WIN SHARE

新華文軒出版傳媒股份有限公司
XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 811)

2016 THIRD QUARTERLY REPORT

The board (the "**Board**") of directors (the "**Director(s)**") of Xinhua Winshare Publishing and Media Co., Ltd.* (新華文軒出版傳媒股份有限公司) (the "**Company**" or the "**Parent Company**") is pleased to announce the unaudited results of the Company and its subsidiaries (collectively the "**Group**") for the third quarter ended 30 September 2016 prepared in accordance with the Chinese Accounting Standards For Business Enterprises (the "**CASBE**"). The unaudited results for the third quarter ended 30 September 2016 have been reviewed by the audit committee of the Company. This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. Important Notice

1.1 The Board, the committee of supervisors, the Directors, supervisors and senior management of the Company hereby warrant that the contents of this quarterly report are true, accurate and complete, and there are no false representations, misleading statements or material omissions, and are jointly and severally responsible for the liabilities of the Company.

1.2 Director(s) absent from the Board meeting

Name of the Director(s) absent from the Board meeting	Position of the Director(s) absent from the Board meeting	Reasons for being absent from the Board meeting	Representative
Chan Yuk Tong	Independent non-executive Director	Having other work commitment	Xiao Liping

1.3 He Zhiyong, the head of the Company, Zhu Zaixiang, the person-in-charge of accounting affairs, and Wu Sufang, the person-in-charge of the accounting department (Accounting Officer), warrant the truthfulness, accuracy and completeness of the financial statements in the quarterly report.

1.4 The third quarterly report of the Company is unaudited.

II. Major financial data and change of shareholders

2.1 Major financial data

Unit: RMB

	As at the end of the reporting period	As at the end of last year	Change (%)
Total assets	12,006,140,880.36	10,743,289,052.07	11.75
Net assets attributable to shareholders of the listed company	8,049,901,444.91	7,270,670,929.89	10.72

	From the beginning of the year to the end of the reporting period (Jan – Sep)	From the beginning to the end of the reporting period of last year (Jan – Sep)	Change (%)
Net cash flow from operating activities	129,462,668.32	477,378,616.69	-72.88

	From the beginning of the year to the end of the reporting period (Jan – Sep)	From the beginning to the end of the reporting period of last year (Jan – Sep)	Change (%)
Operating income	4,350,665,866.89	3,910,883,057.10	11.25
Net profit attributable to shareholders of the listed company	481,232,195.01	470,242,956.42	2.34
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	457,477,566.13	429,310,770.76	6.56
Weighted average return on net assets (%)	6.49%	7.48%	Decrease of 0.99 percentage point
Basic earnings per share (RMB/share)	0.42	0.41	2.44
Diluted earnings per share (RMB/share)	0.42	0.41	2.44

Items and amounts of extraordinary gains or losses

✓ Applicable ☐Not applicable

Unit: RMB

Item	For the period (Jul – Sep)	From the beginning of the year to the end of the reporting period (Jan – Sep)	Note
Gain or loss on disposal of non-current assets	5,091.95	-752,545.85	
Government subsidies (except for government subsidies which are closely related to the corporate business and entitled in standard amounts or quantities in conformity with the uniform standards of the State) attributable to gains or losses for the period	5,852,744.56	16,212,579.07	
Gain or loss on entrusted investments or asset management	3,843,790.93	5,250,944.16	Gains from the purchase of bank's wealth management products
Gain or loss received from external custodian loans	1,778,809.43	5,423,554.71	
Other non-operating income and expenses apart from the above items	-3,508,635.33	-1,809,419.37	
Effect of income tax	-65,693.60	-129,198.75	
Effect of minority interests (after tax)	-485,716.29	-441,285.09	
Total	**7,420,391.65**	**23,754,628.88**	

Note: The main business of Winshare Investment Co., Ltd* (文軒投資有限公司) (a subsidiary of the Group) is investment. Its investment gain on holding of available-for-sale financial assets and investment gain on disposal of available-for-sale financial assets are not disclosed as extraordinary items. During the period ended from 1 January to 30 September 2016, such investment gains were RMB4,249,545.15 and RMB1,745,985.48 respectively

2.2 Total number of shareholders, the shareholding of top ten shareholders and top ten tradable shareholders (or unrestricted shareholders) as at the end of the reporting period

Unit: share

Total number of shareholders (shareholder) 53,794

Shareholding of top ten shareholders

Name of shareholders (in full)	Shareholding as at the period end	Percentage (%)	Restricted shareholding	Pledged or locked-up Status	Pledged or locked-up Number	Nature of shareholders
Sichuan Xinhua Publishing Group Co., Ltd.* (四川新華發行集團有限公司) ("**Sichuan Xinhua Publishing Group**")	592,809,525	48.05	592,809,525	Nil		State
Hong Kong Securities Clearing Company Limited	430,208,950	34.87		Unknown		Overseas legal person
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛（集團）實業有限公司)	53,336,000	4.32	53,336,000	Pledged	53,336,000	Domestic non-state owned legal person
Sichuan Publication Group Co., Ltd.* (四川出版集團有限責任公司)	30,572,893	2.48	30,572,893	Nil		State-owned legal person
Sichuan Daily Newspaper Group* (四川日報報業集團)	9,264,513	0.75	9,264,513	Nil		State-owned legal person
Huaxia Life Insurance Co., Ltd. – Universal Products* (華夏人壽保險股份有限公司－萬能產品)	6,520,001	0.53		Unknown		Unknown
Liaoning Publication Group Co., Ltd.* (遼寧出版集團有限公司)	6,485,160	0.53	6,485,160	Nil		State-owned legal person
LEUNG YOK FUN	6,000,000	0.49		Unknown		Unknown
Tianan Property Insurance Co., Ltd – Sure Win Wealth Management No.1* (天安財產保險股份有限公司－保贏理財1號)	1,375,817	0.11		Unknown		Unknown
SUEN SHUK MING	1,000,000	0.08		Unknown		Unknown

Shareholdings of top ten unrestricted shareholders

Name of shareholders	Number of unrestricted tradable shares held	Class of shares and number	
		Class	Number
Hong Kong Securities Clearing Company Limited	430,208,950	Overseas listed foreign shares	430,208,950
Huaxia Life Insurance Co., Ltd. – Universal Products* (華夏人壽保險股份有限公司 – 萬能產品)	6,520,001	RMB ordinary shares	6,520,001
LEUNG YOK FUN	6,000,000	Overseas listed foreign shares	6,000,000
Tianan Property Insurance Co., Ltd – Sure Win Wealth Management No.1* (天安財產保險股份有限公司 – 保贏理財1號)	1,375,817	RMB ordinary shares	1,375,817
SUEN SHUK MING	1,000,000	Overseas listed foreign shares	1,000,000
Shao Zhi Jian	548,000	RMB ordinary shares	548,000
OEI WEN CHING KAREN	320,000	Overseas listed foreign shares	320,000
CHOW HANG YI	291,000	Overseas listed foreign shares	291,000
Beijing Haiyan Investment Management Co., Ltd. – Baoli Fund No. 1* (北京海燕投資管理有限公司 – 保利1號基金)	290,100	RMB ordinary shares	290,100
LING HUA LEONG + LEE AH CHOO	266,000	Overseas listed foreign shares	266,000
Shareholders above with related party relationship or acting in concert	It is not aware that there are any shareholders above with related party relationship or acting in concert.		
Holders of preference shares with restored voting rights and their shareholdings	Not applicable		

Note: 53,794 shareholders including 52,484 shareholders of A shares and 1,310 shareholders of H shares.

2.3 Total number of and top ten holders of preference shares and their unrestricted shareholdings as at the end of the reporting period

□ Applicable ✓ Not applicable

III. Material matters

3.1 Details and reasons for significant changes of accounting statement items and financial indicators during the reporting period

✓ Applicable ☐Not applicable

Significant changes in balance-sheet items

Unit: RMB

Item	As at the end of the period	As at the beginning of the year	Change (%)	Main reasons for changes
Trade receivables	1,360,259,428.01	660,051,562.79	106.08	Uncollected payments for government procurement of teaching materials and sales of teaching materials and supplementary materials to Sanzhou Xinhua Bookstore for the autumn of 2016
Other current assets	614,033,964.33	31,671,984.28	1,838.73	Outstanding guaranteed wealth management and trust products purchased by the Group
Available-for-sale financial assets	2,650,765,405.92	2,948,341,637.73	-10.09	Decrease in closing market value of Anhui Xinhua Media shares held by the Group as compared to the beginning of this year
Construction in progress	403,590,280.55	232,590,792.28	73.52	Increase in investment in hardware and infrastructure construction for business development, mainly including investment in infrastructure projects such as warehouses and offices
Deferred income tax liabilities	32,283,868.83	40,345,532.42	-19.98	Completion of relocation of the Group's subsidiary Sichuan Xinhua Printing Co., Ltd. and reversal of deferred income tax liabilities recognised
Other current liabilities	157,076,908.74	104,588,785.46	50.19	Subsidies for books and projects in progress or to be accepted
Share capital	1,233,841,000.00	1,135,131,000.00	8.70	Share capital increase after initial public offering of A shares of the Group

Significant changes in income-statement items

Unit: RMB

Item	Jan-Sep 2016	Jan-Sep 2015	Change (%)	Main reasons for changes
Operating income	4,350,665,866.89	3,910,883,057.10	11.25	Business expansion in e-commerce and digital education
Operating cost	2,661,541,224.68	2,330,508,967.62	14.20%	Increased costs due to higher revenue and, to a lesser extent, higher cost rates of operations with greater expansion during the quarter
Selling expenses	560,344,534.50	507,173,353.40	10.48	Increase in transportation expenses and labour costs due to business growth
Finance cost	-6,087,207.93	-1,639,918.34	271.19	Decrease in interest expenses due to settlement of all bank borrowings
Investment income	42,650,056.46	57,889,821.65	-26.33	Dividends from certain investees to be received
Income tax expenses	4,524,956.70	1,529,013.02	195.94	Settlement of income tax on relocation subsidies of the Group's subsidiary Sichuan Xinhua Printing Co., Ltd.

Significant changes in cash-flow items

Unit: RMB

Item	Jan-Sep 2016	Jan-Sep 2015	Change (%)	Main reasons for changes
Cash received from tax refund	36,050,189.17	176,540,601.29	-79.58	Value added tax refunds for previous years received the same period last year
Payments of taxes	105,344,265.09	69,649,611.19	51.25	Income tax on relocation subsidies of the subsidiary Xinhua Printing
Cash receipts from disposal of investments	898,311,301.80	512,369,890.41	75.32	Principal of guaranteed wealth management products
Cash receipts from investment income	52,848,720.44	71,216,487.48	-25.79	Dividends from certain investees to be received
Net cash paid for acquisition of subsidiaries and other operating units	20,240,000.00		N/A	Contributions to CITIC Buyout Fund according to the relevant agreement
Cash receipt from receiving investments	657,055,200.00	2,250,000.00	29,102.45	Proceeds from initial public offering of A shares of the Group
Cash paid for dividend, profit appropriation or interest	130,966.60	150,601,495.59	-99.91	Dividends for 2015 to be distributed

3.2 Progress in respect to material matters and analysis of the related effects and solutions

✓ Applicable ☐Not applicable

Upon approval of the China Securities Regulatory Commission (the "**CSRC**") in《關於核准新華文軒出版傳媒股份有限公司首次公開發行股票的批覆》(證監許可[2016]1544號) (the Reply on Initial Public Offering by Xinhua Winshare Publishing and Media Co., Ltd. (Zheng Jian Xu Ke [2016] No. 1544)), the Company issued 98,710,000 A shares on the Shanghai Stock Exchange (the "**SSE**") on 8 August 2016 at an issue price of RMB7.12 per share and raised gross proceeds amounting to RMB702,815,200. Net of listing expenses of RMB57,640,100, net proceeds amounted to RMB645,175,100. Existing domestic shares were converted into A shares. Upon completion of the issue, the Company had 1,233,841,000 shares in aggregate, including 441,937,100 H shares and 791,903,900 A shares. The Company has completed the change of business registration process and obtained the Business License issued by Administration for Industry and Commerce of Sichuan. For details, please refer to《關於註冊資本等事項完成工商變更登記的公告》(the Announcement on Completion of Change of Business Registration including Registered Capital) of the Company dated 7 September 2016.

3.3 Undertakings by the Company or shareholders with a shareholding over 5%

✓ Applicable ☐Not applicable

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
Related to the initial public offering	Share lock-up	Sichuan Xinhua Publishing Group Co., Ltd.	Not to transfer or commission management of A shares of the Company it held, directly or indirectly, and not to acquire from the Company such shares it held within 36 months from the date of listing of A shares of the Company	The 36 months from the listing date of the shares of the Company	Yes	Yes
	Share lock-up	Sichuan Xinhua Publishing Group Co., Ltd.	1. Upon the initial public offering and listing by the Company, not to decrease its holding of domestic shares of the Company under the issue through a stock exchange by over 30% of its shareholding preceding the issue in a 12 month's period during the 24 months following the expiry of the lock-up period of its shares. 2. Upon the initial public offering and listing by the Company, not to decrease its holding of domestic shares of the Company under the issue through a stock exchange at a price lower than the price under the issue during the 24 months following the expiry of the lock-up period of its shares and than the latest audited net asset per share of the Company during the 25th to 36th months. 3. To carry out any decrease in its shareholding in compliance with applicable laws and regulations and requirements of securities authorities and stock exchanges. 4. To notify the Company four trading days before the decrease to enable announcement by the Company three days before the same.	The 36 months following the expiry of the lock-up period of its shares	Yes	Yes

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			5. To transfer any gain from such decrease to the Company on its own accord in case of violation of the above.			
			6. The price limit on such decrease is to be adjusted accordingly in case of any ex-right events such as dividend, bonus, share capital increase from capital reserve and placement between the listing of A shares of the Company to such decrease.			
	Related party transaction-related	Sichuan Xinhua Publishing Group Co., Ltd.	(1) To minimise related party transactions between Sichuan Xinhua Publishing Group, and its subsidiaries, and the Company, and its subsidiaries;	Long-term	No	Yes
			(2) To carry out any approval procedures on any transactions between Sichuan Xinhua Publishing Group, and its subsidiaries, and the Company, and its subsidiaries, in accordance with relevant laws, regulations, rules, other normative documents and the Articles of Association and Rules on Related party Transaction of the Company; to determine any prices of any related party transactions based on fair market prices; to perform any information disclosure obligations in accordance with relevant rules of the CSRC, SSE and the Stock Exchange and the Articles of Association and Rules on Related party Transaction of the Company; and not to make illegal transfer of capital or profits of the Company or otherwise against the interest of the Company and its other shareholders through any related party transaction.			
			(3) To refrain from voting on any resolutions related to related party transactions involving Sichuan Xinhua Publishing Group and subsidiaries of Sichuan Xinhua Publishing Group at any general meetings of the Company.			

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			(4) To attend and exercise Sichuan Xinhua Publishing Group's rights and assume Sichuan Xinhua Publishing Group's obligations as a shareholder at any general meetings of the Company fairly without seeking improper benefits or prejudicing legitimate interest of the Company and other shareholders via the status as the controlling shareholder. (5) To indemnify the Company or subsidiaries thereof for any losses to the same arising from any violation by Sichuan Xinhua Publishing Group or subsidiaries of Sichuan Xinhua Publishing Group.			
	Competition	Sichuan Xinhua Publishing Group	1. Not to commence operation in competition with existing business of the Company, and not to take on a development path which will lead to any overlap with the strategic development of and new business in competition with the Company in the future. 2. To handle any direct or indirect competition between any new businesses or projects of the Company and its subsidiaries, and those of the Company or its subsidiaries, in one of the following manners: 1) To transfer any equity interest, assets and other interest (in whole or in part) in such new businesses or projects to the Company or its subsidiaries in accordance with applicable regulations. The Company or its subsidiaries shall has the right of first refusal in preference to any third party, and all relevant consideration shall be determined based on valuation by a third party asset valuer;	Long-term	No	Yes

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			2) The Company or its subsidiaries, as the case may be, shall not be obliged to carry out an acquisition as mentioned above and, in case such right of first refusal is not exercised, Sichuan Xinhua Publishing Group and its subsidiaries may transfer such equity interest, assets and other interest to a third party independent of the Company; and 3) To suspense in full such new businesses or projects upon such competition occurs. 3. To indemnify the Company or its subsidiaries against any loss incurred by any of them due to any breach on the part of Sichuan Xinhua Publishing Group and its subsidiaries of this letter of undertakings.			
	Others	Sichuan Xinhua Publishing Group	1. If the closing price of the Company's A shares is lower than the latest audited net assets per share (if the Company has underwent ex-rights and ex-dividend events such as payment of dividends, bonus issue of shares, capitalisation of capital reserve, share placing, the abovementioned "latest audited net assets per share" will be adjusted accordingly, similarly hereinafter) for 20 consecutive trading days (excluding trading days where the trading of the Company's shares is suspended for the entire day, similarly hereinafter) within three years (36 months) from the listing of the Company's A shares, and the Company's situation at that time complies with the regulatory authorities' requirements on equity changing behaviour such as repurchasing and increase in shareholding, the share price stabilisation measures will be triggered.	36 months from the listing date of the Company's shares	No	Yes

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			2. Within 10 trading days of the fulfilment of the specific conditions of the A-share share price stabilisation measures, Sichuan Xinhua Publishing Group shall provide written notice to the Company on whether it intends to increase its shareholding in the Company's A shares, which would then be announced by the Company. If there is such a specific plan, the range of the proposed increase in shareholding, price range, time of completion and required approval procedures shall be disclosed, and the capital used for increase in shareholding for that plan should be no less than RMB10,000,000 in cash. 3. If Sichuan Xinhua Publishing Group fails to announce the abovementioned specific plan to increase its shareholding within the said timeframe or clearly express there is no plan to increase its shareholding or the said plan is not approved by the competent authorities, the Board of the Company shall announce whether there is a specific A-share share repurchase plan within 10 trading days from the date of confirming the aforementioned events. If such a plan exists, the range of number of A shares proposed to be repurchased, price range, time of completion and the required approval procedures shall be disclosed, and the capital used by the Company for the repurchase of shares should be no less than RMB10,000,000 in cash. 4. If the Board of the Company clearly states there is no repurchase plan, or fails to announce the aforementioned A-share share repurchase plan within the said timeframe, or any factors causing the aforementioned A-share repurchase plan not to be passed at the general meetings or class meetings, or the aforementioned A-share repurchase plan is not approved by relevant competent authorities, the Company's Directors (excluding independent Directors, similarly hereinafter) and senior management should increase their shareholding in the Company's A Shares unconditionally within 10 trading days after confirming the aforementioned events, and the accumulated amount used to increase their shareholding should be no less that 15% of their respective remuneration for the previous year.			

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			5. Within 120 trading days after carrying out one of the three aforementioned increase in shareholding or repurchase measures, Sichuan Xinhua Publishing Group, the Company, Directors and senior management are automatically relieved of their obligations to increase their shareholding and to repurchase. Starting from the 121st trading day after carrying out one of the three aforementioned increase in shareholding or repurchase measures, if the closing price of the Company's A shares is lower than the latest audited net asset per share for 20 consecutive trading days, the obligations of Sichuan Xinhua Publishing Group, the Company, Directors and senior management to increase their shareholding or to repurchase will automatically come into effect in the order of 2, 3 and 4 as aforementioned. 6. Sichuan Xinhua Publishing Group, the Company, Directors and senior management should comply with the listing rules of the places where the shares of the Company are listed and other applicable regulatory requirements, satisfy the shareholding distribution requirements as set by the listing rules of the places where the shares of the Company are listed and carry out relevant information disclosure obligations when they perform their obligations to increase their shareholding and to repurchase. If the listing rules of the places where the shares of the Company are listed and other regulatory requirements cause Sichuan Xinhua Publishing Group, the Company, Directors and senior management to be unable to carry out their obligations to increase their shareholding or to repurchase within a certain timeframe, the relevant period for increase in shareholding or repurchase is postponed. During the postponing period, other measures should be actively taken to stabilise share prices.			

Background	Type	Made by	Particulars	Time and duration	With a deadline	Timely and proper performed
			7. For Sichuan Xinhua Publishing Group, if a specific plan for increase in shareholding has been announced but cannot be carried out due to subjective reasons or the obligation to increase the shareholding has been triggered for two consecutive times and Sichuan Xinhua Publishing Group is unable to propose a specific plan for increase in shareholding, the Company shall retain a cash dividend payable to Sichuan Xinhua Publishing Group in an amount equal to Sichuan Xinhua Publishing Group carrying out its obligation to increase its shareholding and directly apply it to the share repurchase plan. Sichuan Xinhua Publishing Group shall lose claiming rights for that proportion of cash dividend.			

3.4 Warning of projection on cumulative net profit for the period from the beginning of the year to the end of the next reporting period to be at a loss or expected to have material changes as compared to the corresponding period of prior year and its explanation

□ Applicable ✓ Not applicable

Name of company	Xinhua Winshare Publishing and Media Co., Ltd.
Legal representative	He Zhiyong
Date	27 October 2016

IV. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet
30 September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Ending balance of the period	Opening balance of the year
Current assets:		
Cash and cash equivalents	1,950,962,277.51	1,929,029,300.50
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable	1,306,231.43	872,844.14
Accounts receivable	1,360,259,428.01	660,051,562.79
Prepayments	70,438,454.28	60,073,408.90
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Interest receivable	63,513.92	166,575.34
Dividend receivable	3,333,281.09	
Other receivables	112,453,792.97	73,397,683.83
Financial assets purchased under agreements to resell		
Inventories	1,532,564,742.44	1,464,179,820.95
Assets classified as held-for-sale		
Non-current assets due within one year	120,000,000.00	120,000,000.00
Other current assets	614,033,964.33	31,671,984.28
Total current assets	**5,765,415,685.98**	**4,339,443,180.73**

Item	Ending balance of the period	Opening balance of the year
Non-current assets:		
Entrusted loans and advances		
Available-for-sale financial assets	2,650,765,405.92	2,948,341,637.73
Investments held to maturity		
Long-term receivables	18,321,759.20	23,145,230.77
Long-term equity investments	671,772,360.92	650,739,926.46
Investment properties	58,915,798.82	61,149,527.93
Fixed assets	1,375,088,389.54	1,409,890,949.80
Construction in progress	403,590,280.55	232,590,792.28
Construction materials		
Disposal of fixed assets		
Bearer biological assets		
Oil and gas assets		
Intangible assets	400,197,052.16	411,293,500.73
Development expenses		
Goodwill	500,590,036.14	500,590,036.14
Long-term deferred expenses	13,405,861.72	20,554,421.60
Deferred tax assets	7,689,753.63	8,345,365.46
Other non-current assets	140,388,495.78	137,204,482.44
Total non-current assets	**6,240,725,194.38**	**6,403,845,871.34**
Total assets	**12,006,140,880.36**	**10,743,289,052.07**
Current liabilities:		
Short-term borrowings		
Borrowings from central bank		
Deposit and amounts due to banks		
Placement from banks and other financial institutions		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable	2,070,000.00	3,200,000.00
Accounts payable	2,930,453,373.56	2,537,859,546.44
Advances	260,483,528.92	240,526,811.54
Financial assets sold under agreements to repurchase		
Handling charges and commission payable		
Employee benefits payable	214,973,852.31	233,953,297.60
Taxes payable	45,092,639.86	36,430,615.67
Interests payable		
Dividends payable		
Other payables	261,526,106.55	230,538,122.49
Reinsurance accounts payable		
Deposits for insurance contracts		
Customer deposits for securities trading		
Customer deposits for securities underwriting		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year		
Other current liabilities	157,076,908.74	104,588,785.46
Total current liabilities	**3,871,676,409.94**	**3,387,097,179.20**

Item	Ending balance of the period	Opening balance of the year
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term salaries payable		
Special payables		
Projected liabilities		
Deferred income	83,979,913.82	76,333,156.35
Deferred tax liabilities	32,283,868.83	40,345,532.42
Other non-current liabilities		
Total non-current liabilities	**116,263,782.65**	**116,678,688.77**
Total liabilities	**3,987,940,192.59**	**3,503,775,867.97**
Owners' equity:		
Share capital	1,233,841,000.00	1,135,131,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	2,621,122,656.15	2,073,002,432.05
Less: Treasury shares		
Other comprehensive income	1,554,454,547.00	1,903,286,451.10
Special reserves		
Surplus reserve	476,433,736.51	476,433,736.51
Provision for general risks		
Undistributed profits	2,164,049,505.25	1,682,817,310.23
Total equity attributable to shareholders of the parent company	8,049,901,444.91	7,270,670,929.89
Minority interest	-31,700,757.14	-31,157,745.79
Total equity	**8,018,200,687.77**	**7,239,513,184.10**
Total liabilities and equity	**12,006,140,880.36**	**10,743,289,052.07**

Legal Representative of the Company: He Zhiyong   Person-in-charge of accounting affairs: Zhu Zaixiang   Person-in-charge of the accounting department: Wu Sufang

Balance Sheet of the Parent Company
30 September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Ending balance of the period	Opening balance of the year
Current assets:		
Cash and cash equivalents	1,437,367,168.56	1,165,067,860.80
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Accounts receivable	1,054,740,598.83	619,687,134.32
Prepayments	11,036,485.81	15,224,313.49
Interest receivable	63,513.92	166,575.34
Dividend receivable	203,333,281.09	250,000,000.00
Other receivables	350,274,945.15	660,362,643.48
Inventories	1,402,196,301.05	1,195,726,237.71
Assets classified as held-for-sale		
Non-current assets due within one year	120,000,000.00	120,000,000.00
Other current assets	453,653,160.28	
Total current assets	**5,032,665,454.69**	**4,026,234,765.14**
Non-current assets:		
Available-for-sale financial assets	2,307,136,611.68	2,613,696,639.66
Investments held to maturity		
Long-term receivables	18,321,759.20	23,145,230.77
Long-term equity investments	2,752,150,826.95	2,723,938,660.59
Investment properties	22,814,126.85	23,489,269.37
Fixed assets	882,584,768.84	898,303,668.19
Construction in progress	394,305,251.33	231,016,798.34
Construction materials		
Disposal of fixed assets		
Bearer biological assets		
Oil and gas assets		
Intangible assets	148,831,287.11	155,192,199.53
Development expenses		
Goodwill		
Long-term deferred expenses	8,875,117.37	15,164,055.53
Deferred tax assets		
Other non-current assets	1,004,331,071.78	422,655,614.44
Total non-current assets	**7,539,350,821.11**	**7,106,602,136.42**
Total assets	**12,572,016,275.80**	**11,132,836,901.56**

Item	Ending balance of the period	Opening balance of the year
Current liabilities:		
Short-term borrowings		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	4,146,678,678.65	3,275,657,732.72
Advances	183,659,212.34	198,999,619.75
Employee benefits payable	141,258,994.74	164,406,547.75
Taxes payable	6,412,509.19	1,195,034.49
Interests payable		
Dividends payable		
Other payables	533,963,223.38	474,174,729.27
Liabilities classified as held-for-sale		
Non-current liabilities due within one year		
Other current liabilities	13,259,062.44	12,413,325.97
Total current liabilities	**5,025,231,680.74**	**4,126,846,989.95**
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term salaries payable		
Special payables		
Projected liabilities		
Deferred income	14,742,504.51	12,813,238.64
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	**14,742,504.51**	**12,813,238.64**
Total liabilities	**5,039,974,185.25**	**4,139,660,228.59**

Item	Ending balance of the period	Opening balance of the year
Owners' equity:		
Share capital	1,233,841,000.00	1,135,131,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	2,632,096,655.79	2,084,185,985.86
Less: Treasury shares		
Other comprehensive income	1,522,397,483.68	1,848,957,511.66
Special reserves		
Surplus reserve	475,598,986.38	475,598,986.38
Undistributed profits	1,668,107,964.70	1,449,303,189.07
Total equity	**7,532,042,090.55**	**6,993,176,672.97**
Total liabilities and equity	**12,572,016,275.80**	**11,132,836,901.56**

Legal Representative of the Company: He Zhiyong

Person-in-charge of accounting affairs: Zhu Zaixiang

Person-in-charge of the accounting department: Wu Sufang

Consolidated Income Statement

From January to September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
I. Total operating income	**1,630,288,138.23**	**1,426,610,191.10**	**4,350,665,866.89**	**3,910,883,057.10**
including: Operating income	1,630,288,138.23	1,426,610,191.10	4,350,665,866.89	3,910,883,057.10
Interest income				
Premiums earned				
Handling charges and commission income				
II. Total operating costs	**1,507,651,042.70**	**1,302,898,415.14**	**3,976,068,924.77**	**3,586,707,887.00**
Including: Operating cost	1,056,260,947.83	870,154,381.55	2,661,541,224.68	2,330,508,967.62
Interest expenses				
Handling charges and commission expenses				
Payments on surrender				
Net claim expenses				
Net provision for insurance contract reserves				
Policyholder dividend expenses				
Reinsurance costs				
Business tax and surcharges	4,111,732.83	5,382,584.62	8,483,531.80	11,160,762.87
Selling expenses	165,471,155.46	154,897,575.67	560,344,534.50	507,173,353.40
Administrative expenses	280,692,923.13	270,056,341.51	705,998,862.71	688,296,005.01
Finance cost	-1,834,122.37	-1,408,871.84	-6,087,207.93	-1,639,918.34
Loss on impairment of assets	2,948,405.82	3,816,403.63	45,787,979.01	51,208,716.44
Add: Gains from changes in fair value (loss expressed with "-")				
Investment income (loss expressed with "-")	2,002,740.98	-6,358,154.86	42,650,056.46	57,889,821.65
Including: Income from investment in associates and joint ventures	-284,214.28	-7,274,448.84	-1,124,657.45	-7,421,570.59
Exchange gains (losses expressed with "-")				
III. Operating profit (loss expressed with "-")	**124,639,836.51**	**117,353,621.10**	**417,246,998.58**	**382,064,991.75**
Add: Non-operating income	14,574,023.74	12,755,617.96	70,494,057.96	76,185,579.27
Including: Income from disposal of non-current assets	16,299.58	3,600,110.08	367,567.10	17,533,368.95
Less: Non-operating expenses	3,770,025.31	2,920,431.25	9,895,949.58	8,064,287.12
Including: Loss from disposal of non-current assets	11,207.63	127,848.64	1,120,112.95	494,756.33

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
IV. Total profit (total loss expressed with "-")	**135,443,834.94**	**127,188,807.81**	**477,845,106.96**	**450,186,283.90**
Less: Income tax expenses	-248,991.30	392,025.38	4,524,956.70	1,529,013.02
V. Net profit (net loss expressed with "-")	**135,692,826.24**	**126,796,782.43**	**473,320,150.26**	**448,657,270.88**
Net profit attributable to shareholders of the Company	131,208,839.01	129,244,468.26	481,232,195.01	470,242,956.42
Profit and loss attributable to minority interest	4,483,987.23	-2,447,685.83	-7,912,044.75	-21,585,685.54
VI. Other comprehensive income after tax, net	**247,162,990.62**	**-201,769,473.67**	**-348,831,904.10**	**581,544,039.24**
Other comprehensive income after tax attributable to owners of the parent company, net	247,162,990.62	-201,769,473.67	-348,831,904.10	581,544,039.24
(I) Other comprehensive income that will not be reclassified to profit and loss in subsequent periods				
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Shares of other comprehensive income of investees that may not be reclassified to profit or loss under the equity method				
(II) Other comprehensive income that will be reclassified to profit and loss in subsequent periods	247,162,990.62	-201,769,473.67	-348,831,904.10	581,544,039.24
1. Shares of other comprehensive income of investees that may be reclassified to profit or loss under the equity method subsequently				
2. Gain/loss on fair value movement for available-for-sale financial assets	247,162,990.62	-201,769,473.67	-348,831,904.10	581,544,039.24
3. Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets				
4. Effective portion of cash flow adjusted for hedging gains or losses				
5. Exchange differences from retranslation of financial statements				
6. Others				
Other comprehensive income after tax attributable to minority interest, net				

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
VII. Total comprehensive income	**382,855,816.86**	**-74,972,691.24**	**124,488,246.16**	**1,030,201,310.12**
Total comprehensive income attributable to owners of the parent Company	378,371,829.63	-72,525,005.41	132,400,290.91	1,051,786,995.66
Total comprehensive income attributable to minority interest	4,483,987.23	-2,447,685.83	-7,912,044.75	-21,585,685.54
VIII. Earnings per share:				
(I) Basic earnings per share			0.42	0.41
(II) Diluted earnings per share			0.42	0.41

Sichuan Xinhua Culture Communication Co., Ltd. ("**Sichuan Culture Communication**") was originally a subsidiary of Sichuan Xinhua Publishing Group (the parent company of the Company), which 97.95% equity interest was held by Sichuan Xinhua Publishing Group and the remaining 2.05% equity interest was held by the Company. On 31 December 2015, the Company purchased 97.95% equity interest in Sichuan Culture Communication held by Sichuan Xinhua Publishing Group at the consideration of RMB44,615,600.00. As the Company and Sichuan Culture Communication are both beneficially controlled by Sichuan Xinhua Publishing Group before and after the date of merger, the transaction was a merger of enterprises under common control. Therefore, the report restated the comparative figures for the period ended from 1 January to 30 September 2015.

For the business combination under common control effected in the current period, the net profit recognised by the merged party before the combination was RMB/, and the net profit recognised by the merged party in the previous period was RMB/.

Legal Representative of the Company: He Zhiyong	Person-in-charge of accounting affairs: Zhu Zaixiang	Person-in-charge of the accounting department: Wu Sufang

Income Statement of the Parent Company
From January to September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
I. Operating income	**1,286,691,530.22**	**1,177,976,093.81**	**3,572,671,390.56**	**3,337,524,943.19**
Less: Operating cost	953,243,457.81	804,443,996.89	2,475,014,962.41	2,236,455,476.71
Business tax and surcharges	29,765.29	542,818.91	614,580.43	2,337,017.05
Selling expenses	146,869,408.38	105,299,317.32	397,151,410.18	342,631,488.37
Administrative expenses	178,199,663.80	178,447,684.45	494,641,256.53	479,884,540.19
Finance cost	-1,226,721.11	-996,685.05	-2,812,365.57	-912,870.20
Loss on impairment of assets	1,630,759.29	1,191,399.21	27,732,657.40	27,916,429.18
Add: Gains on fair value changes (loss expressed with "-")				
Investment income (loss expressed with "-")	1,633,809.05	-7,741,988.35	36,809,066.87	54,776,926.74
Including: Income from investment in associates and joint ventures	347,204.78	-7,741,988.35	974,389.60	-5,556,673.26
II. Operating profit (loss expressed with "-")	**9,579,005.81**	**81,305,573.73**	**217,137,956.05**	**303,989,788.63**
Add: Non-operating income	891,320.97	1,930,964.08	9,963,078.12	16,824,131.80
Including: Income from disposal of non-current assets	13,947.29	50,904.11	59,544.05	13,323,213.07
Less: Non-operating expenses	3,721,821.92	2,755,734.00	8,296,258.54	6,623,177.47
Including: Loss from disposal of non-current assets	8,953.31	47,086.53	9,456.66	311,366.79
III. Total profit (total loss expressed with "-")	**6,748,504.86**	**80,480,803.81**	**218,804,775.63**	**314,190,742.96**
Less: Income tax expenses				
IV. Net profit (net loss expressed with "-")	**6,748,504.86**	**80,480,803.81**	**218,804,775.63**	**314,190,742.96**

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
V. Other comprehensive income after tax, net	**249,280,000.00**	**-221,113,494.07**	**-326,560,027.98**	**561,002,505.93**
(I) Other comprehensive income that will not be reclassified to profit and loss in subsequent periods				
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Shares of other comprehensive income of investees that may not be reclassified to profit or loss under the equity method				
(II) Other comprehensive income that will be reclassified to profit and loss in subsequent periods	249,280,000.00	-221,113,494.07	-326,560,027.98	561,002,505.93
1. Shares of other comprehensive income of investees that may be reclassified to profit or loss under the equity method subsequently				
2. Gain/loss on fair value movement for available-for-sale financial assets	249,280,000.00	-221,113,494.07	-326,560,027.98	561,002,505.93
3. Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets				
4. Effective portion of cash flow adjusted for hedging gains or losses				
5. Exchange differences from retranslation of financial statements				
6. Others				
VI. Total comprehensive income	**256,028,504.86**	**-140,632,690.26**	**-107,755,252.35**	**875,193,248.89**
VII. Earnings per share:				
(I) Basic earnings per share				
(II) Diluted earnings per share				

Legal Representative of the Company: He Zhiyong

Person-in-charge of accounting affairs: Zhu Zaixiang

Person-in-charge of the accounting department: Wu Sufang

Consolidated Cash Flow Statement

From January to September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods and renderings of services	4,124,198,633.07	3,770,364,273.59
Net increase in deposits from customers and placements from bank and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance operations		
Net increase in policyholders' deposits and investments		
Net increase in disposal of financial assets at fair value through profit or loss		
Cash received from interest, handling charges and commission		
Net increase in placements from banks and other financial institutions		
Net increase in capital for repurchase		
Cash received from tax refund	36,050,189.17	176,540,601.29
Other cash receipts relating to operating activities	96,756,023.35	75,559,731.46
Sub-total of cash inflows from operating activities	4,257,004,845.59	4,022,464,606.34
Cash paid for goods purchased and services received	2,763,684,503.26	2,277,103,839.84
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance policies		
Cash paid for interest, handling charges and commission		
Cash paid for policyholders' dividend		
Cash paid to and on behalf of employees	631,550,120.19	618,511,625.51
Payments of taxes	105,344,265.09	69,649,611.19
Other cash payments relating to operating activities	626,963,288.73	579,820,913.11
Sub-total of cash outflows from operating activities	4,127,542,177.27	3,545,085,989.65
Net cash flow from operating activities	129,462,668.32	477,378,616.69

Item	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	898,311,301.80	512,369,890.41
Cash receipts from investment income	52,848,720.44	71,216,487.48
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,150,326.80	8,850,639.06
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	120,840,900.22	72,060,042.95
Sub-total of cash inflows from investing activities	1,074,151,249.26	664,497,059.90
Cash paid to acquire fixed assets, intangible assets and other long-term assets	205,052,826.95	143,221,550.38
Cash paid to acquire investments	1,486,824,992.74	888,526,268.91
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other operating units	20,240,000.00	
Other cash payments relating to investing activities	103,359,909.06	80,200,000.00
Sub-total of cash outflows from investing activities	1,815,477,728.75	1,111,947,819.29
Net cash flow from investment activities	-741,326,479.49	-447,450,759.39
III. Cash flows from financing activities:		
Cash receipt from receiving investments	657,055,200.00	2,250,000.00
Including: Cash received by subsidiaries from receiving minority investment	7,500,000.00	2,250,000.00
Cash received from borrowings		
Cash received from issuance of debentures		
Other cash receipts relating to financing activities	25,012,050.26	115,955,462.00
Sub-total of cash inflows from financing activities	682,067,250.26	118,205,462.00
Cash paid for repayment of debts		30,000,000.00
Cash paid for dividend, profit appropriation or interest	130,966.60	150,601,495.59
Including: Dividends and profits paid to minority shareholders	130,966.60	103,199.35
Cash paid for other financing activities		
Sub-total of cash outflows from financing activities	130,966.60	180,601,495.59
Net cash flow from financing activities	681,936,283.66	-62,396,033.59
IV. Effect of change in foreign exchange rate on cash and cash equivalents		
V. Net increase in cash and cash equivalents	**70,072,472.49**	**-32,468,176.29**
Add: Opening balance of cash and cash equivalents	1,824,358,247.63	1,345,705,851.29
VI. Closing balance of cash and cash equivalents	**1,894,430,720.12**	**1,313,237,675.00**

Legal Representative of the Company: He Zhiyong

Person-in-charge of accounting affairs: Zhu Zaixiang

Person-in-charge of the accounting department: Wu Sufang

Cash Flow Statement of the Parent Company
From January to September 2016

Prepared by: Xinhua Winshare Publishing and Media Co., Ltd.

Unit: RMB Audit status: Unaudited

Item	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods and renderings of services	3,350,281,855.01	2,767,887,492.98
Cash received from tax refund		143,985,171.81
Other cash receipts relating to operating activities	24,942,087.98	10,619,493.92
Sub-total of cash inflows from operating activities	3,375,223,942.99	2,922,492,158.71
Cash paid for goods purchased and services received	2,063,345,449.70	1,509,769,479.91
Cash paid to and on behalf of employees	419,516,810.69	409,078,389.92
Payments of taxes	11,053,147.70	10,981,532.49
Other cash payments relating to operating activities	474,472,614.31	642,463,501.16
Sub-total of cash outflows from operating activities	2,968,388,022.40	2,572,292,903.48
Net cash flow from operating activities	406,835,920.59	350,199,255.23
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	390,000,000.00	
Cash receipts from investment income	84,889,378.42	76,078,087.40
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	456,593.11	2,893,738.38
Net cash received from disposal of subsidiaries and other operating units	64,260.00	
Other cash receipts relating to investing activities	43,644,745.28	62,200,000.00
Sub-total of cash inflows from investing activities	519,054,976.81	141,171,825.78
Cash paid to acquire fixed assets, intangible assets and other long-term assets	186,002,044.36	119,036,537.63
Cash paid to acquire investments	800,000,000.00	20,000,000.00
Net cash paid for acquisition of subsidiaries and other operating units	52,500,000.00	75,250,000.00
Other cash payments relating to investing activities	271,751,995.28	50,200,000.00
Sub-total of cash outflows from investing activities	1,310,254,039.64	264,486,537.63
Net cash flow from investment activities	-791,199,062.83	-123,314,711.85

Item	Amounts for the beginning of the year to the end of the reporting period (January – September)	Amounts for the beginning of last year to the end of the reporting period (January – September)
III. Cash flows from financing activities:		
Cash receipt from receiving investments	649,555,200.00	
Cash received from borrowings		
Other cash receipts relating to financing activities	17,000,000.00	
Sub-total of cash inflows from financing activities	666,555,200.00	
Cash paid for repayment of debts		
Cash paid for dividend, profit appropriation or interest		150,141,930.00
Cash paid for other financing activities		
Sub-total of cash outflows from financing activities		150,141,930.00
Net cash flow from financing activities	666,555,200.00	-150,141,930.00
IV. Effect of change in foreign exchange rate on cash and cash equivalents		
V. Net increase in cash and cash equivalents	282,192,057.76	76,742,613.38
Add: Opening balance of cash and cash equivalents	1,125,067,860.80	752,418,376.61
VI. Closing balance of cash and cash equivalents	1,407,259,918.56	829,160,989.99

Legal Representative of the Company: He Zhiyong — Person-in-charge of accounting affairs: Zhu Zaixiang — Person-in-charge of the accounting department: Wu Sufang

4.2 Audit Report

☐ Applicable ✓ Not applicable

This report is published in both Chinese and English. In the event of any discrepancy, the Chinese version shall prevail.

By order of the Board
XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*
He Zhiyong
Chairman

Sichuan, the PRC, 27 October 2016

As at the date of this announcement, the Board comprises (a) Mr. He Zhiyong, Mr. Luo Yong and Mr. Yang Miao as executive Directors; (b) Mr. Luo Jun, Mr. Zhang Peng and Mr. Zhao Junhuai as non-executive Directors; and (c) Mr. Han Liyan, Mr. Chan Yuk Tong and Ms. Xiao Liping as independent non-executive Directors.

* *For identification purpose only*