

Balance Sheets

As at 31 December 2010

Xiamen C&D Inc.

UNIT:RMB

Assets	Consolidated		The Company	
	Closing balance	Opening balance	Closing balance	Opening balance
Current assets				
Monetary funds	2,654,434,762.30	1,898,845,273.15	520,429,254.90	416,815,677.78
Trading financial assets	123,713,685.36	114,235,062.88	947,280.93	94,190.00
Notes receivable	433,310,196.78	158,684,494.97	62,913,393.31	70,862,839.34
Accounts receivable	1,565,033,059.12	807,752,976.44	638,986,855.56	523,882,820.90
Prepayment	4,830,155,021.29	4,664,663,580.18	919,251,029.46	1,133,421,238.42
Interest receivable	-	3,312,500.00	-	-
Dividend receivable	4,200,000.00		8,659,565.61	-
Other account receivable	1,455,096,908.65	819,829,664.40	3,419,850,977.06	3,088,609,450.63
Inventories	24,307,493,529.55	13,500,845,290.01	1,745,268,199.02	1,836,763,448.73
Non-current asset due within one year	124,931,367.65	105,063,505.76	-	-
Other current asset	-	-	-	-
Total current assets	35,498,368,530.70	22,073,232,347.79	7,316,306,555.85	7,070,449,665.80
Non-current assets				
Disposable financial asset	90,949,644.84	115,723,163.55	41,100,000.00	56,600,000.00
Expired investment in possess	-	25,000,000.00	601,516,666.66	200,000,000.00
Long-term receivable	997,533,243.74	843,006,971.87	-	-
Long-term share equity investment	1,107,004,947.39	1,045,368,503.67	5,129,229,190.54	4,194,976,178.56
Property investment	1,478,396,916.59	1,350,558,014.77	273,212,121.09	244,057,600.57
Fixed assets	352,207,294.97	396,767,539.66	28,026,478.54	30,200,582.92
Construction in process	1,159,009,252.76	652,941,588.55	3,609,443.70	13,162,932.29
Engineering material	-		-	-
Fixed asset disposal	-		-	-
Capitalized biological assets	-		-	-
Oil and gas assets	-		-	-
Intangible assets	222,717,801.42	212,308,756.53	158,058,102.00	161,846,933.92
R&D expense	-	-	-	-
Goodwill	46,960,885.72	26,606,365.21	-	-
Long-term prepaid expenses	72,364,636.20	56,924,199.07	1,136,049.01	1,591,418.73
Differed income tax assets	256,531,517.67	88,009,183.22	77,367,424.63	43,849,384.63
Other non-current asset	-		-	-
Total non-current assets	5,783,676,141.30	4,813,214,286.10	6,313,255,476.17	4,946,285,031.62
Total assets	41,282,044,672.00	26,886,446,633.89	13,629,562,032.02	12,016,734,697.42

Balance Sheets (Continued)

As at 31 December 2010

Xiamen C&D Inc.

UNIT:RMB

Liabilities and Owners' Equity	Consolidated		The Company	
	Closing balance	Opening balance	Closing balance	Opening balance
Current liabilities				
Short-term loans	5,606,167,954.94	3,582,095,712.29	4,051,330,434.29	2,410,797,002.52
Trading financial liabilities	67,050,065.00	14,071,425.00	56,248,740.00	13,133,925.00
Notes payable	3,298,916,718.40	4,448,609,271.58	564,359,089.58	1,993,603,817.74
Accounts payable	3,895,311,416.49	1,933,278,163.27	603,117,880.13	874,681,869.48
Prepayment received	7,589,323,230.78	3,612,904,579.57	2,786,275,422.83	2,212,810,019.44
Employee compensation payable	598,958,007.64	374,969,951.40	151,645,095.92	90,477,931.30
Tax payable	501,322,866.16	138,990,444.42	90,386,952.22	10,945,017.10
Interest payable	56,976,616.32	40,146,735.24	7,131,980.56	3,835,451.46
Dividend payable	-	448,369.18	-	-
Other account payable	1,849,365,946.29	1,405,527,535.59	1,745,925,666.62	836,817,478.95
Non-current liability due within one year	977,800,000.00	1,136,617,660.00	-	260,000,000.00
Other current liability	23,949,808.28	15,440,094.38	-	-
Total current liability	24,465,142,630.30	16,703,099,941.92	10,056,421,262.15	8,707,102,512.99
Non-current liabilities				
Long-term borrowings	8,615,555,851.43	3,806,009,180.13	-	-
Bond payable	621,600,384.89	620,273,647.27	-	-
Long-term payable	5,465,827.82	7,789,988.40	-	-
Special payable	-		-	-
Estimated liabilities	-		-	-
Differed income tax liability	7,985,424.16	14,815,838.97	1,165,543.42	4,290,000.00
Other non-recurring liabilities	8,800,000.00		8,800,000.00	-
Total non-current liabilities	9,259,407,488.30	4,448,888,654.77	9,965,543.42	4,290,000.00
Total liability	33,724,550,118.60	21,151,988,596.69	10,066,386,805.57	8,711,392,512.99
Owners' Equity				
Share capital	2,237,750,741.00	1,243,194,856.00	2,237,750,741.00	1,243,194,856.00
Capital reserves	91,176,818.99	1,116,748,398.84	147,591,304.48	1,154,868,713.09
Less: Shares in stock	-	-	-	-
Surplus reserves	453,668,823.56	395,533,495.60	365,759,605.85	307,624,277.89
Retained profit	3,274,784,547.93	1,889,202,474.20	812,073,575.12	599,654,337.45
Foreign currency capital	1,374,295.36	2,305,727.98	-	-
Total equity attributable to the parent company owners	6,058,755,226.84	4,646,984,952.62	3,563,175,226.45	3,305,342,184.43
Minority interests	1,498,739,326.56	1,087,473,084.58	-	-
Total owners' equity	7,557,494,553.40	5,734,458,037.20	3,563,175,226.45	3,305,342,184.43
Total liabilities and owners' equity	41,282,044,672.00	26,886,446,633.89	13,629,562,032.02	12,016,734,697.42

Income statements

For the year ended 31 December 2010

Xiamen C&D Inc.

UNIT : RMB

	Consolidated		The Company	
	Accumulated for this year	Accumulated for last year	Accumulated for this year	Accumulated for last year
Operating Revenues	66,095,527,055.36	40,550,967,013.70	21,522,314,300.80	15,268,865,737.22
Less: Operating Costs	60,147,377,048.00	36,941,516,389.55	20,573,557,416.19	14,690,781,521.83
Business taxes and extras	786,780,465.63	520,779,495.68	47,173,559.74	20,050,544.76
Selling expenses	1,944,705,943.46	1,311,425,598.72	568,353,758.57	461,187,669.65
General and administrative expenses	241,974,149.14	134,575,096.85	74,402,669.24	30,934,645.22
Finance expenses	111,288,565.83	71,146,374.02	28,168,307.51	286,352.03
Loss on impairment of assets	68,657,466.59	10,929,162.22	8,877,563.15	1,185,096.30
Add: Incomes from change in fair value	-43,509,497.52	-7,088,624.03	-42,258,384.07	17,993,382.48
Investment income	86,252,025.86	87,889,188.10	421,122,476.39	485,392,560.94
Including: Investment income from associates and joint ventures	74,910,324.18	69,050,581.79	19,437,421.01	44,703,169.73
Operating profit	2,837,485,945.05	1,641,395,460.73	600,645,118.72	567,825,850.85
Add: Non-operating income	10,933,583.63	19,886,348.32	326,903.00	472,399.11
Less: Non-operating expenses	11,940,671.71	4,596,396.77	58,129.10	12,145.84
Including: Loss on disposal of non current assets	702,210.42	300,607.01	45,129.10	12,145.84
Profit before tax	2,836,478,856.97	1,656,685,412.28	600,913,892.62	568,286,104.12
Less: Income tax expenses	694,051,792.94	331,098,976.44	19,560,612.99	10,477,017.43
Net profit	2,142,427,064.03	1,325,586,435.84	581,353,279.63	557,809,086.69
Net profit attributable to the parent company owners	1,754,516,115.69	1,063,704,888.95		
Minority Shareholders' Income	387,910,948.34	261,881,546.89		
Earnings per share				
– Basic	0.78	0.48		
– Diluted	0.78	0.48		
Other comprehensive income	-33,430,838.57	20,370,635.12	-12,721,523.61	13,765,488.70
Total comprehensive income for the year	2,108,996,225.46	1,345,957,070.96	568,631,756.02	571,574,575.39
Attributable to:				
– Owners of the parent company	1,722,757,383.45	1,083,523,730.18		
– Minority interests	386,238,842.01	262,433,340.78		

Cash Flow Statements

For the year ended 31 December 2010

Xiamen C&D Inc.

UNIT: RMB

	Consolidated		The Company	
	Accumulated for this year	Accumulated for last year	Accumulated for this year	Accumulated for last year
Cash flows from operating activities				
Cash received from selling commodities and providing labor services	75,016,156,873.50	45,422,651,809.13	24,268,266,998.51	16,179,901,161.34
Refunds of taxes and levies	658,114,985.39	511,993,625.26	202,643,581.07	219,845,213.89
Cash received relating to other operating activities	1,318,626,609.43	1,376,077,099.48	2,634,548,903.52	5,204,103,651.11
Subtotal of cash inflows from operating activities	76,992,898,468.32	47,310,722,533.87	27,105,459,483.10	21,603,850,026.34
Cash paid for goods and services	76,610,943,028.28	43,742,871,553.56	24,831,140,562.87	15,319,209,600.83
Cash paid to and on behalf of employees	695,120,520.14	660,108,926.70	170,514,787.11	132,149,871.34
Payments of taxes and levies	1,363,008,482.01	759,675,306.22	83,832,039.74	83,120,956.13
Cash paid relating to other operating activities	2,927,758,256.95	2,430,561,890.88	1,907,552,644.12	6,974,030,060.84
Subtotal of cash outflows from operating activities	81,596,830,287.38	47,593,217,677.36	26,993,040,033.84	22,508,510,489.14
Net cash flows from operating activities	-4,603,931,819.06	-282,495,143.49	112,419,449.26	-904,660,462.80
Cash flows from investing activities				
Cash received from sales of investments	699,910,304.04	236,664,046.23	663,442,482.23	532,986,121.78
Cash received from return on investments	32,293,125.05	57,961,430.99	393,776,875.90	392,348,960.43
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,683,279.65	2,505,643.21	366,344.35	107,659.18
Net cash received from disposal of subsidiaries or other operational units	4,935,452.06	-264,658,167.39	2,276,595.91	10,418,834.62
Cash received relating to other investing activities	77,000,000.00	-	-	-
Subtotal of cash inflows from investing activities	815,822,160.80	32,472,953.04	1,059,862,298.39	935,861,576.01
Cash paid to acquire fixed assets intangible assets and other long-term assets	746,307,451.65	487,038,037.06	24,367,608.71	75,669,892.08
Cash paid on investments	649,493,225.35	333,000,198.72	2,058,022,981.87	850,615,345.00
Net cash paid to acquire subsidiaries and other operational units	40,487,370.44	376,720,000.00	10,000,000.00	376,720,000.00
Other cash paid for investment activities	40,765,556.86	44,000,000.00	-	20,000,000.00
Subtotal of cash outflows from investing activities	1,477,053,604.30	1,240,758,235.78	2,092,390,590.58	1,323,005,237.08
Net cash flows from investing activities	-661,231,443.50	-1,208,285,282.74	-1,032,528,292.19	-387,143,661.07
Cash flows from financing activities				
Proceeds from issuing stocks and bonds	67,864,400.00	302,249,000.00	-	
Including: Cash received from subsidiary company absorbed investment of minority shareholders' equity	67,864,400.00	306,249,000.00	-	
Cash received from borrowings	13,763,488,105.66	8,702,350,799.05	5,560,992,242.08	2,906,982,831.21
Subtotal of cash inflows from financing activities	13,831,352,505.66	9,004,599,799.05	5,560,992,242.08	2,906,982,831.21
Repayment Of Borrowings	7,027,892,302.36	6,661,464,725.19	4,180,458,810.31	1,283,194,325.18
Cash paid for distributing dividends and profits or paying interests	974,789,431.27	1,027,128,891.08	423,433,386.08	331,305,507.99
Including: Dividend and profit paid by subsidiaries to minority shareholders	25,266,423.40	308,647,983.20	-	
Cash payments relating to other financing activities	-	3,091,984.92	-	
Subtotal of cash outflows from financing activities	8,002,681,733.63	7,691,685,601.19	4,603,892,196.39	1,614,499,833.17
Net cash flows from financing activities	5,828,670,772.03	1,312,914,197.86	957,100,045.69	1,292,482,998.04
Influence Of fluctuation in exchange rate on cash and cash equivalents	127,609,982.96	-7,286,721.04	66,622,374.36	-13,563,313.88
Net increase in cash and cash equivalents	691,117,492.43	-185,152,949.41	103,613,577.12	-12,884,439.71
Add: Balance of cash and cash equivalents at the beginning of the year	1,376,920,465.60	1,562,073,415.01	410,815,677.78	423,700,117.49
Balance of cash and cash equivalents at the end of the year	2,068,037,958.03	1,376,920,465.60	514,429,254.90	410,815,677.78