

FOSHAN ELECTRICAL AND LIGHTING CO., LTD.

Report for the Third Quarter of 2014

October 2014

Section I. Important Reminders

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as “the Company”) warrant that this report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors attended the board session for reviewing this report.

Pan Jie, company principal & chief of the accounting work, and Yin Jianchun, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Statements enclosed in this report are factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Change of Shareholders

I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

Yes No

	30 Sept. 2014	31 Dec. 2013	Increase/decrease (%)	
Total assets (RMB Yuan)	3,700,216,486.44	3,373,781,552.85	9.68%	
Net assets attributable to shareholders of the Company (RMB Yuan)	3,036,970,590.98	2,890,581,921.74	5.06%	
	Jul.-Sept. 2014	YoY increase/decrease (%)	Jan.-Sept. 2014	YoY increase/decrease (%)
Operating revenues (RMB Yuan)	813,054,868.99	18.86%	2,356,113,627.02	24.51%
Net profit attributable to shareholders of the Company (RMB Yuan)	111,798,106.18	27.04%	300,757,245.63	24.77%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	105,665,666.49	17.57%	274,889,893.12	16.21%
Net cash flows from operating activities (RMB Yuan)	--	--	159,359,389.48	1,026.27%
Basic EPS (RMB Yuan/share)	0.114	26.67%	0.307	24.80%
Diluted EPS (RMB Yuan/share)	0.114	26.67%	0.307	24.80%
Weighted average ROE (%)	3.56%	0.44%	10.24%	1.51%

Items and amounts of extraordinary gains and losses

Applicable Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Sept. 2014	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	1,610,330.57	
Government grants recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	702,409.68	

Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable financial liabilities and financial assets available for sales, except for effective hedging related with normal businesses of the Company	27,313,514.00	
Other non-operating income and expenses than the above	819,766.63	
Less: Income tax effects	4,578,668.37	
Total	25,867,352.51	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

Applicable Inapplicable

No such cases during the reporting period.

II. Total number of shareholders and shareholdings of the top ten shareholders at the period-end

1. Total number of common shareholders and shareholdings of the top ten common shareholders at the period-end

Unit: share

Total number of common shareholders at the period-end		136,776				
Shareholdings of the top ten common shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
OSRAM Holding Company Limited	Foreign corporation	13.47%	131,815,685	131,815,685		
Prosperity Lamps & Components Limited	Foreign corporation	10.50%	102,751,648			
Essence International Securities (Hong Kong) Co., Ltd.	Foreign corporation	1.85%	18,079,046			

DBS VICKERS (HONG KONG) LTD A/C CLIENTS	Foreign corporation	0.91%	8,914,235			
Zhuang Jianyi	Foreign individual	0.85%	8,324,132			
BOCHK INVESTMENT FUNDS-BOCHK CHINA GOLDEN DRAGON FUND	Foreign corporation	0.80%	7,797,341			
National Social Security Fund Portfolio 116	Other	0.73%	7,174,973			
China Construction Bank Co., Ltd.—Huashang Prosperous Growth Stock Fund	Other	0.47%	4,638,812			
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign corporation	0.47%	4,592,770			
EAST ASIA SECURITIES COMPANY LIMITED	Foreign corporation	0.45%	4,402,288			
Shareholdings of the top ten non-restricted common shareholders						
Name of shareholder	Number of non-restricted common shares held at the period-end	Type of shares				
		Type	Number			
Prosperity Lamps & Components Limited	102,751,648	RMB ordinary share	102,751,648			
Essence International Securities (Hong Kong) Co., Ltd.	18,079,046	Domestically listed foreign share	18,079,046			
DBS VICKERS (HONG KONG) LTD A/C CLIENTS	8,914,235	Domestically listed foreign share	8,914,235			

Zhuang Jianyi	8,324,132	Domestically listed foreign share	8,324,132
BOCHK INVESTMENT FUNDS-BOCHK CHINA GOLDEN DRAGON FUND	7,797,341	Domestically listed foreign share	7,797,341
National Social Security Fund Portfolio 116	7,174,973	RMB ordinary share	7,174,973
China Construction Bank Co., Ltd.—Huashang Prosperous Growth Stock Fund	4,638,812	RMB ordinary share	4,638,812
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	4,592,770	Domestically listed foreign share	4,592,770
EAST ASIA SECURITIES COMPANY LIMITED	4,402,288	Domestically listed foreign share	4,402,288
Hou Chunhu	4,200,000	Domestically listed foreign share	4,200,000
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	Among the top ten shareholders of the Company, Prosperity Lamps & Components Limited and Zhuang Jianyi were related parties and acting-in-concert parties. Apart from that, it's unknown whether there was any associated relationship among other shareholders of the top ten shareholders, or whether there is any action-in-concert among them regarding to Administrative Measures on Acquisition of Listed Companies.		
Top ten non-restricted common shareholders taking part in margin financing and securities lending (if any)	Naught		

Did any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company carry out any agreed buy-back in the reporting period?

Yes No

No shareholder of the Company carried out any agreed buy-back in the reporting period.

2. Total number of preferred share holders and shareholdings of the top ten preferred share holders at the period-end

Applicable Inapplicable

Section III. Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

√ Applicable □ Inapplicable

Financial statement item	30 Sept. 2014/ Jan.-Sept. 2014	31 Dec. 2013/ Jan.-Sept. 2013	Increase/decrease (%)	Main reason for the change
Transactional financial assets	71,815,937.00	3,903,197.90	1739.93%	Investments in financial products increased.
Notes receivable	273,607,060.09	154,142,432.66	77.50%	Trade acceptance bills increased.
Accounts receivable	541,387,003.89	390,216,735.62	38.74%	Sales increased.
Prepayments	82,145,172.31	24,054,319.34	241.50%	Prepayments for materials increased.
Other receivables	7,861,309.44	24,145,083.88	-67.44%	Export rebates was received.
Construction in progress	111,942,198.07	75,044,472.56	49.17%	Engineering projects increased.
Goodwill	6,603,743.83	-	100.00%	Recognized goodwill of the newly acquired subsidiary
Accounts payable	385,893,941.91	270,968,881.44	42.41%	Paybles for materials increased.
Accounts received in advance	60,218,549.04	45,620,298.34	32.00%	Advances from customers increased.
Taxes and fares payable	53,564,598.74	19,571,121.78	173.69%	Taxes payable increased.
Minority interests	49,426,472.14	34,805,128.86	42.01%	A new subsidiary was acquired.
Selling expenses	104,362,640.48	72,488,662.73	43.97%	The sales expanded.
Financial expenses	-7,501,068.21	-6,011,050.17	-24.79%	The interest received on bank deposits increased.
Asset impairment loss	3,550,931.20	17,761,893.06	-80.01%	Bad-debt provisions decreased.
Gains on fair value changes	1,379,081.46	-59,744.10	2408.31%	The fair value of transactional financial assets changed.
Gains on investment	22,398,896.01	-2,594,601.70	963.29%	The bonus from Xiamen Bank was received.
Non-business expenses	443,807.91	12,071,005.22	-96.32%	Such expenses decreased.
Minority shareholders' income	-688,427.48	781,166.10	-188.13%	Losses on subsidiaries increased.
Other comprehensive incomes	2,201,622.81	-4,603,393.15	147.83%	The fair value of available-for-sale financial assets changed.
Net cash flows from operating activities	159,359,389.48	14,149,279.79	1026.27%	The cash received from sale of goods and rendering of services increased.
Net cash flows from investing activities	-101,602,003.53	25,695,002.32	-495.42%	The cash paid in external investment increased.

Net cash flows from financing activities	-151,583,685.10	-303,060,218.66	49.98%	The cash paid as dividends, shares of profit or interest decreased.
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II. Progress and influence of significant events, as well as the analysis and explanation on solutions

√ Applicable □ Inapplicable

Overview of the significant event	Date of disclosure	Index to the relevant announcement disclosed on the website
In Mar. 2013, CSRC Guangdong administered an administrative punishment on the illegal information disclosure of the Company. 515 plaintiffs separately sued the Company to Guangzhou Intermediate People's Court for false securities statement, demanding civil compensations from the Company for its illegal information disclosure. The amount involved in the lawsuit is RMB 73.4283 million and HKD 82,000. On 9 Jul. 2014, Guangzhou Intermediate People's Court opened a court session for the 515 cases, but no verdict has come out yet.	18 Sep. 2013	www.cninfo.com.cn
In Mar. 2013, CSRC Guangdong administered an administrative punishment on the illegal information disclosure of the Company. 672 plaintiffs separately sued the Company to Guangzhou Intermediate People's Court for false securities statement, demanding civil compensations from the Company for its illegal information disclosure. The amount involved in the lawsuit is RMB 87.0947 million. On 25 Aug 2014, Guangzhou Intermediate People's Court opened a court session for the group of cases, but no verdict has come out yet.	8 Jan. 2014	www.cninfo.com.cn
In Mar. 2013, CSRC Guangdong administered an administrative punishment on the illegal information disclosure of the Company. 116 plaintiffs separately sued the Company to Guangzhou Intermediate People's Court for false securities statement, demanding civil compensations from the Company for its illegal information disclosure. The amount involved in the lawsuit is RMB 22.5254 million and HKD 546,600. Currently these cases haven't entered substantive hearing.	15 Mar. 2014	www.cninfo.com.cn
As reviewed and approved by the Board of Directors of the Company, the 15.38% equity interests of Guangzhou Pearl River Asset Management Co., Ltd. held by the Company were transferred to Guangzhou Finance Holdings Group Co.,	16 Aug. 2014	www.cninfo.com.cn

Ltd. at the price of RMB 8.52 million.		
Hefei Guoxuan High-tech Power Energy Co., Ltd., a joint-stock company of the Company, intended to carry out backdoor listing via Jiangsu Dongyuan Electrical Group Co., Ltd. The relevant drafts were reviewed and approved by the Board of Directors and the Shareholders' General Meeting of Dongyuan Electrical, but it still awaits the approval of CSRC.	10 Sept. 2014	www.cninfo.com.cn

III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

Applicable Inapplicable

No such commitments in the reporting period.

IV. Predict the 2014 annual operating results

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

Applicable Inapplicable

V. Securities investment

Applicable Inapplicable

Variety of securities	Code of securities	Name of securities	Initial investment cost (RMB Yuan)	Number of shares held at period-beginning	Shareholding percentage at period-beginning	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value (RMB Yuan)	Gain/loss in reporting period (RMB Yuan)	Accounting title	Source of stock
Fund	BC0002	Founder Jinquanyou No. 2	5,000,000.00	5,000,000					-997,145.30	Transactional financial assets	
Stock	603188	YBGF	20,490.00	1,000					21,963.00	Transactional financial assets	
Stock	601016	JNFD	2,170.00	1,000		1,000		3,430.00		Transactional financial assets	
Stock	603456	JZYY	15,430.00	1,000		1,000		15,430.00		Transactional	

										financial assets
Stock	300401	HYSW	3,505.00	500		500		3,505.00		Transactional financial assets
Stock	000027	SZNY	956,522.64	172,600		172,600		1,237,542.00		Transactional financial assets
Stock	300385	XLHJ	7,365.00	500					11,378.02	Transactional financial assets
Stock	603328	YDDZ	15,310.00	1,000					14,514.65	Transactional financial assets
Other	205001	1 Day	6,544,000.00					249,000.00	4,893.21	Transactional financial assets
Other	205007	7 Days	33,249,000.00						154,191.75	Transactional financial assets
Other	205008	14 Days	39,794,000.00						382,976.61	Transactional financial assets
Other	204001	GC001	42,300,423.00						58,358.49	Transactional financial assets
Other	204002	GC002	5,100,102.00						19,432.02	Transactional financial assets
Other	204003	GC003	4,100,123.00						57,680.71	Transactional financial assets
Other	204004	GC004	30,401,216.00						56,973.22	Transactional financial assets

Other	204007	GC007	40,452,023.00						119,747.67	Transactional financial assets	
Other	204014	GC014	42,004,200.00					70,307,030.00	53,701.66	Transactional financial assets	
Total			249,965,879.64	5,177,600	--	175,100	--	71,815,937.00	-41,334.29	--	--
Disclosure date of the board announcement on approval of the securities investment			23 Jan. 2014								
Disclosure date of the general meeting announcement on approval of the securities investment (if any)			Naught								

Shareholdings in other listed companies

√Applicable □Inapplicable

Company name	Company type	Code of securities	Initial investment cost (RMB Yuan)	Number of shares held at period-beginning	Shareholding percentage at period-beginning	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value (RMB Yuan)	Gain/loss in reporting period (RMB Yuan)	Accounting title	Source of stock
China Everbright Bank	Commercial bank	601818	30,828,816.00	23,546,768	0.06%	23,546,768	0.06%	65,224,547.36	4,050,044.10	Available-for-sale financial assets	Additional issue

VI. Investments in derivatives

□Applicable √Inapplicable

The Company did not invest in any derivative in the reporting period.

VII. Researches, visits and interviews received in the reporting period

√Applicable □Inapplicable

Time	Place	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the
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					Company
4 Jul. 2014	The Company	By phone	Individual	Individual investor	Developments in the LED division
10 Jul. 2014	The Company	By phone	Individual	Individual investor	Lawsuit progress
29 Aug. 2014	The Company	By phone	Individual	Individual investor	Particulars about the semi-annual report and securities investments
10 Sept. 2014	The Company	By phone	Individual	Individual investor	Progress on the backdoor listing of joint-stock company Hefei Guoxuan High-tech Power Energy Co., Ltd.

VIII. Consolidated financial statements were affected by the newly promulgated or amended accounting standards

√Applicable □Inapplicable

In 2014, the Ministry of Finance promulgated or amended “the Accounting Standard for Business Enterprises No. 2—Long-term Equity Investment”, “the Accounting Standard for Business Enterprises No. 9—Employees’ Compensation”, “the Accounting Standard for Business Enterprises No. 30—Financial Statement Reporting”, “the Accounting Standard for Business Enterprises No. 33—Consolidated Financial Statements”, “the Accounting Standard for Business Enterprises No. 39—Fair Value Measurement”, “the Accounting Standard for Business Enterprises No. 40—Joint Operation Arrangements”, “the Accounting Standard for Business Enterprises No. 41—Equity Disclosure in Other Entities” and “the Accounting Standard for Business Enterprises No. 37—Financial Instrument Reporting”, of which the first seven standards are executed by the Company starting from 1 Jul. 2014. The aforesaid changes of the accounting standards do not affect the Company’s consolidated financial statements much, with details as follows:

(I) Long-term equity investment

According to the amended “Accounting Standard for Business Enterprises No. 2—Long-term Equity Investment”, the Company does not have the following situations and the consolidated financial statements are not affected. As such, no retrospective adjustment is needed:

- (1) The Company is able to do joint control or significant influence, which does not constitute control, over the invested entity as a result of additional investment or other reasons; or
- (2) The joint control or significant influence over the invested entity by the Company ceases as a result of disposing part of the investment or other reasons.

(II) Welfare plan after retirement

According to the amended “Accounting Standard for Business Enterprises No. 9—Employees’ Compensation”, the Company reviews the arrangements for employees’ compensation and no set benefit plan or other long-term employee’s welfare is found. Therefore, the consolidated financial statements are not affected and no retrospective adjustment is needed.

(III) Consolidation scope

According to the amended “Accounting Standard for Business Enterprises No. 33—Consolidated Financial Statements”, the Company reviews the consolidation scope of the consolidated financial statements and no change

of the consolidation scope is found. Therefore, the consolidated financial statements are not affected and no retrospective adjustment is needed.

(IV) Arrangements for joint operation

According to “the Accounting Standard for Business Enterprises No. 40—Joint Operation Arrangements”, the Company does not have joint operation arrangement in any form. Therefore, the consolidated financial statements are not affected and no retrospective adjustment is needed.

(V) Influence of other standard changes

Except for the above-mentioned, none of the newly promulgated or amended accounting standards for business enterprises have any significant influence on the financial statements of the Company.

Section IV. Financial Statements

I. Financial statements

1. Consolidated balance sheet

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	799,866,319.49	897,675,824.22
Settlement reserves		
Intra-group lendings		
Financial assets measured at fair value and of which changes are recorded into current gains and losses	71,815,937.00	3,903,197.90
Notes receivable	273,607,060.09	154,142,432.66
Accounts receivable	541,387,003.89	390,216,735.62
Accounts paid in advance	82,145,172.31	24,054,319.34
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable	2,956,088.13	1,304,200.33
Dividend receivable		
Other accounts receivable	7,861,309.44	24,145,083.88
Financial assets purchased under agreements to resell		
Inventories	540,448,326.38	516,804,156.44
Assets held for sale		
Non-current assets due within 1 year		
Other current assets	10,397,147.74	9,408,829.51
Total current assets	2,330,484,364.47	2,021,654,779.90
Non-current assets:		
Loans by mandate and advances		

granted		
Available-for-sale financial assets	65,224,547.36	62,634,402.88
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	474,737,041.07	492,153,947.39
Investing property		
Fixed assets	440,703,993.84	472,740,489.84
Construction in progress	111,942,198.07	75,044,472.56
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	189,578,908.17	173,234,598.73
R&D expense		
Goodwill	6,603,743.83	
Long-term deferred expenses		
Deferred income tax assets	29,543,682.77	28,924,666.74
Other non-current assets	51,398,006.86	47,394,194.81
Total of non-current assets	1,369,732,121.97	1,352,126,772.95
Total assets	3,700,216,486.44	3,373,781,552.85
Current liabilities:		
Short-term borrowings		
Borrowings from Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Financial liabilities measured at fair value and of which changes are recorded into current gains and losses		
Notes payable		
Accounts payable	385,893,941.91	270,968,881.44
Accounts received in advance	60,218,549.04	45,620,298.34
Financial assets sold for repurchase		
Handling charges and commissions payable		

Employee's compensation payable	69,112,251.00	60,636,740.85
Tax payable	53,564,598.74	19,571,121.78
Interest payable		
Dividend payable		
Other accounts payable	28,690,670.94	35,613,570.14
Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	597,480,011.63	432,410,612.55
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities	5,279,860.64	4,891,338.97
Other non-current liabilities	11,059,551.05	11,092,550.73
Total non-current liabilities	16,339,411.69	15,983,889.70
Total liabilities	613,819,423.32	448,394,502.25
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	978,563,745.00	978,563,745.00
Capital reserves	589,876,519.74	589,876,519.74
Less: Treasury stock		
Specific reserves		
Other comprehensive income	29,919,210.28	27,717,587.47
Surplus reserves	622,494,531.96	622,494,531.96
Provisions for general risks		

Retained profits	816,116,584.00	671,929,537.57
Total equity attributable to owners of the Company	3,036,970,590.98	2,890,581,921.74
Minority interests	49,426,472.14	34,805,128.86
Total owners' (or shareholders') equity	3,086,397,063.12	2,925,387,050.60
Total liabilities and owners' (or shareholders') equity	3,700,216,486.44	3,373,781,552.85

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

2. Balance sheet of the Company

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	486,400,839.64	581,390,386.39
Financial assets measured at fair value and of which changes are recorded into current gains and losses	71,815,937.00	3,903,197.90
Notes receivable	269,071,862.54	153,942,432.66
Accounts receivable	558,930,304.38	428,330,282.09
Accounts paid in advance	72,537,860.24	29,435,327.20
Interest receivable		
Dividend receivable		
Other accounts receivable	78,342,658.65	71,612,354.13
Inventories	491,041,028.11	472,321,376.79
Assets held for sale		
Non-current assets due within 1 year		
Other current assets	3,284,853.44	3,790,803.20
Total current assets	2,031,425,344.00	1,744,726,160.36
Non-current assets:		
Available-for-sale financial assets	65,224,547.36	62,634,402.88
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	916,686,980.83	909,743,887.15
Investing property		

Fixed assets	341,148,622.52	370,702,024.40
Construction in progress	109,693,767.03	74,051,205.53
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	126,370,027.18	129,859,177.45
R&D expense		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	26,796,887.25	26,102,706.56
Other non-current assets	48,272,472.45	47,394,194.81
Total of non-current assets	1,634,193,304.62	1,620,487,598.78
Total assets	3,665,618,648.62	3,365,213,759.14
Current liabilities:		
Short-term borrowings		
Financial liabilities measured at fair value and of which changes are recorded into current gains and losses		
Notes payable		
Accounts payable	413,323,724.99	321,372,591.12
Accounts received in advance	57,189,077.00	45,547,349.36
Employee's compensation payable	67,710,637.37	60,356,477.70
Tax payable	43,440,255.65	13,335,938.26
Interest payable		
Dividend payable		
Other accounts payable	86,648,616.68	60,963,050.92
Liabilities held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	668,312,311.69	501,575,407.36
Non-current liabilities:		
Long-term borrowings		
Bonds payable		

Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities	5,279,860.64	4,891,338.97
Other non-current liabilities	10,245,800.80	10,162,550.77
Total non-current liabilities	15,525,661.44	15,053,889.74
Total liabilities	683,837,973.13	516,629,297.10
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	978,563,745.00	978,563,745.00
Capital reserves	586,987,786.91	586,971,589.06
Less: Treasury stock		
Specific reserves		
Other comprehensive income	29,919,210.28	27,717,587.47
Surplus reserves	622,494,531.96	622,494,531.96
Provisions for general risks		
Retained profits	763,815,401.34	632,837,008.55
Total owners' (or shareholders') equity	2,981,780,675.49	2,848,584,462.04
Total liabilities and owners' (or shareholders') equity	3,665,618,648.62	3,365,213,759.14

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

3. Consolidated income statement for the reporting period

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jul.-Sept. 2014	Jul.-Sept. 2013
I. Total operating revenues	813,054,868.99	684,057,904.65
Including: Sales income	813,054,868.99	684,057,904.65
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	736,252,905.21	574,230,695.71
Including: Cost of sales	622,564,216.73	482,562,988.00

Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	5,781,243.33	7,610,919.92
Selling and distribution expenses	41,394,727.55	28,057,422.65
Administrative expenses	68,202,701.20	58,138,625.56
Financial expenses	-1,767,720.58	-2,047,232.28
Asset impairment loss	77,736.98	-92,028.14
Add: Gain/(loss) from change in fair value (“-” means loss)	263,325.00	9,957.35
Gain/(loss) from investment (“-” means loss)	4,283,490.23	-1,649,540.44
Including: share of profits in associates and joint ventures	-1,974,838.28	-758,976.90
Foreign exchange gains (“-” means loss)		
III. Business profit (“-” means loss)	81,348,779.01	108,187,625.85
Add: non-operating income	53,469,038.32	699,688.91
Less: non-operating expense	328,352.43	1,370,566.39
Including: loss from non-current asset disposal	89,848.46	1,166,140.69
IV. Total profit (“-” means loss)	134,489,464.90	107,516,748.37
Less: Income tax expense	21,649,281.23	18,668,571.05
V. Net profit (“-” means loss)	112,840,183.67	88,848,177.32
Including: Net profit achieved by combined parties before the combinations		
Attributable to owners of the Company	111,798,106.18	88,004,196.93
Minority shareholders' income	1,042,077.49	843,980.39

VI. Earnings per share	--	--
(I) Basic earnings per share	0.114	0.090
(II) Diluted earnings per share	0.114	0.090
VII. Other comprehensive incomes	4,603,393.15	-800,590.11
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods	4,603,393.15	-800,590.11
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met		
VIII. Total comprehensive incomes	117,443,576.82	88,047,587.21
Attributable to owners of the Company	116,401,499.33	87,203,606.82
Attributable to minority shareholders	1,042,077.49	843,980.39

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

4. Income statement of the Company for the reporting period

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jul.-Sept. 2014	Jul.-Sept. 2013
I. Total sales	806,665,406.65	712,519,086.03
Less: cost of sales	640,443,951.13	527,208,298.40
Business taxes and surcharges	3,478,834.42	6,348,714.97
Distribution expenses	39,720,980.54	27,601,609.60
Administrative expenses	59,903,503.42	46,793,393.10
Financial costs	309,962.70	-601,532.13
Impairment loss	239,314.19	49,218.19
Add: gain/(loss) from change in fair value ("-" means loss)	263,325.00	9,957.35
Gain/(loss) from investment ("-" means loss)	4,283,490.23	-1,649,540.44
Including: income form investment on associates and joint ventures	-1,974,838.28	-758,976.90

II. Business profit (“-” means loss)	67,115,675.48	103,479,800.81
Add: non-business income	53,186,773.16	653,793.77
Less: non-business expense	259,672.88	1,370,566.39
Including: loss from non-current asset disposal	76,836.26	1,164,483.39
III. Total profit (“-” means loss)	120,042,775.76	102,763,028.19
Less: income tax expense	18,940,646.61	17,195,034.55
IV. Net profit (“-” means loss)	101,102,129.15	85,567,993.64
V. Earnings per share	--	--
(I) Basic earnings per share		
(II) Diluted earnings per share		
VI. Other comprehensive income	4,603,393.15	-800,590.11
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods	4,603,393.15	-800,590.11
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met		
VII. Total comprehensive income	105,705,522.30	84,767,403.53

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

5. Consolidated income statement for Jan.-Sept. 2014

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Total operating revenues	2,356,113,627.02	1,892,318,350.71
Including: Sales income	2,356,113,627.02	1,892,318,350.71
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	2,072,803,238.63	1,649,857,281.07
Including: Cost of sales	1,778,781,496.88	1,408,238,197.12

Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	20,911,197.63	21,308,551.24
Selling and distribution expenses	104,362,640.48	72,488,662.73
Administrative expenses	172,698,040.65	136,071,027.09
Financial expenses	-7,501,068.21	-6,011,050.17
Asset impairment loss	3,550,931.20	17,761,893.06
Add: Gain/(loss) from change in fair value (“-” means loss)	1,379,081.46	-59,744.10
Gain/(loss) from investment (“-” means loss)	22,398,896.01	-2,594,601.70
Including: share of profits in associates and joint ventures	-4,570,361.37	-3,069,750.70
Foreign exchange gains (“-” means loss)		
III. Business profit (“-” means loss)	307,088,365.86	239,806,723.84
Add: non-operating income	56,763,405.38	72,379,849.08
Less: non-operating expense	443,807.91	12,071,005.22
Including: loss from non-current asset disposal	199,691.48	3,385,562.00
IV. Total profit (“-” means loss)	363,407,963.33	300,115,567.70
Less: Income tax expense	63,339,145.18	58,282,913.30
V. Net profit (“-” means loss)	300,068,818.15	241,832,654.40
Including: Net profit achieved by combined parties before the combinations		
Attributable to owners of the Company	300,757,245.63	241,051,488.30
Minority shareholders' income	-688,427.48	781,166.10

VI. Earnings per share	--	--
(I) Basic earnings per share	0.307	0.246
(II) Diluted earnings per share	0.307	0.246
VII. Other comprehensive incomes	2,201,622.81	-4,603,393.15
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods	2,201,622.81	-4,603,393.15
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met		
VIII. Total comprehensive incomes	302,270,440.96	237,229,261.25
Attributable to owners of the Company	302,958,868.44	236,448,095.15
Attributable to minority shareholders	-688,427.48	781,166.10

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

6. Income statement of the Company for Jan.-Sept. 2014

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Total sales	2,376,898,585.23	1,935,912,791.35
Less: cost of sales	1,852,122,043.43	1,487,933,964.45
Business taxes and surcharges	14,672,962.49	17,975,995.97
Distribution expenses	100,712,956.80	71,329,314.68
Administrative expenses	149,762,871.66	119,847,247.35
Financial costs	-1,606,596.11	-1,223,030.03
Impairment loss	3,188,721.21	16,214,455.98
Add: gain/(loss) from change in fair value ("-" means loss)	1,379,081.46	-59,744.10
Gain/(loss) from investment ("-" means loss)	27,286,940.89	-3,973,874.21
Including: income form investment on associates and joint ventures	-4,570,361.37	-3,069,750.70

II. Business profit (“-” means loss)	286,711,648.10	219,801,224.64
Add: non-business income	56,311,598.43	72,143,208.31
Less: non-business expense	326,629.40	10,711,261.61
Including: loss from non-current asset disposal	138,590.12	2,072,759.45
III. Total profit (“-” means loss)	342,696,617.13	281,233,171.34
Less: income tax expense	55,148,025.14	51,349,492.91
IV. Net profit (“-” means loss)	287,548,591.99	229,883,678.43
V. Earnings per share	--	--
(I) Basic earnings per share		
(II) Diluted earnings per share		
VI. Other comprehensive income	2,201,622.81	-4,603,393.15
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods	2,201,622.81	-4,603,393.15
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met		
VII. Total comprehensive income	289,750,214.80	225,280,285.28

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

7. Consolidated cash flow statement for Jan.-Sept. 2014

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	2,076,769,836.60	1,844,519,336.35
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from		

other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of tradable financial assets		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received	72,644,129.98	15,853,863.74
Other cash received relating to operating activities	20,082,032.78	25,143,917.00
Subtotal of cash inflows from operating activities	2,169,495,999.36	1,885,517,117.09
Cash paid for goods and services	1,326,879,168.41	1,240,973,157.57
Net increase of customer lendings and advances		
Net increase of funds deposited in the central bank and amount due from banks		
Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	395,252,355.70	333,964,568.46
Various taxes paid	173,347,398.11	200,564,389.73
Other cash payment relating to operating activities	114,657,687.66	95,865,721.54
Subtotal of cash outflows from operating activities	2,010,136,609.88	1,871,367,837.30
Net cash flows from operating activities	159,359,389.48	14,149,279.79

II. Cash flows from investing activities:		
Cash received from withdrawal of investments	84,584,789.24	50,998,477.41
Cash received from return on investments	26,897,948.09	10,312,343.03
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		24,189,200.00
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	111,482,737.33	85,500,020.44
Cash paid to acquire fixed assets, intangible assets and other long-term assets	61,725,661.90	59,805,018.12
Cash paid for investment	139,846,192.64	
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units	11,512,886.32	
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	213,084,740.86	59,805,018.12
Net cash flows from investing activities	-101,602,003.53	25,695,002.32
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities	2,452.04	

Subtotal of cash inflows from financing activities	2,452.04	
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit	149,551,837.14	303,060,218.66
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities	2,034,300.00	
Sub-total of cash outflows from financing activities	151,586,137.14	303,060,218.66
Net cash flows from financing activities	-151,583,685.10	-303,060,218.66
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-3,983,205.58	-3,354,640.01
V. Net increase in cash and cash equivalents	-97,809,504.73	-266,570,576.56
Add: Opening balance of cash and cash equivalents	897,675,824.22	985,450,890.74
VI. Closing balance of cash and cash equivalents	799,866,319.49	718,880,314.18

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

8. Cash flow statement of the Company for Jan.-Sept. 2014

Prepared by Foshan Electrical and Lighting Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	2,036,003,201.81	1,831,220,680.64
Tax refunds received	72,511,885.64	15,853,863.74
Other cash received relating to operating activities	17,748,548.58	18,923,896.29
Subtotal of cash inflows from operating activities	2,126,263,636.03	1,865,998,440.67
Cash paid for goods and services	1,581,047,195.45	1,339,274,475.52
Cash paid to and for employees	158,412,719.46	239,790,954.81

Various taxes paid	109,706,043.58	162,510,170.24
Other cash payment relating to operating activities	119,487,110.64	91,573,255.20
Subtotal of cash outflows from operating activities	1,968,653,069.13	1,833,148,855.77
Net cash flows from operating activities	157,610,566.90	32,849,584.90
II. Cash flows from investing activities:		
Cash received from retraction of investments	84,584,789.24	68,601,897.00
Cash received from return on investments	31,785,992.97	10,312,343.03
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		24,189,200.00
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	116,370,782.21	103,103,440.03
Cash paid to acquire fixed assets, intangible assets and other long-term assets	53,116,260.50	57,423,775.50
Cash paid for investment	164,206,192.64	62,000,000.00
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	217,322,453.14	119,423,775.50
Net cash flows from investing activities	-100,951,670.93	-16,320,335.47
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings		
Cash received from issuance of bonds		

Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit	147,665,237.14	303,060,218.66
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	147,665,237.14	303,060,218.66
Net cash flows from financing activities	-147,665,237.14	-303,060,218.66
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-3,983,205.58	-3,354,640.01
V. Net increase in cash and cash equivalents	-94,989,546.75	-289,885,609.24
Add: Opening balance of cash and cash equivalents	581,390,386.39	699,511,754.78
VI. Closing balance of cash and cash equivalents	486,400,839.64	409,626,145.54

Legal representative: Pan Jie

Person-in-charge of the accounting work: Pan Jie

Accounting Manager: Yin Jianchun

II. Audit report

Is this report audited?

 Yes No

This report is not audited.

Board of Directors
Foshan Electrical and Lighting Co.,Ltd
28 Oct 2014