



兑现财富的每一种可能



兑现财富的每一种可能

2010 Annual Report
年度报告



Annual Report

2010



年度报告 ■ 2008 2009 2010


HWABAO TRUST CO.,LTD.

华宝信托有限责任公司

HWABAO TRUST CO.,LTD.

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“让财富的苹果
摆脱地心引力”

华宝信托 以其驰骋金融领域多年所积累的敏锐认知和丰富经验，自如地腾挪于货币市场、资本市场和实业等不同投资领域，充分发挥信托制度的灵活性，全方位打理客户资产，让受托的财富释放出最大的能量。

*Intention to keep its promise to
realize all your might*

用心信守承诺，实现您的一切可能

 华宝信托
HWABAO TRUST

兑现财富的每一种可能

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Financial Report

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Address by Chairman

郑安国
Zheng An-Quo

董事长
Chairman
Hwabao Trust Co.,Ltd.



Address by Chairman

董事长致辞

每次我看到美元上的小字“we trust”，会由衷地感到“trust”这个词的神圣和强大，的确，在信托的发源地英国，最早只有作为道德高地和可以与王权抗礼的教会才配做受托人。无独有偶，“trust”的中文“信托”也不简单：受人之托，忠人之事。在以“仁、义、礼、智、信”传承的中国，从古至今就流传着无数感人的信托范例。“赵氏孤儿”是平民的信托，“白帝城托孤”是士大夫的信托。

看来，无论是东方还是西方，做一个好的受托人至少要具备三要素：第一，诚信，始终将委托人的利益放在首位，主观上从不做坏事，有良好的口碑人才信你；第二，勤勉，只有古道热肠，不怕麻烦，才能持续改善服务，算无遗策，办好人家托付的事；第三，专业，光有热心、热心是办不成事的，还得有能力，自己够强才能帮人，这就是专业，专业才能越多越好，就算自己不会，也应具备快速找到专业解决方案的能力，只有这样，才能“兑现财富的每一种可能”。

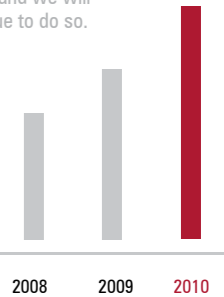
十三年以来，我们一直这么努力着，我们还会继续。

Every time when I see the small words “we trust” on the US currency, I always feel from the bottom of my heart how sacred and powerful the word “trust” is. Indeed in England where trust originated from, only churches, the moral giants and rivals to the royal authority, are qualified for trustees. Coincidentally, the Chinese characters for “trust” are not simple either: being entrusted, one has to do the entrusted task whole-heartedly. With inheritance of “benevolence, righteousness, propriety, wisdom and trust in China for centuries, there have been numerous touching examples of trust. “Zhao Orphan” is an example of trust for civilians as trustees, and while “Entrustment of Orphan in Bai Di City” is an example of trust for scholars as trustees.

We can see that wherever it is, a good trustee should have at least the following three natures: first of all, honesty and trustworthiness, that is, at all time, to put clients’ interests in the first place. Don’t do anything bad subjectively. Only people with good credibility are trusted. Secondly, diligence is the key. By being diligent, warm-hearted and not afraid of trouble, we can improve our services and exhaust all the strategies to do a good job as a trustee. Thirdly, knowledge and professionalism. In addition to the caring heart, we need to know as much as we can to equip us with the knowledge and skills to help others. Even if we may not know everything, we should be able to locate best professional solutions promptly, so that we can “make it possible to have the fortune”.

For those purposes, we have spared no efforts for 13 years, and we will continue to do so.

For those purposes, we have spared no efforts for 13 years, and we will continue to do so.



Management Team



01.

02.

03.



04.

05.

06.

07.

Management Team 公司领导

01.

Zheng An-Guo
郑安国 | 董事长

Chairman

- 华宝投资有限公司总经理
- 华宝信托有限责任公司董事长
- 华宝兴业基金管理有限公司董事长
- 上海市政协委员
- President of Hwabao Investment Co.,Ltd.
- Chairman of Hwabao Trust Co.,Ltd.
- Chairman of Fortune SGAM Fund Management Co.,Ltd.
- Member of CPPCC(Chinese People's Political Consultative Conference), Shanghai City Committee

02.

Jun Qian
钱骏 | 董事、总经理

Director and President

- 华宝信托有限责任公司董事、总经理
- President of Hwabao Trust Co.,Ltd.

03.

Zhang Jian-Qun
张建群 | 董事

Director

- 华宝信托有限责任公司董事
- Director of Hwabao Trust Co.,Ltd.

04.

Wang Xiao-Wei
王晓薇 | 副总经理

Executive Vice President

- 华宝信托有限责任公司副总经理
- 浦东新区人大代表
- Executive Vice President of Hwabao Trust Co.,Ltd.
- Congress of Pudong District

05.

Zhang Xiao-Zhe
张晓喆 | 副总经理

Executive Vice President

- 华宝信托有限责任公司副总经理
- Executive Vice President of Hwabao Trust Co.,Ltd.

06.

Wang Bo
王波 | 副总经理兼投资总监

Executive Vice President,
Chief Investment
Officer

- 华宝信托有限责任公司副总经理兼投资总监
- Executive Vice President and Chief Investment Officer of Hwabao Trust Co.,Ltd.

07.

Wang Jin-Ling
王锦凌 | 总经理助理

Assistant President

- 华宝信托有限责任公司总经理助理
- Assistant President of Hwabao Trust Co.,Ltd.

Main Business Indices





2010

2008

2009

2010

About Our Business

业务介绍



→ 证券投资信托主要产品 | Primary securities investment and trust products

chapter 01. 资产管理类产品

Asset management products

股票组合产品

通过设立单一资金信托或集合资金信托计划，运用价值投资理念，依托强大的投研实力，通过科学全面的评估体系，从定性和定量两个方面进行深入分析，精选一批投资价值卓著的股票品种进行组合投资以获取较高的投资收益，并按照信托文件约定将信托收益分配给投资者。

FOF产品

通过定性和定量的分析，对市场上的公募基金进行优选，并进行组合投资。

债券投资型产品

采用动态资产配置策略，将资金投资于国债、金融债、企业债、可转债等产品，充分利用可转债“退可守、进可攻”的特点，在不增加组合风险的情况下提高总体的收益率。

Stock portfolio products

We set up a single fund trust or pooled fund trust scheme, by applying the value investment concept and relying on our strong investment and research capabilities. We do further studies on the qualitative and quantitative aspects through the overall scientific evaluation, in order to select carefully a series of stock products of outstanding investment value and put together portfolio for high returns, and to distribute such returns to investors pursuant to the trust documents.

FOF products

By analysis and studies on the qualitative and quantitative aspects, we make careful selection among the publicly offered funds in the market and put together investment portfolios.

Bond products

We adopt dynamic asset allocation strategies to invest on national bonds, financial bonds, corporate bonds, convertible bonds and other products. By taking full advantage of the flexible features of convertible bonds, we will have overall better return on investment without additional risks to portfolios.

chapter 02. 信托服务类产品

Trust service products

结构化证券投资信托

与国内优秀私募机构合作，为普通投资者提供固定收益的证券投资信托产品，该类信托采用一般（私募机构）与优先（普通投资者）的结构化受益权安排，使普通投资者获得固定收益，私募机构在以出资部分对普通投资者的本金和/或预期收益形成保障的基础上，形成资金杠杆效应，并以投资业绩获取超额收益。

阳光私募证券投资信托产品

此产品运用信托制度和银行渠道，将投资者的资金集中起来设立信托，并由专业私募机构提供投资顾问服务，投资于证券市场或其他金融工具。投资者和投资顾问按照约定比例分享超额收益。

Structured securities investment and trust

With cooperation with excellent domestic private placement organizations, we will provide ordinary investors with securities investment and trust products with fixed income. There are general (private placement) and priority (ordinary investor) structured benefit arrangements in respect of this type of trust, to grant ordinary investors fixed incomes. Private placement organizations would secure ordinary investors' principals and/or anticipated returns with their investments and contributions, which will become fund leverage and yield surplus returns from the investment performance.

"Sunshine" private placed securities investment and trust products

By employing the trust system and banks, this product is to gather the investors' fund to set up a trust, and professional private placement organizations will provide consulting services to invest in the securities market and other financial instruments. Investors and investment consultants will share the surplus return on investment.

About Our Business

→ 投行信托业务主要产品 | Primary investment bank trust products

chapter 01.

_ 资产抵质押类融资信托业务

以贷款、股权收益权转让及回购、股权投资及回购等多种形式向合格融资方提供金融通融，由融资方或第三方以其持有的流通股、限售流通股、资质优良的非上市公司股权、其他优质资产为融资方的融资行为提供抵押担保，在融资方实现信托融资目的的同时，投资者也获得了多样的投资机会。

_ Asset mortgaged and pledged financing trust

We finance qualified financiers by way of loans, equity transfer and repurchase, equity investment and repurchase and others. Financiers or third parties will mortgage or pledge in favour of financiers with their outstanding shares, restricted outstanding shares, unlisted quality assets, and while financiers are financed in a trust form, investors have various opportunities for investment.

chapter 02.

_ 房地产投资信托业务

重点与国内优秀的房地产企业、具有优质土地开发资源的企业进行合作，为其专项定制投资计划安排。通过夹层投资、权益型投资、房地产信托基金等模式，实现信托机制与企业需求、项目预期的有效结合，并积极引入结构化安排、流动性追加保障等措施维护投资人的利益，保证资金的安全，让投资者分享房地产行业的成长收益。

_ Real estate investment and trust business

We focus on cooperation with top domestic real estate enterprises and enterprises with quality land development resources, to make special investment plans and arrangements for them. By way of mezzanine investment, equity investment, real estate trust funds and others, we combine trust mechanism with the needs of enterprises and project prospects effectively and we take initiatives in introducing structured arrangements, additional liquidity guarantee to safeguard the interests of investors and to ensure the safety of capital, so that investors will enjoy the growing returns in the real estate industry.

chapter 03.

_ 并购融资服务

与上市公司及其控股股东、能源类、资源类、重工类等大中型企业等重要客户进行合作，通过直接融资、夹层融资、组建SPV的方式或者成立专项并购基金的模式参与最终资产收购，并有条件地参与并购资产的后期运作和管理，以取得超额的投资回报。

_ M&A financial services

We cooperate with listed companies and controlling shareholders thereof and other important clients from sizable enterprises of energy, resources and heavy industries and participate in the final acquisition of assets by way of direct financing, mezzanine finance, establishment of SPV and setup of special M&A fund model, and we also conditionally participate in the post-operation and management of the M&A assets, in order to have surplus return on investment.

→ 年金福利信托主要产品 | Primary annuity trust products

chapter 01.

_ 企业年金

企业及其职工在依法参加基本养老保险的基础上，自愿建立的补充养老保险制度，是多层次养老保险体系的组成部分，由国家宏观指导、企业内部决策执行。

_ Enterprise annuity

The enterprise and staff thereof voluntarily set up this supplemental pension insurance system in addition to the basic pension insurance they join as required and such pension plan is a component of the multiple level pension insurance with overall guidance from the state, and is determined and implemented internally within enterprises.

chapter 02.

_ 员工福利产品

企业为员工提供的非工资收入福利的一揽子计划，所包含的项目内容可由各企业根据其自身实际情况加以选择和实施。

_ Employee benefit products

The enterprise provides employees with a non-salary benefit package plan, which include items to be selected and implemented by enterprises based on their own cases.

chapter 03.

_ 员工持股及长期股权激励产品

企业将接受员工委托而汇集的资金划入资金信托合同对应的信托专户（大部分企业的信托资金来源为：企业奖励部分和员工自筹部分），受托人按约定及委托人指令增持目标公司股权，并负责现金资产的增值，员工作为受益人按约定享受信托利益。

_ Staff shareholding and long-term equity incentive products

The enterprise will act on behalf of its employees and deposit the capital collected to a trust account as provided in the fund trust contract (most enterprises have their trust fund from the reward of the enterprise and funds raised by employees themselves). The trustee will increase the shares of the target company as agreed or at the instruction of the entrustors, and will be responsible for the appreciation of the cash assets. Employees are beneficiaries of the trust interests as agreed.

About Our Business

→ 其他类(含创新)信托产品 | Other types of (including innovative) trust products

chapter 01.

_ PE投资信托产品

通过发行单一信托或集合信托计划,由华宝信托自身、下设PE管理公司或外聘投资顾问进行管理,主要投资于非上市公司股权,并通过上市、回购、第三方交易、产交所挂牌等方式实现获利退出。

_ PE investment and trust products

By issuance of a single trust or pooled trust scheme, Hwabao Trust itself, the PE management company under it or an outsourced investment consultant will be the manager, with investments primarily on equity of unlisted companies. By way of listing, repurchase, third party trading, listing on the stock exchange, we will have return on investment, and will then exit.

chapter 02.

_ REITs

通过发行信托计划形成资金池,由华宝信托自身或外聘投资顾问进行管理,以股权、债权、直接买卖实物资产等多种方式分散投资于房地产、房地产企业股权、房地产领域证券等房地产相关领域。在政策出台后,信托受益权可以在相关市场(如银行间债券市场、证券交易所等)上市流通。

_ REITs

By issuance of fund pools formed from trust schemes, Hwabao Trust itself, or an outsourced investment consultant employed will be the manager, with investments diversified on real estate, equity of real estate enterprises, securities in the real estate field and other real estate business by way of equity, creditors' rights, or direct sale or purchase of physical asset. After policies are introduced, trust beneficiary rights may become tradable in the market concerned (such as interbank bond market, stock exchanges).

chapter 03.

_ 公益信托

为了救灾、教育等公益目的发起信托计划,既构建了爱心人士投身公益的通道,也为企业履行社会责任、塑造公众形象提供了平台。

chapter 04.

_ Charitable trust

Trust plans are initiated for disaster reliefs, education and other charitable purposes, which will not only build a channel for caring people to join the pro bono tasks, but also provide a platform for enterprises to fulfil their obligations, and to establish a public image.

→

chapter 04.

_ 衍生品投资信托

通过发行单一信托或集合信托计划,由华宝信托自身或外聘投资顾问进行管理,进行套期保值类和非套期保值类的衍生品投资。

_ Derivative investment and trust

By issuance of a single trust or pooled trust scheme, Hwabao Trust itself, or an outsourced investment consultant will be the manager, with investments on hedged and non-hedged derivatives.

chapter 06.

_ 其他业务

CPPI策略型产品:

通过CPPI策略保障投资者本金在一定时间期限内(通常为两年)不受损失的证券投资产品。

资产证券化产品:

通过信托处置未来一定期限的现金流,使之提前变现,增强资产的流动性。

中小企业金融服务:

通过财务顾问、债务融资、股权投资等方式为高速成长的中小企业提供多元化金融服务。

财产信托:

利用信托制度的独立性、灵活性的特征,通过将资产过户在信托名下,并保留客户对财产的运用及分配进行有效管理的权限,同时达到递延纳税、财富传承等效果。

chapter 05.

_ 现金宝

投资于高流动性、低风险和稳定收益的短期金融市场产品,在控制风险的前提下,力争为投资者提供稳定的收益。

_ Cash Po

We invest on short-term financial market products of high liquidity, low risks and stable return. With risk control as the premise, we strive to provide investors with stable incomes.

_ Other business

CPPI strategic products :

These are securities investment products that will protect investors' principals against loss within a certain period of time (usually 2 years).

Asset securitization products :


Disposal by trust of cash flow with a future time limit, to enable its early realization to enhance the liquidity of assets.

Financial services for medium and small enterprises :

Provision of diversified financial services to fast growing medium and small enterprises by way of financial consulting, debt finance, equity investment and others.

Property trust :

By taking advantage of the independence and flexibility of trust system, assets will be transferred under the trust and clients will be authorized to manage the use and distribution of properties, while being able to defer taxes payable and to pass down their fortune.



“让财富的未来
置身风雨之外”

华宝信托，有效利用法律赋予的财产独立地位和破产隔离机制，让受托的财富置身于不可预测的风险之外。确保托付使命的履行，安全保障更胜一筹。

*Enhance the overall strength,
you create more possible*

提升综合实力，为您创造更多可能

 **华宝信托**
HWABAO TRUST

兑现财富的每一种可能



About The Company

公司简介



重点以资产管理与信托服务为两大主业

placing asset management
+
trust services

— 华宝信托有限责任公司

(以下简称“华宝信托”)成立于1998年,是宝钢集团有限公司旗下的金融板块成员公司,宝钢集团有限公司持股98%,浙江省舟山市财政局持股2%。2011年1月,华宝信托注册资本金增加至20亿元人民币(含1500万美元)。

华宝信托始终坚持“客户第一”的经营理念,充分利用信托优势立足自身核心竞争力,发展专业化、主动化的核心资产管理能力,成为面向高端客户提供另类财富管理及综合金融解决方案的一流金融服务商。

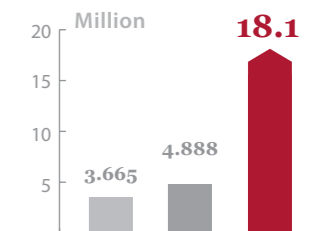
2005年8月2日,华宝信托获得首批企业年金“法人受托机构”和“账户管理人”两项业务资格。2006年12月1日,银监会正式批复授予了华宝信托特定目的信托受托机构资格,成为业内6家获得特定目的信托受托机构资格的信托公司之一。2007年3月,华宝信托第一家正式向中国银监会申请重新登记,2007年4月3日获得中国银监会批准,成为首家获准换发金融牌照的信托公司。2008年6月,获得“大宗交易系统合格投资者”资格证书,上海本地信托公司中,仅两家获得首批资格。

成立至今,华宝信托围绕资产管理和信托服务两个核心领域,努力推动业务创新,始终处于行业前列。其立足货币市场、资本市场、实业投资,依托强大的投资研究能力,为委托人提供灵活多样的、全面的资产管理服务。业务灵活创新,开拓证券资产固定收益类优先收益权转让业务;发挥金融行业及信托制度的优势,产融结合推进效果十分明显。同时利用广泛的客户资源和融资渠道优势,为客户提供灵活复杂的信托融资服务。通过银信合作承揽铁道部百亿信托贷款项目;与工行合作系列信贷资产转让业务实施项目约百亿元;与建行合作开发多种开放期限的开放式理财产品;为中国青年创业基金会设立的公益信托运作平稳;积极设立华宝公益信托参与“珍珠计划”等公益项目。

华宝信托自1998年成立以来连续13年盈利,所兑付的信托计划从未低于预期收益率,累计营业收入及利润总额分别为48.88亿元和36.65亿元(均为母公司口径),累计实现信托手续费收入24.67亿元,累计为各类客户实现信托收益181亿元。截至2010年末管理的信托资产规模超900亿元(含年金),稳居行业前列。

在取得丰厚收益回报的同时,更在业内树立了卓越的品牌形象。2006年起在沪深两地媒体《上海证券报》和《证券时报》分别举办的优秀信托公司评选中,先后荣获“最佳知名品牌”、“中国最佳信托公司”、“最优信托公司”、“最值得尊敬的信托业领袖”、“最佳创新公司”、“最佳信托经理”、“诚信托—TOP大奖”、“诚信托·卓越公司奖”、“中国优秀信托公司”、“中国优秀信托经理”、“最佳组合投资信托产品”、“最佳信托贷款产品”和“最具影响力品牌(产品)”等奖项。

Hwabao Trust has been making profits for consecutive 13 years
(as of Dec. 2010)



Hwabao Trust has a trust asset scale under management reaching (including annuity) RMB
(as of Dec. 2010)

90.00 billion



Founded in 1998, Hwabao Trust Co., Ltd. (hereinafter referred to as "Hwabao Trust") is one of those financial sector companies under Baosteel Group Corporation with 98% of the shares held by the foregoing and 2% of the shares held by Zhoushan Municipal Finance Bureau of the Zhejiang Province. By January of 2011, Hwabao Trust's registered capital has grown to RMB 2 billion (inclusive of 15 million US dollars).

Hwabao Trust has at all time adhered to its operation philosophy that "customers come first", and makes best use of its trust advantage and base on its own core competitiveness to develop professional, initiative core asset management capability and grows into a world class financial service provider dedicating itself to the provision of unique fortune management and comprehensive financial solutions to high end customers.

On 2 August 2005, Hwabao Trust was one of the first few who qualified as the "Trustee Institution" and "Account Administrator" of the enterprise annuity. On 1 December 2006, China Banking Regulatory Commission (CBRC) formally authorized Hwabao Trust as a trust institution of specific purposes. Hwabao Trust thus became one of the six trust companies which obtained such a status within the industry. In March 2007, the company was the first company that applied to CBRC for re-registration, which as approved by CBRC on 3 April 2007, and therefore became the first trust company being granted a finance license. In June 2008, the company was awarded a "qualified investor of block trading system" certificate, which was first awarded to only two local trust companies in Shanghai.

Since its establishment, Hwabao Trust has been focusing on two core areas of asset management and trust service and has made utmost efforts in the promotion of business innovation and placed itself as a leader in the industry. Established in the currency market, capital market, and industrial investment and relying on strong investment and research capability, Hwabao Trust provides its clients with diversified and comprehensive asset management services. The company runs its business in a flexible and innovative manner and has explored preferred revenue transfer business for fixed-income revenue of securities assets. By giving full play to the advantages of the financial sector and the trust system, the company has successfully pushed forward the combination of industry with finance, while in the meantime, the company used its extensive customer resources and financing

channel advantage to provide customers with flexible and sophisticated trust financing service. Through cooperation with banks the company undertook a 10 billion trust loan project for the ministry of railways; and by cooperation with ICBC the company completed credit asset transfer business; and by cooperation with CBC the company developed several types of open style financial products with different open time periods. The company established a charitable trust for the Youth Business Foundation of China which runs smoothly; and the company also takes initiative in the setup of the Hwabao charitable trust to participate in charitable projects like the "Pearl Plan".

Since its establishment in 1998, Hwabao Trust has been making profits for consecutive 13 years and the paid trust programs have never been lower than anticipated yields, with accumulated operating incomes and total profits of RMB 4.888 billion and 3.665 billion, respectively (both of which are unconsolidated caliber); total incomes of trust service charges reaching RMB 2.467 billion; and total incomes for all kinds of customers reaching RMB 18.1 billion. By the end of 2010, the company has a trust asset scale under management reaching RMB 90 billion (including annuity), making the company a strong leader in the industry.

While obtaining substantial financial rewards, the company has been widely recognized among its counterparts. Since 2006, the company has won many awards from competitions for outstanding trust companies held by Shanghai Securities News and Securities Times in Shanghai and Shenzhen, such as the "Best Renowned Brand", the "Best Trust Company in China", the "Best Trust Company", the "Most Respected Leader in the Trust Business", the "Best Innovation Company", the "Best Trust Manager", "Sincere Trust - TOP Award", "Sincere Trust - Outstanding Company Award", the "Excellent Trust Company in China", the "Excellent Trust Manager in China", the "Best Portfolio Investment Trust Product", the "Best Trust Loan Product", the "Most Influential Brand (Product)" and others.

Business Scope

经营范围

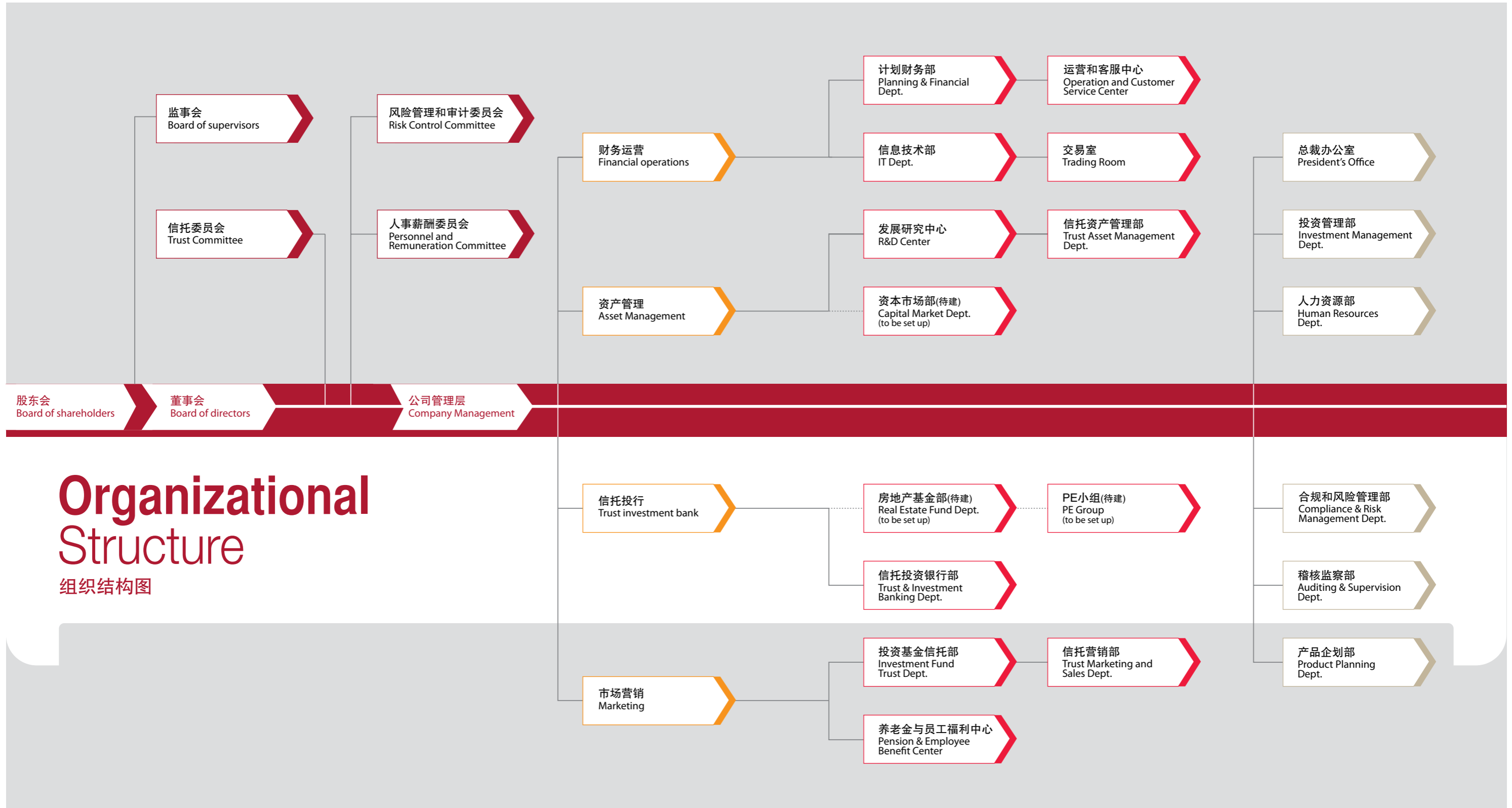


- 01 资金信托 Capital trust
- 02 动产信托 Chattel trust
- 03 不动产信托 Real estate trust
- 04 有价证券信托 Securities trust
- 05 其他财产或财产权信托 Other properties or ownership trust
- 06 作为投资基金或者基金管理公司的发起人从事投资基金业务 Handling investment funds as the initiator of the investment fund or of the fund management company
- 07 经营企业资产的重组、购并及项目融资、公司理财、财务顾问等业务 Handling reorganization, M & A, project financing, cooperate finance and financial advisor
- 08 受托经营国务院有关部门批准的证券承销业务 Underwriting trustee securities as approved by relevant authorities under the State Council
- 09 办理居间、咨询、资信调查等业务 Handling brokerage, consulting and credit investigation
- 10 代保管及保管箱业务 Custody and safe deposit boxes
- 11 以存放同业、拆放同业、贷款、租赁、投资方式运用固有财产 Applying fixed assets by means of interbank deposits, inter-bank lending, loans, lease and investment
- 12 以固有财产为他人提供担保 Providing guarantee in favor of others with fixed assets
- 13 从事同业拆借 Handling interbanking lending and borrowing
- 14 法律法规规定或中国银行业监督管理委员会批准的其他业务 Other businesses as approved by laws, regulations or China Banking Regulatory Commission

注：上述经营范围包括本外币业务

Note: The above business scope has local and foreign currency transactions included.

Organizational Structure



Organizational Structure

组织结构图



Department Functions

各部门职能



R&D Center

_ 发展研究中心

影响证券市场的国内外宏观经济研究，投资策略和大类资产配置研究，固定收益类资产研究，基金研究，金融工程和产品设计研究，行业和上市公司研究。

Undertaking researches on macro-economy home and abroad which affects securities market, investment strategies, asset collocation, fixed income assets, funds, finance engineering, products designing, industries and listed companies.

Trust Asset Management Department

_ 信托资产管理部

信托资金对货币市场金融工具、资本市场金融工具（债券、股票、基金）、贷款、非上市公司股权的投资运用和管理。

Investment of trust assets in the monetary market, financial instruments, capital market financial instruments (bonds, stocks and funds), loans and equities of unlisted companies.

Investment Management Department

_ 投资管理部

公司自有资金对货币市场金融工具、贷款、债券、股票、基金、非上市公司股权的投资运用和管理。

Investment of the company's own capital in the monetary market, financial instruments, loans, bonds, stocks, funds, equities of unlisted companies.

Trust Marketing and Sales Department

_ 信托营销部

为机构提供融资、投资综合解决方案，高端客户理财服务、银信合作业务、理财市场研究及资产管理类产品设计。

To provide institutions with comprehensive solutions of financing and investment, high-end customer financing service, bank and trust company cooperation business, financing market research and asset management product design, etc.



Department Functions



President's Office

_ 总裁办公室

公司决定及规定的督办，行政事务管理、文秘和档案管理、对外联系和重要活动安排、危机公关和客户投诉处理、总务后勤及固定资产实物管理、安全管理、外事管理、企业文化建设、新闻宣传管理、党群管理。

Monitoring and supervising company's decisions and regulations; handling administrative work and secretarial work; archives management; external liaison and arranging important events; handling crisis public relations; handling customer complaints; general affairs, logistics and physical management of fixed assets; security; foreign affairs management; building corporate culture, press and publicity campaign management, and the Party affairs.

Trust & Investment Banking Department

_ 信托投资银行部

信托融资业务（包括股权类融资信托业务、房地产融资信托业务等）、房地产投资信托基金业务、资产证券化业务、类资产证券化业务、信托持股业务、债券承销、财务顾问等业务的开发与拓展。

Development and exploration of trust financing business (including stock-ownership financing trust business and real estate financing trust business, etc.), real estate investment trust fund business, asset securitization business, asset class securitization business, trust share-holding business, bond underwriting, finance consultation and other businesses.

Investment Fund Trust Department

_ 投资基金信托部

各类投资基金及相关业务的开发与拓展。

Developing various trust service for investment funds and related businesses.

Hwabao Trust



Pension & Employee Benefit Center

_ 养老金与员工福利中心

作为企业薪酬福利管理综合金融服务提供商，为企业提供薪酬福利管理所需金融服务的解决方案，包括企业年金、员工福利信托计划、激励计划、员工持股计划等业务的产品设计、市场开发、客户和渠道关系管理。

As an enterprise remuneration and benefits management and comprehensive financial service provider, provision to enterprises with solutions in respect of financial services required for the remuneration and benefits management, including product design, market development, customer and channel relationship management of the enterprise annuity, employee benefit and trust programs, employee stock option programs and other businesses.

Human Resources Department

_ 人力资源部

人力资源开发与管理、人才战略规划、组织优化、人员配置与招聘、人才培养与开发、绩效与薪酬管理、员工关系管理与员工激励。

Development and management of human resources; strategic planning for talents, optimizing organization, staffing and recruitment, talent training and development, performance and remuneration management, employee relationship management and motivation.

Product Planning Department

_ 产品企划部

创新业务与产品的研究开发，信托行业及理财市场研究，对业务部门新产品开发提供支持。

Innovative business and research and development of products, research on the trust business and the banking market, provision of support to business departments concerning development of new products.

Hwabao Trust

Department Functions



Planning & Financial Department

— 计划财务部

财务预算及经营计划的编制与管理，会计核算、会计报表编制，财务及经营分析，资金、统计及税务管理。

Financial budgeting, compilation and management of business plans; accounting calculation, accounting statements, financial and operational analysis; capital, statistics and tax management.

IT Department

— 信息技术部

公司信息系统规划和建设，公司计算机软硬件系统的采购开发管理，公司网络办公环境、机房设备以及信息资源的维护管理，公司信息安全管控。

Planning and construction of the company's information system; purchase, development and management of the company's computer software and hardware system; maintenance and management of the company's internet working environment, computer room equipments and information resources; security control of the company's information.



Auditing & Supervision Department

— 稽核监察部

公司各项经营活动的审计，公司部门负责人及重要岗位人员离任的审计，公司内控制度的评审和效能监察。

Auditing miscellaneous business activities of the company; auditing on the departure of key department managers or superintendents chairing key posts; reviewing and supervising the performance of the company's internal auditing.

Operation and Customer Service Center

— 运营和客服中心

负责公司信托业务期间运营管理、信托产品估值管理、信托受益权账户管理；企业年金账户管理工作；通过电话、网站、短信等多种渠道开展各类客户服务活动。

Operation and management of company's trust business period, management of trust product evaluation, management of trust beneficial estate account; management of enterprise annuity account; various customer service activities via telephone, website, short message and other channels.

Compliance & Risk Management Department

— 合规和风险管理部

公司合规事务、法律事务、风险管理。

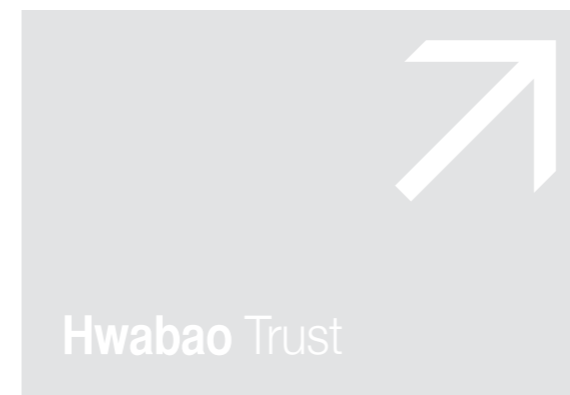
Compliance; law affairs and risk management.

Trading Room

— 交易室

证券交易执行、证券交易监督及与证券交易相关的日常报告、月度报告等。

Implementing and monitoring securities trading, daily report and monthly report on securities transactions.



Hwabao Trust



2010年
管理16只开放式
证券投资基金
管理基金资产规模
493.50亿元

华宝兴业基金管理有限公司（以下简称“华宝兴业”）成立于2003年3月，是全国第二家、信托业第一家获准开业的中外合资基金管理公司，现注册资本金1.5亿元人民币，其中：华宝信托有限责任公司持股51%，领先资产管理有限公司持股49%。

华宝兴业始终坚持以“基金持有人利益高于股东利益”为经营宗旨，牢记自己的社会责任，将维护持有人利益放在首位。奉行“专业创造价值，勤勉回报信任”的核心价值观，并将其贯彻到基金管理中。将成为国内一流、具有行业影响力的多元化资产管理公司作为公司发展目标。

2007年8月，华宝兴业获得QDII业务资格。2008年3月，华宝兴业获得特定客户资产管理业务资格。华宝兴业现在已经成为一家向客户提供国内公募基金产品、海外投资基金产品和专户理财服务的综合性资产管理公司。截至2010年12月底公司共管理16只开放式证券投资基金，管理基金资产规模为493.50亿元。包括货币市场基金、债券基金、混合基金、股票基金四大类别，构筑了从低风险—稳定收益到较高风险—高收益的完整产品线，并连续多年荣获“金牛基金奖”、“基金奖”、“明星基金奖”等多项大奖。

Fortune SG Fund Management Co., Ltd.
— 华宝兴业基金管理有限公司

Fortune SG Fund Management Co., Ltd. (hereinafter referred to as “Fortune SG”) was established in March 2003, as the second in the country and first in the trust sector authorized joint venture fund management company with present registered capital of RMB 150 million, among which Hwabao Trust Co., Ltd. holds 51% of the shares and Lyxor Asset Management Co., Ltd. holds 49%.

Fortune SG has at all times adhered to the operation principle that “the fund holders’ benefit is higher than that of the shareholders”, and with its social responsibilities in mind, and fund holders’ benefit as its top priority, it observes the core value that “professionalism creates value and diligence is repaid with trust” and implements such value in its fund management. It has set its company development goal to become a leading and diversified asset management company in China with significant influence among its business counterparts.

In August 2007, Fortune SG acquired QDII qualification; and in March 2008, it acquired the qualification for specific customers’ asset management. Up to this date, Fortune SGAM has become a comprehensive asset management company providing customers with domestic public offering fund products, overseas investment fund products and special

account financial services. By the end of December of 2010, the company manages altogether 16 open type securities investment funds with a scale of asset under management of RMB 49.35 billion. This includes four categories of currency market fund, bond fund, mixed fund and stock fund, which covers a complete product line ranging from low-risk stable value products to high-risk high value products. Year after year the company has also been awarded the “Golden Ox Fund Award”, the “Gold Fund Award”, the “Star Fund Award” and other major awards.

Holding Subsidiaries

控股子公司

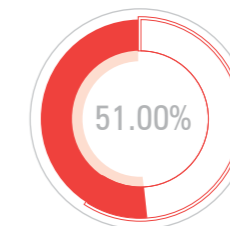


In 2010

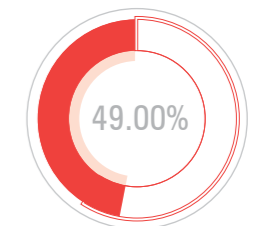
a scale of asset under management of (RMB)

49.35 billion

among which Hwabao Trust Co., Ltd. holds (as of Dec. 2010)



the shares and Lyxor Asset Management Co., Ltd. holds (as of Dec. 2010)





“让财富的使命
超越时间”

华宝信托，无论是受命于企业员工
养老福利项目，还是尽责于家庭个人财产
传承，抑或贡献力量于社会公益事业—在
漫长的受托岁月里，其肩负的重任也必然
跨越时间和生命，但华宝深信：珍视所托，
践行承诺是一项使命，更是一种责任。

*look forward to the future
infinite possibility*

承前启后，高瞻远瞩，展望未来无限可能



兑现财富的每一种可能

审计报告

中瑞岳华审字[2011]第 00421 号

华宝信托有限责任公司:

我们审计了后附的华宝信托有限责任公司(以下简称“贵公司”)及其子公司(统称“贵集团”)财务报表,包括 2010 年 12 月 31 日的合并及公司的资产负债表,2010 年度的合并及公司的利润表、合并及公司的现金流量表和合并及公司的所有者权益变动表以及财务报表附注。

一、管理层对财务报表的责任

按照企业会计准则的规定编制财务报表是贵公司管理层的责任。这种责任包括:(1)设计、实施和维护与财务报表编制相关的内部控制,以使财务报表不存在由于舞弊或错误而导致的重大错报;(2)选择和运用恰当的会计政策;(3)作出合理的会计估计。

二、注册会计师的责任

我们的责任是在实施审计工作的基础上对财务报表发表审计意见。我们按照中国注册会计师审计准则的规定执行了审计工作。中国注册会计师审计准则要求我们遵守职业道德规范,计划和实施审计工作以对财务报表是否不存在重大错报获取合理保证。

审计工作涉及实施审计程序,以获取有关财务报表金额和披露的审计证据。选择的审计程序取决于注册会计师的判断,包括对由于舞弊或错误导致的财务报表重大错报风险的评估。在进行风险评估时,我们考虑与财务报表编制相关的内部控制,以设计恰当的审计程序,但目的并非对内部控制的有效性发表意见。审计工作还包括评价管理层选用会计政策的恰当性和作出会计估计的合理性,以及评价财务报表的总体列报。

我们相信,我们获取的审计证据是充分、适当的,为发表审计意见提供了基础。

三、审计意见

我们认为,上述财务报表已经按照企业会计准则的规定编制,在所有重大方面公允反映了贵集团和贵公司 2010 年 12 月 31 日的财务状况以及 2010 年度的经营成果和现金流量。

中瑞岳华会计师事务所有限公司

中国北京

中国注册会计师:连向阳

中国注册会计师:曹智春

2011 年 2 月 28 日



Auditing Report

RSM Auditing report [2011] No.00421

Dear Hwabao Trust Co., Ltd.:

We have audited the financial statements of Hwabao Trust Co., Ltd. (hereinafter referred to as “Hwabao Trust”) and the subsidiary thereof (hereinafter referred to as “Hwabao Group”) which we have attached on the following pages, including the consolidated and the company’s balance sheets as on 31 December 2010, the consolidated and the company’s income statement of Year 2010, the consolidated and the company’s statement of cash flows, the consolidated and the company’s statement of changes in owners’ equity and notes to these financial statements.

1. Responsibilities of the management for financial statements

The management of Hwabao Trust is obliged to compile financial statements in accordance with the corporate accounting principles. Such responsibilities include: (1) developing, implementing and maintaining internal controls over the compilation of financial statements to ensure they do not contain any significant misstatements due to frauds or errors; (2) choosing and applying appropriate accounting policies; (3) making reasonable accounting estimates.

2. Responsibilities of Certified Public Accountants

We are obliged to present the auditing opinion on financial statements on the basis of our auditing. The auditing has been undertaken in accordance with the auditing principles stipulated by the Chinese Institute of Certified Public Accountants (CICPA). The CICPA standard requires us to abide by professional ethics as an accounting professional and implement the auditing in a well-planned manner to reasonably assure there are no significant mistakes contained in the financial statements provided.

Implementation of auditing procedures is involved in the auditing to obtain auditing evidences as to the related amounts and disclosure in financial statements. The choice of an auditing procedure depends on the discretion of the certified accountant(s), including the risk evaluation on significant mistakes contained in financial statements due to frauds or errors. While assessing the risk, we only consider internal controls which are related to the compilation of financial statements to develop an appropriate auditing procedure. The purpose is not to give any opinion on the effectiveness of the internal controls. The auditing also includes evaluating the appropriateness of the accounting policy adopted by the management, the rationality of the accounting estimate(s) and the overall presentation of financial statements.

We believe that the auditing evidence we obtained is sufficient and appropriate, and has provided us with a basis to voice our auditing opinions.

3. Auditing opinions

We believe your financial statements have been compiled in accordance with the corporate accounting principles, and have in all material aspects, fairly reflected the consolidated and parent company’s financial position of Hwabao Trust as on 31 December 2010, the consolidated and parent company’s financial performance as well as the cash flows of Year 2010.

RSM China Certified Public Accountants Co., Ltd.

CICPA: Lian Xiangyang

CICPA: Cao Zhichun

Beijing, China

February 28, 2011

Consolidated Balance Sheet

合并资产负债表

→ 编制单位 | Compiler : 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Item		Balance at the End of the Year	Balance at the Beginning of the Year
项目		年末余额	年初余额
流动资产：	 Current assets :		
货币资金	Cash and cash balances	101,030.75	363,607.29
结算备付金	Settlement reserves	-	38,594.69
拆出资金	Funds for inter-bank lending	-	-
交易性金融资产	Financial assets held for trading	106,279.99	101,447.00
应收票据	Notes receivable	-	-
应收账款	Accounts receivable	5,696.72	6,834.89
预付款项	Prepayments	-	-
应收保费	Premiums receivable	-	-
应收分保账款	reinsurance receivable	-	-
应收分保合同准备金	reinsurance contract reserves receivable	-	-
应收利息	Interest receivable	191.95	444.46
应收股利	Dividends receivable	-	-
其他应收款	Other receivables	356.35	1,942.48
买入返售金融资产	Purchase of financial assets for resale	3,920.00	-
存货	Inventory	-	-
一年内到期的非流动资产	Non-current assets maturing within one year	-	-
其他流动资产	Other current assets	360.77	8,088.18
流动资产合计：	 Total current assets :	217,836.53	520,958.99

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Item		Balance at the End of the Year	Balance at the Beginning of the Year
项目		年末余额	年初余额
流动负债：	 Current liabilities :		
短期借款	Short-term loan	-	-
向中央银行借款	Loan from the Central Bank	-	-
吸收存款及同业存放	Deposits taken and deposits from other banks	-	-
拆入资金	Funds from interbank borrowing	-	-
交易性金融负债	Financial liabilities held for trading	-	-
应付票据	Notes payable	-	-
应付账款	Accounts payable	-	-
预收款项	Unearned income	-	-
卖出回购金融资产款	Funds from sale of repurchased financial assets	-	-
应付手续费及佣金	Service fees and commissions payable	-	-
应付职工薪酬	Employee salaries and remuneration payable	10,627.10	14,063.75
应交税费	Taxes payable	13,066.38	10,563.08
应付利息	Interest payable	-	59.40
应付股利	Dividends payable	52,923.83	54,007.36
其他应付款	Other payables	23,817.66	14,155.25
应付分保账款	Reinsurance payable	-	-
保险合同准备金	Insurance contract reserves	-	-
代理买卖证券款	Unearned income for dealing securities as an agent	-	256,541.52
代理承销证券款	Unearned income for underwriting securities as an agent	-	-
一年内到期的非流动负债	Non-current liabilities maturing within one year	-	-
其他流动负债	Other current liabilities	-	53.03
流动负债合计：	 Total current liabilities :	100,434.97	349,443.39

Consolidated Balance Sheet

→ 编制单位 | Compiler : 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Item		Balance at the End of the Year	Balance at the Beginning of the Year
项目		年末余额	年初余额
非流动资产：	 Non-current assets :		
发放贷款及垫款	Loans and advances to customers	-	22,862.58
可供出售金融资产	Financial assets available for sale	129,581.05	66,791.36
持有至到期投资	Held-to-maturity investments	-	-
长期应收款	Long-term receivables	-	-
长期股权投资	Long-term equity investments	74,613.95	-
投资性房地产	Real estate for investment purposes	-	-
固定资产	Fixed assets	1,297.49	4,419.65
在建工程	Constructions-in-progress	-	156.87
工程物资	Construction materials	-	-
固定资产清理	Disposal of fixed assets	-	-
生产性生物资产	Biological assets for production purposes	-	-
油气资产	Oil and gas assets	-	-
无形资产	Intangible assets	497.81	1,572.20
开发支出	Development expenditures	-	-
商誉	Goodwill	-	312.00
长期待摊费用	Long-term prepayments	124.05	1,143.45
递延所得税资产	Deferred income tax assets	5,256.01	9,154.64
其他非流动资产	Other non-current assets	-	-
非流动资产合计：	 Total non-current assets :	211,370.36	106,412.75
资产总计：	 Total assets :	429,206.89	627,371.74

→ 法定代表人：郑安国 | 主管会计工作负责人：张晓喆 | 会计机构负责人：陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Item		Balance at the End of the Year	Balance at the Beginning of the Year
项目		年末余额	年初余额
非流动负债：	 Non-current liabilities :		
长期借款	Long-term loans	-	-
应付债券	Bonds payable	-	-
长期应付款	Long-term payables	-	-
专项应付款	Special payables	-	-
预计负债	Estimated liabilities	-	-
递延所得税负债	Deferred income tax liabilities	2,324.99	2,478.87
其他非流动负债	Other non-current liabilities	-	-
非流动负债合计：	 Total non-current liabilities :	2,324.99	2,478.87
负债合计：	 Total liabilities :	102,759.96	351,922.26
所有者权益：	 Owners' equity :		
实收资本	Paid-in capital	100,000.00	100,000.00
资本公积	Capital surplus	10,701.15	10,734.11
减：库存股	Less: treasury stocks	-	-
专项储备	Special reserves	-	-
盈余公积	Surplus reserves	29,691.22	24,975.49
一般风险准备	General risk reserves	17,722.12	12,947.98
未分配利润	Retained profits	129,320.11	91,658.47
外币报表折算差额	Difference translated in the foreign currency statements	-	-
归属于母公司所有者	Total owners' equity attributable to the parent company	287,434.60	240,316.05
权益合计			
少数股东权益	Minority interests	39,012.33	35,133.43
所有者权益合计	 Total owners' equity :	326,446.93	275,449.48
负债和所有者权益总计	 Total liabilities and owners' equity :	429,206.89	627,371.74

Unconsolidated Balance Sheet

母公司资产负债表

→ 编制单位 | Compiler: 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位: 人民币万元 Currency Unit: RMB 10000		31 December 2010	
Asset		Balance at the End of the Year	Balance at the Beginning of the Year
资产		年末数	年初数
资产:	Assets:		
货币资金	Cash and cash balances	47,473.71	57,702.95
贵金属	Precious metal	-	-
拆出资金	Funds for inter-bank lending	-	-
交易性金融资产	Financial assets held for trading	70,617.99	81,010.46
衍生金融资产	Derivative financial assets	-	-
买入返售金融资产	Purchase of Financial assets for resale	-	-
应收帐款	Accounts receivable	-	-
应收股利	Dividends receivable	-	-
应收利息	Interest receivable	-	-
其他应收款	Other receivables	118.29	63.16
发放贷款及垫款	Loans and advances to customers	-	22,862.58
可供出售金融资产	Financial assets available for sale	129,581.05	32,056.51
持有至到期投资	Held-to-maturity investments	-	-
长期股权投资	Long-term equity investments	74,435.72	57,214.90
投资性房地产	Real estate for investment purposes	-	-
固定资产净额	Net fixed assets	903.23	1,326.06
在建工程	Constructions-in-progress	-	-
固定资产清理	Disposal of fixed assets	-	-
无形资产净额	Net amount of intangible assets	237.20	351.66
长期待摊费用	Long-term prepayments	42.49	74.36
递延所得税资产	Deferred income tax assets	2,717.58	2,668.82
其他资产	Other assets	-	-
资产总计:	Total assets:	326,127.26	255,331.46

→ 法定代表人: 郑安国 | 主管会计工作负责人: 张晓喆 | 会计机构负责人: 陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位: 人民币万元 Currency Unit: RMB 10000		31 December 2010	
Liabilities and Owners' Equity		Balance at the End of the Year	Balance at the Beginning of the Year
负债和所有者权益		年末数	年初数
负债和所有者权益:	Liabilities and Owners' Equity:		
负债:	Liabilities:		
向中央银行借款	Loan from the Central Bank	-	-
同业及其他金融机构存放款项	Deposits from interbank and Other financial institutions	-	-
拆入资金	Fund from interbank borrowing	-	-
交易性金融负债	Financial liabilities held for trading	-	-
卖出回购金融资产款	Funds from sale of repurchased financial assets	-	-
吸收存款	Deposits taken	-	-
应付帐款	Accounts payable	-	-
其他应付款	Other payables	11,910.08	2,759.27
应付职工薪酬	Employee benefits payable	2,271.28	2,345.30
应交税费	Taxes payable	9,815.84	3,482.14
应付股利	Dividends payable	52,923.83	54,007.36
应付利息	Interest payable	-	-
预计负债	Estimated liabilities	-	-
应付债券	Bonds payable	-	-
递延所得税负债	Deferred income tax liabilities	2,324.99	2,462.37
其他负债	Other liabilities	-	-
负债合计:	Total liabilities:	79,246.02	65,056.44
所有者权益:	Owners' equity:		
实收资本	Paid-in capital	100,000.00	100,000.00
资本公积	Capital surplus	16,570.26	7,121.27
减: 库存股	Less: treasury stocks	-	-
盈余公积	Surplus reserves	30,418.15	25,702.42
一般风险准备	General risk reserves	18,085.58	13,311.44
未分配利润	Retained profits	81,807.25	44,139.89
所有者权益合计:	Total owners' equity:	246,881.24	190,275.02
负债和所有者权益总计:	Total liabilities and owners' equity:	326,127.26	255,331.46

Consolidated Income Statement

合并利润表

→ 编制单位 | Compiler : 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位：人民币万元 Currency Unit: RMB 10000		2010	
Item		2010	2009
项目		本年金额	上年金额
一、营业总收入：	1. Total operating income :	126,007.79	139,867.43
其中：营业收入	Including: Operating income	-	87.52
利息收入	Interest income	7,441.51	9,501.57
已赚保费	Premiums earned	-	-
手续费及佣金收入	Fees and commission income	118,566.28	130,278.34
二、营业总成本：	2. Total operating costs :	68,832.47	70,666.82
其中：营业成本	Including: operating costs	-	-
利息支出	Interest expenses	2,446.84	2,105.51
手续费及佣金支出	Fees and commission expenses	3,645.66	3,332.39
退保金	Premiums refunded	-	-
赔付支出净额	Net claims paid	-	-
提取保险合同准备金净额	Net provisions for insurance contracts	-	-
保单红利支出	Policy holder dividends	-	-
分保费用	Reinsurance costs	-	-
营业税金及附加	Business taxes and surcharges	7,471.73	8,008.03
业务及管理费	Business and management expenses	55,521.68	56,722.62
管理费用	Administrative costs	-	-
财务费用	Financial costs	-	-
资产减值损失	Assets depreciation loss	-253.44	498.27
加：公允价值变动收益	Add: Gains from changes in fair value	-430.83	1,791.17
(损失以“-”号填列)	(loss will be marked with "-")		
投资收益	Investment income	25,037.25	22,531.82
(损失以“-”号填列)	(loss will be marked with "-")		
其中：对联营企业和合营企业的	Including: income from investments on	-	-
投资收益	associates and jointly controlled entities		
汇兑收益	Gains on exchange	-385.77	-293.52
(损失以“-”号填列)	(loss will be marked with "-")		

→ 法定代表人: 郑安国 | 主管会计工作负责人: 张晓喆 | 会计机构负责人: 陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位：人民币万元 Currency Unit: RMB 10000		2010	
Item		2010	2009
项目		本年金额	上年金额
三、营业利润：	3. Operating profits	81,395.97	93,230.08
(亏损以“-”号填列)	(loss will be marked with "-")		
加：营业外收入	Add: Non-operating income	277.15	7.06
减：营业外支出	Less: Non-operating expenses	50.53	-2,251.32
其中：非流动资产处置损失	Including: loss on the disposal of	5.92	106.75
	non-current assets		
四、利润总额：	4. Total profit	81,622.59	95,488.46
(亏损总额以“-”号填列)	(loss will be marked with "-")		
减：所得税费用	Less: income tax expenses	22,306.41	20,599.91
五、净利润：	5. Net profit	59,316.18	74,888.55
(净亏损以“-”号填列)	(net loss will be marked with "-")		
归属于母公司所有者的净利润	Net profit attributable to the owner(s) of	47,151.51	61,288.09
	the parent company		
少数股东损益	Profit and loss of the minority interests	12,164.67	13,600.46
六、每股收益：	6. Earnings per share :	-	-
(一) 基本每股收益	(1) basic earnings per share	-	-
(二) 稀释每股收益	(2) diluted earnings per share	-	-
七、其他综合收益：	7. Other consolidated income :	-33.00	4,890.43
八、综合收益总额：	8. Total consolidated income :	59,283.18	79,778.98
归属于母公司所有者的综合收益总额	Total consolidated income attributable to	47,118.55	66,178.48
	the owner(s) of the parent company		
归属于少数股东的综合收益总额	Total consolidated income attributable	12,164.63	13,600.50
	to the minority interests		

Unconsolidated Income Statement

母公司利润表

→ 编制单位 | Compiler: 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位: 人民币万元 Currency Unit: RMB 10000		2010	
Item		2010	2009
项目		本年数	上年数
一、营业总收入	1. Operating income	69,515.07	73,757.24
利息净收入	Net interest income	1,504.15	4,447.47
利息收入	Interest income	1,504.15	4,447.47
利息支出	Interest expenses	-	-
手续费及佣金净收入	Net income of fees and commissions	31,490.45	29,494.47
手续费及佣金收入	Fees and commission income	31,537.31	29,638.99
手续费及佣金支出	Fee and commission expenses	46.86	144.52
投资收益	Investment income	37,644.47	38,289.81
(损失以“-”填列)	(loss will be marked with “-”)		
其中: 对联营企业和合营企业的投资收益	Including: income from investments on associates and jointly controlled entities	7,788.32	5,405.43
公允价值变动损益	Gains on changes in fair value	-766.53	1,818.58
(损失以“-”填列)	(loss will be marked with “-”)		
汇兑收益	Gains on exchange	-357.47	-293.09
(损失以“-”填列)	(loss will be marked with “-”)		
其他业务收入	Other business incomes	-	-
二、营业支出	2. Operating costs	12,862.33	12,188.19
营业税金及附加	Business taxes and surcharges	2,864.15	2,950.48
业务及管理费	Business and management expenses	10,229.12	9,006.77
资产减值损失	Assets depreciation loss	-230.94	230.94
其他业务成本	Other business costs	-	-

→ 法定代表人: 郑安国 | 主管会计工作负责人: 张晓喆 | 会计机构负责人: 陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位: 人民币万元 Currency Unit: RMB 10000		2010	
Item		2010	2009
项目		本年数	上年数
三、营业利润	3. Operating profits	56,652.74	61,569.05
(亏损以“-”填列)	(loss will be marked with “-”)		
加: 营业外收入	Add: Non-operating income	113.57	0.03
减: 营业外支出	Less: Non-operating expenses	-	1.56
四、利润总额	4. Total profits	56,766.31	61,567.52
(亏损总额以“-”填列)	(loss will be marked with “-”)		
减: 所得税费用	Less: income tax expenses	9,609.09	10,644.66
五、净利润	5. Net profit	47,157.22	50,922.86
(净亏损以“-”号填列)	(net loss will be marked with “-”)		
六、每股收益:	6. Earnings per share	-	-
(一) 基本每股收益	(1) basic earnings per share	-	-
(二) 稀释每股收益	(2) diluted earnings per share	-	-
七、其他综合收益	7. Other consolidated income	9,448.99	4,861.02
八、综合收益总额	8. Total consolidated income	56,606.21	55,783.88

Balance Sheet on Trust Assets

信托项目资产负债汇总表

→ 编制单位 | Compiler : 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Asset		Amount at the end of the period	Amount at the beginning of the period
资产		期末数	期初数
资产：	 Assets：		
现金及存放中央银行款项	Cash and fund deposited in the Central bank	162,718.47	328,418.82
其中：现金及银行存款	Including: cash and bank deposit	162,718.47	328,418.82
其他货币资金	Other monetary capital	177,404.66	127,176.79
拆出资金	Funds for inter-bank lending	-	-
交易性金融资产	Financial assets held for trading	1,211,085.40	503,162.00
衍生金融资产	Derivative financial assets	-	-
买入返售金融资产	Purchase of financial assets for resale	372,600.09	34,000.00
应收账款	Accounts receivable	-	-
应收股利	Dividends receivable	-	-
应收利息	Interest receivable	-	-
其他应收款	Other receivables	45,813.07	5,576.23
发放贷款和垫款	Loans and advance granted	5,837,523.00	1,956,485.04
可供出售金融资产	Financial assets available for sale	858,565.35	1,684,788.96
持有至到期投资	Held-to-maturity investments	-	-
长期股权投资	Long-term equity investments	27,751.61	33,016.01
投资性房地产	Real estate for investment purposes	-	-
固定资产	Fixed assets	-	-
无形资产	Intangible assets	-	-
其他资产	Other assets	-	-
资产总计：	 Total assets：	8,693,461.65	4,672,623.85

→ 法定代表人: 郑安国 | 主管会计工作负责人: 张晓喆 | 会计机构负责人: 陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位：人民币万元 Currency Unit: RMB 10000		31 December 2010	
Liability and trust equity		Amount at the end of the period	Amount at the beginning of the period
负债和信托权益		期末数	期初数
负债：	 Liabilities：		
向中央银行借款	Loan from the Central Bank	-	-
同业及其他金融机构存放款项	Deposits from interbank and other financial institutions	-	-
拆入资金	Funds from inter-bank borrowing	-	-
交易性金融负债	Financial liabilities held for trading	-	-
衍生金融负债	Derivative financial liabilities	-	-
应付受托人报酬	Remuneration payable to trustees	0.02	0.02
应付保管费	Custody charges payable	-	-
应付受益人收益	Earning payable to beneficiaries	-	25.00
应付销售服务费	Sales service fees payable	-	-
应交税费	Taxes payable	-	-
其他应付款	Other payables	159,896.70	4,094.32
其他负债	Other liabilities	-	-
负债合计	 Total liabilities：	159,896.72	4,119.34
信托权益：	 Trust equity：		
实收信托	Paid-up trust	8,441,090.71	4,500,296.42
资本公积	Capital surplus	13,996.51	-
未分配利润	Retained profits	78,477.71	168,208.09
信托权益合计	 Total trust equity：	8,533,564.93	4,668,504.51
负债和信托权益总计	 Total trust liabilities and equity：	8,693,461.65	4,672,623.85

Summary Statement on Trust Assets Profits & Profit Distribution

信托项目利润及利润分配汇总表

→ 编制单位 | Compiler : 华宝信托有限责任公司 Hwabao Trust Co., Ltd.

金额单位：人民币万元 Currency Unit: RMB 10000		2010	
Item		Current period	Previous period
项目		本年累计数	上年累计数
一、信托营业收入	 1. Operating revenues from trust :	264,536.78	308,914.52
利息收入	Interest incomes	175,261.37	67,776.47
投资收益	Investment income	114,488.88	257,375.15
(损失以“-”号填列)	(loss will be marked with "-")		-
其中：对联营企业和合营企业的投资收益	Including: income from investments on associates and jointly controlled entities	-	-
公允价值变动收益	Gains from changes in fair value	-27,059.93	-16,257.08
(损失以“-”号填列)	(loss will be marked with "-")		
租赁收入	Incomes from leases	-	-
汇兑收益	Gains on exchange	-	-
(损失以“-”号填列)	(loss will be marked with "-")		
其他业务收入	Other business incomes	1,846.46	19.98
二、信托营业支出	 2. Operating expenses from trust :	37,071.64	41,144.65
营业税金及附加	Business taxes and surcharges	289.04	1,730.23
业务及管理费	Business and management expenses	36,782.60	39,414.42
资产减值损失	Assets depreciation loss	-	-
其他业务成本	Other business costs	-	-

→ 法定代表人：郑安国 | 主管会计工作负责人：张晓喆 | 会计机构负责人：陆晓霞
Legal Representative: Zheng An-guo | Chief accounting officer: Zhang Xiaozhe | Accountant in charge: Lu Xiaoxia

金额单位：人民币万元 Currency Unit: RMB 10000		2010	
Item		Current period	Previous period
项目		本年累计数	上年累计数
三、利润总额	 3. Total profit :	227,465.14	267,769.87
(亏损总额以“-”填列)	(loss will be marked with "-")		
加：期初未分配信托利润	Add: undistributed trust profits at the beginning	168,208.09	98,565.68
	of the period		
损益平准金等其他影响额	Gain & loss of equalization payment and other	6,075.60	60,657.15
	influential amount		
四、可供分配的信托利润	 4. Distributable trust profits :	401,748.83	426,992.70
减：本期已分配信托利润	Less: distributed trust profits in the current period	323,271.12	258,784.61
五、期末未分配信托利润	 5. Undistributed trust profits at the end	78,477.71	168,208.09
	of the period :		
六、其他综合收益	 6. Other consolidated incomes :	10,082.25	-
七、综合收益总额	 7. Total consolidated incomes :	243,622.99	328,427.02

Notes to the Financial Statements of Hwabao Trust Co., Ltd. for 2010

华宝信托有限责任公司 2010 年度财务报表附注

(除特别说明外, 金额单位为人民币元 | The currency unit is RMB Yuan unless otherwise specified)

→ I.

公司的基本情况

华宝信托有限责任公司(以下简称“公司”或“本公司”)是于 1998 年 6 月经中国人民银行总行批准,由宝钢集团有限公司在购并原舟山市信托投资公司的基础上经过更名、迁址、增资扩股设立的非银行金融机构。公司于 2007 年 4 月经中国银行业监督管理委员会批准重新登记,取得由国家工商行政管理部门换发的注册号为 310115000480736 的《企业法人营业执照》和中国银行业监督管理委员会上海监管局颁发的编号为 K0023H231000001 的《中华人民共和国金融许可证》。公司的注册资本为人民币 10 亿元,注册地址为上海市浦东路 370 号宝钢大厦,法定代表人为郑安国。股权结构为:宝钢集团有限公司出资 9.80 亿元,占注册资本的 98.00%;舟山财政局出资 0.20 亿元,占注册资本的 2.00%。

公司的注册资本和实收资本于 2011 年 1 月变更为人民币 20 亿元。详见本附注“资产负债表日后事项”。

公司主要的经营范围包括:资金信托,动产信托,不动产信托,有价证券信托,其他财产或财产权信托,作为投资基金或者基金管理公司的发起人从事投资基金业务,经营企业资产的重组、购并及项目融资、公司理财、财务顾问等业务,受托经营国务院有关部门批准的证券承销业务,办理居间、咨询、资信调查等业务,代保管及保管箱业务,以存放同业、拆放同业、贷款、租赁、投资方式运用固有财产,以固有财产为他人提供担保,从事同业拆借,法律法规规定或中国银行业监督管理委员会批准的其他业务(上述经营范围包括本外币业务)。

公司年初下属子公司为两家,分别为华宝证券有限责任公司(以下简称“华宝证券”)和华宝兴业基金管理有限公司(以下简称“华宝兴业”);年末下属子公司为一家,为华宝兴业。公司及其所有子公司以下合称为“本集团”。

→ II.

财务报表的编制基础

本集团财务报表以持续经营假设为基础,根据实际发生的交易和事项,按照财政部于 2006 年 2 月 15 日颁布的《企业会计准则——基本准则》和 38 项具体会计准则、其后颁布的企业会计准则应用指南、企业会计准则解释及其他相关规定(以下统称为“企业会计准则”)编制。

III.

遵循企业会计准则的声明

本财务报表符合企业会计准则的要求,真实、完整地反映了本公司及本集团 2010 年 12 月 31 日的财务状况及 2010 年度的经营成果和现金流量等有关信息。

→ IV.

公司采用的主要会计政策、会计估计和前期差错

一、会计年度

本集团的会计期间分为年度和中期,会计中期指短于一个完整的会计年度的报告期间。本集团会计年度采用公历年度,即每年自 1 月 1 日起至 12 月 31 日止。

二、记账本位币

人民币为本公司及境内子公司经营所处的主要经济环境中的货币,本公司及境内子公司以人民币为记账本位币。本集团编制本财务报表时所采用的货币为人民币。

三、记账基础和计价原则(会计属性)

根据企业会计准则的相关规定,本集团会计核算以权责发生制为基础。除某些金融工具外,本财务报表均以历史成本为计量基础。资产如果发生减值,则按照相关规定计提相应的减值准备。

四、外币业务的核算方法及折算方法

1、本公司按分账制进行外币业务核算。外币业务发生时均以原币记账,期末按期末日的市场汇价(中间价)将各外币账户编制而成的外币报表按下述外币报表的折算方法折算成公司记账本位币(人民币)报表。

本公司之子公司华宝兴业基金和华宝证券对外币业务采用统账制核算。发生的外币交易在初始确认时,按交易日的即期汇率(通常指中国人民银行公布的当日外汇牌价的中间价,下同)折算为记账本位币金额,但该等子公司发生的外币兑换业务或涉及外币兑换的交易事项,按照实际采用的汇率折算为记账本位币金额。资产负债表日,对于外币货币性项目采用资产负债表日即期汇率折算,由此产生的汇兑差额计入当期损益。以历史成本计量的外币非货币性项目,仍采用交易发生日的即期汇率折算的记账本位币金额计量。以公允价值计量的外币非货币性项目,采用公允价值确定日的即期汇率折算,折算后的记账本位币金额与原记账本

位币金额的差额,作为公允价值变动(含汇率变动)处理,计入当期损益或确认为其他综合收益并计入资本公积。

2、外币报表的折算方法:

(1) 资产负债表日,外币货币性项目、除“未分配利润”外的所有者权益类项目采用即期汇率折算,由此产生的汇兑差额计入当期损益;以历史成本计量的外币非货币性项目保持交易发生日即期汇率不变,不产生汇兑差额;“未分配利润”项目按折算后的利润表中该项目的数额填列;年初数按照上年折算后的资产负债表的数额列示。

(2) 利润表中本年发生额项目按交易发生日的即期汇率折合人民币。

(3) 现金流量表中的项目按性质分类,参照上述两表折合人民币的原则折算后编制。

五、现金等价物的确定标准

本集团现金及现金等价物包括库存现金、可以随时用于支付的存款、存放同业款项、结算备付金以及本集团持有的期限短(一般为从购买日起,三个月内到期)、流动性强、易于转换为已知金额的现金、价值变动风险很小的投资。

六、证券公司客户交易结算资金会计核算方法

公司之子公司华宝证券代理客户的交易结算资金必须全额存入指定的商业银行,实行专户管理,并在“银行存款”科目中单设明细科目进行核算。与证券交易所清算的资金单独存入指定清算银行,结算备付金由证券交易所确定后经清算银行划入证券登记公司。本集团在收到代理客户买卖证券款的同时确认为一项负债,并与客户进行清算,支付给证券交易所的各项费用在与证券交易所清算时确认为手续费支出,按规定向客户收取的手续费,在与客户办理买卖证券款项结算时确认为手续费收入。

七、买入返售及卖出回购业务的核算

本集团对买入返售交易，按照合同或协议的约定，以一定的价格向交易对手买入相关金融资产，同时约定公司于合同或协议到期日再以约定价格返售相同之金融产品。买入返售按买入返售相关资产时实际支付的款项入账。

本集团对于卖出回购交易，按照合同或协议的约定，以一定的价格将相关的金融资产出售给交易对手，同时约定公司于合同或协议到期日再以约定价格回购相同之金融产品。卖出回购按卖出回购相关资产时实际收到的款项入账。卖出的金融产品仍按原分类列示于本集团的资产负债表内，并按照相关的会计政策核算。

买入返售及卖出回购的利息收支，在返售或回购期内按实际利率法确认。

八、金融资产、金融负债

1、金融工具的确认依据

金融工具的确认依据为：当成为金融工具合同的一方时，本集团确认与之相关的金融资产或金融负债。

2、金融资产和金融负债的分类

按照投资目的和经济实质，本集团将拥有的金融资产划分为四类：(1) 以公允价值计量且其变动计入当期损益的金融资产，包括交易性金融资产和指定为以公允价值计量且其变动计入当期损益的金融资产；(2) 持有至到期投资；(3) 贷款和应收款项；(4) 可供出售金融资产。

按照经济实质将承担的金融负债划分为两类：(1) 以公允价值计量且其变动计入当期损益的金融负债，包括交易性金融负债和指定为以公允价值计量且其变动计入当期损益的金融负债；(2) 其他金融负债。

3、金融资产和金融负债的计量

本集团初始确认金融资产或金融负债，按照公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产或金融负债，相关交易费用直接计入当期损益；对于其他类别的金融资产或金融负债，相关交易费用计入初始确认金额。

本集团对金融资产和金融负债的后续计量主要方法

(1) 以公允价值计量且其变动计入当期损益的金融资产和金融负债，按照公允价值进行后续计量，公允价值变动计入当期损益。

(2) 持有至到期投资和应收款项，除票面利率或合同利率与市场实际利率差别过大外，一般按照票面利率或合同利率计算利息收入。

(3) 可供出售金融资产按照公允价值进行后续计量，公允价值变动形成的利得或损失，除减值损失和外币货币性金融资产形成的汇兑损益外，直接计入所有者权益，在该金融资产终止确认时转出，计入当期损益。

(4) 在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资，以及与该权益工具挂钩并须通过交付该权益工具结算的衍生金融资产，按照成本计量。

(5) 其他金融负债按摊余成本进行后续计量。但是下列情况除外：

A. 与在活跃市场中没有报价，公允价值不能可靠计量的权益工具挂钩并须通过交付该权益工具结算的衍生金融负债，按照成本计量。

B. 不属于指定为以公允价值计量且其变动计入当期损益的金融负债的财务担保合同，或没有指定为以公允价值计量且其变动计入当期损益并将以低于市场利率贷款的贷款承诺，在初始确认后按照下列两项金额之中的较高者进行后续计量：

a. 《企业会计准则第 13 号 – 或有事项》确定的金额；

b. 初始确认金额扣除按照《企业会计准则第 14 号 – 收入》的原则确定的累计摊销额后的余额。

4、主要的金融资产公允价值和主要的金融负债公允价值的确定方法

金融资产和金融负债公允价值的初始计量原则上采用以公开市场买入或卖出的价格。

根据谨慎性原则，对公允价值的后续计量规定如下：

(1) 股票类金融资产：

A. 已上市流通的股票：其公允价值为最近交易日的收盘价；

B. 已上市但未流通的股票：采用相应的估值技术确定估值日该股票的公允价；

C. 未上市流通股票且无市价的，以历史成本作为公允价值。

(2) 基金类金融资产：封闭型基金，其公允价值参照上市流通股公允价值的计算方法；开放型基金及集合理财计划等，以资产负债表日公布的最新净值作为公允价值。

(3) 证券交易所上市债券类金融资产：包括国债、企业债、可转债等，按最近交易日的收盘价作为公允价值。

(4) 信托产品类金融资产：有交易价的，按交易价作为公允价值；无交易价的，按成本价作为公允价值。

5、金融资产转移的确认和计量

金融资产转移是指本集团将金融资产让与或交付给该金融资产发行方以外的另一方。转移金融资产分为金融资产整体转移和部分转移。金融资产转移包括两种情况：将收取金融资产现金流量的权利转移给另一方或将金融资产转移给另一方，但保留收取金融资产现金流量的权利，并承担将收取的现金流量支付给最终收款方的义务。

已将整体或部分金融资产所有权上几乎所有的风险和报酬转移给转入方时，终止确认该整体或部分金融资产，收到的对价与所转移金融资产账面价值的差额确认为当期损益，同时将原在所有者权益中确认的金融资产累计利得或损失转入当期损益；本集团保留了所有权上几乎所有的风险和报酬时，继续确认该整体或部分金融资产，收到的对价确认为金融负债。

对于既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，但保留了对该金融资产控制的，按照其继续涉入所转移金融资产的程度确认有关金融资产，并相应确认有关负债；放弃了对该金融资产控制的按终止确认的原则处理。

6、金融资产减值测试方法和减值准备计提方法

(1) 金融资产计提减值的范围及减值的客观证据

本集团在资产负债表日对以公允价值计量且其变动计入当期损益的金融资产以外的金融资产的账面价值进行检查，有客观证据表明该金融资产发生减值的，计提减值准备。金融资产减值的客观证据主要包括：

A. 发行方或债务人发生严重财务困难；

B. 债务人违反了合同条款，如偿付利息或本金发生违约或逾期等；

C. 本集团出于经济或法律等方面因素的考虑，对发生困难的债务人作出让步；

D. 债务人持续经营出现不确定性而很可能倒闭或进行其他财务重组；

E. 因发行方发生重大财务困难，本集团持有的金融资产无法在活跃市场继续交易；

F. 债务人经营所处的技术、市场、经济和法律环境等发生重大不利变化，使本集团可能无法收回投资成本；

G. 权益工具投资的公允价值发生严重或非暂时性下跌；

H. 虽然无法辨认金融资产组合中的某项资产的现金流量是否已经减少，但本集团根据其公开的数据对其进行总体评价后发现，该组金融资产自初始确认以来的预计未来现金流量确已减少且可计量；

I. 其他表明金融资产发生减值的客观证据。

(2) 金融资产减值测试方法及减值准备计提方法

A. 应收款项

应收款项减值测试方法及减值准备计提方法参见附注四、应收款项。

B. 可供出售金融资产

可供出售金融资产的公允价值发生较大幅度下降，或在综合考虑各种相关因素后，预期这种下降趋势属于非暂时性的，则按其公允价值低于其账面价值的差额，确认减值损失，计提减值准备。在确认减值损失时，将原直接计入所有者权益的公允价值下降形成的累计损失一并转出，计入减值损失。

C. 贷款

以成本或摊余成本计量的金融资产将其账面价值减记至预计未来现金流量现值，减记金额确认为减值损失，计入当期损益。金融资产在确认减值损失后，如有客观证据表明该金融资产价值已恢复，且客观上与确认该损失后发生的事项有关，原确认的减值损失予以转回，金融资产转回减值损失后的账面价值不超过假定不计提减值准备情况下该金融资产在转回日的摊余成本。

D. 其他

在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投

资，或与该权益工具挂钩并须通过交付该权益工具结算的衍生金融资产发生减值时，将该权益工具投资或衍生金融资产的账面价值，与按照类似金融资产当时市场收益率对未来现金流量折现确定的现值之间的差额，确认为减值损失，计入当期损益。

九、应收款项

1、坏账准备的确认标准

本集团在资产负债表日对应收款项账面价值进行检查，对存在下列客观证据表明应收款项发生减值的，计提减值准备。

(1) 债务人发生严重的财务困难；

(2) 债务人违反合同条款（如偿付利息或本金发生违约或逾期等）；

(3) 债务人很可能倒闭或进行其他财务重组；

(4) 其他表明应收款项发生减值的客观依据。

2、坏账准备的计提方法

应收款项包括应收账款和其他应收款。因债务人破产或者死亡，以其破产财产清偿后，仍然不能收回的应收款项，或者因债务人逾期未履行偿债义务超过三年仍然不能收回的应收款项，根据本集团的管理权限，经批准后确认为坏账。本集团对可能发生的坏账，计提坏账准备。

在资产负债表日，本集团对应收款项进行全面减值测试，有客观证据表明其发生了减值的，根据其未来现金流量现值低于其账面价值的差额，确认减值损失，计提坏账准备。

十、长期股权投资

1、投资成本的确定

对于企业合并形成的长期股权投资，如为同一控制下的企业合并取得的长期股权投资，在合并日按照取得被合并方所有者权益账面价值的份额作为初始投资成本；通过非同一控制下的企业合并取得的长期股权投资，企业合并成本包括购买方付出的资产、发生或承担的负债、发行的权益性证券的公允价值之和，购买方为企业合并发生的审计、法律服务、评估咨询等中介费用以及其他相关管理费用，应当于发生时计入当期损益，购买方作为合并对价发行的权益性证券或债务性证券的交易费用，应当计入权益性证券或债务性证券的初始确认金额。

除企业合并形成的长期股权投资外的其他股权投资，按成本进行初始计量。

2、后续计量及损益确认方法

对被投资单位不具有共同控制或重大影响并且在活跃市场中没有报价、公允价值不能可靠计量的长期股权投资，采用成本法核算；对被投资单位具有共同控制或重大影响的长期股权投资，采用权益法核算；对被投资单位不具有控制、共同控制或重大影响并且公允价值能够可靠计量的长期股权投资，作为可供出售金融资产核算。

此外，公司财务报表采用成本法核算能够对被投资单位实施控制的长期股权投资。

(1) 成本法核算的长期股权投资

采用成本法核算时，长期股权投资按初始投资成本计价，除取得投资时实际支付的价款或者对价中包含的已宣告但尚未发放的现金股利或者利润外，当期投资收益按照享有被投资单位宣告发放的现金股利或利润确认。

(2) 权益法核算的长期股权投资

采用权益法核算时，长期股权投资的初始投资成本大于投资时应享有被投资单位可辨认净资产公允价值份额的，不调整长期股权投资的初始投资成本；初始投资成本小于投资时应享有被投资单位可辨认净资产公允价值份额的，其差额计入当期损益，同时调整长期股权投资的成本。

采用权益法核算时，当期投资损益为应享有或应分担的被投资单位当年实现的净损益的份额。在确认应享有被投资单位净损益的份额时，以取得投资时被投资单位各项可辨认资产等的公允价值为基础，并按照本集团的会计政策及会计期间，对被投资单位的净利润进行调整后确认。对于本集团与联营企业及合营之间发生的未实现内部交易损益，按照持股比例计算属于本集团的部分予以抵销，在此基础上确认投资损益。但本集团与被投资单位发生的未实现内部交易损失，按照《企业会计准则第8号——资产减值》等规定属于所转让资产减值损失的，不予以抵销。对被投资单位的其他综合收益，相应调整长期股权投资的账面价值确认为其他综合收益并计入资本公积。

(3) 处置长期股权投资

在合并财务报表中，母公司在不丧失控制权的情况下部分处置对子公司的长期股权投资，处置价款与处置长期股权投资相对应享有子公司净资产的差额计入所有者权益；母公司部分处置对子公司的长期股权投资导致丧失对子公司控制权的，按本附注七、“合并财务报表编制的方法”中所述的相关会计政策处理。

其他情形下的长期股权投资处置，对于处置的股权，其账面价值与实际取得价款的差额，计入当期损益；采用权益法核算的长期股权投资，在处置时将原计入所有者权益的其他综合收益部分按相应的比例转入当期损益。对于剩余股权，按其账面价值确认为长期股权投资或其他相关金融资产，并按前述长期股权投资或金融资产的会计政策进行后续计量。涉及对剩余股权由成本法转为权益法核算的，按相关规定进行追溯调整。

3、确定对被投资单位具有共同控制、重大影响的依据

控制是指有权决定一个企业的财务和经营政策，并能据以从该企业的经营活动中获取利益。共同控制是指按照合同约定对某项经济活动所共有的控制，仅在与该项经济活动相关的重要财务和经营决策需要分享控制权的投资方一致同意时存在。重大影响是指对一个企业的财务和经营政策有参与决策的权力，但并不能够控制或者与其

他方一起共同控制这些政策的制定。在确定能否对被投资单位实施控制或施加重大影响时，已考虑投资企业和其他持有的被投资单位当期可转换公司债券、当期可执行认股权证等潜在表决权因素。

4、减值测试方法及减值准备计提方法

本集团在每一个资产负债表日检查长期股权投资是否存在可能发生减值的迹象。如果该资产存在减值迹象，则估计其可收回金额。如果资产的可收回金额低于其账面价值，按其差额计提资产减值准备，并计入当期损益。

长期股权投资的减值损失一经确认，在以后会计期间不予转回。

十一、固定资产

1、固定资产的确认标准

固定资产是指为生产商品、提供劳务、出租或经营管理而持有的，使用寿命超过一个会计年度的有形资产。在同时满足下列条件时才能确认固定资产：

- (1) 与该固定资产有关的经济利益很可能流入公司；
- (2) 该固定资产的成本能够可靠地计量。

2、固定资产的初始计量

固定资产按照成本进行初始计量。外购固定资产的成本，包括购买价款、相关税费、使固定资产达到预定可使用状态前所发生的可归属于该项资产的运输费、装卸费、安装费和专业人员服务费等。

3、固定资产的分类

本集团固定资产分为房屋建筑物、电子设备、办公设备和运输设备。

4、固定资产折旧

(1) 折旧方法及使用寿命、预计净残值率和年折旧率的确定：固定资产折旧采用年限平均法计提折旧。按固定资产的类别、使用寿命和预计净残值率确定的年折旧率如下：

固定资产类别	使用寿命	预计净残值率	年折旧率
房屋建筑物	35年	4%	2.74%
电子设备	3-5年	4%	19.20% - 32.00%
办公设备	5年	4%	19.20%
运输设备	6年	4%	16.00%

已计提减值准备的固定资产的折旧计提方法：已计提减值准备的固定资产，按该项固定资产的原价扣除预计净残值、已提折旧及减值准备后的金额和剩余使用寿命，计提折旧。

已达到预定可使用状态但尚未办理竣工决算的固定资产，按照估计价值确定其成本，并计提折旧；待办理竣工决算后，再按实际成本调整原来的暂估价值，但不需要调整原已计提的折旧额。

(2) 固定资产的使用寿命、预计净残值和折旧方法进行复核：本集团

至少于每年年度终了时，对固定资产的使用寿命、预计净残值和折旧方法进行复核，如果发现固定资产使用寿命预计数与原先估计数有差异的，调整固定资产使用寿命；预计净残值的预计数与原先估计数有差异的，调整预计净残值；与固定资产有关的经济利益预期实现方式有重大改变的，改变固定资产折旧方法。固定资产使用寿命、预计净残值和折旧方法的改变作为会计估计变更处理。

5、固定资产的减值测试方法及减值准备计提方法

固定资产的减值测试方法和减值准备计提方法详见非流动非金融资产减值。

十二、在建工程

在建工程成本按实际工程支出确定，包括在建期间发生的各项工程支出以及其他相关费用等。在建工程在达到预定可使用状态后结转为固定资产。

在建工程的减值测试方法和减值准备计提方法详见非流动非金融资产减值。

十三、无形资产

1、无形资产

无形资产是指本集团拥有或者控制的没有实物形态的可辨认非货币性资产。

无形资产按成本进行初始计量。与无形资产有关的支出，如果相关的经济利益很可能流入本集团且其成本能可靠地计量，则计入无形资产成本。除此以外的其他项目的支出，在发生时计入当期损益。

取得的土地使用权通常作为无形资产核算。自行开发建造厂房等建筑物，相关的土地使用权支出和建筑物建造成本则分别作为无形资产和固定资产核算。如为外购的房屋及建筑物，则将有关价款在土地使用权和建筑物之间进行分配，难以合理分配的，全部作为固定资产处理。

使用寿命有限的无形资产自可供使用时起，对其原值减去预计净残值和已计提的减值准备累计金额在其预计使用寿命内采用直线法分期平均摊销。使用寿命不确定的无形资产不予摊销。

期末，对使用寿命有限的无形资产的使用寿命和摊销方法进行复核，如发生变更则作为会计估计变更处理。此外，还对使用寿命不确定的无形资产的使用寿命进行复核，如果有证据表明该无形资产为企业带来经济利益的期限是可预见的，则估计其使用寿命并按照使用寿命有限的无形资产的摊销政策进行摊销。

2、无形资产的减值测试方法及减值准备计提方法

无形资产的减值测试方法和减值准备计提方法详见非流动非金融资产减值。

十四、长期待摊费用核算方法

长期待摊费用为已经发生但应由报告期和以后各期负担的分摊期限在一年以上的各项费用。长期待摊费用在预计受益期间摊销。

十五、非流动非金融资产减值

对于固定资产、在建工程、使用寿命有限的无形资产、以成本模式计量的投资性房地产及对子公司、合营企业、联营企业的长期股权投资等非流动非金融资产，本集团于资产负债表日判断是否存在减值迹象。如存在减值迹象的，则估计其可收回金额，进行减值测试。商誉、使用寿命不确定的无形资产和尚未达到可使用状态的无形资产，无论是否存在减值迹象，每年均进行减值测试。

减值测试结果表明资产的可收回金额低于其账面价值的，按其差额计提减值准备并计入减值损失。可收回金额为资产的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间的较高者。资产的公允价值根据公平交易中销售协议价格确定；不存在销售协议但存在资产活跃市场的，公允价值按照该资产的买方出价确定；不存在销售协议和资产活跃市场的，则以可获取的最佳信息为基础估计资产的公允价值。处置费用包括与资产处置有关的法律费用、相关税费、搬运费以及为使资产达到可销售状态所发生的直接费用。资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量，选择恰当的折现率对其进行折现后的金额加以确定。资产减值准备按单项资产为基础计算并确认，如果难以对单项资产的可收回金额进行估计的，以该资产所属的资产组确定资产组的可收回金额。资产组是能够独立产生现金流入的最小资产组合。

在财务报表中单独列示的商誉，在进行减值测试时，将商誉的账面价值分摊至预期从企业合并的协同效应中受益的资产组或资产组组合。测试结果表明包含分摊的商誉的资产组或资产组组合的可收回金额低于其账面价值的，确认相应的减值损失。减值损失金额先抵减分摊至该资产组或资产组组合的商誉的账面价值，再根据资产组或资产组组合中除商誉以外的其他各项资产的账面价值所占比重，按比例抵减其他各项资产的账面价值。

上述资产减值损失一经确认，以后期间不予转回价值得以恢复的部分。

十六、收入

本集团的收入包括利息收入、手续费及佣金收入、证券投资业务收入和其他收入：

1、利息收入

利息收入为存放于中国人民银行和同业的款项及发放贷款及垫款所产生的利息收入，按让渡资金使用权的时间和适用利率计算确定。

2、手续费及佣金收入

(1) 信托业务手续费收入及财务顾问业务收入

A. 信托业务手续费收入按合同约定的收益分配报告或清算报告确认手续费收入的实现；
B. 财务顾问业务按合同约定义务的履行情况和进度确认手续费收入的实现。

(2) 代理买卖证券业务收入

代理买卖证券业务收入主要为华宝证券代买卖证券业务在代买卖证券交易日确认收入。

(3) 基金管理收入

基金管理收入为华宝兴业根据基金契约约定的基金管理人报酬的计算方法按月向所管理的证券投资基金收取的基金管理费。基金管理费按每月约定应收额确认收入。

3、证券投资业务收入

证券投资业务收入为本集团证券自营买卖的收益，于证券交易日时确认。

4、其他收入

本集团在完成合同义务并收到款项时确认收入的实现。

十七、递延所得税资产 / 递延所得税负债

1、当期所得税

资产负债表日，对于当期和以前期间形成的当期所得税负债（或资产），以按照税法规定计算的预期应交纳（或返还）的所得税金额计量。计算当期所得税费用所依据的应纳税所得额系根据有关税法规定对本年度税前会计利润作相应调整后计算得出。

2、递延所得税资产及递延所得税负债

某些资产、负债项目的账面价值与其计税基础之间的差额，以及未作为资产和负债确认但按照税法规定可以确定其计税基础的项目的账面价值与计税基础之间的差额产生的暂时性差异，采用资产负债表债务法确认递延所得税资产及递延所得税负债。

与商誉的初始确认有关，以及与既不是企业合并、发生时也不影响会计利润和应纳税所得额（或可抵扣亏损）的交易中产生的资产或负债的初始确认有关的应纳税暂时性差异，不予确认有关的递延所得税负债。此外，对与子公司、联营企业及合营企业投资相关的应纳税暂时性差异，如果本集团能够控制暂时性差异转回的时间，而且该暂时性差异在可预见的未来很可能不会转回，也不予确认有关的递延所得税负债。除上述例外情况，本集团确认其他所有应纳税暂时性差异产生的递延所得税负债。

与既不是企业合并、发生时也不影响会计利润和应纳税所得额（或可抵扣亏损）的交易中产生的资产或负债的初始确认有关的可抵扣暂时性差异，不予确认有关的递延所得税资产。此外，对与子公司、联营企业及合营企业投资相关的可抵扣暂时性差异，如果暂时性差异在可预见的未来不是很可能转回，或者未来不是很可能获得用来

抵扣可抵扣暂时性差异的应纳税所得额，不予确认有关的递延所得税资产。除上述例外情况，本集团以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限，确认其他可抵扣暂时性差异产生的递延所得税资产。

对于能够结转以后年度的可抵扣亏损和税款抵减，以很可能获得用来抵扣可抵扣亏损和税款抵减的未来应纳税所得额为限，确认相应的递延所得税资产。

资产负债表日，对于递延所得税资产和递延所得税负债，根据税法规定，按照预期收回相关资产或清偿相关负债期间的适用税率计量。

于资产负债表日，对递延所得税资产的账面价值进行复核，如果未来很可能无法获得足够的应纳税所得额用以抵扣递延所得税资产的利益，则减记递延所得税资产的账面价值。在很可能获得足够的应纳税所得额时，减记的金额予以转回。

3、所得税费用

所得税费用包括当期所得税和递延所得税。

除确认为其他综合收益或直接计入所有者权益的交易和事项相关的当期所得税和递延所得税计入其他综合收益或所有者权益，以及企业合并产生的递延所得税调整商誉的账面价值外，其余当期所得税和递延所得税费用或收益计入当期损益。

十八、租赁

本集团作为承租人记录经营租赁业务

经营租赁的租金支出在租赁期内的各个期间按直线法计入相关资产成本或当期损益。初始直接费用计入当期损益。或有租金于实际发生时计入当期损益。

十九、职工薪酬

本集团在职工提供服务的会计期间，将应付的职工薪酬确认为负债。

本集团按规定参加由政府机构设立的职工社会保障体系，包括基本养老保险、医疗保险、住房公积金及其他社会保障制度，相应的支出于发生时计入相关资产成本或当期损益。

在职工劳动合同到期之前解除与职工的劳动关系，或为鼓励职工自愿接受裁减而提出给予补偿的建议，如果本集团已经制定正式的解除劳动关系计划或提出自愿裁减建议并即将实施，同时本集团不能单方面撤回解除劳动关系计划或裁减建议的，确认因解除与职工劳动关系给予补偿产生的预计负债，并计入当期损益。

二十、风险准备金

1、信托投资风险准备金

信托投资风险准备为防止信托投资风险每年从税后利润中计提的准备金。公司每年按当期净利润的 10% 计提信托投资风险准备(2009

年该提取比例为 5%，2010 年起根据本公司董事会通过将该提取比例上调至 10%)。

2、外汇风险准备金

外汇风险准备为防止外汇汇率变动风险每年从税后利润中计提的准备金。公司每年按当期外币报表净利润的 50% 计提外汇风险准备。

3、基金风险准备金

基金风险准备金按华宝兴业基金管理收入的 10% 计提。基金风险准备金余额达到基金资产净值的 1% 时可不再提取。

VI.

→ V.

→ VI.

主要会计政策、会计估计变更和重大前期差错更正

一、本年度本集团无会计政策变更、会计估计变更和重大前期差错更正事项。

二、其他事项调整

内容和原因	受影响的报表项目名称	影响金额
2010 年 12 月，华宝证券增资 10 亿元，增资前公司持有华宝证券 99.922% 股权，华宝证券增资后，公司持有华宝证券 40.5592% 股权，公司由对华宝证券控制转为重大影响，该项长期股权投资由成本法转为权益法核算，根据《企业会计准则第 2 号——长期股权投资》，对以上股权变更进行追溯调整。	2009 年 12 月 31 日长期股权投资 2009 年 12 月 31 日资本公积 2009 年 12 月 31 日盈余公积 2009 年 12 月 31 日一般风险准备	增加 74,320,740.68 增加 1,627,861.76 增加 7,269,287.89 增加 3,634,643.95
此项调整事项仅影响公司单体财务报表。	2009 年 12 月 31 日未分配利润	增加 61,788,947.08

三、期初所有者权益调整汇总情况

项目	合并范围变化
资本公积	1,627,861.76
盈余公积	7,269,287.89
一般风险准备	3,634,643.95
未分配利润	61,788,947.08
合计	74,320,740.68

注：上述调整仅影响公司单体财务报表。

4、一般风险准备金和交易风险准备金

公司对贷款、长期股权投资等风险资产按期末余额的 1% 从税后利润中提取一般风险准备。

华宝证券每年分别按当期净利润的 10% 计提一般风险准备金和交易风险准备金。

→ VI.

→ VI.

→ VI.

税项

公司主要适用的税种和税率：

税种	税率	计税依据
所得税	25%	应纳税所得额
营业税	5%	应纳税营业额
城建税	7%	应纳营业税额
教育费附加	3%	应纳营业税额

→ VII.

— 企业合并及合并财务报表

一、合并财务报表的编制方法

1、合并财务报表范围的确定原则

合并财务报表的合并范围以控制为基础予以确定。控制是指本公司能够决定被投资单位的财务和经营政策，并能据以从被投资单位的经营活动中获取利益的权力。合并范围包括本公司及全部子公司。子公司，是指被本公司控制的企业或主体。

2、合并财务报表编制的方法

从取得子公司的净资产和生产经营决策的实际控制权之日起，本集团开始将其纳入合并范围；从丧失实际控制权之日起停止纳入合并范围。对于处置的子公司，处置日前的经营成果和现金流量已经适当地包括在合并利润表和合并现金流量表中；当期处置的子公司，不调整合并资产负债表的期初数。非同一控制下企业合并增加的子公司，其购买日后的经营成果及现金流量已经适当地包括在合并利润表和合并现金流量表中，且不调整合并财务报表的期初数和对比数。同一控制下企业合并增加的子公司，其自合并当期期初至合并日的经营成果和现金流量已经适当地包括在合并利润表和合并现金流量表中，并且同时调整合并财务报表的对比数。

在编制合并财务报表时，子公司与本公司采用的会计政策或会计期间不一致的，按照本公司的会计政策和会计期间对子公司财务报表

进行必要的调整。对于非同一控制下企业合并取得的子公司，以购买日可辨认净资产公允价值为基础对其财务报表进行调整。

集团内所有重大往来余额、交易及未实现利润在合并财务报表编制时予以抵销。

子公司的股东权益及当期净损益中不属于本公司所拥有的部分分别作为少数股东权益及少数股东损益在合并财务报表中股东权益及净利润项下单独列示。子公司当期净损益中属于少数股东权益的份额，在合并利润表中净利润项目下以“少数股东损益”项目列示。少数股东分担的子公司的亏损超过了少数股东在该子公司期初所有者权益中所享有的份额，冲减少数股东权益。

当因处置部分股权投资或其他原因丧失了对原有子公司的控制权时，对于剩余股权，按照其在丧失控制权日的公允价值进行重新计量。处置股权取得的对价与剩余股权公允价值之和，减去按原持股比例计算应享有原有子公司自购买日开始持续计算的净资产的份额之间的差额，计入丧失控制权当期的投资收益。与原有子公司股权投资相关的其他综合收益，在丧失控制权时一并转为当期投资收益。其后，对该部分剩余股权按照《企业会计准则第 2 号——长期股权投资》或《企业会计准则第 22 号——金融工具确认和计量》等相关规定进行后续计量，详见长期股权投资或金融资产、金融负债。

二、本年纳入合并报表范围的子企业基本情况

公司名称	注册地	注册资本 (万元)	实际投资 (万元)	持股比例	主营业务
华宝兴业基金管理有限公司	上海市	15,000.00	6,700.00	51.00%	发起设立基金和基金管理

三、本年合并范围的变更及理由

2010 年 12 月 9 日华宝投资有限公司出资 10 亿元人民币对本集团之子公司华宝证券进行增资，华宝投资与本集团为同受宝钢集团有限公司控制，华宝证券于 2010 年 12 月 14 日完成工商变更登记手续。本次股权变更后，本集团对华宝证券不再控制，因此不再纳入合并范围。丧失控制权日为 2010 年 12 月 31 日。

华宝证券的股东约定 2010 年度华宝证券的净利润以及其他综合收益由原股东按照原出资比例享有，华宝证券 2010 年度净利润和其他综合收益为 77,943,995.93 元和 -14,463,007.03 元。

四、报告期因其他原因丧失控制权的股权而减少的子公司

1、华宝证券财务状况

项目	丧失控制权日净资产	上年末净资产
资产	3,148,544,867.63	3,313,630,417.54
负债	1,401,823,513.59	2,630,390,052.40
净资产	1,746,721,354.04	683,240,365.14

2、华宝证券经营成果

项目	年初至丧失控制权日
营业收入	230,204,679.62
营业支出	130,205,894.52
利润总额	100,507,968.19
净利润	77,943,995.93

3、华宝证券现金流量

项目	年初至丧失控制权日
经营活动产生的现金流量净额	-2,396,290,534.81
投资活动产生的现金流量净额	-18,020,240.55
筹资活动产生的现金流量净额	1,000,000,000.00
现金及现金等价物净增加额	-1,414,552,349.46
期末现金及现金等价物余额	1,412,552,193.45

→ VIII.

— 租赁

经营租赁 (承租人)

剩余租赁期	最低租赁付款额
1 年以内 (含 1 年)	37,782,772.34
1 年以上 2 年以内 (含 2 年)	23,733,043.64
2 年以上 3 年以内 (含 3 年)	13,843,124.70
3 年以上	65,446,265.00

IX.

— 或有事项

截至 2010 年 12 月 31 日止，公司为舟山市海运公司提供 243 万元借款担保 (舟山市海峡汽车轮渡有限责任公司为此事向公司提供了反担保)。

X.

— 承诺事项

截至 2010 年 12 月 31 日止，除租赁披露的本集团作为经营租赁承租人的最低租赁付款额外，无其他需披露的重大承诺事项。

→ XI.

— 资产负债表日后事项

2011 年 1 月 6 日，根据第十三次股东会决议和修改后的章程规定，并经中国银行业监督管理委员会上海监管局于 2010 年 12 月 22 日以沪银监复 [2010]936 号《关于同意华宝信托有限责任公司变更注册资本及修订公司章程的批复》批准，本公司申请增加注册资本人民币 1,000,000,000.00 元，由宝钢集团有限公司和浙江省舟山市财政局以货币出资及未分配利润转增注册资本，变更后注册资本为人民币 2,000,000,000.00 元。上述增资业经中瑞岳华会计师事务所审验，并出具中瑞岳华验字 [2011] 第 002 号验资报告。本公司于 2011 年 1 月 14 日办理完成工商变更登记手续。

XII.

— 其他重要事项说明

截至 2010 年 12 月 31 日止，本集团无需要披露的其他重要事项说明。

XIII.

— 财务报表的批准

本年度财务报表已于 2011 年 2 月 28 日经公司董事会批准。

Notes to the Financial Statements of Hwabao Trust Co., Ltd. for 2010

(The currency unit is RMB Yuan unless otherwise specified)

→ I.

_ General information about the enterprise

Approved by People's Bank of China in June 1998, Hwabao Trust Co., Ltd. (hereinafter referred to as "the company") was established as a non-banking financial institution by Baosteel Group after it went through changes of the company's name, location, capital increase and equity expansion following the acquisition of the Zhoushan Trust Investment Company. In April 2007, with the approval of the China Banking Regulatory Commission (CBRC), the company was re-registered and obtained the "Business License of Corporate Legal Person" issued by the state industrial and commercial administrative authority with a registration number of 3101151018934 and the "Financial License of the People's Republic of China" issued by the CBRC Shanghai Authority with a number of K0023H231000001. The company has a registered capital of RMB 1 billion Yuan, and its registered address is No.370 Pudian Rd Baosteel Building, Shanghai, with Yu Yeming being the legal representative of the company. The present equity structure of the company is as follows: RMB 980 million contributed by Baosteel Group, accounting for 98.00% of the registered capital; RMB 20 million contributed by the Zhoushan Finance Bureau, accounting for 2.00% of the registered capital.

The registered capital and paid-in capital of the company changed to RMB 2 billion effective from January 2011. For details, see "Issues after the balance sheet date" of these Notes.

II.

_ Basis on which financial statements are compiled

Financial statements compiled by the company is based on the assumption that the company is going to operate on a continuous basis and, according to actually occurred transaction and events, and in compliance with the "Corporate Accounting Principles—Basic Practice" issued in February 2006 by the Ministry of Finance, 38 specific accounting rules as well as subsequently issued application guidelines, explanation and other relevant stipulations (hereinafter collectively referred to as the "Corporate Accounting Principles").

The business scope of the company mainly consists of capital trust; chattel trust; real estate trust; marketable securities trust; miscellaneous property and ownership trust; handling investment funds as the sponsor of the investment fund or the sponsor of the fund management company; handling reorganization, merger and acquisition of corporate assets, project financing, corporate finance and financial consultation; underwriting trustee securities as approved by relevant authorities under the State council; handling brokerage, consulting and credit investigation; custody and safe deposit box business; applying fixed assets by means of inter-bank deposits, inter-bank lending, loans, lease and investment; providing guarantee for a third party with fixed assets; handling inter-bank transactions, and other businesses as stipulated under laws and regulations or as approved by the China Banking Regulatory Commission (with both local and foreign currency transactions included in the above business scope.)

At the beginning of the year, the company has two subsidiary companies, respectively Hwabao Securities Co., Ltd. (hereinafter referred to as "Hwabao Securities") and Fortune SGAM Fund Management Co., Ltd. (hereinafter referred to as "Fortune SGAM"). At the end of the year, the company has one subsidiary company, that is, Fortune SGAM. The company and subsidiary thereof are collectively referred to as "this Group"

III.

_ Declaration on observing corporate accounting principles

This financial statement complies with the requirements of the Corporate Accounting Principles, and fully and accurately reflect the financial standing of the company and this Group as on 31 December 2010, as well as the performance and cash flows and other information concerned in the year of 2010.

→ IV.

_ Key accounting policies adopted by the company, estimates and previous errors

1. Financial year

The financial period of this Group consists of the year and the interim period. The interim period refers to a reporting period which is shorter than a complete financial year. This Group's financial year adopts a calendar year, i.e. from January 1 to December 31 of each year.

2. Reporting currency

Renminbi (RMB, Chinese Yuan) is the currency in the main economic environment where the company and its domestic subsidiary conduct their business. This Group has selected RMB as its reporting currency for the preparation of this financial statement.

3. Accounting basis and pricing principles (accounting nature)

This Group uses accrual basis accounting for financial reporting purpose in accordance with the Corporate Accounting Principles. Historical costs are generally regarded as measurement attributes for this financial statement except for certain financial instruments. In the event of devaluation of assets, provision for such devaluation shall be made accordingly as required by regulations concerned.

4. Calculation and translation of foreign currency business

(1) The company performs calculation of foreign currency business by way of separate accounts. Accounts are kept in the original currency upon incurrence for the foreign currency business. At the end of a period, the foreign currency statements compiled from all foreign currency accounts are translated based on the prevailing exchange rate (medium rate) as on the end-of-period date into statements of the company's reporting currency (RMB Yuan) in the translation method as specified in the following foreign currency statement.

Fortune SGAM and Hwabao Securities, subsidiaries of the company performs calculation of foreign currency business by way of integrated accounts. Once a foreign currency transaction incurred is initially confirmed, the amount is translated into the reporting currency at the spot rate on the transaction date (the prevailing exchange medium rate as published by the People's Bank of China), however, foreign exchange business or any transaction involving foreign exchange is translated into the reporting currency amount at the exchange rate actually adopted. On the balance sheet date,

foreign currency monetary items are translated at the spot rate on the balance sheet date, where the translation differences incurred are recorded into the current profits and losses. Foreign currency non-monetary items valued at the historical cost are translated into the reporting currency at the spot rate on the transaction date. Foreign currency non-monetary items calculated at the fair value are translated into the reporting currency at the spot rate on the fair value determination date, and the translation differences incurred between the original currency and the reporting currency are treated as fair value fluctuation (including exchange rate fluctuation and is recorded into the current profits and losses, or then confirmed as other consolidated income and recorded as capital surplus.

(2) Translation method of the foreign currency financial statements:

① The foreign currency monetary items except the "Undistributed Profits" are translated at the spot rate on the balance sheet date, where the translation differences incurred are recorded into the current profits and losses. Foreign currency non-monetary items valued at the historical cost do not incur translation differences, as the spot rate on the transaction date remains unchanged. Items included in the "Undistributed Profits" is filled out with the translated profits as listed in the profit statement. The beginning balance is displayed according to the translated amount in the balance sheet of the previous year.

② The amount incurred in the current period as included in the income statement is translated into RMB at the spot rate on the transaction date.

③ Items included in the statement of cash flows are categorized subject to their nature, and are compiled upon translation into RMB amounts in accordance with the principles in the foregoing two paragraphs.

5. Establishing standards for cash equivalent

In respect of this Group, cash and cash equivalent refers to cash on hand and bank deposits, deposits in other banks and settlement reserves, which are available and can be used for bill payment at any time, together with the investment held by this Group featuring short period (usually to mature within three months from the date of purchase), strong liquidity, easily convertible to known-amount cash, with little value fluctuation risk.

6. Accounting method for the transaction settlement fund of securities company clients

The transaction settlement fund held by the Hwabao Securities, a subsidiary of the company on behalf of clients must be deposited in full into the specified commercial bank for special management, and a categorized item should be set up separately in the "Bank deposit" account for accounting purposes. The fund to be settled with the stock exchange is separately deposited into a specified settlement bank. The settlement reserves shall be remitted to the securities registration company by the settlement bank upon confirmation from the stock exchange. Once this Group receives a payment from a client related to buying or selling securities, such payment shall be confirmed as a liability, and be settled with the client. All the payments transferred to the stock exchange shall be confirmed as service fees upon settlement with the stock exchange. The service fees collected from a client as required is confirmed as the service fee income upon settlement of securities trading.

7. Calculation for purchase of resold and sale of repurchased business

This Group will in respect of purchase of resold business, purchase the financial asset at a certain price from its counterpart, as agreed in the contract or agreement, while agreeing that the company will resell the same at the agreed price on the expiration date of the contract or agreement. Purchase of such resold asset is recorded at the amount actually paid.

This Group will in respect of sale of the repurchased business, sell the financial asset at a certain price to its counterpart, as agreed in the contract or agreement, while agreeing that the company will repurchase the same at the agreed price on the expiration date of the contract or agreement. Sale of such repurchased asset is recorded at the amount actually received. The financial product sold is kept in the balance sheet of this Group under the original category, and calculated according to the relevant accounting policies.

Interest paid or received with regard to such purchase or sale is determined at the actual interest rate during such resale or repurchase period.

8. Financial assets and financial liabilities

(1) Confirmation basis of financial instruments

Confirmation basis of financial instruments is that this Group confirms the related financial assets or financial liabilities once becoming a party of a financial instrument contract.

(2) Categorization of financial assets and financial liabilities

Based on the investment purpose and economic nature, this Group divides the financial assets it holds into four categories: ① financial assets which is calculated at fair value and changes of which are included in the current profit and loss account, including tradable financial assets and the financial assets which has been specified as being calculated at fair value and the changes of which are included in the current profit and loss account; ② investment held until maturity; ③ loans and receivables; ④ financial assets available for sale.

Financial liabilities to be assumed are divided into two categories based on economic nature: ① financial liabilities which are

calculated at fair value and changes of which are included in the current profit and loss account, including tradable financial liabilities and financial liabilities which have been specified as calculated at fair value and the changes of which are included in the current profit and loss account; ② other financial liabilities.

(3) Calculation of financial assets and financial liabilities

The financial assets or financial liabilities initially confirmed by this Group are calculated at fair value. For the financial assets or financial liabilities which have been calculated at fair value and the changes of which are included in the current profit and loss account, the relevant trading expense shall be directly entered into current profit and loss account; and as for other types of financial assets or financial liabilities, relevant trading fee shall be entered into the initially confirmed amount.

Main methods for subsequent calculation by this Group of financial assets and financial liabilities

① The financial assets and financial liabilities which is calculated at fair value and the changes of which are included in the current profit and loss account shall be subsequently calculated based on fair value, and the fair value changes shall be entered into the current profit and loss account.

② The investment held until maturity and receivables, except those whose nominal rate or contract rate is substantially different from the actual market rate, are generally calculated to determine interest income based on the nominal rate or the contract rate.

③ Financial assets available for sale shall be subsequently calculated at fair value. The profit and loss arising from the fair value change, except the depreciation loss and exchange gain or loss due to foreign currency monetary financial assets, are directly taken into the owners' equity, and shall be transferred upon termination confirmation of such financial assets and taken into the current profit and loss account.

④ The equity instrument investment which has not been quoted in the active market and the fair value of which cannot be reliably calculated, as well as the derivative financial assets which is linked with such equity instrument and ought to be settled through delivery of such equity instrument, shall be calculated at cost.

⑤ Other financial liabilities are calculated at amortized cost, except for the following:

A. A derivative financial liability shall be calculated at cost if it is linked with an equity instrument that is not quoted in the active market and the fair value of which cannot be reliably calculated, and may only be settled upon delivery of such derivative financial liability.

B. For a financial guarantee contract which is not designated to be calculated at fair value and any change of which is recorded in the current profit and loss account, or a loan undertaking which is not designated to be calculated at fair value and any change of which is recorded in the current profit and loss account at an interest rate lower than that of the market, once initially confirmed, the higher of the following prevails for the subsequent calculation:

a. the amount determined in "Corporate Accounting Principles—Contingent issues";

b. the balance determined after the accumulated amortization in compliance with "Corporate Accounting Principles—Income".

(4) determination of the fair value for major financial assets or major financial liabilities.

The fair value for financial assets or financial liabilities are initially calculated based on the price of the said in an open market.

With due diligence, subsequent calculation of the fair value is as follows:

① Stock type of financial products

A. For stocks tradable in the market, its fair value is the closing price on the most recent transaction day;

B. As for stocks already in the market, but not yet tradable, their fair value is determined on the valuation date with corresponding valuation technique;

C. As for a stock that is not tradable with no market price, its historical cost is the fair value.

② Fund type of financial asset: As for the fair value of the closed type of fund, its fair value may be calculated by reference to the fair value for tradable shares. As for the open type of fund, and pooled financial plans, the most updated net value as published on the balance sheet date is the fair value.

③ The bond type of financial products listed in stock exchanges includes national bonds, corporate bonds, convertible bonds, and the closing price on the most recent transaction date is regarded as the fair value.

④ Trust type of financial assets: if there is a sale price, such price is the fair value, otherwise, the cost thereof is the fair value.

(5) Confirmation and calculation of financial asset transfer

Financial asset transfer means that this Group transfers or delivers the financial assets to another party other than the issuing party of the financial assets. Financial asset transfer includes the overall transfer and partial transfer. Financial asset transfer includes two circumstances: to transfer the right of collecting cash flow of financial assets to another party or to transfer the financial assets to another party while maintaining the right of collecting cash flow of financial assets, and assuming the liability of paying the collected cash flow to the final payee.

When virtually all risks and remunerations on ownership of entire or partial financial asset have been transferred to the transferee, confirmation for such entire or partial financial asset is terminated. The difference between the received consideration and the book value of the transferred financial assets is to be confirmed as the current profit and loss account. Besides, the total profit and loss of financial assets confirmed in the original owners' equity shall be transferred to the current profit and loss account. This Group, while having virtually all the risks and remunerations on the ownership, shall continue to confirm such entire or partial financial assets, and the received consideration is to be confirmed as a financial liability.

In the circumstance that nearly all risks and remunerations on the ownership of financial assets are neither transferred nor kept however control on such financial assets is maintained, it is

necessary to confirm the relevant financial assets based on the degree it continues to involve in the transferred financial assets and the relevant liabilities shall be confirmed correspondently. Those whose control on financial assets are abandoned shall be treated based on the principle of termination of confirmation.

(6) Depreciation test and provision for the depreciation of financial assets

① Scope for depreciation provision and objective evidence of depreciation

On the balance sheet date, this Group performs inspection on the book value of financial assets apart from those which are calculated at fair value and the changes of which are taken into the current profit and loss account. Depreciation provision is required for the circumstance where objective evidences indicate that depreciation occurs to the financial assets. Objective evidences for depreciation include the following:

A. the issuer or the debtor suffers serious financial difficulty;

B. the debtor has breached the contract, such as failure or delay thereof in repayment of interests or the principal;

C. this Group compromises to the debtor in consideration of the economic or legal aspect;

D. the debtor has uncertainty in continuing operation, which is very likely to result in bankruptcy or other financial reorganization;

E. the issuer suffers serious financial difficulty, which results in failure of financial assets held by this Group to trade in the active market;

F. the debtor suffers material adverse effects in its technical, market, economic or legal environment, which is likely to result in the failure of this Group to recover its investment costs;

G. fair value of the equity instrument investment suffers serious or non-temporary drop;

H. although it is impossible to identify whether the cash flow of an asset in the financial asset portfolio has reduced, this Group based on its overall evaluation through publicly available data finds that the cash flow for such financial asset has since the initial confirmation reduced as a matter of fact and such reduction can be calculated;

I. other objective evidence indicating depreciation occurred to the financial asset.

② Depreciation test and provision for the depreciation of financial assets

A. accounts receivable

Depreciation test and provision for depreciation is detailed in Note IV, Accounts payable.

B. financial assets for sale

Where the fair value of the financial asset for sale suffers significant drop or such drop is anticipated to be non-temporary upon consideration of all factors concerned, such depreciation loss is confirmed based on the difference between the fair value and the book value thereof, and provision for such depreciation is made. At the time when the depreciation loss is confirmed, the accumulated

loss due to the drop of the fair value which was directly taken into the owners' equity, shall be transferred upon confirmation and taken into depreciation loss account.

C. loan

As for the financial asset measured at cost or amortized cost, the book value thereof is reduced to the anticipated current value of cash flow and taken into current profit and loss account once such reduced amount is confirmed as depreciation loss. If objective evidences indicate after confirmation of depreciation loss that the value of such financial asset has recovered, which is further objectively related to what has happened after the confirmation of loss, the depreciation loss confirmed earlier shall be reverted, and the book value of such reverted financial asset will not exceed the amortized cost of such financial asset on the reverting date assuming no provision for depreciation is made.

D. others

Where the equity instrument investment has not been quoted in the active market and the fair value of which cannot be reliably calculated, or the derivative financial asset which is linked with such equity instrument and may only be settled through delivery of such equity instrument suffers depreciation, the difference between the book value of such equity instrument or derivative financial asset, and the current value determined on the basis of the discount of the prevailing similar market rate of return over the prospective cash flow, shall be confirmed as depreciation loss and taken into the current profit and loss account.

9. Receivables

(1) Confirmation standards of bad debt reserves

On the balance sheet date, this Group performs inspection on the book value of receivables. Depreciation provision is required for the circumstance where objective evidences indicate that depreciation occurs to the receivables.

- ① the debtor suffers serious financial difficulty;
- ② the debtor has breached the contract (such as failure or delay in repayment of interests or the principal);
- ③ the debtor is very likely to have bankruptcy or other financial reorganization;
- ④ other objective evidence indicating depreciation occurred to the receivables.

(2) Provision policy for bad debt reserves

Receivables include receivables and other accounts receivable. In the case where receivables are unable to be collected after settlement with bankruptcy property due to the debtor's bankruptcy or death or where the debtor has failed to perform his/her/its obligations for a period exceeding three years, such receivables shall be confirmed as bad debts upon approval according to this Group's administration authority. This Group shall provide for bad debt reserves for any potential bad debts.

On the balance sheet date, this Group performs overall depreciation test on receivables. Where objective evidences indicate that depreciation occurs, depreciation loss shall be determined according to the difference in the present value of future cash flow that is lower than the book value thereof, and provisions for bad debts shall be required.

10. Long-term equity investments

(1) Determination of the long-term equity investment

The long-term equity investment acquired through a merger of enterprises under the same control of the company is regarded as the initial investment cost based on the proportion of book value of owners' equity of the merged party. As for the long-term equity investment which has been acquired through a merger of enterprises under different controls, the merger cost shall be the sum of the assets paid by, liabilities incurred to or borne by, the purchaser, and the fair value of the issued equity securities. Auditing or legal fees, evaluation or consulting agency fees, and other management fees in relation to the merger paid by the purchaser are recorded into the current profit and loss account. Transaction fees paid by the purchaser for issuance of equity securities or bond securities as a consideration for the merger shall be recorded as the initially confirmed amount of such equity securities or debt securities.

The long-term equity investment acquired in ways other than enterprise mergers shall be initially calculated at cost.

(2) Subsequent calculation and confirmation of investment income or loss

Where there is no common control or significant influence over the invested party, the long-term equity investment with no quotation in the active market and the fair value of which is unable to be reliably calculated, is calculated at cost. Long-term equity investment which are commonly controlled by the invested party or where there is significant influence is calculated at equity. Long-term equity investment which are not controlled, or commonly controlled by the invested party or where there is no significant influence and the fair value of which is able to be reliably calculated, is calculated as financial assets for sale.

Furthermore, the company adopts cost method to measure the long-term equity controlled by the invested party.

① long-term equity investment calculated at cost

The long-term equity investment calculated at cost is valued based on the initial investment cost. Other than the amount actually paid for the investment or consideration that includes cash dividends or profits declared however not yet distributed, the cash dividends or profits declared for distribution by the invested party shall be confirmed as the current investment income.

② Long-term equity investment calculated at equity

For long-term equity investment calculated at equity and where the initial investment cost exceeds the identifiable fair value of the net assets of the invested party at the time of investment, the initial investment cost will not be adjusted. For long-term equity investment where the initial investment cost is less than the identifiable fair value of the net assets of the invested party at the time of investment, the initial investment cost is adjusted, and the difference is recorded into the current profit and loss account, while and the cost of the long-term equity investment is adjusted.

For long-term equity investment calculated at equity, the current profit or loss from investment shall be the net profit or loss enjoyed or shared by the invested party at the time of investment. Confirmation of such net profit or loss enjoyed or shared by the invested party, shall be based on the identifiable fair value of the

assets of the invested party at the time of investment, and be made upon adjustment on the net profit of the invested party, in accordance with the accounting policies of this Group as well as the accounting period concerned. As for profit and loss from internal transactions which is not realized among this Group, and associates and jointly controlled entities, the portion owned by this Group based on the shareholding percentage is set off, and be confirmed as the investment profit or loss accordingly. However if it is loss from internal transactions which is not realized between this Group and the invested party and is loss from asset depreciation as prescribed in the "Corporate Account Principles No. 8 – Asset Depreciation", no setoff shall be made. Other consolidated income of the invested party is confirmed as other consolidated income upon adjustment on the book value of the long-term equity investment, and recorded as capital surplus.

③ Disposal of long-term equity investment

In the consolidated financial statement, the parent company may partly dispose of the long-term equity investment of its subsidiary without loss of control, and the difference between disposal of the purchasing price and disposal of the net assets enjoyed by the subsidiary is recorded into owners' equity account. If the parent company partly disposes of the long-term equity investment of its subsidiary that result in its loss of control over the subsidiary, it is dealt with in accordance with the relevant accounting policies detailed in Note VII, "Compilation basis and method of consolidated financial statement".

Under other circumstances where the long-term equity investment is disposed of, the difference between the book value and the actual amount received in respect of the disposed equity is recorded in the current profit and loss account. As for long-term equity investment calculated at equity, the other consolidated income which was originally recorded into owners' equity at the time of disposal shall be transferred to the current profit and loss account proportionally. Residual equity is confirmed as a long-term equity investment or other financial asset at its book value and calculated subsequently pursuant to the foregoing accounting policies regarding long-term equity investments or financial assets. Residual equity changed from cost method to equity method is adjusted in a retroactive manner as required under relevant regulations.

(3) Basis for the determination of common control or significant influence on the invested party

Control refers to the power to decide on the financial and operational policies of an enterprise, and to benefit from the business activities of such enterprise. Common control refers to control in a certain economic activity that is commonly shared as agreed in a contract, and such control only exists upon mutual agreement among investors who ought to share such control for important financial and operational decisions in connection with the said economic activity. Significant influence refers to the power to participate in the decision of the financial and operational policies of an enterprise, however with no control or common control with others over the formulation of such policies. When determining whether control or significant influence can be exerted over the invested party, voting rights in terms of current convertible corporate bonds, current executable warrants and others of the investment enterprise and the invested party shall have been taken into account.

(4) Depreciation test and provision for depreciation

On each balance sheet date, this Group performs depreciation test on long-term equity investments. If the asset suffers depreciation, a recoverable amount shall be estimated. If the recoverable amount of the asset is lower than the book value thereof, provision for depreciation loss shall be made according to the difference, and recorded into the current profit and loss account.

Once depreciation loss is confirmed for the long-term equity investment, it may not be reverted during later accounting period.

11. Fixed assets

(1) Confirming standards of fixed assets

Fixed assets refer to tangible assets that are held for the production of goods, provision of labor services, leases or business management, with a service life of no less than one accounting year. Fixed assets may only be confirmed upon satisfaction of both of the following:

- ① Economic benefit related to such fixed assets will likely go to the company;
- ② The cost of such fixed assets may be reliably measured.

(2) Initial calculation of fixed assets

The fixed assets are initially calculated at cost. The cost of externally purchased fixed assets, including purchase price and relevant tax as well as transportation costs, handling costs, installation costs and professional staff service fees attributable to the assets which incur to enable the fixed assets to be operational as anticipated.

(3) Categorization of fixed assets

The fixed assets of this Group refer to buildings, electronic equipments, office equipments and transportation facilities.

(4) Depreciation of fixed assets

① Determination of the depreciation method, service life, anticipated net residual value rate and yearly depreciation: average age method applies in the determination of depreciation of fixed assets. The yearly depreciation rate is respectively determined as follows subject to the category of the fixed asset, the service life and anticipated net residual value:

Category	Service life	Anticipated net residual value rate	Yearly depreciation rate
Buildings	35 years	4 %	2.74 %
Electronic equipments	3 to 5 years	4 %	19.20 % - 32.00 %
Office equipments	5 years	4 %	19.20 %
Transportation facilities	6 years	4 %	16.00 %

Depreciation provision method for fixed assets already provided for depreciation is that for fixed assets already provided for depreciation, provision for depreciation is made according to the outcome of the original price of the fixed asset deducting the estimated net salvage value, depreciation and devaluation, together with remaining service life.

If the fixed asset is operational as anticipated, however has yet to carry out project completion formalities, cost thereof shall be determined based on the estimated value, and provision for depreciation is made. Once the completion formalities are carried out, the original temporary estimated value is re-adjusted based on the actual cost, while depreciation amount already provided will not need any further adjustment.

② Review of the service life, estimated net salvage value and depreciation method of fixed assets: At least once at the end of each year, this Group will review the service life, estimated net salvage value and depreciation method of fixed assets. If there is difference between the service life estimate and the original estimate in respect of the fixed asset, the service life of the fixed asset is adjusted. If the net salvage value estimate is different from the original estimate, the estimated net salvage value is adjusted. In the event of any substantial change to the anticipated realization method relating to the economic benefit, the depreciation method of the fixed asset is altered. Change of the service life, estimated net salvage value and depreciation method of fixed assets is dealt with as accounting estimate changes.

(5) Depreciation test and provision for fixed assets

For depreciation test and provision method for fixed assets, Depreciation of non-current non-financial assets.

12. Constructions-in-progress

Costs for constructions-in-progress are determined at the actual engineering costs, including all the engineering costs incurred during the construction and other expenses in relation thereof. When the construction-in-progress is operational as anticipated, it becomes a fixed asset.

For depreciation test and provision method for construction-in-progress, Depreciation of non-current non-financial assets.

13. Intangible assets

(1) Intangible assets

Intangible assets refer to the intangible yet identifiable non-monetary assets owned or controlled by this Group.

The intangible assets are initially calculated at cost. Any expenditure related to intangible assets, where economic benefits related to such assets will likely go to this Group and the cost of which can be reliably calculated, is recorded as costs for intangible assets. Expenditure for any other project is recorded as the current profits or losses at the time it incurs.

Land use rights acquired are generally calculated as intangible assets. As for the self-development of plants and buildings, expenditure incurred in relation to the land use rights and costs incurred by the buildings is calculated as intangible assets and fixed assets, respectively. If the premises and buildings are purchased

externally, the purchase prices shall be distributed between the land use rights and the buildings, or if such distribution is unreasonable, all are treated as fixed assets.

As for intangible assets with limited service life, the outcome of the original value deducting the estimated net salvage value and depreciation provision, shall from the date when they are available for use, be amortized by the straight-line method on installment within the anticipated service life. Intangible assets with undetermined service life will not be amortized.

At the end of the period, intangible assets with limited service life and the amortization method is reviewed. Any change occurred is dealt with as accounting estimate changes. Furthermore the service life of intangible assets with undetermined service life will also be reviewed, and if any evidence indicates that the time limit for the economic benefit brought by the intangible assets to the company is foreseeable, it is necessary to estimate the length of such service life, and amortization is carried out in accordance with the amortization policies in respect of intangible assets with limited service life.

(2) Depreciation test and provision for intangible assets

For depreciation test and provision method for intangible assets, Depreciation of non-current non-financial assets.

14. Calculation method of long-term deferred cost

The long-term deferred cost refers to all expenditures which have already incurred to the company, should however be allocated to this period and all subsequent periods, with a deferred period of over one year. The long-term deferred cost shall be amortized over the period that benefits the project.

15. Devaluation of non-current non-financial assets

As for fixed assets, construction-in-progress, intangible assets with limited service life, real estate investment calculated at cost, long-term equity investment on subsidiaries, jointly controlled entities, associates, and other non-current non-financial assets, this Group shall, on the balance sheet date, determine whether there are signs for possible devaluation. If there is any sign, a recoverable amount shall be estimated and depreciation test is performed. For good will, intangible assets with undetermined service life and intangible assets that are not operational, depreciation test shall be carried out each year whether or not there are signs for possible devaluation.

If the depreciation test result indicates that the recoverable amount for the asset is lower than its book value, provision for such difference will be made and the difference will be recorded as depreciation loss. The recoverable amount shall be the fair value of the asset minus the higher of the net amount after disposal, and the current value of the anticipated future cash flow. The fair value of the asset is determined based on the offer price as prescribed in the sales agreement at arm's length. Where there is no sales agreement but there is an asset active market, the fair value shall be determined by the price offered by the asset purchaser. Where there is neither sales agreement nor asset active market, the fair value of the asset shall be estimated in order to have best information. Disposal costs include legal fees, taxes, removal costs, and direct costs incurred to enable the asset to be sellable. The current value of the anticipated future cash flow of the asset is discounted at an appropriate

discount rate and confirmed based on the anticipated future cash flow during the use of the asset and at the final disposal of the asset. If it is difficult to estimate a single item of asset, the asset group that such asset belongs to is used to determine the recoverable amount of the asset group. An asset group is the smallest asset portfolio which may incur cash inflow independently.

Good will is individually listed in the financial statement, and when performing depreciation test, the book value of good will is amortized among asset groups or asset portfolios which benefit from the effect of enterprise mergers as anticipated. If test results indicate that the recoverable amount for such asset groups or asset portfolios with amortized good will is lower than the book value thereof, depreciation loss is confirmed accordingly. The depreciation loss amount will first set off the book value of the good will that is amortized to such asset groups or asset portfolios, and further set off proportionally the book value of assets other than the good will in respect of such asset groups or asset portfolios.

Once depreciation loss is confirmed for the foregoing assets, it may not be reverted to the recoverable value portion during any later period.

16. Income

This Group's income includes interest income, service fees and commission income and other incomes:

(1) Interest income

Interest income refers to the interest income arising from the fund deposited in People's Bank of China and other financial institutions as well as loans granted and advances made, which shall be calculated based on the time when the fund use right is assigned and the applicable rate.

(2) Service fees and commission income

① Trust business service fees and financial consultation service income

A. Service fees for trust businesses are realized subject to the profit distribution statement or the liquidation statement as agreed in the contract;

B. As for financial consulting services, service fees shall be determined subject to the fulfillment and progress as stated in the contract.

② Incomes from dealing of securities

Incomes from dealing of securities mainly refer to the incomes confirmed on trading date of securities arising from dealing by Hwabao Securities of securities.

③ Fund management income

Fund management income is fund management fees that Fortune SGAM collects from its managed securities investment funds on a monthly basis subject to the remuneration of the fund manager as agreed in the fund contract. Such fund management fees shall be confirmed according to the agreed amount receivable on a monthly basis.

(3) Other income

The income is confirmed once this Group has performed its contract obligations and received payment in relation thereof.

17. Deferred income tax assets/deferred income tax liabilities

(1) Current income tax

On the balance sheet date, current tax liabilities (or assets) and tax liabilities (or assets) incurred during previous periods shall be calculated in accordance with the tax laws and regulations in respect of amounts of taxes payable (or refundable). The amount of taxable income, based on which the current income tax fees are calculated are results from adjustment on the accounting profits before tax of the current year according to the relevant tax laws.

(2) Deferred income tax assets and deferred income tax liabilities

The company adopts the balance sheet liability approach to confirm deferred income tax assets and deferred income tax liabilities, in respect of the difference between the book value of certain assets or liabilities and tax basis thereof, as well as the provisional difference between the book value of projects (which are not confirmed as assets or liabilities however tax basis thereof may be determined as provided under the tax laws), and tax basis thereof.

As for assets or liabilities in relation to the initial confirmation of good will, and in relation to the initial confirmation of assets or liabilities incurred during transactions which are not related to those that are not enterprise mergers and have no effects on the accounting profits or taxes payable (or which may set off losses) when incurring, the provisional difference of taxes payable thereof is not confirmed as deferred income tax liabilities. In addition, as for the provisional difference of taxes payable concerning investments by subsidiaries, associates or jointly controlled entities, if this Group is able to control the return time of such provisional difference, and such provisional difference is not likely to be reverted in the foreseeable future, no deferred income tax liabilities concerned are confirmed. Other than the foregoing exceptions, this Group will confirm deferred income tax liabilities incurred from the provisional difference of all other taxes payable.

As for the initial confirmation of assets or liabilities incurred during transactions which are not related to those that are not enterprise mergers and have no effects on the accounting profits or taxes payable (or which may set off losses) when incurring, the deductible provisional difference thereof is not confirmed as deferred income tax assets. In addition, as for the deductible provisional difference concerning investments by subsidiaries, associates or jointly controlled entities, if such provisional difference is not likely to be reverted in the foreseeable future or if it is not likely to acquire the amount of taxable income to set off the deductible provisional difference, no deferred income tax assets concerned are confirmed. Other than the foregoing exceptions, this Group will, subject to the strong likelihood to acquire the amount of taxable income to set off taxes payable of the deductible provisional difference, confirm the deferred income tax assets accordingly.

Deferred income tax assets are confirmed regarding deduction and setoff for losses and taxes that can be forwarded to later years, subject to the strong likelihood to acquire the future amount of

taxable income to set off losses and taxes.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are calculated at the tax rate applicable to the anticipated recovery of assets concerned or payoff of liabilities concerned pursuant to tax laws.

On the balance sheet date, the book value of deferred income tax assets is reviewed. If no sufficient amount of taxes payable is likely to be acquired to set off the benefits of the deferred income tax assets, the book value of deferred income tax assets will decrease. Once a sufficient amount of taxes payable is likely to be acquired, the decreased amount is reinstated.

(3) Income tax fees

Income tax fees include current income taxes and deferred income taxes.

Except for current income taxes and deferred income taxes of other consolidated incomes or in relation to transactions or matter directly recorded as owners' equity which are recorded as other consolidated incomes or owners' equity as confirmed, together with adjustment of the book value of good will of the deferred income tax as a result of the enterprise merger, all other fees or revenues for the current income taxes and deferred income taxes are recorded as current profits and losses.

18. Leases

This Group records its operation of lease business as a lessee.

Rent paid for the operating lease is recorded by the straight-line method as asset costs or the current profits and losses for each period during the lease period. The initial direct expenses are recorded as current profits or losses, and the contingent rent is recorded as the current profits or losses at the time of actual incurrence thereof.

19. Employee salaries and remunerations

This Group regards employee salaries and remunerations payable to employees who provide services during the accounting period as liabilities.

This Group has as required participated in the staff's social security system established by government organizations, including pension insurance, medical insurance, housing funds and other social security system. Expenditure in this regard is recorded as the current profits or losses at the time of actual incurrence thereof.

Compensation is proposed in connection with the dissolution of labor relations with any employee prior to the expiry of the labor contract concerned, as encouragement for staff's voluntary severance. If this Group has formulated an official labor relationship plan or put forward voluntary severance proposal, which is implemented shortly, and meanwhile this Group may not unilaterally revoke such labor relationship plan or voluntary severance proposal, the anticipated liabilities incurred as a result of the said dissolution are recorded as current profits and losses.

20. Risk reserves

(1) Trust investment risk reserve

The trust investment risk reserve is the reserve accrued from after-tax profits on a yearly basis to prevent trust investment risks. Each year, the company puts aside 10% of the net profit of the year as the trust investment risk reserve (It was 5% for the year of 2009 and increased to 10% effective from the year of 2010 upon approval by the board of directors of the company).

(2) Foreign exchange exposure reserve

Provision for foreign exchange exposures is the reserve accrued from after-tax profits on a yearly basis to prevent foreign exchange exposures. Each year, the company puts aside 50% of the net profit in the foreign currency statement as the provision for foreign exchange exposures.

(3) Fund risk reserve

The fund risk reserves of the company are accrued by 10% of the fund management income of Fortune SGAM. Fund risk reserves may not be accrued once the amount reaches 1% of the net asset value of fund.

(4) General risk reserve and transaction exposure reserve

The general risk reserve is accrued from the after-tax profit by 1% of the closing balance against loans, long-term equity investment and other risk assets.

Every year Hwabao Securities accrues 10% of the net profit for the year, respectively as the general risk reserve and the transaction exposure reserve.

→ V.

_ Changes in accounting policies and estimates and explanations for error corrections

1. The company has no changes in accounting policies and estimates nor explanations for error corrections this year.

2. Other matters adjusted

Contents and Reasons	Name of Affected Item in the Statement	Affect Amount
In December 2010, Hwabao Securities had capital increase of RMB 1 billion. Prior to the capital increase, the company held 99.922% shares of Hwabao Securities, and after the capital increase, the company holds 40.5592% shares of Hwabao Securities. The company's control over Hwabao Securities has become significant influence, and this long-term equity investment is calculated by equity method instead of cost method. In accordance with "Corporate Accounting Principles No. 2 – Long-term Equity Investment", retroactive adjustment is made to the foregoing change of equity. This adjustment will only affect the individual financial statement of the company.	Long-term equity investment dated 31 December 2009	74,320,740.68 increase
	Capital surplus dated 31 December 2009	1,627,861.76 increase
	Surplus reserves dated 31 December 2009	7,269,287.89 increase
	General risk reserves dated 31 December 2009	3,634,643.95 increase
	Undistributed profits dated 31 December 2009	61,788,947.08 increase

3. Summary of adjustment to owners' equity at the beginning of the period nor explanations for error corrections this year.

Item	Change of Merger Range
Capital surplus	1,627,861.76
Surplus reserves	7,269,287.89
General risk reserves	3,634,643.95
Undistributed profits	61,788,947.08
Total	74,320,740.68

→ VI.

_ Taxes

Main taxes and rates applicable to the company:

Tax	Tax rate	Basis of tax assessment
Income tax	25%	Amount of taxable income
Turnover tax	5%	Amount of taxable turnover
City planning tax	7%	Amount of taxable turnover tax
Additional education cost	3%	Amount of taxable turnover tax

→ VII.

Enterprise consolidation and consolidated financial statement

1. Compilation method of the consolidated financial statement

(1) Determination principles for the scope of the consolidated financial statement

The consolidated financial statement of the company is determined based on controlling. Controlling refers to the power of this company to decide on the financial and operational policies of the invested party, and thereby benefiting from the business activities of such party. The scope of consolidation includes the company and all subsidiaries thereof. A subsidiary refers to an enterprise or a principal that is controlled by the company.

(2) Compilation method of the consolidated financial statement

From the day on which this Group acquires the net assets and the actual control over a subsidiary in respect of its production and operation decisions, this Group will incorporate such subsidiary into the scope of consolidation. From the day when such actual control is lost, such incorporation will cease to exist. As for a subsidiary that has been disposed of, operating results and cash flow prior to the disposal date have been properly included in the consolidated income statement and the consolidated cash flow statement. As for a subsidiary that is disposed of during the current period, no adjustment is made to the amounts at the beginning of the period in the balance sheet. For a subsidiary that is added not due to the merger of enterprises under the common control, operating results and cash flow after the date of the acquisition have been properly included in the consolidated income statement and the consolidated cash flow statement, while adjustment is made to the numbers of comparison in the consolidated financial statement.

In the event that at the compilation of the consolidated financial statement the accounting policy or the accounting period used by the subsidiary does not comply with that used by the parent

company, the financial statement of the subsidiary shall be adjusted as required according to the accounting policy or the accounting period of the company. For a subsidiary that is acquired not due to the merger of enterprises under the common control, the financial statement of such subsidiary shall be adjusted on the basis of the fair value of the identifiable net assets on the date of acquisition.

All the major transaction balance, trade and unrealized profits are offset at the compilation of the consolidated financial statement.

Interests of the subsidiary's shareholders and the portion in the current profits and losses that do not belong to the company are separately listed as minority interests and profits and losses of the minority interests under shareholders' interests and net profits in the consolidated financial statement. The portion in the current profits and losses of the subsidiary that belongs to the minority interests is listed as the profit and loss of the minority interests under the net profits in the consolidated income statement. If the loss of the subsidiary shared by the minority shareholder exceeds its share of the owners' equity of the subsidiary at the beginning of the period, it will write down the minority interests.

Where control over the original subsidiary is lost due to the disposal of partial equity investment or other reasons, the residual equity will be re-calculated based on the fair value thereof on the day the control is lost. The sum of the consideration for disposal of equity and the fair value of the residual equity minus the difference of the share of the original subsidiary, in proportion to the original shareholding ratio starting from the purchase date, is recorded as investment incomes in the current period of the control loss. Other consolidated income in relation to the equity investment of the subsidiary is also transferred to the current investment income account at the time when the control is lost. Subsequently the residual equity is calculated subsequently in accordance with "Corporate Accounting Principles No. 2 – Long-term equity investment" or "Corporate Accounting Principles No. 22 – Confirmation and calculation of financial instruments". For details, Long-term equity investment, or Financial assets and financial liabilities.

2. Subsidiary in the consolidated financial statement of this year

Company name	Registration place	Registered capital (RMB 10,000)	Actual investment (RMB 10,000)	Shareholding ratio	Primary Business
Fortune SGAM Fund Management Co., Ltd.	Shanghai	15,000.00	6,700.00	51.00 %	Fund initiation, establishment and management

→

3. Change on the scope of consolidation this year and reasons there of

On 9 December 2010, Hwabao Investment Co., Ltd. contributed RMB 1 billion to increase the capital of Hwabao Securities, a subsidiary of this Group. Hwabao Investment and this Group are under the common control of Baosteel Group, and Hwabao Securities completed the industrial and commercial change registration on 14 December 2010. After this change of equity, this Group no longer has control over Hwabao Securities, which is therefore not incorporated in the scope of consolidation. The date on which the control is lost was 31 December 2010.

Shareholders of Hwabao Securities agree that the net profits and other consolidated incomes of Hwabao Securities for the year of 2010 are shared by the original shareholders in proportion to their original capital contribution ratios. The net profits and other consolidated incomes of Hwabao Securities for the year of 2010 are RMB 77,943,995.93 and –RMB 14,463,007.03, respectively.

VIII.

Lease

Operating lease (lessee)

Remaining lease period	Minimal lease payment
1 year (inclusive of 1 year)	37,782,772.34
Over 1 year but less than 2 years (inclusive of 2 years)	23,733,043.64
Over 2 year but less than 3 years (inclusive of 3 years)	13,843,124.70
Over three years	65,446,265.00

IX.

Contingent issues

As on 31 December 2010, the company has provided Zhoushan Shipping Company with a loan guarantee of RMB 2.43 million Yuan (Zhoushan Blueroad Co., Ltd. has provided the company with a counter guarantee for this purpose).

X.

Undertaken issues

As on 31 December 2010, the company has not made any material undertaking, except for the minimal lease payment of this Group as a lessee of the operating lease as disclosed in Lease.

4. Subsidiary lost during the reporting period due to loss of control for other reasons

(1) Financial standing of Hwabao Securities

Item	Net assets on the control loss date	Net assets at the previous year end
Assets	3,148,544,867.63	3,313,630,417.54
Liabilities	1,401,823,513.59	2,630,390,052.40
Net assets	1,746,721,354.04	683,240,365.14

(2) Operating results of Hwabao Securities

Item	From the beginning of the year to control loss date
Operating income	230,204,679.62
Operating expense	130,205,894.52
Total profit	100,507,968.19
Net profit	77,943,995.93

(3) Cash flow of Hwabao Securities

Item	From the beginning of the year to control loss date
Net cash flow from business activities	-2,396,290,534.81
Net cash flow from investment activities	-18,020,240.55
Net cash flow from fundraising activities	1,000,000,000.00
Net increase of cash and cash equivalent	-1,414,552,349.46
Balance of cash and cash equivalent at the end of the period	1,412,552,193.45

XI.

Issues after the balance sheet date

On 6 January 2011, the company applied to increase its registered capital by RMB1,000,000,000.00, to be contributed by Baosteel Group Corporation and Zhoushan Finance Bureau in the form of cash and by transfer of the undistributed profits to increase the registered capital, pursuant to the resolutions of the 13th General Meeting and the amended articles of association, which were approved by CBRC Shanghai Commission in 22 December 2010 in the "Approval for the Change of Registered Capital and Amendment of Articles of Association of Hwabao Trust Co., Ltd." numbered HuYinJianFu [2010] 936. Upon such change, the registered capital of Hwabao Trust becomes RMB 2,000,000,000.00. The aforementioned capital increase has been verified by RSM China Certified Public Accountants Co., Ltd. and a report of RSM YanZi [2011] No. 002 for verification of capital has been issued. The company completed the industrial and commercial change registration on 14 January 2011.

XII.

Other material particulars

As on 31 December 2010, the company does not have any other material particular to be disclosed.

XIII.

Approval of the financial statement

The financial statement of this year were approved by the Board of Directors of the company on 28 February 2011.

chapter 01.

_ 2010年2月

长兴岛配套商品房信托项目启动，积极为保障房建设提供资金支持，尝试配套商品房、经济适用房项目的投资。

In February, the supporting real estate trust project commenced in Chang Xing Island. We provided capital support to secure the housing construction, and experimented in the investment on supporting real estate and affordable housing projects.

chapter 02.

_ 2010年5月

- 公益信托取得重大进展，为中国青年创业基金会设立的信托运作平稳，“捡回珍珠”计划稳步推进，得到监管部门、行业及社会的认可。

In May, significant progress was made in respect of charitable trust as the trust established for the Youth Business Foundation of China operated smoothly, the "Picking the Pearl" Plan progressed stably and had won recognition from regulatory authorities, industries and the society.

- 公司全新的司标、英文名称、平面广告等视觉识别系统正式启用。

In May, the all new visual identification system of logo, English trade name, print advertisements and others of the company were officially put to use.

chapter 05.

_ 2010年12月

因华宝投资有限公司对华宝证券有限责任公司增资，公司对华宝证券持股比例由 99.922% 降至 40.559%，我对华宝证券由控股转为参股。

In December, due to the increase of capital of Hwabao Securities as invested by Hwabao Investment, the shares of Hwabao Securities held by the company decreased from 99.922% to 40.559%, and as a result, the company became an ordinary shareholder instead of a controlling shareholder.

chapter 06.

_ 2010年12月

- 与农业银行签订《战略合作协议》，与农业银行的合作关系进一步密切。

In December, a "Strategic Cooperation Agreement" was entered into with the Agriculture Bank, which further tightened the cooperation with the Bank.

- 业内首创的员工福利投资产品——利得宝集合资金信托的设计开发顺利完成，并通过监管部门创新产品报批。

In December, a new employee benefit investment product, the first in the industry, that is, Li De Bao Pooled Fund Trust Scheme was designed and developed successfully, and passed the report and approval for innovative products by regulatory authorities.

Company Milestones 公司大事记

For Year 2010

chapter 03.

_ 2010年6月

在《上海证券报》社主办的第四届“诚信托”评选中，荣获“2009年度诚信托·卓越公司奖”。

In June, at the Fourth "Sincere Trust" Selection held by the Shanghai Securities News, the company was awarded "Sincere Trust - Outstanding Company Award for Year 2009".

_ 2010年7月

公司管理信托资产规模突破千亿元大关。

In July, the trust assets under management of the company reached beyond RMB 100 billion.

chapter 04.

_ 2010年8月

由《证券时报》社主办的“第三届中国优秀信托公司评选”中，公司荣获“中国优秀信托公司”称号，信托投资银行部高级项目经理韩立慧荣获“中国优秀信托经理”称号，“宝盈稳健组合投资资金信托”产品获评“最佳组合投资信托产品”，“张江聚惠 1 号 /2 号担保贷款集合资金信托计划”被评为“最佳信托贷款产品”，“华宝信托企业年金计划”被评为“最具影响力品牌（产品）”。

In August, at the Third "Excellent Trust Company in China" Selection held by the Securities Times, the company was awarded the "Excellent Trust Company in China"; HAN Li Hui, a senior project manager of the Trust and Investment Banking Department was awarded the "Excellent Trust Manager in China", the "Bao Ying Stable Portfolio Investment Fund Trust" product was awarded the "Best Portfolio Investment Trust Product", the "Zhangjiang Juhui No. 1/No. 2 Secured Loan and Pooled Fund Trust Scheme" was awarded the "Best Trust Loan Product", and the "Hwabao Trust Enterprise Annuity Scheme" was awarded the "Most Influential Brand (Product)".

chapter 07.

公司受托管理的宝钢年金在 2010 年上证指数全年下跌 14.31% 的市场环境下，仍然取得了 6.81% 的投资收益率，远高于年金市场平均水平。

Despite that the Shanghai Stock Exchange indices suffered a 14.31% drop throughout the year of 2010, the Baosteel Annuity undertaken and managed by the company had a 6.81% return on investment, which was significantly higher than the average of the annuity market.

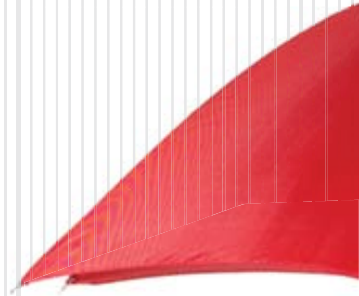
chapter 08.

贯彻产融结合的精神，先后完成湛江龙腾物流贷款、宝钢金属信托贷款、宁波钢铁信托贷款，筹集资金约人民币 12 亿元，宝钢集团罗泾项目应收账款 3 期发行成功，募集资金约 25 亿。挖掘与宝钢建筑设计工程研究院的业务特点及运作优势，探索房地产金融业务和钢结构 EPC 业务产融结合模式，打造绿色地产基金概念。

With implementation of the combination of industry with finance, Zhanjiang Long Tang logistics loan, Baosteel Metal trust loan, Ningbo Steel trust Loan were completed one after another and the fund raised therefrom reached approximately RMB 1.2 billion. Accounts receivable phase 3 for the Luoqing Project of Baosteel Group was issued successfully and the fund raised therefrom reached approximately RMB 2.5 billion. By giving full play to the business features and operation advantages with the [Baosteel Architectural Design and Engineering Institute], and exploring the combination of real estate finance with steel structured EPC business, we build the green real estate fund concept.



兑现财富的每一种可能



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