

51JOB, INC.
Form 20-F
March 31, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

Commission file number: 000-50841

51job, Inc.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

Building 3

No. 1387, Zhang Dong Road

Shanghai 201203

People's Republic of China

(Address of principal executive offices)

Rick Yan, Chief Executive Officer

Telephone: +86-21-6160-1888

Facsimile: +86-21-6879-6233

Building 3

No. 1387, Zhang Dong Road

Shanghai 201203

People's Republic of China

(Name, telephone, e-mail and/or facsimile number and address of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common shares, par value US\$0.0001 per share*	The NASDAQ Stock Market LLC (The NASDAQ Global Select Market)

* Not for trading but only in connection with the listing of American depositary shares, or ADSs, on the NASDAQ Stock Market LLC. The ADSs are registered under the Securities Act of 1933, as amended, pursuant to a registration statement on Form F-6. Accordingly, the ADSs are exempt from registration under Section 12(b) of the Securities Exchange Act of 1934, as amended, pursuant to Rule 12a-8 thereunder. Each ADS represents the right to receive one common share of the Registrant.

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

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Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 58,944,631 common shares, par value US\$0.0001 per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

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U.S. GAAP

International Financial Reporting Standards as issued
by the International Accounting Standards Board

Other

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

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INTRODUCTION

Unless otherwise indicated, references in this annual report to:

- ADRs are to the American depositary receipts that evidence our ADSs;
- ADSs are to our American depositary shares, each of which represents one common share;
- China or the PRC are to the People's Republic of China, excluding for the purpose of this annual report Hong Kong, Macau and Taiwan;
- RMB are to Renminbi, the legal currency of the PRC;
- shares or common shares are to our common shares, with par value US\$0.0001 per share;
- U.S. GAAP are to the generally accepted accounting principles in the United States of America; and
- US\$ are to U.S. dollars, the legal currency of the United States of America.

Unless the context indicates otherwise, we, us, our company, our and 51job refer to 51job, Inc., its predecessor entities and subsidiaries, and the context of describing our operations, also include our affiliated entities.

In addition, unless otherwise indicated, references in this annual report to:

- 51net are to 51net.com Inc.;
- AdCo are to Shanghai Qianjin Advertising Co., Ltd.;
- Qian Cheng are to Beijing Qian Cheng Si Jin Advertising Co., Ltd.;
- Run An are to Beijing Run An Information Consultancy Co., Ltd.;
- Tech JV are to Qianjin Network Information Technology (Shanghai) Co., Ltd.;
- Wang Cai AdCo are to Shanghai Wang Cai Advertising Co., Ltd.;
- Wang Ju are to Shanghai Wang Ju Human Resource Consulting Co., Ltd.;

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- WFOE are to Qian Cheng Wu You Network Information Technology (Beijing) Co., Ltd.; and
- Wuhan AdCo are to Wuhan Mei Hao Qian Cheng Advertising Co., Ltd.

Any discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

This annual report contains translations of certain Renminbi amounts into U.S. dollar amounts at specified rates solely for your convenience. All translations from Renminbi to U.S. dollars were made at the noon buying rate in New York for cable transfers of Renminbi as certified for customs purposes by the Federal Reserve Bank of New York, which was RMB6.4778 to US\$1.00 on December 31, 2015, as set forth in the Federal Reserve Board's H.10 Statistical Release. For further information on exchange rates, see Item 3. Key Information Selected Financial Data Exchange Rate Information.

This annual report on Form 20-F includes our audited consolidated statement of operations and comprehensive income data for the years ended December 31, 2013, 2014 and 2015, and audited consolidated balance sheet data as of December 31, 2014 and 2015.

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FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F contains statements of a forward-looking nature. These statements are made within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and as defined in the Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as may, will, should, is/are likely to, expect, intend, aim, anticipate, believe, estimate, predict, potential, continue or the negative of these terms or other comparable terminology. The accuracy of statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including the following risks:

- market acceptance of our services;
- our ability to expand into other recruitment and human resource services such as business process outsourcing;
- our ability to control our operating costs and expenses;
- our potential need for additional capital and the availability of such capital;
- behavioral and operational changes of our customers in meeting their human resource needs as they respond to evolving social, economic, regulatory and political changes in China as well as stock market volatilities;
- changes in our management team and other key personnel;
- introduction by our competitors of new or enhanced products and services;
- price competition in the market for the various human resource services that we provide in China;
- seasonality of our business;
- fluctuations in the value of the Renminbi against the U.S. dollar and other currencies;
- our ability to develop or introduce new products and services outside of the human resources industry;
- acquisitions or investments we have made or will make in the future;
- fluctuations in general economic conditions; and
- other risks outlined in our filings with the Securities and Exchange Commission, or the SEC, including this annual report on Form 20-F and any amendments thereto.

These risks are not exhaustive. You should read these statements in conjunction with the risks disclosed in Item 3. Key Information Risk Factors of this annual report and other risks outlined in our other filings with the SEC. Moreover, we operate in an emerging and evolving

environment. New risks may emerge from time to time, and it is not possible for our management to predict all risks, nor can we assess the impact of such risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ materially from those contained in any forward-looking statements. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION**A. Selected Financial Data**

The following tables present the selected consolidated financial information for our company. The selected consolidated statement of operations and comprehensive income data for the years ended December 31, 2013, 2014 and 2015, and the selected consolidated balance sheet data as of December 31, 2014 and 2015, are derived from our audited consolidated financial statements, which are included in this annual report beginning on page F-1. The selected consolidated statement of operations and comprehensive income data for the years ended December 31, 2011 and 2012, and the selected consolidated balance sheet data as of December 31, 2011, 2012 and 2013 have been derived from our audited consolidated financial statements, which are not included in this annual report. You should read the following information in conjunction with the consolidated financial statements and the related notes included elsewhere in this annual report and Item 5. Operating and Financial Review and Prospects. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. The historical results presented below do not necessarily indicate results expected for any future period.

	2011 RMB	2012 RMB	For the year ended December 31,		2015 RMB	2015 US\$
			2013 RMB	2014 RMB		
(in thousands, except share and per share data)						
Selected Consolidated Statement of Operations and Comprehensive Income Data:						
Revenues:						
Online recruitment services	803,004	943,432	1,084,448	1,248,101	1,356,442	209,399
Print advertising	208,365	105,309	51,023	14,247	5,328	822

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Other human resource related revenues	358,730	463,508	541,270	634,945	740,119	114,255
Total revenues	1,370,099	1,512,249	1,676,741	1,897,293	2,101,889	324,476
Net revenues	1,299,678	1,447,338	1,608,668	1,832,453	2,055,220	317,271
Cost of services(1)	(370,661)	(405,233)	(442,454)	(496,000)	(569,979)	(87,989)
Gross profit	929,017	1,042,105	1,166,214	1,336,453	1,485,241	229,282
Operating expenses(1):						
Sales and marketing	(329,466)	(370,100)	(459,802)	(563,565)	(654,468)	(101,032)
General and administrative	(158,355)	(186,460)	(217,765)	(249,275)	(263,067)	(40,611)
Total operating expenses	(487,821)	(556,560)	(677,567)	(812,840)	(917,535)	(141,643)
Income from operations	441,196	485,545	488,647	523,613	567,706	87,639
Income before income tax expense	467,564	565,685	600,948	551,945	744,098	114,869
Income tax expense	(81,056)	(95,579)	(100,308)	(113,035)	(126,301)	(19,498)
Net income	386,508	470,106	500,640	438,910	617,797	95,371
Net loss attributable to non-controlling interests					260	40
Net income attributable to 51job, Inc.	386,508	470,106	500,640	438,910	618,057	95,411
Earnings per share:						
Basic	6.81	8.17	8.55	7.51	10.71	1.65
Diluted	6.54	7.92	8.33	7.35	10.41	1.61
Weighted average number of common shares outstanding:						
Basic	56,754,240	57,510,591	58,551,925	58,475,397	57,714,850	57,714,850
Diluted	59,067,424	59,375,123	60,069,197	59,691,993	62,498,651	62,498,651

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(in thousands)

Selected Consolidated Balance Sheet Data:

Assets:

Cash	783,699	1,122,557	1,065,543	1,074,096	1,125,352	173,724
Short-term investments	1,270,343	1,408,845	2,081,964	3,420,650	3,825,547	590,563
Total current assets	2,312,891	2,887,443	3,580,622	5,045,764	5,560,298	858,362
Total non-current assets	245,145	353,919	542,369	535,956	861,964	133,064
Total assets	2,558,036	3,241,362	4,122,991	5,581,720	6,422,262	991,426

Liabilities:

Total current liabilities	450,489	573,349	785,889	963,974	1,136,038	175,374
Convertible senior notes				1,111,207	1,108,877	171,181
Other non-current liabilities	1,972	1,985	5,983	12,593	43,235	6,674
Total liabilities	452,461	575,334	791,872	2,087,774	2,288,150	353,229

Shareholders' equity:

Common shares	47	48	48	48	48	7
Additional paid-in capital	1,061,819	1,152,174	1,316,713	1,040,639	1,052,788	162,523
Total 51job, Inc. shareholders' equity						