WEIFU HIGH-TECHNOLOGY GROUP CO., LTD.

THE THIRD QUARTERLY REPORT 2017

October 2017

Section I. Important Notes

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

All directors of the Company are attended the Meeting for quarterly report deliberation.

Chen Xuejun, Principal of the Company; Ou Jianbin, Person in Charge of Accounting Work; Ou Jianbin, Person in Charge of Accounting Organization (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Section II. Basic information of Company

I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data or not

□Yes √No

	Current period-end		Period-end of last year	Increase/decrease
Total assets(RMB)	18,875,841,570.78		17,263,771,897.78	9.34%
Net assets attributable to shareholders of listed company (RMB)	14,127,826,625.83		12,927,344,292.47	9.29%
	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)	1,832,997,683.30	20.36%	6,561,123,282.32	34.19%
Net profit attributable to shareholders of the listed company (RMB)	527,771,783.49	44.15%	1,853,693,813.05	41.54%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	481,368,893.14	56.71%	1,689,633,181.95	48.63%
Net cash flow arising from operating activities(RMB)	--	--	455,662,695.70	82.95%
Basic earnings per share (RMB/Share)	0.53	47.22%	1.84	41.54%
Diluted earnings per share (RMB/Share)	0.53	47.22%	1.84	41.54%
Weighted average ROE	3.81%	0.83%	13.67%	2.97%

Items and amount of extraordinary profit (gains)/losses

√Applicable □Not applicable

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)	-2,685,459.96	
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)	26,325,334.92	
Gains/losses from entrusted investment or assets management	141,966,976.58	

Except for effective hedge business relevant to normal operation of the Company, gains and losses arising from fair value change of tradable financial assets and tradable financial liabilities, and investment income from disposal of tradable financial assets, tradable financial liabilities and financial assets available for sale	24,625,516.88	
Restoring of receivable impairment provision that tested individually	1,208,025.21	
Other non-operating income and expenditure except for the aforementioned items	3,381,875.70	
Less: impact on income tax	29,274,729.38	
Impact on minority shareholders' equity (post-tax)	1,486,908.85	
Total	164,060,631.10	--

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. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period	59,542	Total preferred stockholders with voting rights recover at the end of report period (if applicable)				0
Top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
WUXI INDUSTRY DEVELOPMENT GROUP CO., LTD.	State-owned corporate	20.22%	204,059,398			
ROBERT BOSCH GMBH	Foreign corporate	14.16%	142,841,400			
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Foreign corporate	2.75%	27,779,755			
Kangjian Assets Management Company –Client's fund	Foreign corporate	1.53%	15,409,392			
BBH BOS S/A FIDELITY FD - CHINA	Foreign corporate	1.46%	14,759,494			

FOCUS FD						
Central Huijin Investment Ltd.	State-owned corporate	1.27%	12,811,200			
RBC EMERGING MARKETS EQUITY FUND	Foreign corporate	0.86%	8,675,835			
Huatai Securities Co., Ltd.	Domestic non-state-owned legal person	0.70%	7,083,000			
CCB- Fullgoal Tianbo Innovation Theme Mix Securities Investment Fund	Other	0.62%	6,232,191			
National Social Security Funds-107	Other	0.46%	4,650,500			

Particular about top ten shareholders with un-restrict shares held			
Shareholders	Amount of un-restrict common shares held	Type of shares	
		Type	Amount
WUXI INDUSTRY DEVELOPMENT GROUP CO., LTD.	204,059,398	RMB common shares	204,059,398
ROBERT BOSCH GMBH	142,841,400	RMB common shares	115,260,600
		Domestically listed foreign shares	27,580,800
Hong Kong Securities Clearing Company Ltd. (HKSCC)	27,779,755	RMB common shares	27,779,755
Kangjian Assets Management Company –Client's fund	15,409,392	RMB common shares	15,409,392
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	14,759,494	Domestically listed foreign shares	14,759,494
Central Huijin Investment Ltd.	12,811,200	RMB common shares	12,811,200
RBC EMERGING MARKETS EQUITY FUND	8,675,835	Domestically listed foreign shares	8,675,835
Huatai Securities Co., Ltd.	7,083,000	RMB common shares	7,083,000
CCB- Fullgoal Tianbo Innovation Theme Mix Securities Investment Fund	6,232,191	RMB common shares	6,232,191
National Social Security Funds-107	4,650,500	RMB common shares	4,650,500
Explanation on related relationship or concerted action among the abovementioned shareholders	Among the top ten shareholders, there has no associated relationship between Wuxi Industry Development Group Co., Ltd. and other shareholders, the first largest shareholder of the Company; and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company.		

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.

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

(I) Changes of items of balance sheet and cause analysis:

1. Monetary fund: decreased 2520.7571 million Yuan over that of beginning of the year with 63.50% down, mainly due to more financial products are purchased in the period;

2. Account receivable: increased 407.8842 million Yuan over that of beginning of the year with 30.79% growth, mainly due to the growth of sales in the period;

3. Account paid in advance: increased 33.0038 million Yuan over that of beginning of the year with 44.58% growth, mainly because account paid in advance for materials etc. increased in the period;

4. Other receivable: increased 4.8011 million Yuan over that of beginning of the year with 81.27% growth, mainly because pretty cash for business travel at period-end increased;

5. Other current assets: increased 3173.6326 million Yuan over that of beginning of the year with 165.79% growth, mainly due to more financial products are purchased in the period;

6. Construction in progress: increased 57.4428 million Yuan over that of beginning of the year with 63.39% growth, mainly because phase II projects in industry zone increased in the period;

7. Other non-current assets: increased 97.4827 million Yuan over that of beginning of the year with 94.95% growth, mainly because the prepayment for projects and equipments increased;

8. Short-term loans: increased 85 million Yuan over that of beginning of the year with 56.67% growth, mainly because bank loans increased;

9. Wages payable: decreased 73.858 million Yuan over that of beginning of the year with 32.02% down, mainly because year-end bonuses are in the period;

10. Other payables: decreased 36.4833 million Yuan over that of beginning of the year with 37.80% down, mainly because cash deposit payable in the period decreased;

11. Deferred income tax liability: decreased 8.5665 million Yuan over that of beginning of the year with 30.95% down, mainly because available-for-sale financial assets are sold in the period and fair value declined;

12. Other comprehensive income: decreased 48.0717 million Yuan over that of beginning of the year with 33.22% down, mainly because available-for-sale financial assets has declined in fair value at period-end

(ii) Changes of items of income statement and cause analysis:

1. Operation revenue: increased 1671.75 million Yuan on a y-o-y basis with 34.19% up, mainly because products sales growth with the dramatically expansion of commercial vehicle market;

2. Operation costs: increased 1260.5592 million Yuan on a y-o-y basis with 32.85% up, mainly benefit a lot from the expansion of commercial vehicle market, main products sales of the Company growth from a year earlier;

3. Business tax and surcharge: increased 29.1091 million Yuan on a y-o-y basis with 122.37% up, mainly because since May 2016, the property tax, land holding tax, vehicle and vessel usage tax and stamp tax are adjusted to business tax and surcharge from “administration expenses”; and the sales growth;

4. Financial expenses: increased 9.3281 million Yuan on a y-o-y basis, mainly because loan interest and loss on exchange increased in the period;

5. Assets impairment loss: decreased 12.4957 million Yuan on a y-o-y basis with 99.55% down, mainly because the inventory falling price reserves are switch back for the fluctuation in raw maturely prices;

6. Investment earnings: increased 353.936 million Yuan on a y-o-y basis with 34.50% up, mainly because equity-participation enterprise has more in profit in the period;

7. Non-operation revenue: decreased 20.1643 million Yuan on a y-o-y basis with 68.64% down, mainly because the government grants related with routine activities in the period are re-classified to other incomes;

8. Non-operation expenditure: increased 2.2484 million Yuan on a y-o-y basis, mainly because net losses from fixed assets disposal and local fund payment in the period increased;

9. Total profit: increased 607.3358 million Yuan on a y-o-y basis with 42% up, mainly due to the growth of profit from main business and investment earnings in the period;

10. Income tax expense: increased 48.9326 million Yuan on a y-o-y basis with 53.37% up, mainly due to the growth of profit in the period.

(III) Changes of items of cash flow statement and cause analysis:

1. Net cash flow arising from operation activities: increased 206.6004 million Yuan in-flow on a y-o-y basis with 82.95% up, mainly because sales return increased from a year earlier;

2. Net cash flow arising from investment activities: decreased 857.7232 million Yuan, mainly because financial products purchased in the period and maturity recovery declined from a year earlier.

II. Progress of significant events, their influences, and analysis and explanation of their solutions

√ Applicable □Not applicable

1. Wholly-owned subsidiary of the Company has investment intention on industry mergers & acquisitions fund

On 31 May 2016, the Company held the 7th meeting of the 8th board of directors, to consider and approve the resolution relating to the wholly-owned subsidiary of the Company proposing to establish industry merger & acquisition funds. In order to accelerate the Company’s industrial upgrade and development speed, preserve merger & acquisition projects, improve its comprehensive strength and realize development strategy, the Company agreed with Ping'an Securities Co., Ltd. ("Ping'an Securities' for short) in reaching for initial cooperation plan. Weifu Auto Diesel, a wholly-owned subsidiary of the Company, proposed to cooperate with Ping'an Ronghui which was established by Ping'an Caizhi (a wholly-owned subsidiary of Ping'an Securities) to establish business merger & acquisition funds. The relevant announcement (No. 2016-015) was published on China Securities, Securities Times, Hong Kong Commercial Daily and Juchao Information website （http://www.cninfo.com.cn）. Till now, this matter is being prepared.

2. Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli

On 25 October 2016, the 8th board of directors of the Company held the 9th meeting to consider and approve the proposal relating to proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Ningbo Weifu Tianli Supercharging Technique Co., Ltd. on 30 December 2016, Weifu Tianli was served with the notice of acceptance from the National Middle and Small Enterprise Stock Transfer System Company Limited (GP2016120120). The relevant announcements (No.: 2016-023 and 2017-001) were published on *China Securities Journal*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao Information Website (http://www.cninfo.com.cn). At the current stage, this matter is in the progress of consideration and approval.

3. Parts of the joint-stock enterprise's equity held by the Company freeze

On March 6, 2017, the company received the civil ruling No.(2016)Y03MC2490 and No.(2016) Y03MC2492 from Shenzhen Intermediate People's Court about the dispute case that the plaintiff applicant China Cinda Asset Management Co., Ltd. Shenzhen Branch (hereinafter referred to as "Cinda Company") appealed the respondent Weifu High Technology and other seven respondents and the shareholders of the third party Hejun Company damaged the interests of corporate creditors, which adopted the mandatory measures to freeze the assets with value of RMB 217 million under the name of the Company and other seven respondents and Hejun Company. Freeze 4.71 million shares of Miracle Logistics and 15.3 million shares of SDEC held by the company. The relevant announcements (No.: 2017-002) were published on *China Securities Journal*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao Information Website (http://www.cninfo.com.cn).

This litigation will not affect the company's daily operating activities for the time being. The company has engaged professional lawyers to strive to properly handle and resolve the litigation and the frozen stock equity as soon as possible through normal and legal approaches and protect the legitimate rights and interests of the company according to law.

(1) By the company's application for reconsideration, Shenzhen Intermediate People's Court deemed the total assets that Cinda Company applied for preservation to be RMB 217,027,697.23. The total value of 15.3 million shares of SDEC Stock and 4.71 million shares of Miracle Logistics held by the company has exceeded the total assets that Cinda Company applied for preservation, therefore, 3,560,898 shares of SDEC Stock held by the company was unfrozen. Up to the end of the reporting period, the company's frozen assets were as follows: 4.71 million shares of Miracles Logistics held by the company and its fruits, and 11,739,102 shares of SDEC Stock held by the company and its fruits. At present, this litigation is in the first instance (First trial on 24 September

2017, and futher session to be advised from the Court).

(2) The company has applied to Futian People's Court of Shenzhen for compulsory liquidation with Hejun Company, the Court placed on file and will open a court session on 27 October 2017.

4. Wholly-owned subsidiary consolidation by merger

On 25 July 2017, the first extraordinary shareholders general meeting of 2017 held for deliberated and approved the proposal of a w holly-owned subsidiary consolidation by merger. According to the operation development requirments, and furhter optimized the management structure and governance structure, to simplify internal accounting, reducing management costs, integrated business resources and improve operation efficiency, the Company consolidated Wuxi Weifu Automative Diesel System Co., Ltd. by merger. The relevant announcements (No.: 2017-017 and No.: 2017-020) were published on *China Securities Journal*, *Securities Times*, *Hong Kong Commercial Daily* and Juchao Information Website (http://www.cninfo.com.cn). Relevant works still in progress.

Overview	Disclosure date	Query index for interim notice
Notice of Planning of Setting Up Industrial Merger & Acquisition Fund by Wholly-owned Subsidiary	2016-06-02	(Notice No. 2016-015) Published on Juchao Website (www.cninfo.com.cn)
Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli	2016-10-27	(Notice No. 2016-023) Published on Juchao Website (www.cninfo.com.cn)
	2017-01-07	(Notice No. 2017-001) Published on Juchao Website (www.cninfo.com.cn)
Parts of the joint-stock enterprise’s equity held by the Company freeze	2017-03-08	(Notice No. 2017-002) Published on Juchao Website (www.cninfo.com.cn)
Wholly-owned subsidiary consolidation by merger	2017-07-06	(Notice No. 2017-017) Published on Juchao Website (www.cninfo.com.cn)
	2017-07-26	(Notice No. 2017-020) Published on Juchao Website (www.cninfo.com.cn)

III. Commitments that the company, shareholders, actual controller, offeror, 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

There are no commitments that the company, shareholders, actual controller, offeror, 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.

IV. Estimation of operation performance for year of 2017

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

□Applicable √Not applicable

V. Particular about security investment

√ Applicable □Not applicable

In RMB

Variety of securities	Code of securities	Short form of securities	Initial investment cost	Accounting measurement model	Book value at the beginning of the period	Changes in fair value of the current profit and loss	Cumulative fair value changes in equity	Current purchase amount	Current sales amount	Profit and loss in the Reporting Period	Book value at the end of the period	Accounting subject	Source of stock
Domestic and foreign stocks	600841	SDEC	199,208,000.00	Measured by fair value	293,694,000.00	-38,709,000.00	63,041,737.51		53,860,000.00	-38,173,500.00	202,878,000.00	Financial assets available for sales	Own funds
Domestic and foreign stocks	002009	Miracle Logistics	69,331,500.00	Measured by fair value	68,153,700.00	6,499,800.00	33,609,382.50			6,735,300.00	74,653,500.00	Financial assets available for sales	Own funds
Total			268,539,500.00	--	361,847,700.00	-32,209,200.00	96,651,120.01	0.00	53,860,000.00	-31,438,200.00	277,531,500.00	--	--
Disclosure date of securities investment approval from the Board			2012-03-24										
			2013-06-04										

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

Date	Method	Type of investors	Index for the interview and research
Form 1 July to 30 September 2017	Written inquiry	Other	The Company answered 59 questions for investors online through the investor relations interactive platform(http://irm.p5w.net/dqhd/sichuan/)
Form 1 July to 30 September 2017	Telephone communication	Other	Basic condition of the Company and views on market in 2017, communication with investors by telephone more than 50

VIII. External security against the rules

□ Applicable √ Not applicable

The Company has no external security against the rules in the Period

IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company

□ Applicable √ Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.

X. Fulfill the precise social responsibility for poverty alleviation

The Company has no precise social responsibility for poverty alleviation in the period and has no follow-up plan either.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Weifu High-Technology Group Co., Ltd.

2017-09-30

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	1,448,916,925.29	3,969,674,068.56
Settlement provisions		
Capital lent		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable	1,386,163,271.99	1,279,844,777.10
Accounts receivable	1,732,587,749.22	1,324,703,543.17
Accounts paid in advance	107,034,320.50	74,030,486.38
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable	1,744,791.66	2,487,527.65
Dividend receivable	646,368.57	
Other receivables	10,708,939.39	5,907,873.92
Purchase restituted finance asset		
Inventories	1,289,840,959.12	1,349,444,535.25
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	5,087,858,469.64	1,914,225,879.67
Total current assets	11,065,501,795.38	9,920,318,691.70
Non-current assets:		
Loans and payments on behalf		
Finance asset available for sales	699,297,769.00	695,235,461.00

Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	3,757,901,693.48	3,421,030,760.78
Investment property	23,936,481.73	25,113,472.54
Fixed assets	2,427,099,320.35	2,447,840,035.34
Construction in progress	148,063,948.85	90,621,102.20
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	336,012,203.11	347,206,518.76
Expense on Research and Development		
Goodwill	1,784,086.79	1,784,086.79
Long-term expenses to be apportioned	14,713,419.10	1,753,413.10
Deferred income tax asset	201,376,466.44	210,196,714.45
Other non-current asset	200,154,386.55	102,671,641.12
Total non-current asset	7,810,339,775.40	7,343,453,206.08
Total assets	18,875,841,570.78	17,263,771,897.78
Current liabilities:		
Short-term loans	235,000,000.00	150,000,000.00
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	832,762,334.61	837,045,962.78
Accounts payable	2,130,839,879.40	1,729,250,355.93
Accounts received in advance	47,499,789.35	42,983,352.84
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	156,814,306.69	230,672,269.58
Taxes payable	73,304,286.07	62,634,922.88
Interest payable	276,337.03	437,938.27

Dividend payable		
Other accounts payable	60,031,174.25	96,514,485.59
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	3,536,528,107.40	3,149,539,287.87
Non-current liabilities:		
Long-term loans	57,500,000.00	60,000,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	17,496,363.00	17,835,454.00
Long-term wages payable	137,198,200.42	112,815,704.51
Special accounts payable	18,265,082.11	18,265,082.11
Projected liabilities		
Deferred income	462,854,629.41	479,211,845.88
Deferred income tax liabilities	19,107,615.64	27,674,132.89
Other non-current liabilities		
Total non-current liabilities	712,421,890.58	715,802,219.39
Total liabilities	4,248,949,997.98	3,865,341,507.26
Owner’s equity:		
Share capital	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,417,841,402.89	3,417,841,402.89
Less: Inventory shares		
Other comprehensive income	96,651,120.01	144,722,827.51
Reasonable reserve	319,575.00	89,005.19
Surplus public reserve	510,100,496.00	510,100,496.00

Provision of general risk		
Retained profit	9,093,963,461.93	7,845,639,990.88
Total owner’s equity attributable to parent company	14,127,826,625.83	12,927,344,292.47
Minority interests	499,064,946.97	471,086,098.05
Total owner’s equity	14,626,891,572.80	13,398,430,390.52
Total liabilities and owner’s equity	18,875,841,570.78	17,263,771,897.78

Legal Representative: Chen Xuejun
Person in charge of accounting works: Ou Jianbin
Person in charge of accounting institute: Ou Jianbin

2. Balance Sheet of Parent Company

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	900,404,228.19	2,143,816,269.01
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable	435,016,065.93	216,516,806.40
Accounts receivable	754,169,871.14	611,594,846.92
Account paid in advance	60,123,043.03	34,805,212.41
Interest receivable		
Dividends receivable	646,368.57	
Other receivables	51,193,999.46	46,349,571.47
Inventories	254,877,367.19	202,839,001.66
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets	4,955,447,224.58	1,945,446,935.23
Total current assets	7,411,878,168.09	5,201,368,643.10
Non-current assets:		
Available-for-sale financial assets	623,357,769.00	619,295,461.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	4,870,496,252.42	4,591,005,651.65
Investment property		
Fixed assets	1,372,282,427.42	1,438,192,853.38

Construction in progress	73,820,083.45	36,142,328.79
Project materials		
Disposal of fixed assets		
Productive biological assets		
Oil and natural gas assets		
Intangible assets	186,367,037.62	192,448,576.72
Research and development costs		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	90,515,237.26	96,943,564.13
Other non-current assets	84,334,014.68	31,747,194.01
Total non-current assets	7,301,172,821.85	7,005,775,629.68
Total assets	14,713,050,989.94	12,207,144,272.78
Current liabilities:		
Short-term borrowings	80,000,000.00	80,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	384,167,492.72	171,760,000.00
Accounts payable	713,082,500.33	595,558,830.63
Accounts received in advance	9,842,500.23	732,252.09
Wage payable	66,856,082.03	119,456,739.08
Taxes payable	25,727,184.22	28,055,629.04
Interest payable	84,400.00	88,933.33
Dividend payable		
Other accounts payable	531,925,052.78	14,190,407.16
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	1,811,685,212.31	1,009,842,791.33
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		

Perpetual capital securities		
Long-term account payable		
Long-term wages payable	125,622,495.91	101,240,000.00
Special accounts payable		
Projected liabilities		
Deferred income	412,979,860.50	432,695,399.27
Deferred income tax liabilities	17,056,079.99	25,539,322.49
Other non-current liabilities		
Total non-current liabilities	555,658,436.40	559,474,721.76
Total liabilities	2,367,343,648.71	1,569,317,513.09
Owners' equity:		
Share capita	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,448,408,786.39	3,448,408,786.39
Less: Inventory shares		
Other comprehensive income	96,651,120.01	144,722,827.51
Reasonable reserve		
Surplus reserve	510,100,496.00	510,100,496.00
Retained profit	7,281,596,368.83	5,525,644,079.79
Total owner's equity	12,345,707,341.23	10,637,826,759.69
Total liabilities and owner's equity	14,713,050,989.94	12,207,144,272.78

3. Consolidated Profit Statement (the period)

In RMB

Item	Current Period	Last Period
I. Total operating income	1,832,997,683.30	1,522,896,852.89
Including: Operating income	1,832,997,683.30	1,522,896,852.89
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	1,676,428,752.48	1,441,957,624.68
Including: Operating cost	1,361,927,902.42	1,204,377,668.92

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	15,034,754.03	7,552,608.70
Sales expenses	47,008,081.61	40,328,425.30
Administration expenses	237,268,016.75	175,813,718.30
Financial expenses	3,837,009.05	-893,521.51
Losses of devaluation of asset	11,352,988.62	14,778,724.97
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	424,259,662.16	313,808,978.06
Including: Investment income on affiliated company and joint venture	376,259,036.41	245,845,647.59
Exchange income (Loss is listed with "-")		
Other income	6,821,209.19	
III. Operating profit (Loss is listed with "-")	587,649,802.17	394,748,206.27
Add: Non-operating income	6,192,365.09	10,629,017.31
Including: Disposal gains of non-current asset	922,986.12	290,303.78
Less: Non-operating expense	2,710,733.23	2,251,691.01
Including: Disposal loss of non-current asset	2,307,625.76	725,836.85
IV. Total Profit (Loss is listed with "-")	591,131,434.03	403,125,532.57
Less: Income tax expense	46,584,408.67	23,363,351.40
V. Net profit (Net loss is listed with "-")	544,547,025.36	379,762,181.17
Net profit attributable to owner's of parent company	527,771,783.49	366,126,109.76
Minority shareholders' gains and losses	16,775,241.87	13,636,071.41
VI. Net after-tax of other comprehensive income	-8,274,495.00	-9,906,410.00
Net after-tax of other comprehensive income attributable to owners of parent company	-8,274,495.00	-9,906,410.00
(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	-8,274,495.00	-9,906,410.00
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	-8,274,495.00	-9,906,410.00
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	536,272,530.36	369,855,771.17
Total comprehensive income attributable to owners of parent Company	519,497,288.49	356,219,699.76
Total comprehensive income attributable to minority shareholders	16,775,241.87	13,636,071.41
VIII. Earnings per share:		
(i) Basic earnings per share	0.53	0.36
(ii) Diluted earnings per share	0.53	0.36

As for the enterprise combined under the same control, net profit achieved by combined party before merger counted as Yuan, while achieved Yuan by combined party last period

Legal Representative: Chen Xuejun

Person in charge of accounting works: Ou Jianbin

Person in charge of accounting institute: Ou Jianbin

4. Profit Statement of Parent Company (the period)

In RMB

Item	Current Period	Last Period
I. Operating income	712,342,649.17	474,079,480.63
Less: Operating cost	613,286,795.67	413,715,796.32
Operating tax and extras	6,066,825.07	2,655,313.84
Sales expenses	8,369,245.05	8,603,583.95
Administration expenses	86,107,338.35	68,735,038.35

Financial expenses	1,185,230.22	1,222,659.04
Losses of devaluation of asset	-2,272,399.92	-957,854.77
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	421,416,072.18	319,576,980.34
Including: Investment income on affiliated company and joint venture	347,381,158.90	226,291,093.71
Other income	6,100,208.89	
II. Operating profit (Loss is listed with “-”)	427,115,895.80	299,681,924.24
Add: Non-operating income	1,419,290.62	9,206,021.83
Including: Disposal gains of non-current asset	229,518.62	252,592.63
Less: Non-operating expense	939,056.46	953,656.79
Including: Disposal loss of non-current asset	939,053.46	401,351.45
III. Total Profit (Loss is listed with “-”)	427,596,129.96	307,934,289.28
Less: Income tax expense	6,904,928.63	6,062,366.15
IV. Net profit (Net loss is listed with “-”)	420,691,201.33	301,871,923.13
V. Net after-tax of other comprehensive income	-8,274,495.00	-9,906,410.00
(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	-8,274,495.00	-9,906,410.00
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	-8,274,495.00	-9,906,410.00
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	412,416,706.33	291,965,513.13
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Profit Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Total operating income	6,561,123,282.32	4,889,373,305.38
Including: Operating income	6,561,123,282.32	4,889,373,305.38
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	5,912,101,548.97	4,493,734,811.55
Including: Operating cost	5,098,218,841.28	3,837,659,652.17
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		
tax and extras	52,897,036.51	23,787,955.26
Sales expenses	118,567,344.27	133,127,794.55
Administration expenses	636,836,751.48	490,410,253.22
Financial expenses	5,525,060.37	-3,803,012.94
Losses of devaluation of asset	56,515.06	12,552,169.29
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	1,379,697,577.52	1,025,761,541.23
Including: Investment income on affiliated company and joint venture	1,209,824,557.05	838,948,109.61
Exchange income (Loss is listed with "-")		
Other income	22,429,216.47	
III. Operating profit (Loss is listed with "-")	2,051,148,527.34	1,421,400,035.06

Add: Non-operating income	9,212,138.42	29,376,400.04
Including: Disposal gains of non-current asset	1,158,179.97	1,015,076.57
Less: Non-operating expense	6,835,932.34	4,587,513.03
Including: Disposal loss of non-current asset	3,843,639.93	2,187,168.06
IV. Total Profit (Loss is listed with "-")	2,053,524,733.42	1,446,188,922.07
Less: Income tax expense	140,610,342.03	91,677,778.58
V. Net profit (Net loss is listed with "-")	1,912,914,391.39	1,354,511,143.49
Net profit attributable to owner's of parent company	1,853,693,813.05	1,309,694,645.48
Minority shareholders' gains and losses	59,220,578.34	44,816,498.01
VI. Net after-tax of other comprehensive income	-48,071,707.50	-66,113,998.74
Net after-tax of other comprehensive income attributable to owners of parent company	-48,071,707.50	-66,113,998.74
(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	-48,071,707.50	-66,113,998.74
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	-48,071,707.50	-66,113,998.74
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	1,864,842,683.89	1,288,397,144.75
Total comprehensive income attributable to owners of parent Company	1,805,622,105.55	1,243,580,646.74
Total comprehensive income attributable to minority shareholders	59,220,578.34	44,816,498.01

VIII. Earnings per share:		
(i) Basic earnings per share	1.84	1.30
(ii) Diluted earnings per share	1.84	1.30

As for the enterprise combined under the same control, net profit achieved by combined party before merger counted as Yuan, while achieved Yuan by combined party last period

6. Profit Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Operating income	2,338,823,064.88	1,458,149,449.43
Less: Operating cost	1,881,909,457.25	1,222,059,868.86
Operating tax and extras	20,893,583.83	6,544,108.26
Sales expenses	22,160,338.44	28,842,600.88
Administration expenses	270,265,074.80	195,062,421.69
Financial expenses	838,252.35	-4,944,536.93
Losses of devaluation of asset	-2,224,005.22	-886,916.97
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	2,252,183,094.93	974,372,189.56
Including: Investment income on affiliated company and joint venture	1,114,690,924.54	763,408,174.38
Other income	20,015,538.77	
II. Operating profit (Loss is listed with “-”)	2,417,178,997.13	985,844,093.20
Add: Non-operating income	1,709,194.68	23,827,626.61
Including: Disposal gains of non-current asset	275,163.03	714,408.73
Less: Non-operating expense	3,216,523.26	1,762,101.81
Including: Disposal loss of non-current asset	2,187,597.79	993,332.06
III. Total Profit (Loss is listed with “-”)	2,415,671,668.55	1,007,909,618.00
Less: Income tax expense	54,349,037.51	26,820,648.10
IV. Net profit (Net loss is listed with “-”)	2,361,322,631.04	981,088,969.90
V. Net after-tax of other comprehensive income	-48,071,707.50	-66,113,998.74
(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	-48,071,707.50	-66,113,998.74
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	-48,071,707.50	-66,113,998.74
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	2,313,250,923.54	914,974,971.16
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

7. Consolidated Cash Flow Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	5,415,498,593.27	4,075,857,122.17
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	33,394,041.93	27,180,302.24
Other cash received concerning operating activities	27,368,269.33	19,487,047.28
Subtotal of cash inflow arising from operating activities	5,476,260,904.53	4,122,524,471.69
Cash paid for purchasing commodities and receiving labor service	3,359,808,178.28	2,598,412,659.75
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	882,444,354.25	712,855,117.51
Taxes paid	486,146,192.25	323,616,906.66
Other cash paid concerning operating activities	292,199,484.05	238,577,470.62
Subtotal of cash outflow arising from operating activities	5,020,598,208.83	3,873,462,154.54
Net cash flows arising from operating activities	455,662,695.70	249,062,317.15
II. Cash flows arising from investing activities:		
Cash received from recovering investment	5,399,636,226.27	5,910,661,906.70
Cash received from investment income	1,004,170,730.84	1,148,454,597.68
Net cash received from disposal of fixed, intangible and other long-term assets	55,482,015.56	63,817,144.02
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		30,296,467.00
Subtotal of cash inflow from investing activities	6,459,288,972.67	7,153,230,115.40
Cash paid for purchasing fixed, intangible and other long-term assets	318,317,189.06	281,959,826.10
Cash paid for investment	8,581,292,764.21	8,453,810,985.03
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		57,116.41
Subtotal of cash outflow from investing activities	8,899,609,953.27	8,735,827,927.54
Net cash flows arising from investing activities	-2,440,320,980.60	-1,582,597,812.14
III. Cash flows arising from financing activities		
Cash received from absorbing investment	9,520,000.00	12,800,000.00
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	9,520,000.00	12,800,000.00
Cash received from loans	235,000,000.00	254,187,030.29
Cash received from issuing bonds		

Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	244,520,000.00	266,987,030.29
Cash paid for settling debts	152,500,000.00	457,000,000.00
Cash paid for dividend and profit distributing or interest paying	652,875,764.59	481,006,730.85
Including: Dividend and profit of minority shareholder paid by subsidiaries	39,650,290.00	24,803,800.00
Other cash paid concerning financing activities	1,388,802.28	339,091.00
Subtotal of cash outflow from financing activities	806,764,566.87	938,345,821.85
Net cash flows arising from financing activities	-562,244,566.87	-671,358,791.56
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-6,474,769.99	
V. Net increase of cash and cash equivalents	-2,553,377,621.76	-2,004,894,286.55
Add: Balance of cash and cash equivalents at the period -begin	3,795,223,678.11	3,040,315,198.85
VI. Balance of cash and cash equivalents at the period -end	1,241,846,056.35	1,035,420,912.30

8. Cash Flow Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,825,933,447.86	1,165,621,926.61
Write-back of tax received		
Other cash received concerning operating activities	528,137,019.77	1,145,466,206.68
Subtotal of cash inflow arising from operating activities	2,354,070,467.63	2,311,088,133.29
Cash paid for purchasing commodities and receiving labor service	965,168,241.07	609,336,635.01
Cash paid to/for staff and workers	398,847,473.24	290,989,747.70
Taxes paid	192,013,974.30	96,209,325.93
Other cash paid concerning operating activities	200,144,016.79	64,011,248.17
Subtotal of cash outflow arising from operating activities	1,756,173,705.40	1,060,546,956.81
Net cash flows arising from operating activities	597,896,762.23	1,250,541,176.48
II. Cash flows arising from investing activities:		
Cash received from recovering investment	5,144,601,492.00	5,639,000,000.00
Cash received from investment income	1,965,339,364.77	1,110,427,341.08
Net cash received from disposal of fixed, intangible and other long-term assets	52,380,871.19	62,137,135.26
Net cash received from disposal of subsidiaries and other units	2,410,502.57	

Other cash received concerning investing activities		25,301,600.00
Subtotal of cash inflow from investing activities	7,164,732,230.53	6,836,866,076.34
Cash paid for purchasing fixed, intangible and other long-term assets	125,206,789.75	162,090,979.43
Cash paid for investment	8,266,409,258.63	8,314,900,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		57,116.41
Subtotal of cash outflow from investing activities	8,391,616,048.38	8,477,048,095.84
Net cash flows arising from investing activities	-1,226,883,817.85	-1,640,182,019.50
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	80,000,000.00	180,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	80,000,000.00	180,000,000.00
Cash paid for settling debts	80,000,000.00	330,000,000.00
Cash paid for dividend and profit distributing or interest paying	607,870,230.87	453,545,994.41
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	687,870,230.87	783,545,994.41
Net cash flows arising from financing activities	-607,870,230.87	-603,545,994.41
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-6,474,769.99	
V. Net increase of cash and cash equivalents	-1,243,332,056.48	-993,186,837.43
Add: Balance of cash and cash equivalents at the period -begin	2,143,377,059.99	1,734,531,427.66
VI. Balance of cash and cash equivalents at the period -end	900,045,003.51	741,344,590.23

II. Audit report

Whether the 3rd quarterly report has been audited or not

□Yes √ No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of

Weifu High-Technology Group Co., Ltd.

Chairman: ________

Chen Xuejun

26 October 2017