

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Everbright Securities Company Limited
光大證券股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6178)

2017 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2017 third quarterly report of Everbright Securities Company Limited (the “**Company**”) and its subsidiaries as of September 30, 2017. The financial report contained herein is prepared under the General Accepted Accounting Principles of the People's Republic of China and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

By order of the Board
Everbright Securities Company Limited
Xue Feng
Chairman

Shanghai, the PRC
October 26, 2017

As at the date of this announcement, the board of directors of the Company comprises Mr. Gao Yunlong (Non-executive Director), Mr. Ge Haijiao (Non-executive Director), Mr. Xue Feng (Chairman, Executive Director), Mr. Ju Hao (Non-executive Director), Mr. Yin Lianchen (Non-executive Director), Mr. Chan Ming Kin (Non-executive Director), Mr. Xu Jingchang (Independent Non-executive Director), Mr. Xiong Yan (Independent Non-executive Director), Mr. Li Zheping (Independent Non-executive Director) and Mr. Au Sing Kun (Independent Non-executive Director).

1. IMPORTANT NOTICE

- 1.1** The board of directors of the Company, the supervisory committee, directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents in this quarterly report and there is no misrepresentation, misleading statement or material omission from this quarterly report and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents contained herein.
- 1.2** All directors of the Company attended the meeting of the board of directors to review the quarterly report.
- 1.3** Xue Feng, the person-in-charge of the Company, Xue Feng, the person in-charge of the accounting affairs, and He Mannian, the head of the accounting department, warrant and guarantee the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4** This third quarterly report of the Company has not been audited.

2. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of last year	Variance as compared to the end of last year (%)
Total assets	199,313,044,355.96	177,637,258,731.85	12.20
Net assets attributable to shareholders of the Company	48,903,897,380.33	47,195,711,242.53	3.62
	From the beginning of the year to the end of the reporting period (January to September)	From the beginning of last year to the end of the last reporting period (January to September)	Variance as compared to the last corresponding period (%)
Net cash generated from operating activities	-8,500,486,614.57	-10,245,205,858.10	N/A

	From the beginning of the year to the end of the reporting period (January to September)	From the beginning of last year to the end of the last reporting period (January to September)	Variance as compared to the last corresponding period (%)
Operating income	6,673,005,772.99	6,446,282,008.85	3.52
Profit attributable to shareholders of the Company	2,269,674,812.76	2,386,337,934.74	-4.89
Profit attributable to shareholders of the Company after deducting non-recurring profit or loss	2,005,194,661.73	2,262,992,196.68	-11.39
Weighted average returns on net assets (%)	4.73	6.06	Decreased by 1.33 percentage points
Basic earnings per share (RMB/Share)	0.4923	0.6108	-19.40
Diluted earnings per share (RMB/Share)	0.4923	0.6108	-19.40

Non-recurring items and amounts

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB			
Items	Amount for this period (July to September)	Amount from the beginning of the year to the end of the reporting period (January to September)	Description
Gains or losses from disposals of non-current assets	98,537.23	268,513.01	
Government grants recognized in current profit or loss, excluding those closely related to the Company's normal operations and granted on an ongoing basis under the state's policies according to certain quota of amount or volume	7,843,507.08	354,473,607.06	Fiscal aid
Other non-operating income and expenses except items above	-1,843,936.40	2,930,615.94	
Effect of non-controlling interests (net of tax)	-744,506.44	-3,760,278.21	
Effect of income tax	-1,524,370.92	-89,432,306.77	
Total	3,829,230.55	264,480,151.03	

2.2 Total number of shareholders and shareholdings of top ten shareholders and top ten shareholders of tradable shares (or shareholders holding shares without selling restrictions) as of the end of the reporting period

Unit: share

Total number of shareholders 95,916, among which 95,704 are A shareholders and 212 are registered H shareholders

Shareholding of top ten shareholders

Name of shareholder (full name)	Shareholding at the end of the period	Shareholding percentage (%)	Number of shares subject to selling restrictions	Pledge or frozen Share state	Number	Nature of shareholder
China Everbright Corporation Limited	1,159,456,183	25.15	0	none		State-owned legal person
China Everbright Limited	1,074,250,000	23.30	0	none		Foreign legal person
HKSCC Nominees Limited	703,649,200	15.26	0	unknown		Other
China Securities Finance Corporation Limited	225,915,930	4.90	0	none		Other
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	152,718,387	3.31	0	none		Other
New China Fund – Minsheng Bank – Everbright Securities Private Placement No. 1 Asset Management Plan	60,787,354	1.32	0	none		Other
China Great Wall Asset Management Co., Ltd.	54,978,619	1.19	0	none		State-owned legal person
Central Huijin Asset Management Ltd.	37,568,900	0.81	0	none		State-owned legal person
Shaanxi International Trust Co., Ltd. – SITI • Qogori No. 10 Securities Investment Assembled Funds Trust Plan	22,252,847	0.48	0	none		Other
Bank of China Limited – China Merchants CSI All Share Securities Company Index Classified Securities Investment Fund	21,361,297	0.46	0	none		Other

**Shareholdings of top ten shareholders holding shares
without selling restrictions**

Name of shareholder	Number of shares held without selling restrictions	Class and number of shares	
		Class	Number
China Everbright Group Corporation Limited	1,159,456,183	Renminbi denominated ordinary shares	1,159,456,183
China Everbright Limited	1,074,250,000	Renminbi denominated ordinary shares	1,074,250,000
HKSCC Nominees Limited	703,649,200	Overseas listed foreign shares	703,649,200
China Securities Finance Corporation Limited	225,915,930	Renminbi denominated ordinary shares	225,915,930
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	152,718,387	Renminbi denominated ordinary shares	152,718,387
New China Fund – Minsheng Bank – Everbright Securities Private Placement No. 1 Asset Management Plan	60,787,354	Renminbi denominated ordinary shares	60,787,354
China Great Wall Asset Management Co., Ltd.	54,978,619	Renminbi denominated ordinary shares	54,978,619
Central Huijin Asset Management Ltd.	37,568,900	Renminbi denominated ordinary shares	37,568,900
Shaanxi International Trust Co., Ltd. – SITI • Qogori No. 10 Securities Investment Assembled Funds Trust Plan	22,252,847	Renminbi denominated ordinary shares	22,252,847
Bank of China Limited – China Merchants CSI All Share Securities Company Index Classified Securities Investment Fund	21,361,297	Renminbi denominated ordinary shares	21,361,297

Note on connected relations or concerted actions of the above shareholders

Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd., which holds 55.67% equity interests in China Everbright Group Corporation Limited. China Everbright Limited is a controlled subsidiary of China Everbright Holdings Company Limited, a wholly-owned subsidiary of China Everbright Group Corporation Limited.

Save for the above, the Company is unaware of whether the above shareholders are connected to each other or are parties acting in concert.

Note: The information relating to the pledged or frozen shares of A shareholders and the nature of shareholder is based on the register of members of the Company provided by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. Among the H shareholders of the Company, HKSCC Nominees Limited held the H Shares on behalf of the non-registered shareholders.

2.3 Total number of shareholders of preference shares, top ten shareholders of preference shares, top ten shareholders of preference shares not subject to selling restrictions as at the end of the reporting period

☐ Applicable ☒ Not applicable

3. MAJOR EVENTS

3.1 Substantial changes in major accounting statement items and financial indicators of the Company and the reasons for such changes

√ Applicable □ Not applicable

Unit: '0,000 Currency: RMB

Items	As at the end of the reporting period	As at the end of last year	Increase/ Decrease (%)	Reasons for the change
Financial assets at fair value through profit or loss	3,419,748	2,465,011	39	Increase in financial assets held at the end of the period
Financial assets held under resale agreements	1,898,021	958,645	98	Increase in scale of the collateralized stock repurchase transactions
Accounts receivable	385,130	248,448	55	Increase in settlement funds receivable
Dividends receivable	8,606	5,677	52	Increase in cash dividends receivable from associates
Available-for-sale financial assets	3,546,677	1,769,487	100	Increase in financial assets held at the end of the period
Held-to-maturity investments	38,482	15,934	142	Increase in financial assets held at the end of the period
Long-term equity investments	120,611	173,740	-31	Amount received from sales of investments in joint ventures
Construction in progress	84	256	-67	Completion and carrying-forward of renovation works
Deferred tax assets	16,599	50,901	-67	Decrease in deductible temporary difference
Short-term debt instruments issued	795,644	592,970	34	Issuance of short-term corporate bonds during this period
Placements from other financial institutions	279,370	910,756	-69	Repayment in refinancing funds during this period
Derivative financial liabilities	12,211	8,162	50	Change in fair value of over-the-counter options
Financial assets sold under repurchase agreements	2,395,024	851,690	181	Increase in scale of the bond repurchase transactions
Taxes payable	65,545	107,798	-39	Decrease in withholding individual income tax payable
Accounts payable	155,924	91,712	70	Increase in settlement funds payable
Dividends payable	33	–	N/A	Distribution of cash dividend during this period
Long-term borrowings	410,174	264,646	55	Increase in long-term collateralized borrowings from subsidiaries
Bonds payables	4,079,025	2,862,673	42	Issuance of corporate bonds during this period
Deferred tax liabilities	16,762	26,996	-38	Decrease in taxable temporary difference
Other liabilities	1,137,084	552,033	106	Increase in structured entities within the scope of consolidation
Other comprehensive income	58,275	27,369	113	Change in fair value of available-for-sale financial assets

Items	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the last reporting period	Increase/Decrease (%)	Reasons for the change
Net fee income from investment banking business	61,019	116,855	-48	Decrease in income from main underwriting business
Investment gains	173,737	101,868	71	Increase in investment income of financial assets
Gain arising from fair value changes	603	-17,349	N/A	Change in fair value of financial instruments
Foreign exchange gains	-11,836	4,762	N/A	Effect of change in foreign exchange rates
Other income	35,447	–	N/A	Fiscal aid reclassified into operating income based on the new principles
Other operating income	12,471	8,105	54	Income increase from agent business
Business tax and surcharges	4,652	19,996	-77	No business tax to be paid during this period
Impairment losses of assets	714	2,403	-70	Decrease in provision for bad debts
Other operating cost	852	309	176	Cost increase for opening accounts
Non-operating income	733	21,772	-97	Fiscal aid reclassified into operating income based on the new principles
Non-operating expenses	413	4,305	-90	Decrease in litigation claim
Other comprehensive income, net of tax	26,443	-83,061	N/A	Change in fair value of available-for-sale financial assets

3.2 Progress of significant events and analysis on their impact and solutions

☒ Applicable ☐ Not Applicable

Following the approval granted by the Company at the 2017 fourth extraordinary general meeting and the fourth meeting of the fifth session of the employee representative meeting, the re-election of the fifth session of the board of directors of the Company and the fifth session of the supervisory committee of the Company has been completed. For details, please refer to the relevant announcements of the Company (2017-050 and 2017-051).

3.3 Commitments not fulfilled during the reporting period

☐ Applicable ☒ Not Applicable

3.4 Warnings on any potential loss in accumulated net profit for the period from the beginning of the year to the end of the next reporting period or any material changes from the corresponding period last year and the reasons thereof

☐ Applicable ☒ Not Applicable

Name of the Company
Legal representative
Date

Everbright Securities Company Limited
Xue Feng
October 26, 2017

4. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

September 30, 2017

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Balances at the end of the reporting period	Balances at the beginning of the year
Assets:		
Cash and bank balances	49,036,614,718.55	61,195,198,660.43
Including: Cash held on behalf of brokerage clients	38,722,762,849.51	45,882,283,948.53
Clearing settlement funds	5,104,341,684.60	5,841,385,549.91
Including: Settlement funds held on behalf of brokerage clients	5,008,071,041.76	5,690,952,731.67
Margin accounts receivable	35,644,972,001.38	37,427,743,869.04
Financial assets at fair value through profit or loss	34,197,482,427.68	24,650,113,280.36
Derivative financial assets	88,902,928.97	97,317,079.79
Financial assets held under resale agreements	18,980,208,955.09	9,586,454,655.03
Accounts receivables	3,851,295,716.40	2,484,479,751.13
Interest receivable	1,657,764,123.04	1,295,388,363.66
Refundable deposits	4,309,389,917.97	5,784,186,866.27
Dividends receivable	86,059,710.22	56,773,494.10
Available-for-sale financial assets	35,466,765,457.39	17,694,873,893.84
Held-to-maturity investments	384,823,055.25	159,339,743.84
Long-term equity investments	1,206,105,400.15	1,737,404,041.60
Fixed assets	829,924,661.35	857,666,770.75
Construction in progress	843,549.87	2,560,649.47
Intangible assets	599,924,000.95	761,860,014.03
Goodwill	1,431,669,203.91	1,506,745,908.31
Long-term deferred expenses	100,076,487.27	100,688,875.49
Deferred tax assets	165,989,309.92	509,005,280.57
Other assets	6,169,891,046.00	5,888,071,984.23
Total assets	199,313,044,355.96	177,637,258,731.85

Items	Balances at the end of the reporting period	Balances at the beginning of the year
Liabilities:		
Short-term borrowings	6,601,192,975.87	7,345,161,030.63
Short-term debt instruments issued	7,956,438,789.93	5,929,702,228.66
Placements from other financial institutions	2,793,700,000.00	9,107,560,000.00
Financial liabilities at fair value through profit or loss	716,950,577.81	596,900,123.93
Derivative financial liabilities	122,107,829.34	81,622,771.57
Financial assets sold under repurchase agreements	23,950,243,368.43	8,516,900,703.94
Accounts payable to brokerage clients	36,358,350,175.45	45,289,402,529.10
Proceeds from underwriting securities received on behalf of customers	—	—
Accounts payable to margin clients	9,064,419,734.43	9,948,989,021.56
Employee benefit payable	1,723,061,413.27	2,268,881,315.54
Taxes payable	655,454,839.00	1,077,984,916.07
Accounts payable	1,559,240,139.38	917,119,793.14
Interest payable	1,048,628,944.88	856,892,593.87
Dividends payable	327,052.58	—
Long-term borrowings	4,101,737,477.02	2,646,456,200.74
Bonds payables	40,790,250,014.01	28,626,729,697.48
Deferred tax liabilities	167,621,374.52	269,961,253.85
Other liabilities	11,370,841,611.21	5,520,331,631.59
Total liabilities	148,980,566,317.13	129,000,595,811.67
Equity or shareholders' equity:		
Paid-in capital or shares capital	4,610,787,639.00	4,610,787,639.00
Capital reserve	23,558,881,357.74	23,507,274,464.44
Other comprehensive income	582,754,132.88	273,692,173.34
Surplus reserve	2,637,868,019.13	2,637,868,019.13
General risk reserve	5,682,526,489.77	5,659,279,139.13
Retained profits	11,831,079,741.81	10,506,809,807.49
Total equity attributable to the owners of the Company or shareholders' equity	48,903,897,380.33	47,195,711,242.53
Non-controlling interests	1,428,580,658.50	1,440,951,677.65
Total equity or shareholders' equity	50,332,478,038.83	48,636,662,920.18
Total liabilities and equity or shareholders' equity	199,313,044,355.96	177,637,258,731.85
<i>Legal representative:</i> Xue Feng	<i>Person-in-charge of accounting affairs:</i> Xue Feng	<i>Head of accounting department:</i> He Mannian

Balance sheet of the Parent Company*September 30, 2017*

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Balances at the end of the reporting period	Balances at the beginning of the year
Assets:		
Cash and bank balances	26,414,002,587.69	41,688,857,565.78
Including: Cash held on behalf of brokerage clients	20,999,127,400.70	31,255,694,067.94
Clearing settlement funds	6,112,872,050.58	6,853,029,255.98
Including: Settlement funds held on behalf of brokerage clients	5,008,071,041.76	5,690,952,731.67
Margin accounts receivable	28,078,932,506.37	29,604,272,398.76
Financial assets at fair value through profit or loss	22,417,912,999.01	18,129,480,516.78
Derivative financial assets	94,328,796.73	106,914,341.77
Financial assets held under resale agreements	17,967,773,868.43	9,308,654,119.03
Accounts receivables	645,319,201.40	198,581,601.95
Interest receivable	1,312,150,408.17	1,205,586,258.15
Refundable deposits	915,243,209.22	2,548,953,996.50
Dividends receivable	81,145,526.61	56,688,214.48
Available-for-sale financial assets	30,226,122,805.06	13,369,850,538.55
Held-to-maturity investments	—	—
Long-term equity investments	9,194,810,199.97	7,297,457,824.29
Fixed assets	778,378,849.48	798,621,589.31
Construction in progress	843,549.87	2,560,649.47
Intangible assets	61,057,361.29	61,267,006.69
Long-term deferred expenses	68,973,573.91	61,293,406.02
Deferred tax assets	67,519,919.27	425,238,427.66
Other assets	3,514,393,850.24	4,129,295,473.81
Total assets	<u>147,951,781,263.30</u>	<u>135,846,603,184.98</u>

Items	Balances at the end of the reporting period	Balances at the beginning of the year
Liabilities:		
Short-term borrowings	–	–
Short-term debt instruments issued	7,956,438,789.93	5,929,702,228.66
Placements from other financial institutions	2,793,700,000.00	9,107,560,000.00
Financial liabilities at fair value through profit or loss	514,988,080.00	394,866,100.00
Derivative financial liabilities	111,281,804.79	81,547,561.57
Financial assets sold under repurchase agreements	22,555,470,900.10	8,277,679,221.89
Accounts payable to brokerage clients	21,393,277,985.62	30,723,862,135.01
Proceeds from underwriting securities received on behalf of customers	–	–
Accounts payable to margin clients	3,172,543,876.83	4,825,981,090.19
Employee benefit payable	1,367,380,649.72	1,751,225,533.41
Taxes payable	461,227,909.67	824,752,430.96
Accounts payable	213,616,393.99	323,886,819.25
Interest payable	1,005,702,765.05	811,935,085.74
Dividends payable	327,052.58	–
Long-term borrowings	–	–
Bonds payables	37,011,783,141.13	25,520,262,890.33
Deferred tax liabilities	–	–
Other liabilities	978,404,619.85	613,158,019.14
Total liabilities	99,536,143,969.26	89,186,419,116.15
Equity or shareholders' equity:		
Paid-in capital or shares capital	4,610,787,639.00	4,610,787,639.00
Capital reserve	25,138,970,656.74	25,138,970,656.74
Other comprehensive income	305,707,229.50	-284,380,301.84
Surplus reserve	2,637,868,019.13	2,637,868,019.13
General risk reserve	5,154,769,497.87	5,154,769,497.87
Retained profits	10,567,534,251.80	9,402,168,557.93
Total equity attributable to the owners of the Company or shareholders' equity	48,415,637,294.04	46,660,184,068.83
Total liabilities and equity or shareholders' equity	147,951,781,263.30	135,846,603,184.98

*Legal
representative:*
Xue Feng

*Person-in-charge of
accounting affairs:*
Xue Feng

*Head of accounting
department:*
He Mannian

Consolidated Income Statements

January to September 2017

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Amount for this period (July to September)	Amount for last period (July to September)	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
I. Operating Income	2,705,859,763.52	2,393,382,389.89	6,673,005,772.99	6,446,282,008.85
Net fee and commission income	1,434,295,769.33	1,416,502,477.31	3,525,861,193.96	4,343,495,567.44
Including: Net fee income from brokerage business	783,630,139.65	779,629,651.17	2,028,208,760.97	2,400,323,681.52
Net fee income from investment banking business	296,682,302.95	419,069,656.88	610,185,263.09	1,168,550,976.48
Net fee income from asset management business	199,077,096.22	99,589,243.14	398,172,205.82	377,286,675.19
Net interest income	354,339,392.33	447,250,486.24	1,042,906,199.40	1,128,928,218.15
Investment gains (losses are denoted by “-”)	906,336,225.71	360,133,453.97	1,737,373,655.04	1,018,675,222.39
Including: Gains attributable to investment in associates and joint ventures	26,943,579.26	18,109,648.90	76,418,703.02	38,368,344.67
Gain arising from fair value changes (losses are denoted by “-”)	-32,929,428.79	85,373,757.80	6,033,760.50	-173,490,289.30
Foreign exchange gains (losses are denoted by “-”)	6,232,685.97	59,917,533.34	-118,356,834.56	47,623,150.73
Other income	7,843,507.08	–	354,473,607.06	–
Other operating income	29,741,611.89	24,204,681.23	124,714,191.59	81,050,139.44
II. Operating expenses	1,318,992,675.19	1,219,452,319.40	3,653,716,614.01	3,533,523,087.81
Tax and surcharges	16,819,106.25	17,332,915.44	46,523,844.08	199,964,125.00
General and administrative expenses	1,296,567,169.82	1,195,756,567.59	3,591,540,855.52	3,306,437,850.99
Impairment losses of assets	2,821,682.79	4,863,033.09	7,135,727.79	24,032,095.66
Other operating cost	2,784,716.33	1,499,803.28	8,516,186.62	3,089,016.16
III. Operating profit (losses are denoted by “-”)	1,386,867,088.33	1,173,930,070.49	3,019,289,158.98	2,912,758,921.04
Add: Non-operating income	599,538.53	622,681.85	7,326,199.74	217,719,458.31
Less: Non-operating expenses	2,344,937.70	140,726.18	4,127,070.79	43,045,456.74
IV. Profit before income tax (losses are denoted by “-”)	1,385,121,689.16	1,174,412,026.16	3,022,488,287.93	3,087,432,922.61
Less: Income tax expense	323,607,927.75	294,902,445.12	674,300,310.08	676,357,897.26

Items	Amount for this period (July to September)	Amount for last period (July to September)	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
V. Profit for the period net (losses are denoted by “-”)	1,061,513,761.41	879,509,581.04	2,348,187,977.85	2,411,075,025.35
Including: Profit for the period attributable to owners (or shareholders) of the Company	1,032,186,739.90	871,629,306.66	2,269,674,812.76	2,386,337,934.74
Non-controlling interests	29,327,021.51	7,880,274.38	78,513,165.09	24,737,090.61
VI. Other comprehensive income, net of tax	-11,217,663.05	92,699,789.31	264,433,985.03	-830,610,406.27
Other comprehensive income, net of tax, attributable to owners of the Company	9,208,131.47	84,787,325.66	309,061,959.54	-868,981,884.34
I) Items that will not be reclassified subsequently to profit or loss	-	-	-	-
II) Items that may be reclassified to profit or loss	9,208,131.47	84,787,325.66	309,061,959.54	-868,981,884.34
1. Share of other comprehensive income of the investee accounted for using the equity method that will be reclassified to profit or loss	-116,619.73	287,157.92	-2,449,219.73	-4,396,286.10
2. Change in fair value of available-for-sale financial assets	22,605,602.56	73,010,219.48	331,182,644.09	-852,617,675.14
3. Gain/loss arising from the reclassification from held-to-maturity investments to available-for-sale financial assets	-	-	-	-
4. The effective hedging portion of gains or losses arising from cash flow hedging instruments	-	-	-	-
5. Currency translation difference	-13,280,851.36	11,489,948.26	-19,671,464.82	-11,967,923.10
6. Others	-	-	-	-
Other comprehensive income, net of tax, attributable to the non-controlling interests	-20,425,794.52	7,912,463.65	-44,627,974.51	38,371,478.07
VII. Total comprehensive income	1,050,296,098.36	972,209,370.35	2,612,621,962.88	1,580,464,619.08
Total comprehensive income attributable to owners of the Company	1,041,394,871.37	956,416,632.32	2,578,736,772.30	1,517,356,050.40
Total comprehensive income attributable to the non-controlling interests	8,901,226.99	15,792,738.03	33,885,190.58	63,108,568.68
VIII. Earnings per share:				
I) Basic (Yuan/share)	0.2239	0.2231	0.4923	0.6108
II) Diluted (Yuan/share)	0.2239	0.2231	0.4923	0.6108

Legal representative:
Xue Feng

Person-in-charge of accounting affairs:
Xue Feng

Head of accounting department:
He Mannian

Income Statements of the Parent Company

January to September 2017

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Amount for this period (July to September)	Amount for last period (July to September)	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
I. Operating Income	1,960,887,974.27	1,830,049,991.20	4,836,612,830.14	5,003,318,074.69
Net fee and commission income	899,587,302.25	1,027,535,665.04	2,153,010,037.13	3,119,019,597.55
Including: Net fee income from brokerage business	592,920,529.62	603,568,691.29	1,544,323,999.34	1,953,839,413.45
Net fee income from investment banking business	292,564,391.92	409,982,874.52	575,978,412.58	1,121,947,996.74
Net fee income from asset management business	-	-	-	-
Net interest income	238,417,652.97	374,453,270.71	943,651,397.16	1,062,162,946.21
Investment gains (losses are denoted by "-")	749,386,840.66	298,247,890.27	1,557,801,689.69	1,051,992,187.26
Including: Gains attributable to investment in associates and joint ventures	22,011,692.08	15,436,390.48	53,921,595.41	34,938,633.26
Gain arising from fair value changes (losses are denoted by "-")	70,902,814.87	63,414,382.03	-37,798,082.20	-310,300,975.82
Foreign exchange gains (losses are denoted by "-")	-4,647,008.36	59,165,140.21	-144,749,105.52	61,668,588.21
Other income	108,662.08	-	337,432,318.06	-
Other operating income	7,131,709.80	7,233,642.94	27,264,575.82	18,775,731.28
II. Operating expenses	815,693,659.68	816,374,096.12	2,269,522,466.10	2,231,181,300.30
Tax and surcharges	14,088,773.67	14,737,289.97	39,435,078.01	171,413,493.00
General and administrative expenses	796,223,293.17	798,639,685.01	2,222,474,349.38	2,067,056,828.56
Impairment losses of assets	2,094,455.22	1,294,414.74	-1,653,474.11	-11,018,136.36
Other operating cost	3,287,137.62	1,702,706.40	9,266,512.82	3,729,115.10
III. Operating profit (losses are denoted by "-")	1,145,194,314.59	1,013,675,895.08	2,567,090,364.04	2,772,136,774.39
Add: Non-operating income	594,405.12	-1,558,409.82	6,802,819.83	174,449,611.25
Less: Non-operating expenses	1,972,254.60	9,928.59	2,257,082.11	40,723,643.67
IV. Profit before income tax (losses are denoted by "-")	1,143,816,465.11	1,012,107,556.67	2,571,636,101.76	2,905,862,741.97
Less: Income tax expense	256,800,686.50	244,245,693.00	484,112,880.09	532,180,389.78

Items	Amount for this period (July to September)	Amount for last period (July to September)	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
V. Profit for the period, net (losses are denoted by “-.”)	887,015,778.61	767,861,863.67	2,087,523,221.67	2,373,682,352.19
VI. Other comprehensive income, net of tax	151,471,615.24	50,696,573.45	590,087,531.34	-755,983,422.04
I) Items that will not be reclassified subsequently to profit or loss	-	-	-	-
II) Items that may be reclassified to profit or loss	151,471,615.24	50,696,573.45	590,087,531.34	-755,983,422.04
1. Share of other comprehensive income of the investee accounted for using the equity method that will be reclassified to profit or loss	-116,619.73	287,157.92	-2,449,219.73	-4,396,286.10
2. Change in fair value of available-for-sale financial assets	151,588,234.97	50,409,415.53	592,536,751.07	-751,587,135.94
3. Gain/loss arising from the reclassification from held-to-maturity investments to available-for-sale financial assets	-	-	-	-
4. The effective hedging portion of gains or losses arising from cash flow hedging instruments	-	-	-	-
5. Currency translation difference	-	-	-	-
6. Others	-	-	-	-
VII. Total comprehensive income	1,038,487,393.85	818,558,437.12	2,677,610,753.01	1,617,698,930.15
<i>Legal representative:</i> Xue Feng	<i>Person-in-charge of accounting affairs:</i> Xue Feng	<i>Head of accounting department:</i> He Mannian		

Consolidated Statements of Cash Flows

January to September 2017

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
I. Cash flows from operating activities:		
Net increase in disposal of financial assets at fair value through profit or loss	–	1,782,322,201.37
Cash received from interests, fees and commissions	8,573,319,667.81	9,032,721,213.23
Net increase in placements from other financial institutions	–	5,000,000,000.00
Net increase in financial assets sold under repurchase agreements	6,039,588,364.43	–
Net decrease in margin accounts receivable	1,831,188,606.26	10,855,822,364.74
Net cash received from securities trading agency services	–	–
Net decrease in finance lease receivables	828,236,314.37	–
Cash received relating to other operating activities	3,535,190,416.13	1,240,998,562.63
Sub-total of cash inflows from operating activities	20,807,523,369.00	27,911,864,341.97
Net cash paid in purchase of financial assets at fair value through profit or loss	8,453,810,019.71	–
Net decrease in placements from other financial institutions	6,313,860,000.00	–
Net increase in margin accounts receivable	–	–
Net cash paid from securities trading agency services	6,462,164,344.87	14,694,131,238.07
Cash payment of interest, fees and commissions	1,569,760,719.35	2,097,335,629.08
Cash paid to and on behalf of employees	2,854,656,706.59	2,915,989,347.60
Payment for taxes and levies	1,437,681,031.79	2,610,320,776.26
Net decrease in financial assets sold under repurchase agreements	–	10,012,784,192.47
Net increase in finance lease receivables	–	77,808,785.39
Cash paid relating to other operating activities	2,216,077,161.26	5,748,700,231.20
Sub-total of cash outflows from operating activities	29,308,009,983.57	38,157,070,200.07
Net cash from operating activities	-8,500,486,614.57	-10,245,205,858.10

Items	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
II. Cash flows from investing activities:		
Cash received from sales of investments	21,473,223,002.54	1,723,379,271.16
Cash received from return on investments	500,493,685.65	57,777,662.80
Cash received relating to other investing activities	408,149.50	453,920.71
Sub-total of cash inflows from investing activities	21,974,124,837.69	1,781,610,854.67
Cash paid for acquisition of investments	33,322,827,375.27	9,021,373,208.21
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	122,251,185.01	102,880,770.00
Cash paid relating to other investing activities	24,522,937.02	—
Sub-total of cash outflows from investing activities	33,469,601,497.30	9,124,253,978.21
Net cash from investing activities	-11,495,476,659.61	-7,342,643,123.54
III. Cash flows from financing activities:		
Cash received from capital injection	—	7,368,307,938.00
Cash received from borrowings	14,142,454,914.64	4,589,769,626.04
Cash received from bonds issued	23,300,000,000.00	13,843,736,212.32
Cash received relating to other financing activities	—	—
Sub-total of cash inflows from financing activities	37,442,454,914.64	25,801,813,776.36
Cash repayment of debts	19,552,862,000.00	23,825,117,000.00
Cash repayment of borrowings	2,851,543,131.85	2,692,936,382.32
Cash paid for distribution of dividends, or profits or for interest expenses	2,510,654,444.51	4,011,607,033.22
Including: Dividends and profits paid to non-controlling interests by subsidiaries	21,733,272.73	70,975,313.84
Cash paid relating to other financing activities	—	—
Sub-total of cash outflows from financing activities	24,915,059,576.36	30,529,660,415.54
Net cash from financing activities	12,527,395,338.28	-4,727,846,639.18
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	-138,028,299.38	47,623,150.73
V. Net increase in cash and cash equivalents	-7,606,596,235.28	-22,268,072,470.09
Add: Cash and cash equivalents at the beginning of the period	60,510,628,178.92	83,323,877,724.33
VI. Cash and cash equivalents at the end of the period	52,904,031,943.64	61,055,805,254.24

*Legal
representative:*
Xue Feng

*Person-in-charge of
accounting affairs:*
Xue Feng

*Head of accounting
department:*
He Mannian

Cash Flow Statement of Parent Company

January to September 2017

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
I. Cash flows from operating activities:		
Net increase in disposal of financial assets at fair value through profit or loss	–	1,780,651,865.70
Cash received from interests, fees and commissions	6,228,046,381.16	6,773,567,735.29
Net increase in placements from other financial institutions	–	5,000,000,000.00
Net increase in financial assets sold under repurchase agreements	5,618,671,928.81	–
Net decrease in margin accounts receivable	1,526,866,759.15	11,535,700,122.14
Net cash received from securities trading agency services	–	–
Cash received relating to other operating activities	1,461,932,452.85	966,139,807.15
Sub-total of cash inflows from operating activities	14,835,517,521.97	26,056,059,530.28
Net cash paid in purchase of financial assets at fair value through profit or loss	3,432,121,973.94	–
Net decrease in placements from other financial institutions	6,313,860,000.00	–
Net increase in margin accounts receivable	–	–
Net cash paid from securities trading agency services	10,115,908,663.61	17,496,819,247.07
Cash payment of interest, fees and commissions	1,282,408,227.08	1,619,252,835.06
Cash paid to and on behalf of employees	1,981,104,614.80	2,083,949,128.84
Payment for taxes and levies	1,011,166,094.67	2,233,596,073.82
Net decrease in financial assets sold under repurchase agreement	–	9,373,692,939.80
Cash paid relating to other operating activities	208,877,709.35	6,858,608,558.47
Sub-total of cash outflows from operating activities	24,345,447,283.45	39,665,918,783.06
Net cash from operating activities	-9,509,929,761.48	-13,609,859,252.78

Items	Amounts from the beginning of the year to the end of the reporting period (January to September)	Amounts from the beginning of the last year to the end of the reporting period (January to September)
II. Cash flows from investing activities:		
Cash received from sales of investments	20,692,867,719.18	21,538,092.05
Cash received from return on investments	591,019,414.25	395,528,262.53
Cash received relating to other investing activities	408,149.50	3,336,801.41
Sub-total of cash inflows from investing activities	21,284,295,282.93	420,403,155.99
Cash paid for acquisition of investments	32,242,640,836.39	7,807,507,050.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	121,181,128.63	75,732,968.88
Net cash payments for acquisition of subsidiaries and other operating business units	1,868,130,000.00	800,000,000.00
Cash paid relating to other investing activities	–	–
Sub-total of cash outflows from investing activities	34,231,951,965.02	8,683,240,018.88
Net cash from investing activities	-12,947,656,682.09	-8,262,836,862.89
III. Cash flows from financing activities:		
Cash received from capital injection	–	7,368,307,938.00
Cash received from borrowings	10,578,384,000.00	–
Cash received from bonds issued	22,500,000,000.00	13,843,736,212.32
Cash received relating to other financing activities	–	–
Sub-total of cash inflows from financing activities	33,078,384,000.00	21,212,044,150.32
Cash repayment of debts	19,552,862,000.00	23,825,117,000.00
Cash paid for distribution of dividends, or profits or for interest expenses	2,140,934,846.23	3,733,649,908.85
Cash paid relating to other financing activities	–	–
Sub-total of cash outflows from financing activities	21,693,796,846.23	27,558,766,908.85
Net cash from financing activities	11,384,587,153.77	-6,346,722,758
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	-144,749,105.52	61,668,588.21
V. Net increase in cash and cash equivalents	-11,217,748,395.32	-28,157,750,285.99
Add: Cash and cash equivalents at the beginning of the period	43,068,303,069.59	68,977,988,635.67
VI. Cash and cash equivalents at the end of the period	31,850,554,674.27	40,820,238,349.68
<i>Legal representative:</i> Xue Feng	<i>Person-in-charge of accounting affairs:</i> Xue Feng	<i>Head of accounting department:</i> He Mannian

4.2 Audit Reports

☐ Applicable ☒ Not applicable