

## Key Financial Data And Financial Indicators

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit:(RMB) Yuan

Items	2012	2011	Rate of Change(%)
Revenue	2,384,029,702.70	1,460,044,836.88	63.28%
Net profit attributable to shareholders of listed company	643,202,645.16	424,356,645.25	51.57%
Net profit attributable to shareholders of listed company after deducting non-recurring gains/losses	607,042,182.54	399,063,937.47	52.12%
Net cash flow from operating activities	174,686,445.89	-139,510,883.12	225.21%
Basic Earnings per share	1.40	0.92	52.17%
Diluted Earnings per share	1.40	0.92	52.17%
Return on weighted average net assets (%)	22.55%	17.71%	4.84%
	31 Dec 2012	31 Dec 2011	Rate of Change(%)
Total assets	4,683,847,249.41	3,044,896,386.09	53.83%
Total equities attributable to shareholders of listed company	3,146,330,818.37	2,576,827,032.11	22.10%

## Consolidated Balance Sheet

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Assets	31 Dec 2012	31 Dec 2011
Current assets:		
Cash at bank and on hand	965,967,344.79	1,085,210,290.86
Tradable financial assets		
Note receivable	179,976,612.55	31,323,588.00
Accounts receivable	924,969,961.77	524,964,568.48
Accounts prepaid	219,864,215.99	159,521,257.78
Interests receivable	2,322,666.61	16,418,612.23
Dividend receivable		
Other receivables	62,906,623.72	39,071,723.00
Inventories	949,217,553.31	549,425,161.31
Non-current assets due within one year		
Other current assets	182,500,000.00	
<b>Total current assets</b>	<b>3,487,724,978.74</b>	<b>2,405,935,201.66</b>
<i>Non-current assets:</i>		
Saleable financial assets		
Held-to-maturity investment		
Long-term accounts receivable		
Long-term equity investment	236,318,741.41	190,560,319.18
Investment property		
Fixed assets	680,444,007.73	286,178,497.40
Construction in progress	67,172,327.67	47,877,645.84
Engineer material		
Liquidation of fixed assets		
Productive Biological assets		
Oil and gas assets	78,444,141.99	
Intangible assets	106,720,061.26	93,216,214.59
Development expenditures		
Goodwill	586,412.06	586,412.06
Long-term prepaid expense	100,541.20	150,469.38
Deferred tax assets	26,336,037.35	10,791,625.98
Other non-current assets		9,600,000.00
<b>Total non-current assets</b>	<b>1,196,122,270.67</b>	<b>638,961,184.43</b>
<b>Total assets</b>	<b>4,683,847,249.41</b>	<b>3,044,896,386.09</b>

Chief Executive Officer:

Chief Financial Officer:

Financial Manager:

## Consolidated Balance Sheet (Continued)

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Liabilities and equities	31 Dec 2012	31 Dec 2011
<i>Current liability:</i>		
Short-term borrowings	625,687,652.90	149,293,140.90
Tradable financial liability		
Notes payable	122,916,496.61	30,505,126.22
Accounts payable	332,596,874.99	123,295,345.16
Advances from customers	302,109,201.65	124,760,909.67
Payroll payable	38,900,427.51	13,122,210.50
Tax payable	32,599,971.96	3,738,578.27
Interests payable	2,752,229.58	366,694.04
Dividend payable		
Other accounts payable	31,640,971.52	10,730,032.78
Non-current liabilities due within one year		
Other current liabilities		
<b>Total current liabilities</b>	<b>1,489,203,826.72</b>	<b>455,812,037.54</b>
<i>Non-current liabilities:</i>		
Long-term borrowings	20,000,000.00	
Bonds payable		
Long-term accounts payable	3,142,750.00	
Special accounts payable		
Estimated Liabilities	252,736.00	
Deferred tax liabilities		
Other non-current liabilities	10,000,000.00	
<b>Subtotal non-current liabilities</b>	<b>33,395,486.00</b>	-
<b>Total liabilities</b>	<b>1,522,599,312.72</b>	<b>455,812,037.54</b>
<i>Owners' equity:</i>		
Share capital	459,272,000.00	229,636,000.00
Capital reserve	1,318,688,813.45	1,549,967,932.45
Minus: treasury stock		
Surplus reserve	77,012,378.34	48,658,910.61
Risk provisions		
Retained earnings	1,295,863,943.05	749,905,565.62
Exchange differences on translating foreign operations	-4,506,316.47	-1,341,376.57
<b>Total equities attributable to the owners of parent company</b>	<b>3,146,330,818.37</b>	<b>2,576,827,032.11</b>
Equities of the minority of shareholders	14,917,118.32	12,257,316.44
<b>Total owners' equities</b>	<b>3,161,247,936.69</b>	<b>2,589,084,348.55</b>
<b>Total liabilities and owners' equities</b>	<b>4,683,847,249.41</b>	<b>3,044,896,386.09</b>

Chief Executive Officer:

Chief Financial Officer:

Financial Manager:

# Consolidated Income Statement

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Items	2012	2011
<b>I .Total Revenue</b>	<b>2,384,029,702.70</b>	<b>1,460,044,836.88</b>
Including: operating revenue	2,384,029,702.70	1,460,044,836.88
<b>II .Total Costs</b>	<b>1,709,168,064.96</b>	<b>1,006,467,552.08</b>
Including: Cost of sales	1,365,006,172.03	832,611,744.97
Operating taxes and additional charges	16,448,106.37	11,248,529.05
Marketing expenses	95,877,575.65	64,667,681.29
Administrative expenses	204,958,682.63	101,639,710.80
Financial expenses	-2,911,752.18	-25,477,894.33
Impairment losses	29,789,280.46	21,777,780.30
Plus: changes in fair value		
Investment income	32,836,664.34	17,577,888.68
Including: investment income from associates and jointly controlled entities	31,684,664.34	17,577,888.68
<b>III. Operating profit</b>	<b>707,698,302.08</b>	<b>471,155,173.48</b>
Plus: non-operating revenue	48,667,491.53	33,774,525.32
Minus: non-operating expenses	1,573,341.22	799,842.82
Including: loss in disposal of non-current assets	16,055.20	7,450.03
<b>IV. Profit before income tax</b>	<b>754,792,452.39</b>	<b>504,129,855.98</b>
Minus: income tax	109,689,611.14	76,463,528.18
<b>V. Net profit for the year</b>	<b>645,102,841.25</b>	<b>427,666,327.80</b>
Attributable to: Equity of parent company	643,202,645.16	424,356,645.25
Minority interests	1,900,196.09	3,309,682.55
<b>VI. Earnings per share:</b>		
1. Basic Earnings per share	1.40	0.92
2. Diluted Earnings per share	1.40	0.92
<b>VII. Other comprehensive income</b>	-3,164,939.90	-1,373,409.30
<b>VIII. Total comprehensive income</b>	<b>641,937,901.35</b>	<b>426,292,918.50</b>
Attributable to: Equity of parent company	<b>640,037,705.26</b>	<b>422,983,235.95</b>
Minority interests	1,900,196.09	3,309,682.55

Chief Executive Officer:

Chief Financial Officer:

Financial Manager:

# Consolidated Cash Flow Statement

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Items	2012	2011
<b>I. Cash flows from operating activities</b>		
Cash received from sales of goods or rendering of services	2,165,700,582.43	1,318,599,657.12
Tax refunding	39,010,659.59	37,951,192.29
Cash received related to other operating activities	114,503,589.11	65,212,301.31
<b>Subtotal of cash inflow from the operating activities</b>	<b>2,319,214,831.13</b>	<b>1,421,763,150.72</b>
Cash paid for goods and services	1,669,813,982.92	1,232,213,388.18
Cash paid to and on behalf of employees	164,303,525.30	103,290,430.47
Tax payments	187,336,261.11	132,963,328.10
Cash paid relating to other operating activities	123,074,615.91	92,806,887.09
<b>Cash outflow subtotal of operating activities</b>	<b>2,144,528,385.24</b>	<b>1,561,274,033.84</b>
<b>Net cash flow from operating activities</b>	<b>174,686,445.89</b>	<b>-139,510,883.12</b>
<b>II. Cash flow from investment activities</b>		
Cash received from disposal of investments	9,600,000.00	
Cash received from investment return	6,925,502.34	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	167,951.78	242,936.63
Net cash amount received from the disposal of subcompanies and other business units		
Cash received related to other investment activities	8,049,069.29	
<b>Subtotal of cash inflow from the investment activities</b>	<b>24,742,523.41</b>	<b>242,936.63</b>
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	496,263,966.88	270,879,041.99
Cash paid to acquire investments	27,574,232.57	168,454,432.34
Net cash amount paid to acquire the subcompanies and other operating units		
Cash paid related to other investment activities	182,500,000.00	9,600,000.00
<b>Cash outflow subtotal of investment activities</b>	<b>706,338,199.45</b>	<b>448,933,474.33</b>
<b>Net amount of cash flow received from the investment activities</b>	<b>-681,595,676.04</b>	<b>-448,690,537.70</b>
<b>III. Cash flow from financing activities:</b>		
Cash received by investors	5,497,449.20	4,440,000.00
Cash received from borrowings	700,696,962.20	263,226,762.14
Cash received from other financing activities	110,117,215.78	15,095,000.00
<b>Subtotal of cash inflow from the financing activities</b>	<b>816,311,627.18</b>	<b>282,761,762.14</b>
Cash repayments of borrowings	231,982,715.59	134,322,768.74
Cash payments for interest expenses and distribution of dividends or profits	80,131,964.30	92,178,242.30
Cash payments related to other financing activities	93,280,232.74	159,245,746.70
<b>Subtotal of cash outflow from the financing activities</b>	<b>405,394,912.63</b>	<b>385,746,757.74</b>
<b>Net cash flow from financing activities</b>	<b>410,916,714.55</b>	<b>-102,984,995.60</b>
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>-2,041,249.22</b>	<b>-5,100,325.11</b>
<b>V. Net increase amount of cash and cash equivalents</b>	<b>-98,033,764.82</b>	<b>-696,286,741.53</b>
Plus: Balance of cash and cash equivalents at the beginning of the period	916,960,095.43	1,613,246,836.96
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>818,926,330.61</b>	<b>916,960,095.43</b>

Chief Executive Officer:

Chief Financial Officer:

Financial Manager: