1. Important Notification

1

s, Board of Supervisors, directors, supervisors and senior executives hereby guarantee that all information in the Q3 report summary is true, accurate and complete, and it contains no false records, misleading statements or major omissions, in addition to undertaking the individual and joint responsibilities.

2

All directors of the company attended the conferences of Board of Directors to review 2019 Q3 report.

3

Wang Jianfeng (Chairman of the Board of Directors), Li Junyu (CFO) and Zhang Yu (accountant in charge) hereby declare and warrant that the Q3 financial statements in the report are authentic, accurate and complete.

4

2019 Q3 report was unaudited.

2. General Information

3. Important Notes

	2019 9 30	2018 12 31	
	6,433,721,192.03	7,816,800,064.49	-17.69
	1,669,648,989.34	3,539,621,986.99	-52.83
	873,798,538.54	1,075,458,625.17	-18.75
	6,421,559,604.13	5,165,911,093.27	24.31
	12,299,311,210.84	11,263,063,718.66	9.20

	45,806,437,870.32	39,421,204,502.34	16.20
	38,017,662,837.35	33,250,804,667.73	14.34
	1,038,298,461.88	1,083,435,059.68	-4.17
	2,668,430,646.56	2,064,365,788.75	29.26
	1,998,849,255.92	1,701,242,075.60	17.49
	779,813,918.25	574,009,629.29	35.85

4. Audit reports

适用　　　　　　　不适用

5. Financial statements

Items	2019 Q3	2018 Q3	2019 Q1-Q3	2018 Q1-Q3
I. Total revenue	14,978,957,421.18	16,787,268,489.61	45,806,437,870.32	39,421,204,502.34
Including: Revenue	14,978,957,421.18	16,787,268,489.61	45,806,437,870.32	39,421,204,502.34
II. Total cost of sales	14,745,840,992.26	16,378,503,889.00	44,568,175,155.34	38,744,335,067.35
Including: Cost of sales	12,523,688,969.71	14,289,086,014.43	38,017,662,837.35	33,250,804,667.73
Taxes and surcharges	16,800,904.26	28,960,499.62	65,120,035.38	70,477,846.30
Selling expenses	372,019,740.27	428,001,567.22	1,038,298,461.88	1,083,435,059.68
General and administrative expenses	890,222,650.62	625,814,259.46	2,668,430,646.56	2,064,365,788.75
Research and development expenses	701,293,237.57	860,026,062.02	1,998,849,255.92	1,701,242,075.60
Financial expenses	241,815,489.83	146,615,486.25	779,813,918.25	574,009,629.29
Including Interest expenses	306,198,166.76	199,712,537.98	845,152,969.68	567,002,731.69
Interest income	42,228,907.01	10,957,088.17	80,858,425.36	39,270,277.66
Add: Other income	35,770,678.27	11,906,690.61	165,554,624.48	25,752,435.20
	79,276,438.29	11,097,142.45	277,406,105.72	50,983,326.49
Including: Investment income from associates and joint ventures	-201,720.07	-170,326.76	-649,986.90	-403,225.60
	25,120,076.04		25,632,791.47	
	-297,957.44		-10,470,357.31	
	-5,366,572.81	-34,592,302.69	-61,756,184.58	-96,723,393.30
Gain	2,946,959.37	-1,796,154.86	55,456,362.88	1,637,077.06
	370,566,050.64	395,379,976.12	1,690,086,057.64	658,518,880.44
Add: Non-operating income	1,700,658.21	29,896,560.97	1,790,918.53	976,088,326.05
Less: Non-operating expenses	13,083,585.34	4,231,604.96	17,262,422.47	18,351,421.70
	359,183,123.51	421,044,932.13	1,674,614,553.70	1,616,255,784.79
Less: Income tax expenses	79,467,772.14	141,595,797.80	476,308,941.00	392,911,496.04
	279,715,351.37	279,449,134.33	1,198,305,612.70	1,223,344,288.75

(1) Net profit classified by continuity of operations	279,715,351.37	279,449,134.33	1,198,305,612.70	1,223,344,288.75
	279,715,351.37	279,449,134.33	1,198,305,612.70	1,223,344,288.75
(2) Net profit classified by ownership:	279,715,351.37	279,449,134.33	1,198,305,612.70	1,223,344,288.75
losses)	188,333,278.40	236,520,926.39	702,303,373.66	1,057,673,937.24
2. Non-	91,382,072.97	42,928,207.94	496,002,239.04	165,670,351.51
VI. Other comprehensive income, net of tax	-97,919,696.00	416,209,724.85	-133,943,450.45	504,082,355.44
Other comprehensive income (net of tax) attributable to shareholders of the company	-59,290,241.08	416,823,021.96	-84,425,629.16	535,016,377.44
(1) Items that will not be reclassified to profit or loss:	-23,768,488.18	1,453,204.80	-28,135,093.94	3,609,075.99
1. Remeasurement of defined benefit plan liability	-23,768,488.18	1,453,204.80	-28,135,093.94	3,609,075.99
2. Other comprehensive income recognized under equity method				
3. Changes in fair value of other equity investment				
4. Changes in fair value of the company's credit risk				
(2) Items that may be reclassified to profit or loss:	-35,521,752.90	415,369,817.16	-56,290,535.22	531,407,301.45
1. Other comprehensive income recognized under equity method				
2. Changes in fair value of other debt investments				
3. Gains or losses arising from changes in fair value of available-for-sale financial assets				
4. The amount of financial assets reclassified into other comprehensive income				
5. Gains or losses arising from reclassification from held-to-maturity investments to available-for-sale financial assets				
6. Other debt investment credit impairment provisions				
7. Effective portion of gains or losses arising from cash flow hedging instruments	71,844,886.42	-21,194,741.68	72,615,747.85	-12,926,521.75
8. Translation differences arising from translation of foreign currency financial statements	-107,366,639.32	436,564,558.84	-128,906,283.07	544,333,823.20
9. Others				
Other comprehensive income (net of tax) attributable to non-controlling interests	-38,629,454.92	-613,297.11	-49,517,821.29	-30,934,022.00

VII. Total comprehensive income	181,795,655.37	695,658,859.18	1,064,362,162.25	1,727,426,644.19
Attributable to shareholders of the company	129,043,037.32	653,343,948.35	617,877,744.50	1,592,690,314.68
Attributable to non-controlling interests	52,752,618.05	42,314,910.83	446,484,417.75	134,736,329.51
VIII. Earnings per share				
(1) Basic earnings per share (Yuan/share)	0.17	0.21	0.74	1.11
(2) Diluted earnings per share (Yuan/share)	0.17	0.21	0.74	1.11

Items	2019 Q3	2018 Q3	2019 Q1-Q3	2018 Q1-Q3
I. Revenue	5,377,043.42	4,315,454.13	14,124,346.28	12,710,560.67
Less: Cost of sales				
Taxes and surcharges	892,615.99	918,197.66	2,524,403.31	2,554,804.31
Selling expenses				
General and administrative expenses	20,741,468.63	30,544,762.24	91,235,932.60	116,059,754.31
Research and development expenses				
Financial expenses	29,459,345.81	-64,294.25	148,061,395.06	25,546,819.59
Including: Interest expenses	77,586,219.29	150,869,095.06	286,263,829.04	220,354,280.70
Interest income	20,597,989.75	117,612,062.78	93,717,139.81	126,512,587.27
Add: Other income		9,421,000.00	665,405.80	9,641,152.00
	5,272,608.23	10,900,369.92	10,335,874.63	122,672,111.82
Including: Investment income from associates and joint ventures				
	-40,443,778.78	-6,761,841.60	-216,696,104.26	862,446.28
Add: Non-operating income			15,532.68	
Less: Non-operating expenses				
	-40,443,778.78	-6,761,841.60	-216,680,571.58	862,446.28
Less: Income tax expenses				
	-40,443,778.78	-6,761,841.60	-216,680,571.58	862,446.28
	-40,443,778.78	-6,761,841.60	-216,680,571.58	862,446.28
V. Other comprehensive income, net of tax		-26,260,000.00		-34,500,000.00
(1) Items that will not be reclassified to profit or loss				

1. Remeasurement of defined benefit plan liability				
2. Other comprehensive income recognized under equity method				
3. Changes in fair value of other equity investment				
4. Changes in fair value of the company's own credit risk				
(2) Items that may be reclassified to profit or loss		-26,260,000.00		-34,500,000.00
1. Other comprehensive income recognized under equity method				
2. Changes in fair value of other debt investments				
3. Gains or losses arising from changes in fair value of available-for-sale financial assets				
4. The amount of financial assets reclassified into other comprehensive income				
5. Gains or losses arising from reclassification from held-to-maturity investments to available-for-sale financial assets				
6. Other debt investment credit impairment provisions				
7. Effective portion of gains or losses arising from cash flow hedging instruments		-26,260,000.00		-34,500,000.00
8. Translation differences arising from translation of foreign currency financial statements				
9. Others				
VI. Total comprehensive income	-40,443,778.18	-33,021,841.60	-216,680,571.58	-33,637,553.72
VII. Earnings per share				
(1) Basic earnings per share (Yuan/share)				
(2) Diluted earnings per share (Yuan/share)				

Items	2019 Q1-Q3	2018 Q1-Q3
I. Cash flows from operating activities		
Proceeds from sale of goods and rendering of services	47,494,028,938.19	42,624,868,114.23
Refund of taxes	667,502,527.66	438,172,601.25
Proceeds from other operating activities	658,705,514.95	115,101,439.81
Subtotal of cash inflows	48,820,236,980.80	43,178,142,155.29
Payment for goods and services	34,195,338,761.59	32,396,729,176.58
Payment to and for employees	7,750,617,059.49	5,889,272,463.46
Payment of various taxes	2,768,217,228.98	1,116,894,528.29
Payment for other operating activities	2,169,831,842.12	2,415,930,286.15
Subtotal of cash outflows	46,884,004,892.18	41,818,826,454.48
Net cash inflow/outflow from operating activities	1,936,232,088.62	1,359,315,700.81
II. Cash flows from investing activities		
Proceeds from disposal of investments	23,000,000.00	32,351,292.84
Investment returns received	12,245,824.46	58,018,253.89
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	455,941,496.51	63,696,373.77
Net proceeds from disposal of subsidiaries and other business units		
Proceeds from other investing activities	794,718,415.90	2,500,000,000.00
Subtotal of cash inflows	1,285,905,736.87	2,654,065,920.50
Payment for acquisition of fixed assets, intangible assets and other long-term assets	3,091,918,865.49	2,380,296,399.25
Payment for acquisition of investments		63,932,340.43
Net payment for acquisition of subsidiaries and other business units		7,080,049,378.72
Payment for other investing activities	365,000,000.00	1,529,500,000.00
Subtotal of cash outflows	3,456,918,865.49	11,053,778,118.40
Net cash inflow/outflow from investing activities	-2,171,013,128.62	-8,399,712,197.90
III. Cash flows from financing activities		
Proceeds from investors	14,850,000.00	3,595,083,207.06
Including: Proceeds from non-controlling shareholders of subsidiaries	14,850,000.00	16,650,000.00
Proceeds from borrowings	6,294,657,999.73	14,544,091,744.65
Proceeds from other financing activities	1,062,556,246.27	2,534,170,367.10
Subtotal of cash inflows	7,372,064,246.00	20,673,345,318.81
Repayments of borrowings	4,286,696,378.56	8,741,918,603.01
Payment for dividends, profit distributions or interest	965,223,565.05	917,389,136.40
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		

Payment for other financing activities	3,062,638,554.31	2,182,423,608.07
Subtotal of cash outflows	8,314,558,497.92	11,841,731,347.48
Net cash inflow/outflow from financing activities	-942,494,251.92	8,831,613,971.33
IV. Effect of foreign exchange rate changes on cash and cash equivalents	155,638,883.19	-43,759,963.92
V. Net increase/decrease in cash and cash equivalents	-1,021,636,408.73	1,747,457,510.32
Add: Cash and cash equivalents at the beginning of the year	7,308,313,559.89	3,857,973,980.45
VI. Cash and cash equivalents at the end of the year	6,286,677,151.16	5,605,431,490.77

Items	2019 Q1-Q3	2018 Q1-Q3
I. Cash flows from operating activities		
Proceeds from sale of goods and rendering of services	17,493,836.04	15,376,813.68
Refund of taxes		15,323,825.99
Proceeds from other operating activities	5,187,567,859.89	7,512,296,378.21
Subtotal of cash inflows	5,205,061,695.93	7,542,997,017.88
Payment for goods and services		
Payment to and for employees	23,949,525.18	20,518,938.17
Payment of various taxes	9,016,694.15	10,987,320.41
Payment for other operating activities	4,613,665,754.88	8,553,563,013.06
Subtotal of cash outflows	4,646,631,974.21	8,585,069,271.64
Net cash inflow/outflow from operating activities	558,429,721.72	-1,042,072,253.76
II. Cash flows from investing activities		
Proceeds from disposal of investments	11,546,358.18	27,550,000.00
Investment returns received	45,630,600.00	87,156,431.74
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		
Net proceeds from disposal of subsidiaries and other business units		
Proceeds from other investing activities	695,000,000.00	2,500,000,000.00
Subtotal of cash inflows	752,176,958.18	2,614,706,431.74
Payment for acquisition of fixed assets, intangible assets and other long-term assets	49,672,596.41	75,238,462.83
Payment for acquisition of investments	248,648,647.16	90,000,000.00
Net payment for acquisition of subsidiaries and other business units		
Payment for other investing activities	355,000,000.00	1,500,000,000.00
Subtotal of cash outflows	653,321,243.57	1,665,238,462.83

Net cash inflow/outflow from investing activities	98,855,714.61	949,467,968.91
III. Cash flows from financing activities		
Proceeds from investors		
Proceeds from borrowings	3,988,321,000.00	4,075,652,000.00
Proceeds from other financing activities	998,000,000.00	2,485,500,000.00
Subtotal of cash inflows	4,986,321,000.00	6,561,152,000.00
Repayments of borrowings	3,078,278,950.00	4,421,410,822.50
Payment for dividends, profit distributions or interest	358,923,561.07	261,239,803.24
Payment for other financing activities	3,000,000,000.00	1,903,556,102.18
Subtotal of cash outflows	6,437,202,511.07	6,586,206,727.92
Net cash inflow/outflow from financing activities	-1,450,881,511.07	-25,054,727.92
IV. Effect of foreign exchange rate changes on cash and cash equivalents	129,242.69	4,737,688.84
V. Net increase/decrease in cash and cash equivalents	-793,466,832.05	-112,921,323.93
Add: Cash and cash equivalents at the beginning of the year	1,602,640,647.94	1,613,101,231.79
VI. Cash and cash equivalents at the end of the year	809,173,815.89	1,500,179,907.86