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)

2018 FIRST 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 first quarter ended 31 March 2018 (the "**Current Period**"). 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 supervisory committee, 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 All of the Directors of the Company attended the board meeting to review and approve this quarterly report.

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 first quarterly report of the Company is unaudited. The results of the Group for the first quarter ended 31 March 2018 have been reviewed by the audit committee of the Company.

II. CORPORATE INFORMATION

2.1 Major financial data

Unit and Currency: RMB

	As at the end of the reporting period	As at the end of the previous year	Change (%)
Total assets	13,192,587,044.40	12,286,705,641.32	7.37
Net assets attributable to shareholders of the listed company	8,675,893,878.43	8,027,301,715.11	8.08

	From the beginning of the year to the end of the reporting period	From the beginning to the end of the reporting period of the previous year	Change (%)
Net cash flow from operating activities	-153,188,800.44	-147,724,596.74	-3.70

	From the beginning of the year to the end of the reporting period	From the beginning to the end of the reporting period of the previous year	Change (%)
Operating income	1,584,603,344.86	1,546,520,658.26	2.46
Net profit attributable to shareholders of the listed company	178,405,094.29	186,644,166.82	-4.41
Net profit attributable to shareholders of the listed company after deducting extra-ordinary gains and losses	169,906,938.38	177,494,938.03	-4.28
Weighted average return on net assets (%)	2.14	2.23	Decrease of 0.09 percentage point
Basic earnings per share (RMB/share)	0.14	0.15	-6.67
Diluted earnings per share (RMB/share)	0.14	0.15	-6.67

Pursuant to *Notice on Persistently Promoting Cultural Value-added Tax and Business Tax Preferential Policies* (Cai Shui [2013] No. 87) issued by the Ministry of Finance and State Administration of Taxation: (1) from 1 January 2013 to 31 December 2017, preferential policies of 100% reimbursement and 50% reimbursement are respectively proposed for publications of certain category specified in this Notice during publishing phase, and the Company is entitled to this tax incentive; (2) from 1 January 2013 to 31 December 2017, the wholesale and retail of books are exempted from value-added tax, and the Company's book wholesale and retail business is entitled to this tax incentive.

As the preferential policy expired on 31 December 2017 and new VAT preferential policy documents have not been released, the Company submitted tax returns and audited accounts to the competent tax bureau on the basis that no VAT exemption policy is available for the Current Period. The Company does not preclude the possibility that the government will release new VAT preferential policies designed by the government to promote the development of the cultural industry, and the Company may continue to enjoy such preferential policies.

During the first quarter of 2017, the Group recorded income of RMB150 million and net profit of RMB41 million derived from the benefits of VAT exemption. During the first quarter of 2018, the Group achieved operating income of RMB1,585 million, representing an increase of 2.46% from RMB1,547 million recorded during the same period last year; the Company achieved net profit of RMB172 million, representing a decrease of 6.22% from RMB184 million recorded during the same period last year. Excluding the effect of the VAT exemption during the first quarter of 2017, the Company achieved a year-on-year increase of RMB188 million or 13.49% in operating income, as well as a year-on-year increase of RMB30 million or 20.93% in net profit on the same basis during the reporting period.

Bank of Chengdu was listed on the Shanghai Stock Exchange on 31 January 2018 at an issue price of RMB6.99 per share. 80,000,000 shares of Chengdu Bank were held and measured at fair value by the Company. As of 31 March 2018, gains arising from changes in their fair value of RMB582 million have been included in other comprehensive income.

Items and amounts of extraordinary gains or losses

Unit and Currency: RMB

Item	**For the period**
Gain or loss on disposal of non-current assets	-21,307.08
Government subsidies (except for government subsidies which are closely related to the ordinary business of the Company and entitled in standard amounts or quantities in conformity with the uniform standards of the State) attributable to gains or losses for the period	2,595,593.09
Gain and loss arising from changes in fair value of trading financial assets and trading financial liabilities and investment gain received from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets (except for those related to effective hedging businesses under ordinary business scope of the Company)	6,887,716.31
Other non-operating income and expenses apart from the above items	-909,370.45
Effect of minority interests (after tax)	-19,363.96
Effect of income tax	-35,112.00
Total	**8,498,155.91**

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) 35,507

Shareholding of top ten shareholders

Name of shareholders (in full)	Shareholding as at the end of the period	Percentage (%)	Restricted shareholding	Restricted shareholding Status	Restricted shareholding Number	Nature of shareholders
Sichuan Xinhua Publishing Group Co., Ltd.* (四川新華發行集團有限公司)	605,942,525	49.11	592,809,525	Nil		State
Hong Kong Securities Clearing Company Ltd.	416,141,938	33.73	0	Unknown		Overseas legal person
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)*(Note)*	53,336,000	4.32	0	Nil		Domestic non-state-owned legal person
Sichuan Publication Group Co., Ltd.* (四川出版集團有限責任公司)	35,489,893	2.88	0	Nil		State-owned legal person
Sichuan Daily Newspaper Group*(四川日報報業集團)	9,264,513	0.75	0	Nil		State-owned legal person
Liaoning Publication Group Co., Ltd.* (遼寧出版集團有限公司)	6,485,160	0.53	0	Nil		State-owned legal person
LEUNG YOK FUN	3,000,000	0.24	0	Unknown		Unknown
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	0.15	0	Nil		Unknown
Agricultural Bank of China Limited-CSI 500 Trading Index Securities Investment Open-ended Fund	833,123	0.07	0	Nil		Unknown
China Construction Bank Corporation – Invesco Great Wall Quantization Selected Stock Securities Investment Fund	740,594	0.06	0	Nil		Unknown

Note: The pledge over shares of the Company held by Chengdu Hua Sheng (Group) Industry Co., Ltd. has been fully released on 11 January 2018.

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 Ltd.	416,141,938	Overseas listed foreign shares	416,141,938
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)	53,336,000	RMB ordinary shares	53,336,000
Sichuan Publication Group Co., Ltd.* (四川出版集團有限責任公司)	35,489,893	RMB ordinary shares	30,572,893
		Overseas listed foreign shares	4,917,000
Sichuan Daily Newspaper Group*(四川日報報業集團)	9,264,513	RMB ordinary shares	9,264,513
Liaoning Publication Group Co., Ltd.* (遼寧出版集團有限公司)	6,485,160	RMB ordinary shares	6,485,160
LEUNG YOK FUN	3,000,000	Overseas listed foreign shares	3,000,000
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	RMB ordinary shares	1,796,153
Agricultural Bank of China Limited-CSI 500 Trading Index Securities Investment Open-ended Fund	833,123	RMB ordinary shares	833,123
China Construction Bank Corporation – Invesco Great Wall Quantization Selected Stock Securities Investment Fund	740,594	RMB ordinary shares	740,594
Account No. 2 of the National Council for Social Security Fund	725,809	RMB ordinary shares	725,809
Shareholders above with related party relationship or acting in concert	Sichuan Xinhua Publishing Group Co., Ltd. and Sichuan Publication Group Co., Ltd. are wholly-owned subsidiaries of Sichuan Development Holding Co., Ltd. Apart from that, it is not aware that there are any shareholders above with related party relationship or acting in concert.		

III. MATERIAL MATTERS

3.1 Details and reasons for significant changes of principal accounting statement items and financial indicators

Since 1 January 2018, the Company has adopted the *Accounting Standards for Business Enterprises* revised and issued by the Ministry of Finance in 2017, namely *Accounting Standards for Business Enterprises No. 14 – Revenue, Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets, Accounting Standards for Business Enterprises No. 24 – Hedge Accounting and Accounting Standards for Business Enterprises No. 37 – Presentation and Reporting of Financial Instruments.*

According to *Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments*, the Company recognises the discrepancy between the original carrying value of the first adopted financial instruments and the new carrying value of the financial instruments on the implementation date of this accounting standard shall be included in other comprehensive income of the reporting period for the year during which the account standard was implemented and no adjustment shall be made to the information in the comparable period. The Company designates investment in equity instrument not held for trading as financial assets at fair value through other comprehensive income. Upon derecognition of the financial assets, the portion previously included in other comprehensive income shall be transferred from other comprehensive income and included in retained earnings instead of being transferred to profit or loss for the Current Period. If the Ministry of Finance issues relevant guidelines or interpretations on the abovementioned accounting standards in the future, the Company will revisit the reasonableness of the abovementioned changes in accounting policies and relevant significant estimates, which may lead to inconsistency between the disclosure of the abovementioned impacts of changes in accounting policies and the corresponding information of the first quarterly financial statements of 2018.

Analysis on significant changes in balance-sheet items

Unit and Currency: RMB

Item	Ending balance of the period	Opening balance of the year	Change (%)	Main reasons for changes
Financial assets at fair value through profit or loss	1,290,119,438.65	–	N/A	Mainly due to the impact of the implementation of the new accounting standards in relation to financial instruments
Notes receivable	4,040,000.00	2,060,000.00	96.12	Mainly due to the increase in the payment of goods settled with notes by Sichuan Wenchuan Logistics Co. Ltd* (四川文傳物流有限公司), a subsidiary of the Company
Trade receivables	1,717,561,614.22	1,278,160,854.76	34.38	Mainly due to the payments for ordered goods not fully recovered in the spring of 2018
Prepayments	130,468,892.66	79,865,675.12	63.36	Mainly due to the increase in prepayments to suppliers for the education informationalised service business

Item	Ending balance of the period	Opening balance of the year	Change (%)	Main reasons for changes
Other current assets	4,868,130.98	1,184,329,531.05	-99.59	Mainly due to the impact of the implemetaion of the new accounting standards in relation to financial instruments and the decrease in VAT input tax to be deducted upon expiry of the original VAT exemption policy
Financial assets at fair value through other comprehensive income	2,588,571,333.18	–	N/A	Mainly due to the impact of the implementation of the new accounting standards in relation to financial instruments
Available-for-sale financial assets	–	2,116,088,000.42	N/A	Mainly due to the impact of the implementation of the new accounting standards in relation to financial instruments
Long-term receivables	317,977,671.83	194,801,883.56	63.23	Mainly due to the increase in payments for goods settled by installments to expand education equipment and education informationalised service business by the Company
Other non-current assets	73,094,723.99	133,503,704.60	-45.25	Mainly due to the VAT input tax expected to be deductible after one year included in the opening balance being reclassified as taxes payable for the Current Period to be deducted
Notes payable	9,698,806.40	60,855,873.00	-84.06	Mainly due to the larger amount accepted from the bank acceptances of Sichuan Winshare Education Technology Co., Ltd, a subsidiary of the Company, due during the Current Period
Employee benefits payable	133,763,086.72	322,778,103.03	-58.56	Mainly due to the payment of 2017 year-end bonus by the Company during the Current Period
Taxes payable	29,546,079.24	42,878,058.50	-31.09	Mainly due to the VAT input tax to be deducted originally classified as other non-current assets being reclassified as taxes payable for the Current Period to be deducted as a result of the expiry of the original VAT exemption policy
Dividends payable	–	202,228.29	-100.00	Mainly due to the payment of the profit distribution payable by subsidiaries to non-controlling shareholders during the Current Period
Other comprehensive income	1,700,806,861.10	1,230,619,792.07	38.21	Mainly due to the listing of Bank of Chengdu Co., Ltd. on the Shanghai Stock Exchange in January 2018 and its shares held by the Company measured at fair value. As of 31 March 2018, gains arising from changes in fair value of RMB582 million have been included in other comprehensive income

Analysis on significant changes in income-statement items

Unit and Currency: RMB

Item	Amount for the period	Amount for the previous period	Change (%)	Main reasons for changes
Operating income	1,584,603,344.86	1,546,520,658.26	2.46	Excluding the incomparable factor of the output tax of RMB150 million derived from the benefits of value-added tax exemption included in the operating income during the same period last year, the increase in income was mainly attributable to the growth in sales of education equipment and informationalised service business, general books publication business and book retail business
Operating cost	989,194,384.02	960,942,021.68	2.94	Due to the growth of income attributable to the change in sales structure leading to the slight year-on-year increase in consolidated cost ratio during the Current Period
Finance expenses	-5,508,100.42	-2,966,150.03	-85.70	Mainly due to more efforts to centralise funds and the increase in interests income from the growth in capital funds
Investment income	7,281,777.67	16,987,697.87	-57.13	Mainly due to the year-on-year decrease of profit distribution received during the Current Period
Income from disposal of assets	-21,307.08	-1,351.74	-1,476.27	Mainly due to the year-on-year increase of loss from disposal of fixed assets during the Current Period
Other income	4,372,994.92	7,603,458.21	-42.49	Mainly due to the year-on-year decrease in subsidies received on projects during the Current Period
Non-operating income	700,602.24	90,749.11	672.02	Mainly due to the return overdue compensation received during the Current Period by Sichuan Xinhua Printing Co., Ltd.*(四川新華印刷有限責任公司), a subsidiary of the Company
Non-operating expenses	1,609,972.69	2,372,380.26	-32.14	Mainly due to the year-on-year decrease in expenses for donation during the Current Period
Profit or loss attributable to minority interest	-5,964,032.74	-2,771,572.35	-115.19	Mainly due to the year-on-year increase in the operating loss of certain non wholly-owned subsidiaries for the first quarter of the year
Other comprehensive income after tax, net	470,187,069.02	-89,646,047.29	624.49	Mainly due to the listing of Bank of Chengdu Co., Ltd. on the Shanghai Stock Exchange in January 2018 and its shares held by the Company measured at fair value. As of 31 March 2018, gains arising from changes in fair value of RMB582 million have been included in other comprehensive income
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	470,187,069.03	–	N/A	Mainly due to the impact of the implementation of the new accounting standards in relation to financial instruments
Other comprehensive income that will be reclassified to profit or loss in subsequent periods	–	-89,646,047.29	N/A	Mainly due to the impact of the implementation of the new accounting standards in relation to financial instruments

Analysis on significant changes in cash-flow items

Unit and Currency: RMB

Item	Amount for the period	Amount for the previous period	Change (%)	Main reasons for changes
Cash received from tax refund	367,910.15	823,254.54	-55.31	Mainly due to the year-on-year decrease in the reimbursement VAT tax received during the Current Period
Cash receipts from investment income	7,191,696.34	16,970,438.93	-57.62	Mainly due to the year-on-year decrease of profit distribution received by the Company during the Current Period
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	16,961.50	52,143.36	-67.47	Mainly due to the year-on-year decrease in the fixed assets disposed by subsidiaries of the Company during the Current Period
Net cash received from disposal of subsidiaries and other operating units	389,334.87	–	N/A	Due to the fact that Winshare Investment Co., Ltd*(文軒投資有限公司), a subsidiary of the Company, wrote off the net cash inflow from Tibet Wenxuan Equity Investment Co., Ltd.*(西藏文軒股權投資有限公司), one of its joint ventures during the Current Period
Other cash receipts relating to investing activities	15,703,462.05	121,250,819.19	-87.05	Mainly due to the recovery of entrusted loans of RMB120 million to Sichuan Wenxuan Zhuotai Investment Co., Ltd* (四川文軒卓泰投資有限公司) by the Company during the same period last year
Cash paid to acquire fixed assets, intangible assets and other long-term assets	18,904,918.01	71,248,692.32	-73.47	Mainly due to more investment made in the Publishing Media Creation Center project by the Company during the same period last year
Cash paid to acquire investments	610,138,091.48	287,253,818.00	112.40	Mainly due to the increase in the purchase of principal-guaranteed wealth management products by the Company during the Current Period
Cash paid for dividend, profit appropriation or interest	202,228.29	118,545,715.60	-99.83	Mainly due to the distribution of dividends to minority interest by subsidiaries of the Company during the Current Period; part of the dividends declared by the Company in December 2016 was paid during the same period last year.

IV. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet
31 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	Ending balance of the period	Opening balance of the year
Current assets:		
Cash and bank balances	1,588,835,812.18	1,885,682,217.83
Financial assets at fair value through profit or loss	1,290,119,438.65	–
Notes receivable	4,040,000.00	2,060,000.00
Accounts receivable	1,717,561,614.22	1,278,160,854.76
Prepayments	130,468,892.66	79,865,675.12
Interests receivable	10,927,743.05	10,789,780.86
Other receivables	118,782,204.38	98,565,134.63
Inventories	1,818,673,636.90	1,764,445,460.22
Non-current assets due within one year	280,000,000.00	280,000,000.00
Other current assets	4,868,130.98	1,184,329,531.05
Total current assets	**6,964,277,473.02**	**6,583,898,654.47**
Non-current assets:		
Financial assets at fair value through other comprehensive income	2,588,571,333.18	–
Available-for-sale financial assets	–	2,116,088,000.42
Long-term receivables	317,977,671.83	194,801,883.56
Long-term equity investments	348,033,877.45	356,585,702.56
Investment properties	66,106,346.78	70,688,502.05
Fixed assets	1,303,460,915.73	1,293,739,079.58
Construction in progress	615,768,260.47	622,149,298.16
Intangible assets	338,009,434.03	340,754,220.83
Development expenses	46,832,986.25	44,550,953.70
Goodwill	500,590,036.14	500,590,036.14
Long-term deferred expenses	20,412,391.35	19,098,549.65
Deferred income tax assets	9,451,594.18	10,257,055.60
Other non-current assets	73,094,723.99	133,503,704.60
Total non-current assets	**6,228,309,571.38**	**5,702,806,986.85**
Total assets	**13,192,587,044.40**	**12,286,705,641.32**

Item	Ending balance of the period	Opening balance of the year
Current liabilities:		
Notes payable	9,698,806.40	60,855,873.00
Accounts payable	3,518,040,163.82	3,083,435,509.23
Advances	372,294,043.00	310,646,140.33
Employee benefits payable	133,763,086.72	322,778,103.03
Taxes payable	29,546,079.24	42,878,058.50
Dividends payable	–	202,228.29
Other payables	292,572,510.21	264,167,715.75
Other current liabilities	113,932,416.77	114,861,486.00
Total current liabilities	**4,469,847,106.16**	**4,199,825,114.13**
Non-current liabilities:		
Deferred income	85,891,995.76	86,227,572.50
Deferred income tax liabilities	37,397,582.38	43,830,724.30
Total non-current liabilities	**123,289,578.14**	**130,058,296.80**
Total liabilities	**4,593,136,684.30**	**4,329,883,410.93**
Owners' equity:		
Share capital	1,233,841,000.00	1,233,841,000.00
Capital reserves	2,572,587,684.82	2,572,587,684.82
Other comprehensive income	1,700,806,861.10	1,230,619,792.07
Surplus reserves	625,743,635.42	625,743,635.42
Undistributed profits	2,542,914,697.09	2,364,509,602.80
Total equity attributable to shareholders of the Parent Company	8,675,893,878.43	8,027,301,715.11
Minority interest	-76,443,518.33	-70,479,484.72
Total owners' equity	**8,599,450,360.10**	**7,956,822,230.39**
Total liabilities and owners' equity	**13,192,587,044.40**	**12,286,705,641.32**

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
31 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	Ending balance of the period	Opening balance of the year
Current assets:		
Cash and bank balances	919,149,271.55	1,107,004,995.34
Financial assets at fair value through profit or loss	1,250,019,438.65	–
Accounts receivable	1,335,451,236.41	977,264,568.14
Prepayments	41,391,962.66	38,146,741.68
Interests receivable	10,927,743.05	10,789,780.86
Dividends receivable	260,000,000.00	260,000,000.00
Other receivables	461,219,751.62	478,467,828.87
Inventories	1,562,996,114.03	1,267,888,034.33
Non-current assets due within one year	280,000,000.00	280,000,000.00
Other current assets	4,634,294.88	1,156,865,130.99
Total current assets	**6,125,789,812.85**	**5,576,427,080.21**
Non-current assets:		
Financial assets at fair value through other comprehensive income	2,152,941,632.80	–
Available-for-sale financial assets	–	1,655,576,832.80
Long-term receivables	110,645,263.89	57,782,527.52
Long-term equity investments	3,362,068,971.06	3,206,109,361.15
Investment properties	21,463,841.81	21,688,889.32
Fixed assets	856,944,968.75	842,948,046.79
Construction in progress	614,865,912.33	621,339,829.29
Intangible assets	145,043,404.77	144,677,299.19
Long-term deferred expenses	14,840,622.88	12,832,910.42
Other non-current assets	516,000,000.00	596,408,980.60
Total non-current assets	**7,794,814,618.29**	**7,159,364,677.08**
Total assets	**13,920,604,431.14**	**12,735,791,757.29**

Item	Ending balance of the period	Opening balance of the year
Current liabilities:		
Notes payable		
Accounts payable	4,805,479,378.91	4,150,733,662.61
Advances	250,025,448.21	229,900,017.25
Employee benefits payable	75,323,326.88	212,907,765.25
Taxes payable	3,197,436.44	18,382,724.24
Other payables	477,047,237.50	419,773,590.84
Other current liabilities	15,102,381.30	14,624,096.93
Total current liabilities	**5,626,175,209.24**	**5,046,321,857.12**
Non-current liabilities:		
Deferred income	16,785,934.99	17,250,635.60
Total non-current liabilities	**16,785,934.99**	**17,250,635.60**
Total liabilities	**5,642,961,144.23**	**5,063,572,492.72**
Owners' equity:		
Share capital	1,233,841,000.00	1,233,841,000.00
Capital reserves	2,631,057,328.10	2,631,057,328.10
Other comprehensive income	1,633,527,993.05	1,136,163,193.05
Surplus reserves	624,908,885.29	624,908,885.29
Undistributed profits	2,154,308,080.47	2,046,248,858.13
Total owners' equity	**8,277,643,286.91**	**7,672,219,264.57**
Total liabilities and owners' equity	**13,920,604,431.14**	**12,735,791,757.29**

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 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	Amount for the period	Amount for the previous period
I. Total operating income	**1,584,603,344.86**	**1,546,520,658.26**
Including: Operating income	1,584,603,344.86	1,546,520,658.26
II. Total operating costs	**1,422,240,766.06**	**1,384,149,456.01**
Including: Operating cost	989,194,384.02	960,942,021.68
Taxes and levies	5,616,971.06	6,088,242.72
Selling expenses	191,060,374.50	171,554,406.08
Administrative expenses	215,659,146.50	228,077,746.49
Finance cost	-5,508,100.42	-2,966,150.03
Loss on impairment of assets	26,217,990.40	20,453,189.07
Add: Gains on fair value changes (loss expressed with "-")	-10,279.16	–
Investment income (loss expressed with "-")	7,281,777.67	16,987,697.87
Including: Income from investment in associates and joint ventures	358,741.48	-2,852,699.49
Income from disposal of assets (loss expressed with "-")	-21,307.08	-1,351.74
Other income	4,372,994.92	7,603,458.21
III. Operating profit (loss expressed with "-")	**173,985,765.15**	**186,961,006.59**
Add: Non-operating income	700,602.24	90,749.11
Less: Non-operating expenses	1,609,972.69	2,372,380.26
IV. Total profit (total loss expressed with "-")	**173,076,394.70**	**184,679,375.44**
Less: Income tax expenses	635,333.15	806,780.97
V. Net profit (net loss expressed with "-")	**172,441,061.55**	**183,872,594.47**
(1) Classified by continuing operations		
1. Net profit from continuing operations (net loss expressed with "-")	172,441,061.55	183,872,594.47
(2) Classified by ownership of equity		
1. Profit or loss attributable to minority interest	-5,964,032.74	-2,771,572.35
2. Net profit attributable to shareholders of the Parent Company	178,405,094.29	186,644,166.82

Item	Amount for the period	Amount for the previous period
VI. Other comprehensive income after tax, net	**470,187,069.03**	**-89,646,047.29**
Other comprehensive income after tax attributable to owners of the Parent Company, net	470,187,069.03	-89,646,047.29
(I) Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	470,187,069.03	–
1. Shares of other comprehensive income of investees that may not be reclassified to profit or loss under the equity method	-8,516,630.54	–
2. Gains or losses arising from changes in fair values of financial assets at fair value through other comprehensive income	478,703,699.57	–
(II) Other comprehensive income that will be reclassified to profit or loss in subsequent periods	–	-89,646,047.29
1. Gain/loss on fair value movement for available-for-sale financial assets	–	-89,646,047.29
VII. Total comprehensive income	**642,628,130.58**	**94,226,547.18**
Total comprehensive income attributable to owners of the Parent Company	648,592,163.32	96,998,119.53
Total comprehensive income attributable to minority interest	-5,964,032.74	-2,771,572.35
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.14	0.15
(II) Diluted earnings per share (RMB/share)	0.14	0.15

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 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	**Amount for the period**	**Amount for the previous period**
I. Operating income	**1,242,383,014.69**	**1,292,492,077.87**
Less: Operating cost	843,778,929.38	888,612,178.82
Tax and surcharges	310,211.52	348,610.99
Selling expenses	132,118,620.36	133,945,486.54
Administrative expenses	153,062,189.52	161,460,172.79
Finance cost	-3,467,853.95	-2,623,447.62
Loss on impairment of assets	16,206,326.36	1,556,847.68
Add: Gains on fair value changes (loss expressed with“-”)	-10,279.16	–
Investment income (loss expressed with“-”)	8,790,938.73	15,143,093.62
Including: Income from investment in associates and joint ventures	1,959,609.93	-1,872,542.42
Income from disposal of assets (loss expressed with“-”)	11,057.69	6,516.78
Other income	464,700.61	373,376.22
II. Operating profit (loss expressed with“-”)	**109,631,009.37**	**124,715,215.29**
Add: Non-operating income	28,739.69	36,330.40
Less: Non-operating expenses	1,600,526.72	2,283,206.90
III. Total profit (total loss expressed with “-”)	**108,059,222.34**	**122,468,338.79**
IV. Net profit (net loss expressed with “-”)	**108,059,222.34**	**122,468,338.79**
(I) Net profit from continuing operations (net loss expressed with “-”)	108,059,222.34	122,468,338.79

Item	Amount for the period	Amount for the previous period
V. Other comprehensive income after tax, net	**497,364,800.00**	**-89,740,800.00**
(I) Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	497,364,800.00	–
1. Gains or losses arising from changes in fair values of financial assets at fair value through other comprehensive income	497,364,800.00	–
(II) Other comprehensive income that will be reclassified to profit or loss in subsequent periods	–	-89,740,800.00
1. Gain/loss on fair value movement for available-for-sale financial assets	–	-89,740,800.00
VI. Total comprehensive income	**605,424,022.34**	**32,727,538.79**
VII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.09	0.10
(II) Diluted earnings per share (RMB/share)	0.09	0.10

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 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	Amount for the period	Amount for the previous period
I. Cash flows from operating activities:		
Cash receipts from sale of goods and renderings of services	1,388,992,214.66	1,380,801,724.19
Cash received from tax refund	367,910.15	823,254.54
Other cash receipts relating to operating activities	40,709,223.74	54,210,778.84
Sub-total of cash inflows from operating activities	1,430,069,348.55	1,435,835,757.57
Cash paid for goods purchased and services received	906,120,564.26	977,512,138.12
Cash paid to and on behalf of employees	382,544,248.63	307,826,336.36
Payments of taxes	33,572,084.53	45,726,425.21
Other cash payments relating to operating activities	261,021,251.57	252,495,454.62
Sub-total of cash outflows from operating activities	**1,583,258,148.99**	**1,583,560,354.31**
Net cash flow from operating activities	**-153,188,800.44**	**-147,724,596.74**

Item	Amount for the period	Amount for the previous period
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	477,989,639.86	599,192,500.00
Cash receipts from investment income	7,191,696.34	16,970,438.93
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	16,961.50	52,143.36
Net cash receipts from disposals of subsidiaries and other operating units	389,334.87	–
Other cash receipts relating to investing activities	15,703,462.05	121,250,819.19
Sub-total of cash inflows from investing activities	**501,291,094.62**	**737,465,901.48**
Cash paid to acquire fixed assets, intangible assets and other long-term assets	18,904,918.01	71,248,692.32
Cash paid to acquire investments	610,138,091.48	287,253,818.00
Sub-total of cash outflows from investing activities	**629,043,009.49**	**358,502,510.32**
Net cash flow from investment activities	**-127,751,914.87**	**378,963,391.16**
III. Cash flows from financing activities:		
Cash paid for dividend, profit appropriation or interest	202,228.29	118,545,715.60
Including: Dividends and profits paid by subsidiaries to minority interests	202,288.29	–
Sub-total of cash outflows from financing activities	**202,228.29**	**118,545,715.60**
Net cash flow from financing activities	**-202,228.29**	**-118,545,715.60**
IV. Net increase in cash and cash equivalents	**-281,142,943.60**	**112,693,078.82**
Add: Opening balance of cash and cash equivalents	1,825,572,649.15	1,634,167,257.70
V. Closing balance of cash and cash equivalents	**1,544,429,705.55**	**1,746,860,336.52**

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 March 2018

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

Unit and Currency: RMB Audit status: Unaudited

Item	Amount for the period	Amount for the previous period
I. Cash flows from operating activities:		
Cash receipts from sale of goods and renderings of services	1,030,949,980.47	1,229,393,873.35
Other cash receipts relating to operating activities	15,142,736.64	20,626,440.10
Sub-total of cash inflows from operating activities	**1,046,092,717.11**	**1,250,020,313.45**
Cash paid for goods purchased and services received	645,055,638.92	738,327,263.21
Cash paid to and on behalf of employees	257,213,654.50	201,812,423.01
Payments of taxes	618,134.43	13,116,691.59
Other cash payments relating to operating activities	157,982,827.09	167,231,126.44
Sub-total of cash outflows from operating activities	**1,060,870,254.94**	**1,120,487,504.25**
Net cash flow from operating activities	**-14,777,537.83**	**129,532,809.20**
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	485,525,055.42	456,000,000.00
Cash receipts from investment income	7,099,216.79	17,256,574.20
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	11,305.00	8,725.00
Other cash receipts relating to investing activities	41,500,000.00	121,250,819.19
Sub-total of cash inflows from investing activities	**534,135,577.21**	**594,516,118.39**
Cash paid to acquire fixed assets, intangible assets and other long-term assets	17,839,817.58	65,578,375.39
Cash paid to acquire investments	570,138,091.48	132,000,000.00
Net cash paid for acquisition of subsidiaries and other operating units	119,235,854.11	–
Sub-total of cash outflows from financing activities	**707,213,763.17**	**197,578,375.39**
Net cash flow from financing activities	**-173,078,185.96**	**396,937,743.00**

Item	Amount for the period	Amount for the previous period
III. Cash flows from financing activities:		
Cash paid for repayment of debts	–	20,000,000.00
Cash paid for dividend, profit appropriation or interest	–	118,545,715.60
Sub-total of cash outflows from financing activities	–	**138,545,715.60**
Net cash flow from financing activities	–	**-138,545,715.60**
IV. Net increase in cash and cash equivalents	-187,855,723.79	387,924,836.60
Add: Opening balance of cash and cash equivalents	1,105,004,995.34	915,684,202.39
V. Closing balance of cash and cash equivalents	917,149,271.55	1,303,609,038.99

Legal Representative of the Company: He Zhiyong

Person-in-charge of accounting affairs: Zhu Zaixiang

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

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

Sichuan, the PRC, 27 April 2018

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

* *For identification purposes only*