

# **Nanjing Putian Telecommunications Co., Ltd.**

## **First Quarterly Report 2016**

**April 2016**

## **Section I. Important Notice**

**Board of Directors and the Supervisory Committee of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.**

**All Directors are attended the Board Meeting for Quarterly Report deliberation.**

**Li Linzhen, Principal of the Company, Shi Lian, person in charger of accounting works and Qiu Huizhen, person in charge of accounting organ (accounting principal) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.**

## Section II. Main financial data and changes of shareholders

### I. Main accounting data and financial indexes

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

Yes  No

	At the reporting period	At the same period of last year	Changes of this period over same period of last year
Operating income (RMB)	348,635,996.16	430,831,087.19	-19.08%
Net profit attributable to shareholders of the listed company(RMB)	-15,865,002.53	-13,964,448.61	-13.61%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	-17,060,374.77	-15,355,211.29	-11.10%
Net cash flow arising from operating activities(RMB)	-180,275,476.51	-189,481,994.99	4.86%
Basic earnings per share (RMB/Share)	-0.074	-0.065	-13.85%
Diluted earnings per share (RMB/Share)	-0.074	-0.065	-13.85%
Weighted average ROE	-4.68%	-3.91%	-0.77%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	1,970,555,528.28	2,093,670,119.65	-5.88%
Net assets attributable to shareholder of listed company (RMB)	330,819,391.76	346,684,394.29	-4.58%

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of	31.90	

assets)		
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)	921,017.62	
Other non-operating income and expenditure except for the aforementioned items	422,464.41	
Less: impact on income tax	86,671.38	
Impact on minority shareholders' equity (post-tax)	61,470.31	
Total	1,195,372.24	--

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

### 1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period	10,136	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	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
China Potevio	State-owned corporation	53.49%	115,000,000	115,000,000		
Shen wan hongyuan securities (Hong Kong) co., LTD	Foreign corporation	3.69%	7,928,125			

GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	1.73%	3,720,804			
Zhang Huai'an	Domestic nature person	1.31%	2,807,000			
Zheng Enyue	Domestic nature person	1.10%	2,369,639			
Sun Huiming	Domestic nature person	0.93%	2,007,110			
Gu Jinhua	Domestic nature person	0.83%	1,782,871			
Chen Chujia	Domestic nature person	0.63%	1,349,306			
Liu Fang	Domestic nature person	0.56%	1,194,225			
Gao Lingyun	Domestic nature person	0.47%	1,000,000			

The top ten circulation shareholders shareholdings

Shareholder's name	Amount of listed circulation shares held	Type of shares	
		Type	Amount
Shen wan hongyuan securities (Hong Kong) co., LTD	7,928,125	Domestically listed foreign shares	7,928,125
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	3,720,804	Domestically listed foreign shares	3,720,804
Zhang Huai'an	2,807,000	Domestically listed foreign shares	2,807,000
Zheng Enyue	2,369,639	Domestically listed foreign shares	2,369,639
Sun Huiming	2,007,110	Domestically listed foreign shares	2,007,110
Gu Jinhua	1,782,871	Domestically listed foreign	1,782,871

		shares	
Chen Chujia	1,349,306	Domestically listed foreign shares	1,349,306
Liu Fang	1,194,225	Domestically listed foreign shares	1,194,225
Gao Lingyun	1,000,000	Domestically listed foreign shares	1,000,000
CREDIT SUISSE (HONG KONG) LIMITED	999,908	Domestically listed foreign shares	999,908
Note of related relationship among the above shareholders and concerted actors	Among the top ten shareholders, China Potevio Company Limited is neither a related party nor a person acting in concert with the others. It's unknown by the Company whether there are related parties or persons acting in concert among the other shareholders. The Company is unknown whether there exists associated relationship or belongs to consistent actor among the top ten circulation shareholders.		
Explanation on top ten common shareholders involving margin business (if applicable)	N/A		

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

Yes  No

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

**2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held**

Applicable  Not applicable

## Section III. Significant Events

### I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

Item	2016-3-31(RMB)	2015-12-31(RMB)	Amount of changes (RMB)	Changes ratio (%)	Reasons of great changes
Monetary fund	210,276,543.20	461,959,184.34	-251,682,641.14	-54.48%	Some bank loans of the company expired and returned during the reporting period.
Notes receivable	19,774,352.27	32,339,829.72	-12,565,477.45	-38.85%	Paid due bank acceptances during the reporting period.
Advance payment	16,941,511.43	36,692,329.07	-19,750,817.64	-53.83%	Mainly because the prepayments reach the settlement conditions, and are included in the current costs of expenses.
Other receivable	42,450,187.28	32,234,571.22	10,215,616.06	31.69%	The balance like bid bond increases at the end of period.
Tax payable	3,032,007.80	8,129,410.05	-5,097,402.25	-62.70%	The amount of procurement of raw materials during the reporting period and input tax has not been deducted at the end of period are large, the amount of tax payable is correspondingly small.
Dividend payable	1,692,213.38	7,115,513.38	-5,423,300.00	-76.22%	The subsidiary Telege Building Company paid dividends to shareholders during the reporting period.
Total non-current liabilities	849,703.84	1,605,655.98	-755,952.14	-47.08%	Government subsidies accounted by deferred income received in previous period have been transferred into the current income during the period, the balance of deferred income has decreased.
Retained profit	-65,921,517.17	-50,056,514.64	-15,865,002.53	-31.69%	The company made losses of 15,860,000 yuan during the

Item	Jan-Mar 2016 (R MB)	Jan-Mar 2015 (R MB)	Amount of changes (RMB)	Changes ratio (%)	reporting period. Reasons of great changes
Investment income	135,861.01	290,228.54	-154,367.53	-53.19%	Net profits of joint-stock companies have decreased on a year-on-year basis.
Net cash flow from investment activity	-808,659.60	-2,719,995.93	1,911,336.33	70.27%	During the reporting period, the expenditures of fixed investments have decreased on a year-on-year basis.
Net cash flow from financing activities	-54,140,511.29	43,984,702.00	-98,125,213.29	-223.09%	During the reporting period, the expired and returned bank loans have increased and the borrowed funds have decreased on a year-on-year basis.
Net increase in cash and cash equivalents	-235,224,647.40	-148,200,016.45	-87,024,630.95	-58.72%	Mainly because the cash flow generated from financial activities has decreased on a year-on-year basis.

## II. Analysis and explanation of significant events and their influence and solutions

Applicable    Not applicable

## 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

Commitments	Promise	Type of commitments	Content of commitments	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform						
Commitments in report of acquisition or equity change						
Commitments in assets reorganization						
Commitments make in initial public offering or re-financing						
Equity incentive commitment						
Other commitments for medium and small shareholders	China Potevio Company	Other commitments	In order to protect legal interests of	2015-07-08	Commitment of not reducing:	Commitment of not reducing had



	Limited		<p>every investor, China Potevio Information Industry Company Limited ("China Potevio"), as the controlling shareholder of Ningtongxin (stock code: 200468), hereby undertakes as follows:</p> <p>(1) as a responsible controlling shareholder, China Potevio will not reduce shareholding of the Shares of the Company in the following six months since 8 July 2015;</p> <p>(2) currently, Ningtongxin is in stable operation and the main business is in normal operation.</p> <p>China</p>		within 6 months from July 8, 2015	implemented
--	---------	--	--	--	-----------------------------------	-------------

			<p>Potevio will continue to promote transformation and structure adjustment of the Company through assets reorganization and optimization of resources allocation, so as to greatly improve the quality of our Company;</p> <p>(III) China Potevio will speed up establishment of investor return system of the Listed Company by improving its operating quality and profitability, so as to increase investor's return on a continuous basis.</p>			
Completed on time(Y/N)	Y					
If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan	Not applicable					

#### **IV. Forecast of operation performance from Jan. – June 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. Securities Investment**

Applicable  Not applicable

No security investment in Period.

#### **VI. Derivative investment**

Applicable  Not applicable

No derivative investment in Period.

#### **VII. Registration form for receiving research, communication and interview in the report period**

Applicable  Not applicable

No registration form for receiving research, communication or interview in the Period.

#### **VIII. Guarantee outside against the regulation**

Applicable  Not applicable

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

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

Applicable  Not applicable

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

## IV. Financial statement

### I. Financial statement

#### 1. Consolidated balance sheet

Prepared by Nanjing Putian Telecommunications Co., Ltd.

March 31, 2016

In RMB

Items	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	210,276,543.20	461,959,184.34
Settlement provisions		
Capital lent		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes receivable	19,774,352.27	32,339,829.72
Accounts receivable	894,072,616.09	778,052,456.84
Accounts paid in advance	16,941,511.43	36,692,329.07
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	42,450,187.28	32,234,571.22
Purchase restituted finance asset		
Inventories	425,173,768.46	390,501,461.16
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	10,688,811.34	8,738,631.96
Total current assets	1,619,377,790.07	1,740,518,464.31
Non-current assets:		
Loans and payments on behalf		
Finance asset available for sales	741,953.00	741,953.00
Held-to-maturity investment		

Long-term account receivable		
Long-term equity investment	185,994,101.88	185,858,240.87
Investment property	30,819,384.34	31,076,520.61
Fixed assets	77,629,578.78	79,575,268.20
Construction in progress	26,564,131.24	26,629,692.29
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	26,959,972.10	27,199,062.05
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	2,468,616.87	2,070,918.32
Deferred income tax asset		
Other non-current asset		
Total non-current asset	351,177,738.21	353,151,655.34
Total assets	1,970,555,528.28	2,093,670,119.65
Current liabilities:		
Short-term loans	414,500,000.00	458,000,000.00
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	86,116,204.00	110,018,641.90
Accounts payable	910,703,010.07	922,132,610.96
Accounts received in advance	61,245,988.02	73,536,868.93
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	15,708,502.11	17,678,666.86
Taxes payable	3,032,007.80	8,129,410.05

Interest payable	464,863.60	586,554.84
Dividend payable	1,692,213.38	7,115,513.38
Other accounts payable	38,671,113.12	42,049,885.44
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	1,532,133,902.10	1,639,248,152.36
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	80,118.00	80,118.00
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income	769,585.84	1,525,537.98
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	849,703.84	1,605,655.98
Total liabilities	1,532,983,605.94	1,640,853,808.34
Owner's equity:		
Share capital	215,000,000.00	215,000,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	185,374,533.85	185,374,533.85
Less: Inventory shares		
Other comprehensive income	-4,223,184.69	-4,223,184.69

Reasonable reserve		
Surplus public reserve	589,559.77	589,559.77
Provision of general risk		
Retained profit	-65,921,517.17	-50,056,514.64
Total owner's equity attributable to parent company	330,819,391.76	346,684,394.29
Minority interests	106,752,530.58	106,131,917.02
Total owner's equity	437,571,922.34	452,816,311.31
Total liabilities and owner's equity	1,970,555,528.28	2,093,670,119.65

Principal of the Company: Li Linzhen

Person in charge of accounting works: Shi Lian

Person in charge of accounting organ: Qiu Huizhen

## 2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	77,459,472.56	211,695,287.97
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes receivable	200,000.00	5,662,078.50
Accounts receivable	515,299,239.66	425,991,743.86
Account paid in advance	8,789,521.32	18,699,725.04
Interest receivable		
Dividends receivable		
Other receivables	48,100,458.29	38,064,365.03
Inventories	236,570,367.22	205,855,446.34
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets	758,926.84	2,413.04
Total current assets	887,177,985.89	905,971,059.78

Non-current assets:		
Available-for-sale financial assets	741,953.00	741,953.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	355,260,447.02	355,124,586.01
Investment property		
Fixed assets	23,062,608.32	23,878,833.23
Construction in progress	26,464,131.24	26,529,692.29
Project materials		
Disposal of fixed assets		
Productive biological assets		
Oil and natural gas assets		
Intangible assets	8,109,332.95	8,254,244.95
Research and development costs		
Goodwill		
Long-term deferred expenses	2,092,198.87	1,671,454.32
Deferred income tax assets		
Other non-current assets		
Total non-current assets	415,730,671.40	416,200,763.80
Total assets	1,302,908,657.29	1,322,171,823.58
Current liabilities:		
Short-term borrowings	286,000,000.00	346,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	84,116,204.00	94,018,641.90
Accounts payable	564,945,049.34	491,366,632.18
Accounts received in advance	16,518,567.28	22,674,489.02
Wage payable	5,289,115.32	6,333,680.57
Taxes payable	581,485.14	1,360,211.09
Interest payable	208,892.07	410,251.36
Dividend payable		



Other accounts payable	174,577,513.57	173,240,989.14
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	1,132,236,826.72	1,135,404,895.26
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	80,118.00	80,118.00
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income	769,585.84	1,525,537.98
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	849,703.84	1,605,655.98
Total liabilities	1,133,086,530.56	1,137,010,551.24
Owners' equity:		
Share capita	215,000,000.00	215,000,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	172,417,299.81	172,417,299.81
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	589,559.76	589,559.76
Retained profit	-218,184,732.84	-202,845,587.23
Total owner's equity	169,822,126.73	185,161,272.34
Total liabilities and owner's equity	1,302,908,657.29	1,322,171,823.58

### 3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	348,635,996.16	430,831,087.19
Including: Operating income	348,635,996.16	430,831,087.19
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	365,191,672.84	444,124,720.87
Including: Operating cost	283,688,840.95	353,599,273.82
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	1,752,226.45	2,465,726.93
Sales expenses	42,396,280.11	45,548,588.96
Administration expenses	33,256,599.59	38,276,927.49
Financial expenses	4,097,725.74	4,236,075.67
Losses of devaluation of asset		-1,872.00
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	135,861.01	290,228.54
Including: Investment income on affiliated company and joint venture	135,861.01	290,228.54
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	-16,419,815.67	-13,003,405.14

Add: Non-operating income	2,142,231.89	1,987,733.65
Including: Disposal gains of non-current asset	31.90	
Less: Non-operating expense	26,081.00	75,817.87
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with "-")	-14,303,664.78	-11,091,489.36
Less: Income tax expense	940,724.19	2,838,136.04
V. Net profit (Net loss is listed with "-")	-15,244,388.97	-13,929,625.40
Net profit attributable to owner's of parent company	-15,865,002.53	-13,964,448.61
Minority shareholders' gains and losses	620,613.56	34,823.21
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income 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	-15,244,388.97	-13,929,625.40
Total comprehensive income attributable to owners of parent Company	-15,865,002.53	-13,964,448.61
Total comprehensive income attributable to minority shareholders	620,613.56	34,823.21
VIII. Earnings per share:		
(i) Basic earnings per share	-0.074	-0.065
(ii) Diluted earnings per share	-0.074	-0.065

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Principal of the Company: Li Linzhen

Person in charge of accounting works: Shi Lian

Person in charge of accounting organ: Qiu Huizhen

#### 4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	141,196,102.82	181,795,870.55
Less: Operating cost	121,909,052.39	163,068,258.39
Operating tax and extras	517,252.74	453,315.56
Sales expenses	20,206,132.73	20,499,235.89

Administration expenses	11,891,067.98	14,443,276.41
Financial expenses	3,015,505.27	3,766,570.94
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")	135,861.01	290,228.54
Including: Investment income on affiliated company and joint venture	135,861.01	290,228.54
II. Operating profit (Loss is listed with "-")	-16,207,047.28	-20,144,558.10
Add: Non-operating income	877,901.67	949,983.22
Including: Disposal gains of non-current asset	31.90	
Less: Non-operating expense	10,000.00	65,630.02
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with "-")	-15,339,145.61	-19,260,204.90
Less: Income tax expense		
IV. Net profit (Net loss is listed with "-")	-15,339,145.61	-19,260,204.90
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	-15,339,145.61	-19,260,204.90
VII. Earnings per share:		
(i) Basic earnings per share	-0.071	-0.090
(ii) Diluted earnings per share	-0.071	-0.090

## 5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	628,877,777.59	543,007,032.53
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	1,756,550.71	873,418.77
Other cash received concerning operating activities	6,746,667.43	5,605,065.67
Subtotal of cash inflow arising from operating activities	637,380,995.73	549,485,516.97
Cash paid for purchasing commodities and receiving labor service	692,156,981.37	601,844,411.04
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	68,402,281.21	55,726,018.71
Taxes paid	17,380,299.06	18,866,086.32
Other cash paid concerning operating activities	39,716,910.60	62,530,995.89
Subtotal of cash outflow arising from operating activities	817,656,472.24	738,967,511.96
Net cash flows arising from operating activities	-180,275,476.51	-189,481,994.99
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	2,000.00	6,132.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	2,000.00	6,132.00
Cash paid for purchasing fixed, intangible and other long-term assets	810,659.60	2,726,127.93
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	810,659.60	2,726,127.93
Net cash flows arising from	-808,659.60	-2,719,995.93



investing activities		
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	131,500,000.00	175,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	131,500,000.00	175,000,000.00
Cash paid for settling debts	175,000,000.00	125,000,000.00
Cash paid for dividend and profit distributing or interest paying	10,640,511.29	6,015,298.00
Including: Dividend and profit of minority shareholder paid by subsidiaries	5,423,300.00	253,832.01
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	185,640,511.29	131,015,298.00
Net cash flows arising from financing activities	-54,140,511.29	43,984,702.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		17,272.47
V. Net increase of cash and cash equivalents	-235,224,647.40	-148,200,016.45
Add: Balance of cash and cash equivalents at the period -begin	405,920,943.68	375,372,939.94
VI. Balance of cash and cash equivalents at the period -end	170,696,296.28	227,172,923.49

## 6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	344,262,520.30	275,325,890.42
Write-back of tax received	214,017.70	
Other cash received concerning operating activities	21,178,430.04	4,894,334.59
Subtotal of cash inflow arising from operating activities	365,654,968.04	280,220,225.01
Cash paid for purchasing commodities and receiving labor service	377,352,990.60	304,402,435.13
Cash paid to/for staff and workers	26,962,907.60	28,174,807.77
Taxes paid	1,861,875.93	624,512.24
Other cash paid concerning operating activities	29,292,095.12	33,064,947.53
Subtotal of cash outflow arising from operating activities	435,469,869.25	366,266,702.67
Net cash flows arising from operating activities	-69,814,901.21	-86,046,477.66
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	2,000.00	6,132.00
Net cash received from disposal of subsidiaries and other units		
Other cash received		

concerning investing activities		
Subtotal of cash inflow from investing activities	2,000.00	6,132.00
Cash paid for purchasing fixed, intangible and other long-term assets	641,025.00	2,326,419.68
Cash paid for investment		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	641,025.00	2,326,419.68
Net cash flows arising from investing activities	-639,025.00	-2,320,287.68
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	80,000,000.00	120,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	80,000,000.00	120,000,000.00
Cash paid for settling debts	140,000,000.00	90,000,000.00
Cash paid for dividend and profit distributing or interest paying	3,630,590.29	4,962,093.77
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	143,630,590.29	94,962,093.77
Net cash flows arising from financing activities	-63,630,590.29	25,037,906.23
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		17,278.00

V. Net increase of cash and cash equivalents	-134,084,516.50	-63,311,581.11
Add: Balance of cash and cash equivalents at the period -begin	192,969,689.69	184,370,348.86
VI. Balance of cash and cash equivalents at the period -end	58,885,173.19	121,058,767.75

## II. Audit report

Whether the 1<sup>st</sup> quarterly report has been audited or not

Yes  No

The 1<sup>st</sup> quarterly report of the Company has not been audited

Board of Directors of  
Nanjing Putian Telecommunications Co., Ltd.  
29 April 2016