

# Balance Sheet

As at 31 December 2011

Xiamen C&D Inc.

UNIT:RMB

Assets	Consolidated		The Company	
	Closing balance	Opening balance	Closing balance	Opening balance
<b>Current assets</b>				
Monetary funds	3,812,705,088.80	2,654,434,762.30	495,201,624.02	520,429,254.90
Trading financial assets	111,882,428.18	123,713,685.36	18,194,039.03	947,280.93
Notes receivable	1,899,228,255.64	433,310,196.78	224,578,849.58	62,913,393.31
Accounts receivable	1,825,282,413.85	1,565,033,059.12	383,760,509.87	638,986,855.56
Prepayment	5,583,521,187.48	4,830,155,021.29	638,146,648.35	919,251,029.46
Interest receivable	-	-	-	-
Dividend receivable	-	4,200,000.00	-	8,659,565.61
Other account receivable	1,452,337,185.38	1,455,096,908.65	4,719,231,430.79	3,419,850,977.06
Inventories	31,068,110,011.60	24,307,493,529.55	1,297,118,607.91	1,745,268,199.02
Non-current asset due within one year	199,848,978.40	124,931,367.65		
Other current asset				
<b>Total current assets</b>	<b>45,952,915,549.33</b>	<b>35,498,368,530.70</b>	<b>7,776,231,709.55</b>	<b>7,316,306,555.85</b>
<b>Non-current assets</b>				
Disposable financial asset	75,119,482.10	90,949,644.84	28,900,000.00	41,100,000.00
Held-to-maturity investment	-	-	601,516,666.61	601,516,666.66
Long-term receivable	1,162,806,307.27	997,533,243.74	-	-
Long-term equity investment	1,098,077,739.29	1,107,004,947.39	5,470,577,000.37	5,129,229,190.54
Property investment	2,399,836,168.39	1,478,396,916.59	303,371,151.51	273,212,121.09
Fixed assets	478,860,847.02	352,207,294.97	28,777,595.88	28,026,478.54
Construction in process	322,382,633.68	1,159,009,252.76	-	3,609,443.70
Engineering material				
Fixed asset disposal				
Capitalized biological assets				
Oil and gas assets				
Intangible assets	314,494,882.34	222,717,801.42	154,269,270.08	158,058,102.00
R&D expense				
Goodwill	46,287,025.46	46,960,885.72		
Long-term prepaid expenses	72,999,711.14	72,364,636.20	499,446.97	1,136,049.01
Differed income tax assets	330,193,186.85	256,531,517.67	104,133,548.17	77,367,424.63
Other non-current asset				
<b>Total non-current assets</b>	<b>6,301,057,983.54</b>	<b>5,783,676,141.30</b>	<b>6,692,044,679.59</b>	<b>6,313,255,476.17</b>
<b>Total assets</b>	<b>52,253,973,532.87</b>	<b>41,282,044,672.00</b>	<b>14,468,276,389.14</b>	<b>13,629,562,032.02</b>

# Balance Sheets ( Continued )

As at 31 December 2011

Xiamen C&D Inc.

UNIT:RMB

Liabilities and Owners' Equity	Consolidated		The Company	
	Closing balance	Opening balance	Closing balance	Opening balance
<b>Current liabilities</b>				
Short-term loans	9,860,939,722.20	5,606,167,954.94	4,779,289,870.58	4,051,330,434.29
Trading financial liabilities	8,210,500.00	67,050,065.00	-	56,248,740.00
Notes payable	2,431,451,313.18	3,298,916,718.40	301,184,092.42	564,359,089.58
Accounts payable	3,241,480,135.85	3,895,311,416.49	1,621,080,768.09	603,117,880.13
Prepayment received	10,459,526,841.29	7,589,323,230.78	1,128,520,851.03	2,786,275,422.83
Employee compensation payable	724,861,550.40	598,958,007.64	270,327,592.55	151,645,095.92
Tax payable	340,017,000.93	501,322,866.16	81,933,881.85	90,386,952.22
Interest payable	112,694,457.96	56,976,616.32	13,855,992.90	7,131,980.56
Dividend payable				
Other account payable	2,591,371,641.56	1,849,365,946.29	2,266,883,183.04	1,745,925,666.62
Non-current liability due within one year	2,139,000,000.00	977,800,000.00		
Other current liability	44,008,204.70	23,949,808.28		
<b>Total current liability</b>	<b>31,953,561,368.07</b>	<b>24,465,142,630.30</b>	<b>10,463,076,232.46</b>	<b>10,056,421,262.15</b>
<b>Non-current liabilities</b>				
Long-term borrowings	9,540,942,419.82	8,615,555,851.43		
Bond payable	623,010,812.85	621,600,384.89		
Long-term payable	6,824,962.31	5,465,827.82		
Special payable				
Estimated liabilities				
Differed income tax liability	21,895,029.29	7,985,424.16	4,548,509.75	1,165,543.42
Other non-current liabilities	10,310,000.00	8,800,000.00	8,800,000.00	8,800,000.00
<b>Total non-current liabilities</b>	<b>10,202,983,224.27</b>	<b>9,259,407,488.30</b>	<b>13,348,509.75</b>	<b>9,965,543.42</b>
<b>Total liability</b>	<b>42,156,544,592.34</b>	<b>33,724,550,118.60</b>	<b>10,476,424,742.21</b>	<b>10,066,386,805.57</b>
<b>Owners' Equity</b>				
Share capital	2,237,750,741.00	2,237,750,741.00	2,237,750,741.00	2,237,750,741.00
Capital reserves	82,371,027.29	91,176,818.99	142,087,185.31	147,591,304.48
Less: Shares in stock				
Surplus reserves	519,464,384.94	453,668,823.56	431,555,167.23	365,759,605.85
Retained profit	5,235,338,446.92	3,274,784,547.93	1,180,458,553.39	812,073,575.12
Foreign currency capital	-7,742,675.82	1,374,295.36		
<b>Total equity attributable to the parent company owners</b>	<b>8,067,181,924.33</b>	<b>6,058,755,226.84</b>		
Minority interests	2,030,247,016.20	1,498,739,326.56		
<b>Total owners' equity</b>	<b>10,097,428,940.53</b>	<b>7,557,494,553.40</b>	<b>3,991,851,646.93</b>	<b>3,563,175,226.45</b>
<b>Total liabilities and owners' equity</b>	<b>52,253,973,532.87</b>	<b>41,282,044,672.00</b>	<b>14,468,276,389.14</b>	<b>13,629,562,032.02</b>

# Income statement

For the year ended 31 December 2011

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
<b>Operating Revenues</b>	<b>80,254,135,993.11</b>	<b>66,095,527,055.36</b>	<b>19,132,135,001.77</b>	<b>21,522,314,300.80</b>
Less: Operating Costs	73,060,723,260.75	60,147,377,048.00	18,317,447,104.81	20,573,557,416.19
Business taxes and extras	1,126,354,902.00	786,780,465.63	81,015,373.42	47,173,559.74
Selling expenses	2,435,487,903.83	1,944,705,943.46	542,028,339.90	568,353,758.57
General and administrative expenses	258,365,227.99	241,974,149.14	80,511,751.74	74,402,669.24
Finance expenses	231,969,438.54	111,288,565.83	156,986,092.12	28,168,307.51
Loss on impairment of assets	185,719,841.49	68,657,466.59	75,477,750.82	8,877,563.15
Add: Incomes from change in fair value	47,522,407.82	-43,509,497.52	73,586,348.10	-42,258,384.07
Investment income	613,827,210.28	86,252,025.86	731,963,095.93	421,122,476.39
Including: Investment income from associates and joint ventures	88,261,220.97	74,910,324.18	25,135,811.51	19,437,421.01
<b>Operating profit</b>	<b>3,616,865,036.61</b>	<b>2,837,485,945.05</b>	<b>684,218,032.99</b>	<b>600,645,118.72</b>
Add: Non-operating income	36,951,550.14	10,933,583.63	1,018,500.92	326,903.00
Less: Non-operating expenses	6,785,162.55	11,940,671.71	283,284.28	58,129.10
Including: Loss on disposal of non-current assets	4,008,478.12	702,210.42	188,294.28	45,129.10
<b>Profit before tax</b>	<b>3,647,031,424.20</b>	<b>2,836,478,856.97</b>	<b>684,953,249.63</b>	<b>600,913,892.62</b>
Less: Income tax expenses	858,534,242.34	694,051,792.94	26,997,635.88	19,560,612.99
<b>Net profit</b>	<b>2,788,497,181.86</b>	<b>2,142,427,064.03</b>	<b>657,955,613.75</b>	<b>581,353,279.63</b>
Net profit attributable to the parent company owners	2,250,203,156.28	1,754,516,115.69		
Minority Shareholders' Income	538,294,025.58	387,910,948.34		
<b>Earnings per share</b>				
– Basic	1.01	0.78		
– Diluted	1.01	0.78		
<b>Other comprehensive income</b>	-18,209,862.94	-33,430,838.57	-6,276,094.66	-12,721,523.61
<b>Total comprehensive income for the year</b>	<b>2,770,287,318.92</b>	<b>2,108,996,225.46</b>	<b>651,679,519.09</b>	<b>568,631,756.02</b>
<b>Attributable to:</b>				
– Owners of the parent company	2,231,996,216.66	1,722,757,383.45		
– Minority Shareholders	538,291,102.26	386,238,842.01		

# Cash Flows Statement

For the year ended 31 December 2011

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
<b>Cash flows from operating activities</b>				
Cash received from selling commodities and providing labor services	85,085,502,099.69	75,016,156,873.50	19,680,823,420.91	24,268,266,998.51
Refunds of taxes and levies	925,454,358.83	658,114,985.39	171,064,742.37	202,643,581.07
Cash received relating to other operating activities	3,269,712,926.41	1,318,626,609.43	9,192,102,888.69	2,634,548,903.52
<b>Subtotal of cash inflows from operating activities</b>	<b>89,280,669,384.93</b>	<b>76,992,898,468.32</b>	<b>29,043,991,051.97</b>	<b>27,105,459,483.10</b>
Cash paid for goods and services	86,431,536,964.93	76,610,943,028.28	20,502,949,191.63	24,831,140,562.87
Cash paid to and on behalf of employees	1,136,500,052.73	695,120,520.14	200,890,880.50	170,514,787.11
Payments of taxes and levies	2,204,959,863.06	1,363,008,482.01	154,960,353.40	83,832,039.74
Cash paid relating to other operating activities	4,466,682,344.91	2,927,758,256.95	9,066,457,199.19	1,907,552,644.12
<b>Subtotal of cash outflows from operating activities</b>	<b>94,239,679,225.63</b>	<b>81,596,830,287.38</b>	<b>29,925,257,624.72</b>	<b>26,993,040,033.84</b>
<b>Net cash flows from operating activities</b>	<b>-4,959,009,840.70</b>	<b>-4,603,931,819.06</b>	<b>-881,266,572.75</b>	<b>112,419,449.26</b>
<b>Cash flows from investing activities</b>				
Cash received from sales of investments	1,102,348,170.37	699,910,304.04	415,431,106.00	663,442,482.23
Cash received from return on investments	65,039,871.51	32,293,125.05	548,027,973.28	393,776,875.90
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	125,103,601.45	1,683,279.65	706,470.50	366,344.35
Net cash received from disposal of subsidiaries or other operational units	448,647,231.57	4,935,452.06	196,981,000.00	2,276,595.91
Cash received relating to other investing activities	20,951,344.25	77,000,000.00	-	-
<b>Subtotal of cash inflows from investing activities</b>	<b>1,762,090,219.15</b>	<b>815,822,160.80</b>	<b>1,161,146,549.78</b>	<b>1,059,862,298.39</b>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	853,836,971.21	746,307,451.65	8,513,505.85	24,367,608.71
Cash paid on investments	715,588,190.00	649,493,225.35	622,602,270.00	2,058,022,981.87
Net cash paid to acquire subsidiaries and other operational units	-	40,487,370.44	-	10,000,000.00
Other cash paid for investment activities	-	40,765,556.86	-	-
<b>Subtotal of cash outflows from investing activities</b>	<b>1,569,425,161.21</b>	<b>1,477,053,604.30</b>	<b>631,115,775.85</b>	<b>2,092,390,590.58</b>
<b>Net cash flows from investing activities</b>	<b>192,665,057.94</b>	<b>-661,231,443.50</b>	<b>530,030,773.93</b>	<b>-1,032,528,292.19</b>
<b>Cash flows from financing activities</b>				
Cash received from investments	15,135,000.00	67,864,400.00		
Including: Cash received from subsidiary company absorbed investment of minority shareholders' equity	15,135,000.00	67,864,400.00		
Cash received from borrowings	19,868,748,588.92	13,763,488,105.66	9,053,978,321.16	5,560,992,242.08
<b>Subtotal of cash inflows from financing activities</b>	<b>19,883,883,588.92</b>	<b>13,831,352,505.66</b>	<b>9,053,978,321.16</b>	<b>5,560,992,242.08</b>
Repayment of borrowings	12,911,193,971.55	7,027,892,302.36	8,319,392,824.30	4,180,458,810.31
Cash paid for distributing dividends and profits or paying interests	1,354,627,224.65	974,789,431.27	483,646,732.90	423,433,386.08
Including: Dividend and profit paid by subsidiaries to minority shareholders	10,175,578.90	25,266,423.40		
Cash payments relating to other financing activities	2,469,000.00			
<b>Subtotal of cash outflows from financing activities</b>	<b>14,268,290,196.20</b>	<b>8,002,681,733.63</b>	<b>8,803,039,557.20</b>	<b>4,603,892,196.39</b>
<b>Net cash flows from financing activities</b>	<b>5,615,593,392.72</b>	<b>5,828,670,772.03</b>	<b>250,938,763.96</b>	<b>957,100,045.69</b>
<b>Influence Of fluctuation in exchange rate on cash and cash equivalents</b>	<b>178,878,509.04</b>	<b>127,609,982.96</b>	<b>70,669,403.98</b>	<b>66,622,374.36</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,028,127,119.00</b>	<b>691,117,492.43</b>	<b>-29,627,630.88</b>	<b>103,613,577.12</b>
Add: Balance of cash and cash equivalents at the beginning of the year	2,068,037,958.03	1,376,920,465.60	514,429,254.90	410,815,677.78
<b>Balance of cash and cash equivalents at the end of the year</b>	<b>3,096,165,077.03</b>	<b>2,068,037,958.03</b>	<b>484,801,624.02</b>	<b>514,429,254.90</b>