enterprises. II. the Company and the enterprises it wholly-owns, controls or has de facto control over will not engage in, participate in or carry out in Guangdong and Guangxi any business or activities that would constitute substantive competition with the	2013-09-05	Long-term effective	Controlling shareholder is implement in real earnest, Sinopharm Accord will actively urged the controlling shareholder and actual controller to fulfill commitments

			pharmaceutical commercial businesses of Sinopharm Accord. III. The Company and the enterprises it wholly-owns, controls or has de facto control over will not engage in, participate in or carry out any business or activities that would constitute substantive competition with the pharmaceutical industrial businesses of Sinopharm Accord. IV. The Company will not make use of its control over Sinopharm Accord to damage the legal interests of Sinopharm Accord and other shareholders (especially minority shareholders). The Letter of Undertaking takes effect since the date of issue and will remain effective during the entire period when the Company has been the controlling shareholder or connected party of Sinopharm Accord. During the validity of the Undertaking, the Company will indemnify in time Sinopharm Accord from any loss which may arise out of the Company's violation of the Undertaking."			
	Sinopharm Holding	Commitment of shareholders	Sinopharm Holding has undertaken in the Letter of Undertaking from Sinopharm Group Co. Ltd. on Standardization of the Connected Transactions with China National Accord Medicines Corporation Ltd. that, "I. during the period when the Company takes control over Sinopharm Accord, the Company and the companies or enterprises it directly or indirectly controls (hereinafter referred to as "Connected Party") will strictly standardize the connected transactions with Sinopharm Accord and its controlled enterprises. II. for those connected transactions beyond avoidance or out of reasonable causes, the Company and Connected Party will enter into standardized connected transaction agreement with Sinopharm Accord according to law. Sinopharm Accord will perform approval procedure according to relevant laws, rules and regulations, other standardization documents and its constitutional documents, and fulfill its obligation to disclose information on connected transactions. III. For those connected transactions beyond avoidance or out of reasonable causes, the Company and Connected Party will determine the prices of connected transactions based on the prices of same or similar transactions entered into by	2013-09-05	Long-term effective	Controlling shareholder is implement in real earnest, Sinopharm Accord will actively urged the controlling shareholder and actual controller to fulfill commitments

			independent third parties of no connection while following the principles of open, fair and just to ensure the fairness. IV. when the board or shareholders' meeting of Sinopharm Accord votes on the relevant connected transactions involving the Company and other enterprises it controls, the Company will perform obligations including that necessary interested directors and shareholders shall be abstained from voting according to relevant regulations, and follow the legal procedures for approval of connected transactions and fulfill its information disclosure obligation. V. the Company guarantees to attend shareholders' meeting according to the constitutional documents of Sinopharm Accord, exercise its corresponding rights and assumed its corresponding obligations in an equitable manner, not to take advantage of its standing as controlling shareholder to seek unjust interests, or to use connected transactions to illegally transfer capital or profit out of Sinopharm Accord, or to prejudice the legal interests of Sinopharm Accord and other shareholders (especially minority shareholders). VI. The Letter of Undertaking takes effect since the date of issue and will remain effective during the entire period when the Company has been the controlling shareholder or connected party of Sinopharm Accord. During the validity of the Undertaking, the Company will indemnify in time Sinopharm Accord from any loss that may arise out of the Company's violation of the Undertaking."			
	Sinopharm Group	Commitment of actual controller	"Sinopharm Group has undertaken in the Letter of Undertaking from China National Pharmaceutical Group Corporation on Avoiding the Peer Competition with China National Accord Medicines Corporation Ltd. that, "I. in the coming five years, Sinopharm Group intends to take appropriate measures including replacement or acquisition of assets or equity reorganization to solve the problem of peer competition between Weiqida and Sinopharm Accord. II. apart from the matters disclosed in the past and in the Letter of Undertaking, the Company and the enterprises it wholly-owns, controls or has de facto control over	2013-10-16	Long-term effective	Controlling shareholder is implement in real earnest, Sinopharm Accord will actively urged the controlling shareholder and actual controller to fulfill commitments

			(excluding Sinopharm Accord and its controlled enterprises, similarly hereinafter) do not directly engage in, participate in or carry out within the PRC any business or activities that would constitute substantive competition with the production and operation of Sinopharm Accord. The relative undertakings in respect of avoiding peer competition given by the Company in the past remain valid. III. The Company will not take advantage of its control over Sinopharm Accord to damage the legal interests of Sinopharm Accord and other shareholders (especially minority shareholders). IV. The Letter of Undertaking takes effect since the date of issue and will remain effective during the entire period when the Company has been the de facto controller or connected party of Sinopharm Accord."			
	Sinopharm Group	Commitment of actual controller	Sinopharm Group has undertaken in the Letter of Undertaking from China National Pharmaceutical Group Corporation on Standardization of the Connected Transactions with China National Accord Medicines Corporation Ltd that, "I. during the period when the Company takes control over Sinopharm Accord, the Company and the companies or enterprises it directly or indirectly controls (hereinafter referred to as "Connected Party") will strictly standardize the connected transactions with Sinopharm Accord and its controlled enterprises. II. for those connected transactions beyond avoidance or out of reasonable causes, the Company and Connected Party will enter into standardized connected transaction agreement with Sinopharm Accord according to law. Sinopharm Accord will perform approval procedure according to relevant laws, rules and regulations, other standardization documents and its constitutional documents, and fulfill its obligation to disclose information on connected transactions. III. For those connected transactions beyond avoidance or out of reasonable causes, the Company and Connected Party will determine the prices of connected transactions based on the prices of same or similar transactions entered into by independent third parties of no connection while	2013-09-22	Long-term effective	Controlling shareholder is implement in real earnest, Sinopharm Accord will actively urged the controlling shareholder and actual controller to fulfill commitments

			following the principles of open, fair and just to ensure the fairness. IV. when the board or shareholders' meeting of Sinopharm Accord votes on the relevant connected transactions involving the Company and other enterprises it controls, the Company will perform obligations including that necessary interested directors and shareholders shall be abstained from voting according to relevant regulations, and follow the legal procedures for approval of connected transactions and fulfill its information disclosure obligation. V. the Company guarantees not to take advantage of its standing as actual controller to seek unjust interests, or to use connected transactions to illegally transfer capital or profit out of Sinopharm Accord, or to prejudice the legal interests of Sinopharm Accord and other shareholders (especially minority shareholders)."VI. The Letter of Undertaking takes effect since the date of issue and will remain effective during the entire period when the Company has been the actual controller or connected party of Sinopharm Accord.			
Equity incentive commitment						
Other commitments for medium and small shareholders						
Completed on time or not	Yes					

IV. Estimation of operation performance for year of 2016

Estimation on 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 on reason

□ Applicable √ Not applicable

V. Particular about security investment

□ Applicable √ Not applicable

The Company had no security investment in Period.

VI. Particulars about derivatives investment

□ Applicable √ Not applicable

The Company had no derivatives investment in Period.

VII. Registration form of receiving research, communication and interview in the report period

□Applicable √ Not applicable

The Company has no research, communication and interview accepted in the Period.

VIII. Guarantee outside against the regulation

□Applicable √Not applicable

The Company had no guarantee outside against the regulation in the period.

IX. Non-operational fund occupation from controlling shareholders and its related party

□ Applicable √ Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

Section IV. Financial Statement

I. Financial statement

1. Consolidated Balance Sheet

Prepared by China National Accord Medicines Corporation Ltd.

2016-09-30

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	2,095,024,391.08	1,570,706,970.51
Settlement provisions		
Capital lent		
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial assets		
Notes receivable	1,023,546,500.01	820,125,807.67
Accounts receivable	7,610,270,008.34	6,153,830,882.75
Accounts paid in advance	60,643,584.56	72,041,261.84
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable	631,370.75	
Dividend receivable		
Other receivables	116,230,026.40	38,175,884.46
Purchase restituted finance asset		
Inventories	2,223,574,052.92	2,533,160,758.28
Divided into assets held ready for sales		2,456,876.83
Non-current asset due within one year		
Other current assets	9,279,721.98	19,456,915.58
Total current assets	13,139,199,656.04	11,209,955,357.92

Non-current assets:		
Granted loans and advances		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	269,338,155.59	180,831,714.55
Investment property	140,566,786.02	145,102,318.77
Fixed assets	968,738,847.37	1,079,412,437.53
Construction in progress	126,247,966.20	176,096,786.58
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	116,295,888.93	137,720,156.55
Expense on Research and Development		5,619,315.47
Goodwill	51,359,440.15	79,378,833.15
Long-term expenses to be apportioned	35,459,969.42	40,464,563.93
Deferred income tax asset	41,652,355.06	88,210,062.44
Other non-current asset	73,237,677.82	75,558,188.42
Total non-current asset	1,822,897,086.56	2,008,394,377.39
Total assets	14,962,096,742.60	13,218,349,735.31
Current liabilities:		
Short-term loans	1,281,486,591.68	1,212,959,267.74
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	1,520,336,316.37	1,301,594,416.81
Accounts payable	4,836,110,244.01	4,036,910,159.14
Accounts received in advance	41,720,666.25	56,943,167.40

Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	117,804,755.82	164,315,934.17
Taxes payable	97,947,047.43	72,863,480.20
Interest payable	5,376,075.51	6,544,067.19
Dividend payable		
Other accounts payable	603,337,306.46	468,450,153.85
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held ready for sale		
Non-current liabilities due within 1 year	36,989,505.64	5,444,858.84
Other current liabilities		
Total current liabilities	8,541,108,509.17	7,326,025,505.34
Non-current liabilities:		
Long-term loans		72,495,172.30
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	10,909,466.80	8,394,559.05
Long-term wages payable	2,570,775.00	2,499,100.00
Special accounts payable	1,287,000.00	1,287,000.00
Accrual liabilities		
Deferred income	150,664,761.60	173,099,023.98
Deferred income tax liabilities	19,287,700.95	22,647,074.06
Other non-current liabilities	45,427,343.31	45,427,343.31
Total non-current liabilities	230,147,047.66	325,849,272.70
Total liabilities	8,771,255,556.83	7,651,874,778.04
Owner's equity:		
Share capital	362,631,943.00	362,631,943.00

Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,863,894,533.34	1,863,894,533.34
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	181,315,971.50	181,315,971.50
Provision of general risk		
Retained profit	3,659,573,972.46	3,045,551,246.71
Total owner's equity attributable to parent company	6,067,416,420.30	5,453,393,694.55
Minority interests	123,424,765.47	113,081,262.72
Total owner's equity	6,190,841,185.77	5,566,474,957.27
Total liabilities and owner's equity	14,962,096,742.60	13,218,349,735.31

Legal representative: Lin Zhaoxiong
Person in charge of accounting works: Wei Pingxiao
Person in charge of accounting institution: Wang Ying

2. Balance Sheet of parent company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	939,923,155.04	429,437,078.35
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial assets		
Notes receivable	19,144,238.11	43,896,287.87
Accounts receivable	619,849,726.90	381,093,808.53
Accounts paid in advance	387,929.48	5,452,046.55
Interest receivable	2,063,765.97	2,053,659.27
Dividend receivable		
Other receivables	1,596,112,024.63	1,613,862,656.17
Inventories	178,130,420.86	182,659,794.51
Divided into assets held ready for		

sales		
Non-current asset due within one year		
Other current assets	4,876,601.15	39,482.38
Total current assets	3,360,487,862.14	2,658,494,813.63
Non-current assets:		
Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	2,655,899,544.83	2,795,231,208.93
Investment real estate	3,773,803.73	4,379,786.84
Fixed assets	496,861,504.68	391,937,393.50
Construction in progress	70,700,811.06	129,851,067.29
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	34,757,786.74	35,678,610.77
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	6,561,030.66	7,417,691.74
Deferred income tax asset	2,873,820.28	2,906,189.80
Other non-current asset	18,638,512.87	34,856,698.50
Total non-current asset	3,290,066,814.85	3,402,258,647.37
Total assets	6,650,554,676.99	6,060,753,461.00
Current liabilities:		
Short-term loans	80,000,000.00	106,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	272,579,449.99	285,394,838.22
Accounts payable	470,017,521.11	292,794,309.39
Accounts received in advance	3,662,797.26	5,841,769.74
Wage payable	17,800,019.96	22,441,125.24
Taxes payable	6,391,927.96	10,770,924.28

Interest payable	34,365.00	354,492.17
Dividend payable		
Other accounts payable	650,899,739.84	680,741,770.79
Divided into liability held ready for sale		
Non-current liabilities due within 1 year	31,600,000.00	
Other current liabilities		
Total current liabilities	1,532,985,821.12	1,404,339,229.83
Non-current liabilities:		
Long-term loans		72,495,172.30
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	40,000.00	72,000.00
Special accounts payable	800,000.00	800,000.00
Accrual liabilities		
Deferred income	4,799,999.96	5,074,999.99
Deferred income tax liabilities	3,773,319.00	3,773,319.00
Other non-current liabilities		
Total non-current liabilities	9,413,318.96	82,215,491.29
Total liabilities	1,542,399,140.08	1,486,554,721.12
Owner’s equity:		
Share capital	362,631,943.00	362,631,943.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,869,692,921.70	1,869,692,921.70
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	181,315,971.50	181,315,971.50
Retained profit	2,694,514,700.71	2,160,557,903.68

Total owner's equity	5,108,155,536.91	4,574,198,739.88
Total liabilities and owner's equity	6,650,554,676.99	6,060,753,461.00

3. Consolidated Profit Statement (this report period)

In RMB

Item	Current period	Prior period
I. Total operating income	7,332,379,516.04	6,866,003,376.77
Including: Operating income	7,332,379,516.04	6,866,003,376.77
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	7,113,980,740.35	6,641,799,761.77
Including: Operating cost	6,844,892,670.75	6,364,449,301.02
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	10,747,780.44	10,754,748.24
Sales expenses	120,375,948.84	131,702,711.01
Administration expenses	117,048,493.75	114,237,485.02
Financial expenses	19,926,713.99	20,199,936.13
Losses of devaluation of asset	989,132.58	455,580.35
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	8,322,920.66	11,264,688.74
Including: Investment income on affiliated company and joint venture	8,322,920.66	11,264,688.74
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with	226,721,696.35	235,468,303.74

“-”)		
Add: Non-operating income	7,377,569.52	4,081,386.64
Including: Disposal gains of non-current asset	103,997.88	417,021.63
Less: Non-operating expense	379,469.80	58,358.45
Including: Disposal loss of non-current asset	307,204.72	142,655.16
IV. Total Profit (Loss is listed with “-”)	233,719,796.07	239,491,331.93
Less: Income tax expense	46,648,052.53	47,223,465.50
V. Net profit (Net loss is listed with “-”)	187,071,743.54	192,267,866.43
Net profit attributable to owner’s of parent company	180,690,224.79	186,753,078.44
Minority shareholders’ gains and losses	6,381,518.75	5,514,787.99
VI. Net other comprehensive income after-tax		
Net other comprehensive income after-tax attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of		

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	187,071,743.54	192,267,866.43
Total comprehensive income attributable to owners of parent Company	180,690,224.79	186,753,078.44
Total comprehensive income attributable to minority shareholders	6,381,518.75	5,514,787.99
VIII. Earnings per share:		
(i) Basic earnings per share	0.498	0.515
(ii) Diluted earnings per share	0.498	0.515

As for the business merger under the same control in the Period, 0.00 Yuan net profit realized before merger by the combined party, the net profit for combined party in last period was 0.00 Yuan.

Legal representative: Lin Zhaoxiong
Person in charge of accounting works: Wei Pingxiao
Person in charge of accounting institution: Wang Ying

4. Profit Statement of parent company (this report period)

In RMB

Item	Current period	Prior period
I. Operating income	804,369,990.93	707,895,452.73
Less: operating cost	763,434,380.88	673,918,156.37
Operating tax and extras	392,705.90	1,524,376.24
Sales expenses	11,448,900.12	11,228,666.13
Administration expenses	15,462,047.04	12,107,506.81
Financial expenses	-13,957,216.00	-17,264,862.18
Losses of devaluation of asset	8,159.82	116,627.27
Add: Changing income of fair		

value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	12,353,115.35	11,264,688.73
Including: Investment income on affiliated company and joint venture	9,982,976.14	11,264,688.74
II. Operating profit (Loss is listed with "-")	39,934,128.52	37,529,670.82
Add: Non-operating income	3,250,687.49	234,465.95
Including: Disposal gains of non-current asset		
Less: Non-operating expense	1,267.72	-0.02
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with "-")	43,183,548.29	37,764,136.79
Less: Income tax expense	5,849,413.84	6,429,993.21
IV. Net profit (Net loss is listed with "-")	37,334,134.45	31,334,143.58
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of		

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	37,334,134.45	31,334,143.58
VII. Earnings per share:		
(i) Basic earnings per share	Not applicable	Not applicable
(ii) Diluted earnings per share	Not applicable	Not applicable

5. Consolidated profit statement (from year-begin to end of this period)

In RMB

Item	Current period	Prior period
I. Total operating income	21,421,432,387.92	19,679,806,543.54
Including: Operating income	21,421,432,387.92	19,679,806,543.54
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	20,699,097,249.68	19,001,427,483.59
Including: Operating cost	19,885,386,463.56	18,166,110,341.44
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		

Reinsurance expense		
Operating tax and extras	38,092,432.35	37,198,437.99
Sales expenses	376,963,304.41	393,776,817.02
Administration expenses	340,813,141.37	317,826,858.37
Financial expenses	51,355,771.48	78,839,608.53
Losses of devaluation of asset	6,486,136.51	7,675,420.24
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	157,868,235.30	39,538,750.18
Including: Investment income on affiliated company and joint venture	36,114,053.04	39,538,750.18
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	880,203,373.54	717,917,810.13
Add: Non-operating income	20,015,080.71	17,063,676.10
Including: Disposal gains of non-current asset	1,757,710.07	427,318.99
Less: Non-operating expense	1,669,714.24	499,038.83
Including: Disposal loss of non-current asset	836,015.64	368,059.75
IV. Total Profit (Loss is listed with "-")	898,548,740.01	734,482,447.40
Less: Income tax expense	157,104,950.97	142,572,320.00
V. Net profit (Net loss is listed with "-")	741,443,789.04	591,910,127.40
Net profit attributable to owner's of parent company	722,812,308.65	574,072,330.77
Minority shareholders' gains and losses	18,631,480.39	17,837,796.63
VI. Net other comprehensive income after-tax		
Net other comprehensive income after-tax attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit		

plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net other comprehensive income after-tax attributable to minority		
VII. Total other consolidated income	741,443,789.04	591,910,127.40
Total consolidated income attributable to owners of parent company	722,812,308.65	574,072,330.77
Total consolidated income attributable to minority shareholders	18,631,480.39	17,837,796.63
VIII. Earnings per share:		
(i) Basic earnings per share	1.993	1.583
(ii) Diluted earnings per share	1.993	1.583

As for the business merger under the same control in the Period, 0.00 Yuan net profit realized before merger by the combined party, the net profit for combined party in last period was 0.00 Yuan.

6. Profit Statement of parent company (from year-begin to end of this period)

In RMB

Item	Current period	Prior period
I. Operating income	2,356,711,579.17	2,117,811,188.23
Less: operating cost	2,257,402,782.98	2,024,014,258.26
Operating tax and extras	3,124,622.40	4,266,591.00
Sales expenses	33,403,841.97	33,939,722.56
Administration expenses	42,499,745.44	34,245,121.31
Financial expenses	-44,377,947.23	-49,584,705.81
Losses of devaluation of asset	170,570.38	410,566.05
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	631,413,467.10	554,051,869.71
Including: Investment income on affiliated company and joint venture	34,359,982.90	39,538,750.18
II. Operating profit (Loss is listed with "-")	695,901,430.33	624,571,504.57
Add: Non-operating income	5,486,653.56	332,246.72
Including: Disposal gains of non-current asset		
Less: Non-operating expense	255,153.96	
Including: Disposal loss of non-current asset	253,886.24	
III. Total Profit (Loss is listed with "-")	701,132,929.93	624,903,751.29
Less: Income tax expense	12,644,903.00	17,963,136.37
IV. Net profit (Net loss is listed with "-")	688,488,026.93	606,940,614.92
V. Net other comprehensive income after-tax		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee		

accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	688,488,026.93	606,940,614.92
VII. Earnings per share:		
(i) Basic earnings per share	Not applicable	Not applicable
(ii) Diluted earnings per share	Not applicable	Not applicable

7. Consolidated Cash Flow Statement (from year-begin to end of this period)

In RMB

Item	Current period	Prior period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	21,902,637,430.09	20,633,444,697.69
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from		

other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	14,571,594.20	1,446,726.90
Other cash received concerning operating activities	66,493,756.95	66,440,712.60
Subtotal of cash inflow arising from operating activities	21,983,702,781.24	20,701,332,137.19
Cash paid for purchasing commodities and receiving labor service	20,254,922,821.07	19,119,988,676.85
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	514,760,243.36	485,136,482.02
Taxes paid	457,591,715.58	441,876,457.82
Other cash paid concerning operating activities	226,388,198.91	246,171,370.58
Subtotal of cash outflow arising from operating activities	21,453,662,978.92	20,293,172,987.27
Net cash flows arising from operating activities	530,039,802.32	408,159,149.92
II. Cash flows arising from investing activities:		

Cash received from recovering investment		
Cash received from investment income	37,693,048.04	35,190,000.00
Net cash received from disposal of fixed, intangible and other long-term assets	2,516,494.22	998,055.18
Net cash received from disposal of subsidiaries and other units	128,845,881.13	
Other cash received concerning investing activities	128,829,415.00	
Subtotal of cash inflow from investing activities	297,884,838.39	36,188,055.18
Cash paid for purchasing fixed, intangible and other long-term assets	99,013,256.75	146,167,376.75
Cash paid for investment	9,860,000.00	
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units	4,271,376.10	9,452,000.00
Other cash paid concerning investing activities	24,606,803.22	
Subtotal of cash outflow from investing activities	137,751,436.07	155,619,376.75
Net cash flows arising from investing activities	160,133,402.32	-119,431,321.57
III. Cash flows arising from financing activities		
Cash received from absorbing investment		1,470,000.00
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		1,470,000.00
Cash received from loans	52,624,387.49	125,722,354.87
Cash received from issuing bonds		
Other cash received concerning financing activities	163,733,270.57	
Subtotal of cash inflow from financing activities	216,357,658.06	127,192,354.87
Cash paid for settling debts	200,387,820.30	61,469,731.00
Cash paid for dividend and profit distributing or interest paying	174,831,842.34	154,678,884.00
Including: Dividend and profit of minority shareholder paid by	7,272,203.72	1,032,000.00

subsidiaries		
Other cash paid concerning financing activities	5,513,113.34	42,818,773.74
Subtotal of cash outflow from financing activities	380,732,775.98	258,967,388.74
Net cash flows arising from financing activities	-164,375,117.92	-131,775,033.87
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		7,360.46
V. Net increase of cash and cash equivalents	525,798,086.72	156,960,154.94
Add: Balance of cash and cash equivalents at the period -begin	1,569,226,304.36	854,212,006.84
VI. Balance of cash and cash equivalents at the period -end	2,095,024,391.08	1,011,172,161.78

8. Cash Flow Statement of parent company (from year-begin to end of this period)

In RMB

Item	Current period	Prior period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	2,390,345,398.95	2,245,035,658.21
Write-back of tax received		
Other cash received concerning operating activities	35,389,468.27	10,277,088.77
Subtotal of cash inflow arising from operating activities	2,425,734,867.22	2,255,312,746.98
Cash paid for purchasing commodities and receiving labor service	2,292,749,160.32	2,207,784,468.53
Cash paid to/for staff and workers	50,167,759.38	43,554,714.68
Taxes paid	34,249,095.66	38,063,645.73
Other cash paid concerning operating activities	13,827,960.38	15,519,036.73
Subtotal of cash outflow arising from operating activities	2,390,993,975.74	2,304,921,865.67
Net cash flows arising from operating activities	34,740,891.48	-49,609,118.69
II. Cash flows arising from investing activities:		
Cash received from recovering investment		

Cash received from investment income	182,678,576.29	219,294,985.39
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units	156,111,000.00	
Other cash received concerning investing activities	1,568,919,415.00	2,488,319,315.47
Subtotal of cash inflow from investing activities	1,907,708,991.29	2,707,614,300.86
Cash paid for purchasing fixed, intangible and other long-term assets	31,225,572.33	118,417,451.35
Cash paid for investment		
Net cash received from subsidiaries and other units	4,271,376.10	9,200,000.00
Other cash paid concerning investing activities	1,569,935,715.50	2,883,936,599.67
Subtotal of cash outflow from investing activities	1,605,432,663.93	3,011,554,051.02
Net cash flows arising from investing activities	302,276,327.36	-303,939,750.16
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	80,100,000.00	94,933,328.85
Cash received from issuing bonds		
Other cash received concerning financing activities	6,379,147,795.59	337,881,122.11
Subtotal of cash inflow from financing activities	6,459,247,795.59	432,814,450.96
Cash paid for settling debts	190,995,172.30	10,000,000.00
Cash paid for dividend and profit distributing or interest paying	115,404,664.51	82,413,625.11
Other cash paid concerning financing activities	5,979,379,100.93	31,000,160.00
Subtotal of cash outflow from financing activities	6,285,778,937.74	123,413,785.11
Net cash flows arising from financing activities	173,468,857.85	309,400,665.85
IV. Influence on cash and cash equivalents due to fluctuation in		

exchange rate		
V. Net increase of cash and cash equivalents	510,486,076.69	-44,148,203.00
Add: Balance of cash and cash equivalents at the period -begin	429,437,078.35	257,173,314.81
VI. Balance of cash and cash equivalents at the period -end	939,923,155.04	213,025,111.81

II. Audit report

Whether the third quarter report was audited or not

□Yes √No

The third quarter report of the Company has not been audited