Stock code: 200706 stock short form: *ST Wazhou B Report code: 2017-17

Wafangdian Bearing Company Limited

The First Quarterly Report for 2017
(Main Text)

§1 Important Notes

The Board of Directors, Board of Supervisors, directors, supervisors, and top management of the Company hereby guaranteed that there are no false records, misleading statements, and major omits in this report, and assumed the individual and associated responsibilities for the truth, accuracy and completeness of the contents.

Chairman of the Board Mr Meng Wei, Financial manager Ms.Sun Najuan, Accounting charger Mr. Wang Jiyuan Chunjuan hereby confirms that the Financial Report of the quarterly report is true and complete.

Besides the following directors, all the other directors attended the Board meeting and discussed the report.

Name	Post	Reasons	Assignee name
Tang Yurong	Diretor	Busy work	Fang Bo

§2 Major accounting data and shareholder change

1 Major accounting data and financial indexes

Unit: RMB

	Jan-Mar 2017	Jan-Mar 2016	+/- to previous
Operating income(Yuan)	566,558,889.45	534,404,100.68	6.02%
Net profit attributable to shareholders of the listed company(Yuan)	1,998,535.48	2,340,344.55	-14.61%
Net profit attributable to the shareholders of the listed company after deducting of non-recurring gain/loss(RMB)	615,347.36	-1,164,062.96	-152.86%
Net Cash flow generated by business operation (RMB)	3,495,485.07	16,496,758.57	-78.81%
Basic earnings per share(Yuan/share)	0.0050	0.0060	-16.67%
Diluted earnings per share(Yuan/share)	0.0050	0.0060	-16.67%
Net return on equity(%)	0.14%	0.17%	-0.03%
	Jan-Mar 2017	Jan-Mar 2016	+/- to previous
Total assets	3,560,273,989.24	3,553,947,227.09	0.18%
Owners' equity (shareholders' equity)	1,381,336,461.03	1,379,337,925.55	0.14%

Items of non-recurring gains and losses

√ Applicable □ Inapplicable

Unit: RMB

2 Total number of shareholders at the end of the report period and shares held by the top ten shareholders

Unit: Share

Total number of shareholder at the end of report period	7044	Total number of shareholder at the end of report period with preferred stock	0

Shareholders with 5% or above Shares								
Name	Nature	Ratio（%）	Total shares held	Increase or decrease in the report period	Non-current shares held	Current shares held	Impawned or Frozen Shares	
							Status	Amount
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	244,000,000		244,000,000			
AKTIEBOLAGET SKF	Foreign shareholder	19.70%	79,300,000					
Huang Junyue	Domestic shareholder	1.16%	4,680,000					
BOCI SECURITIES LIMITED	Foreign shareholder	0.94%	3,772,700					
Hu Xiaofeng	Domestic shareholder	0.47%	1,879,277					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign shareholder	0.36%	1,456,040					
Jin Yunhua	Foreign shareholder	0.33%	1,311,256					
MAN,KWAI WING	Domestic shareholder	0.18%	713,101					
Zhou Jie	Domestic shareholder	0.16%	630,000					
Zhou Junlin	Domestic shareholder	0.14%	545,600					

Top Ten Tradable Shareholders			
Name	Current shares held at end of year	Category of Shares	
		Categories	Amount
AKTIEBOLAGET SKF	79,300,000	B	79,300,000
Huang Junyue	4,680,000	B	4,680,000
BOCI SECURITIES LIMITED	3,772,700		3,772,700
Hu Xiaofeng	1,879,277	B	1,879,277
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,456,040	B	1,456,040
Jin Yunhua	1,311,256	B	1,311,256
MAN,KWAI WING 文贵荣	713,101	B	713,101
Zhou Jie	630,000	B	630,000
Zhou Jun lin	545,600	B	545,600
Liao Yun	514,500	B	514,500
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders and the Top Ten Tradable Shareholders	There was no relationship and consistent activities between the first big shareholder and other shareholders or the top ten common stock holders; The relationship among other shareholders, top ten circulation shareholders, top ten circulation shareholders and other shareholders was not clear.		

§3 Significant items

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

√Applicable Inapplicable

No	Item	The end of year	Beginning of year	%	+/- to previous	Reason
1	Tax payable	448	1,914.10	-1,466.10	-76.60%	Mainly the added-value taxand the attached is the beginning
2	business tax and surcharges	510.1	248.4	261.7	105.30%	Mainly according to the provisions of the tax law, in May 2016 to implement the camp change increases, taxes and additional accounting business activities of consumption tax, urban construction tax, resource tax, educational expenses to add, property tax and land use tax, stamp duty and other relevant taxes, so will be in May 2016 after all management cost of the tax adjustment to tax and additional items, so the tax and additional year-on-year growth.
3	Loss of impairment of assets	10	0.1	9.9	9254.00%	Mainly cancel after Close the accounts receivable from 9.9 millionYuan
4	Non-operating revenue	163.8	442.3	-278.6	-63.00%	1.A fine income fell；2.The government subsidies fell；3.Debt restructuring gains fell
5	Other cash received relating to operating activities	73.3	130.7	-57.4	-43.90%	Mainly at the same time receive the first major technical equipment insurance premium subsidies to 76 millionYuan.
6	Tax payments	3,077.40	1,306.00	1,771.50	135.60%	Mainly operating income rose, make the added-value tax and its attached year-on-year increase
7	Tax payments		24	-24	-100.00%	Mainly because received from return of investment of 2014 from ME with 240 thousand Yuan.
8	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	487.7		487.7		Mainly received income for sold Property Harbin
9	Cash paid to acquire fixed assets, intangible assets and other long-term assets	110.3	162.7	-52.4	-32.20%	Mainly because the cash paid on fix asset investment decline compared with last peirod.
10	Proceeds from borrowings	13,300.00	28,500.00	-15,200.00	-53.30%	Mainly due to the impact of credit, so that the current payment of debt to pay the cash reduction

11	Repayment of borrowings	11,800.00	22,000.00	-10,200.00	-46.40%	Mainly due to the impact of credit, so that the cash received in the current period to reduce the cash
12	Effects of foreign exchange rate changes on cash	-29.9	-54	24.1	-44.60%	Mainly in current dollars for RMB exchange rate fell 0.078 in January, the RMB appreciation is bigger, exchange loss is bigger, 2, 3 months exchange rates to rise, forming exchange earnings, the overall form exchange earnings, earnings fell

2 Progress of significant events, their influence, and analysis and explanation of their solutions

□Applicable √Inapplicable

3 The company, shareholders, actual controller, the acquirer, directors, supervisors and senior management personnel or other related parties to fulfill commitments and the final report has not been fulfilled in the reporting period

□Applicable √Inapplicable

4 Estimation of accumulative net profit from Jan to June 2017

□Applicable √Inapplicable

5 Particular about security investment

□Applicable √Inapplicable

6 Particular about derivatives

□Applicable √Inapplicable

7 Activities on receiving research, communication and interview in the report period

Time	Method	Object	Content and documents supplied
2017.01.24	Telephone communication	Private investor	Company earnings forecast, to verify
2017.02.08	Telephone communication	Private investor	Whether Company can turnround and pick the cap
2017.02.23	Telephone communication	Private investor	Understand the company's second-largest shareholder SKF thaw
2017.02..24	Telephone communication	Private investor	The company's production and operation situation
2017.02.27	Telephone communication	Private investor	Understand the company's second-largest shareholder SKF thaw

8 Illegal external guarantee

□Applicable √Inapplicable

9 Controlling shareholder and its related parties to the listing Corporation's non operating funds

□Applicable √Inapplicable