

Dongxu Optoelectronic Technology Co., Ltd.

The First Quarterly Report 2014

April 2014

I. Important Notes

The Board of Directors ,Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this Quarterly report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr.Li Zhaoting, Person in charge of the Company, Mr. Li Quannian, Chief financial officer and the Mr.Li Zhiyong, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly report.

II. Main financial data and changes of shareholders

I. Main financial data and indices

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not.

Yes No

	This period	Same period of last year	Changes of this period over same period of last year (%)
Operating income (RMB)	577,399,306.04	191,297,126.26	201.83%
Net profit attributable to the shareholders of the listed company (RMB)	207,652,354.20	61,882,386.28	235.56%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	205,657,309.70	48,999,246.25	319.72%
Cash flow generated by business operation, net (RMB)	-698,231,680.50	-168,678,601.14	-313.94%
Basic earning per share(RMB/Share)	0.23	0.16	43.75%
Diluted gains per share(RMB/Share)(RMB/Share)	0.23	0.16	43.75%
Weighted average return on equity (%)	3.51%	14.63%	-11.12%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (RMB)	10,021,779,562.86	9,032,978,401.14	10.95%
Net profit attributable to the shareholders of the listed company (RMB)	6,021,326,069.24	5,813,673,715.04	3.57%

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Governmental Subsidy accounted as current gain/loss, except for those subsidies at with amount or quantity fixed by the national government and closely related to the Company's business operation.	441,300.00	
Custody fee income when entrusted with operation	1,500,000.00	

Other gain/loss items satisfying the definition of non-recurring gain/loss account	54,630.00	
Less :Influenced amount of income tax	690.00	
Influenced amount of minor shareholders' equity (After tax)	195.50	
Total	1,995,044.50	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicabl

II.Total number of shareholders at the end of report period and Particular about shares held by top ten shareholders

In Shares

Total number of shareholders at the end of report period	17,649 (Including 11,255 shareholders holding A shares and 6,394 shareholders holding B shares)					
Particular about shares held by top ten shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Dongxu Group	Domestic Non-State-owned legal person	14.4%	130,031,000	130,031,000	Pledge	130,031,000
Huarong Securities—ICBC—Huarong Fixed Growth No. 1 Limited-amount Specific Asset Management Program	Other	13.71%	123,839,000	123,839,000		
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Domestic Non-State-owned legal person	12.27%	110,785,500		Pledge	40,000,000
Yinmin Fund Company—Minsheng—Yinmin Fund Non-Public Issuing Assets Management Plan	Other	6.5%	58,700,000	58,700,000		
Minsheng Jiayin Fund Company—Minsheng—Pingan Trust—Pingan Wealth Huitai No.11 Collective fund trust plan	Other	5.83%	52,634,000	52,634,000		
Huitianfu Fund Company—Agricultural Bank of China—SDIC Trust Golden Eagle No.108 Collective Fund trust plan	Other	4.57%	41,279,000	41,279,000		
Dacheng Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	Other	4.57%	41,279,000	41,279,000		
Guangfa Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	Other	4.57%	41,279,000	41,279,000		
International Finance —ICBC—Zhongjin Increase No.1 Collective Assets Management plan	Other	3.43%	30,959,000	30,959,000		
National Social Security Fund Portfolio	Other	0.84%	7,599,619			

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Shareholding of top 10 shareholders of unrestricted shares				
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type		
		Share type	Quantity	
Shijiazhuang Baoshi Electronic Group Co., Ltd.	110,785,500	RMB Common shares	110,785,500	
National Social Security Fund Portfolio 108	7,599,619	RMB Common shares	7,599,619	
The special repurchase account opened at Huaan Securities Co., Ltd.	7,400,000	RMB Common shares	7,400,000	
Taifook Securities Company Limited-Account Client	6,620,310	Foreign shares placed in domestic exchange	6,620,310	
China Merchants Securities(HK) Co., Ltd.	5,622,948	Foreign shares placed in domestic exchange	5,622,948	
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	5,272,364	Foreign shares placed in domestic exchange	5,272,364	
ICBC—CCB Optimization Collocation Mixed Securities Investment Fund	4,258,749	RMB Common shares	4,258,749	
New Times Trust Co., Ltd.—Xiangtai One trust Securities Investment Collective fund plan	3,699,452	RMB Common shares	3,699,452	
KGI ASIA LIMITED	3,655,545	Foreign shares placed in domestic exchange	3,655,545	
Yao Yanbin	3,422,800	MB Common shares	3,422,800	
Notes to the related relationship between the top ten shareholders or their concerted action	Among the top ten shareholders, Dongxu Group and Baoshi Group have relationship and constitute persons taking concerted action. The company does not know whether there is relationship between other 8 shareholders or whether they are persons taking concerted action defined in Administrative Measures Relating to Acquisitions of Listed Companies.			

Did any shareholder of the Company carry out an agreed buy-back in the reporting period?

Yes No

In the report period, Yao Yanbin, one of the top 10 shareholders holding unrestricted shares, carried out agreed repurchase transaction through the special repurchase account opened at Hua'an Securities Co., Ltd. The agreed repurchase transaction involved 7,400,000 shares, which account for 0.82% of the total shares of the Company. As of the end of the report period, Yao Yanbin held 3,422,800 shares, which account for 0.38% of total shares of the Company.

III Significant Events

I. Particular about large-margin change of main accounting statement item and financial index and its reason.

Financial Index	This period(RMB)	Same period of last year(RMB)	Increased/D decreased(%)	Main reason for change
Consolidated Balance sheet index				
Monetary capital	1,779,602,504.61	2,586,660,951.04	-31.20	Mainly due to the increase of daily operations and capital expenditure in current period
Accounts receivable	1,611,448,868.73	943,285,462.11	70.83	Mainly due to the increase of accounts receivable from substantial business growth
Short-term loan	340,000,000.00	580,000,000.00	-41.38	Due to loans due to return
Bill payable	882,820,000.00	150,000,000.00	488.55	Due to the increase of purchase expense using the financing bank acceptances
Account payable	77,593,581.37	134,665,580.06	-42.38	Due to the company paid the due payment
Advance account	1,912,376.49	3,451,630.20	-44.59	Due to the confirmation of the advance income in current period
Consolidated Profit statement index				
Business income	577,399,306.04	191,297,126.26	201.83	Mainly due to the increase of revenue growth of Wuhu equipment company affiliated Xuxin Optoelectronic launched a new glass substrate equipment manufacturing business
Business cost	260,675,002.58	64,628,503.35	303.34	Due to the increase of cost expenditure resulted from operation revenue growth
Business tax and attach	9,136,064.55	2,075,428.17	340.20	Due to substantial increase of taxes resulted from substantial growth in operating income
Sales expenses	1,647,610.56	1,186,023.55	38.92	Due to the increase of glass substrate sales promotion expenditure
Administration expenses	32,665,154.25	19,483,842.27	67.65	Due to the significant increase in labor costs, office expenses and other administrative expenses resulted from substantial growth in business scale
Financial expenses	22,195,570.09	2,265,777.60	879.60	Mainly due to the increase of interest, discount interest etc. resulted from the increase of variety of financing receivables
Consolidated Cash flow statement index				
Net Cash flow generated by business operation	-698,231,680.50	-168,678,601.14	-313.94	Due to the increased expenditure of stocking for Wuhu equipment company for the construction of a glass substrate production line
Net cash flow generated by financing	13,150,101.15	655,523,944.45	-97.99	Necessary funds for Wuhu optoelectronic glass substrate production line construction was raised in

				the early phase, due to the decrease of raised funds in current period
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II. The commitments of the Company and its shareholders holding over 5% of the Company's total shares in the report year of extending to the report year from previous year.

Commitment	Commitment maker	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform	Shijiazhuang Baoshi Electronics Group Co., Ltd.	If plans to sell tradable stocks of Dongxu Optoelectronic through the bid trading system of Shenzhen Stock Exchange and sell greater than 5% of shares within six months after the first sales, will disclose the contents specified by the Form Guide to Prompt Announcement of Removing Restriction on Sales of Non-tradable Stocks of Listed Companies through the prompt announcement of disclosing sales of listed companies.	July 23, 2009	Long-term effective	Under Fulfillment
Commitment in the acquisition report or the report on equity changes					
Commitment made upon the assets replacement					
Commitments made upon issuance	Dongxu Group, Shijiazhuang Baoshi Electronics Group Co., Ltd.	1.From the date of commitment letter issued, except the managed hosting company for Dongxu Optoelectronic , this company and majority-owned subsidiaries do not in any way, directly or indirectly engaged in business and Dongxu Optoelectronic shares and its subsidiaries are the same, or similar, future Dongxu Optoelectronic shares and its subsidiaries are not engaged in the same or similar businesses. 2.The company assurances against	April 1, 2012	Long-term effective	Under Fulfillment

		<p>the use of precious stones share any act prejudicial to the control relationship of stones share interests and its wholly-owned subsidiaries, holding, or causing Dongxu Optoelectronic shares and its wholly-owned subsidiaries, holding form business competition decisions.</p> <p>3. The company will not directly invest, purchase and Dongxu Optoelectronic identical or similar business enterprises and projects.</p> <p>4.If the assets owned by the company compete with Dongxu Optoelectronic, the company will adopt effective measures and give up the same business.</p> <p>5. If the company has horizontal competition with Dongxu Optoelectronic and lead to lose to it, the company will bear all the responsibilities.</p> <p>6.According to relevant conditions of the securities regulators, the company promised to put all the shares managed by Dongxu Optoelectronic into Dongxu Optoelectronic. In the period of the company acts as the holding company, the promise is valid.</p>			
	Dongxu Group Co., Ltd.	Dongxu Group Co., Ltd. subscribed for 25.01% of the shares privately issued by the Company and promised that the period of sale restriction of such shares was 36 months from the first day of listing.	April 17, 2013	From April 18, 2013 to April 17, 2016.	Under Fulfillment
	Huarong Securities Co., Ltd., Yimin Fund Management Co., Ltd., Minsheng Jiayin Fund Management , Co.,	Promised that the period of sale restriction of such non-public offering of stock of Baoshi group was 12 months from the first day of listing.	April 17, 2013	From April 18, 2013 to April 17, 2014.	Under Fulfillment

	Ltd.				
Other commitments made to minority shareholders	Shijiazhuang Baoshi Electronics Group Co., Ltd.	On September 18, 2006, the Company provided guarantee, together with Baoshi Group Co., Ltd., for the application of Shijiazhuang Construction Investment Co., Ltd. for loan of RMB 70 million) with some land and houses (with appraised value of RMB 30.3018 million) (The valid guarantee value for the Company is RMB 18.80 million). The guarantee period is one year. The type of guarantee is mortgage guarantee. At present, the valid term of this guarantee has expired. The controlling shareholder has made corresponding commitment in respect of the loss that may be incurred by this guarantee. On October 15, 2012, Shijiazhuang Baoshi Electronics Group Co., Ltd. made the following notes to this commitment: "The mode of commitment fulfillment by Baoshi Group: Where the Dongxu Optoelectronic is liable to make compensation for this guarantee, Baoshi Group shall be liable for direct compensation in full amount."	March 28, 2009	Long-term effective	Has signed an agreement with creditors, agreed to lift the obligation secured of the company.
Executed timely or not?	Yes				

III. Prediction of Business performance for January- June 2014

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason.

Applicable Not applicable

IV. The registration form of acceptance of investigation, communication and interview in the report period

Date	Place	Mode	Type	Visitor	Content of discussion and materials provided
January 6,	The Company	Onsite investigation	Organization	Fortune SG Fund	Visit the company 's

2014				Management Co., Ltd., Boshi Fund Management Co., Ltd.	showroom, understand the progress of the equity investment project and business scope and R& D in 2014.
January 17, 2014	The Company	Onsite investigation	Organization	Guangfa Securities, Xinhua Assets, CCB Fund , Haifutong Fund, Huaxia Fund, ICBC Credit Suisse Asset Management Co., Ltd., Manulife Teda Fund Management Co., Ltd., Huashang Fund, Invesco Great Wall and Dacheng Fund .	Understand the progress of the equity investment project of the company and main business cases in 2014.

IV. Financial Statements

I. Financial Statements

1. Consolidated Balance sheet

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	1,779,602,504.61	2,586,660,951.04
Settlement provision		
Outgoing call loan		
Trading financial assets		
Bill receivable	12,000,000.00	
Account receivable	1,611,448,868.73	943,285,462.11
Prepayments	3,588,469,225.87	2,788,962,137.94
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	34,699,507.02	29,300,640.49
Repurchasing of financial assets		
Inventories	258,244,539.36	298,619,165.08
Non-current asset due in 1 year		
Other current asset	58,019,211.84	75,632,804.57
Total of current assets	7,342,483,857.43	6,722,461,161.23
Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment		

Property investment	12,088,008.82	12,216,614.26
Fixed assets	170,089,135.64	141,108,554.36
Construction in progress	2,221,546,729.28	1,914,118,112.98
Engineering material	140,143,160.11	112,687,660.04
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	112,191,282.16	112,787,665.77
R & D petrol	512,483.84	
Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset	22,724,905.58	17,598,632.50
Other non-current asset		
Total of non-current assets	2,679,295,705.43	2,310,517,239.91
Total of assets	10,021,779,562.86	9,032,978,401.14
Current liabilities		
Short-term loans	340,000,000.00	580,000,000.00
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Trade off financial liabilities		
Bill payable	882,820,000.00	150,000,000.00
Account payable	77,593,581.37	134,665,580.06
Advance payment	1,912,376.49	3,451,630.20
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	19,033,938.00	17,885,009.53
Tax payable	-158,495,588.04	-168,850,322.26
Interest payable	5,605,015.09	
Dividend payable		
Other account payable	60,352,322.66	46,922,065.04
Reinsurance fee payable		
Insurance contract provision		

Entrusted trading of securities		
Entrusted selling of securities		
Non-current liability due in 1 year		
Other current liability	60,989,000.00	60,989,000.00
Total of current liability	1,289,810,645.57	825,062,962.57
Non-current liabilities:		
Long-term loan	2,600,000,000.00	2,300,000,000.00
Bond payable		
Long-term payable		
Special payable		
Expected liabilities		
Differed income tax liability		
Other non-current liabilities	37,214,000.00	33,714,000.00
Total of non-current liabilities	2,637,214,000.00	2,333,714,000.00
Total of liability	3,927,024,645.57	3,158,776,962.57
Owners' equity		
Share capital	903,000,000.00	903,000,000.00
Capital reserves	4,936,613,311.80	4,936,613,311.80
Less: Shares in stock		
Special reserves		
Surplus reserves	27,454,788.05	27,454,788.05
Common risk provision		
Undistributed profit	154,257,969.39	-53,394,384.81
Different of foreign currency translation		
Total of owner's equity belong to the parent company	6,021,326,069.24	5,813,673,715.04
Minority shareholders' equity	73,428,848.05	60,527,723.53
Total of owners' equity	6,094,754,917.29	5,874,201,438.57
Total of liabilities and owners' equity	10,021,779,562.86	9,032,978,401.14

2. Balance sheet of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	19,601,253.49	29,805,307.79
Trading financial assets		
Bill receivable	1,000,000.00	
Account receivable	18,866,016.32	16,547,491.42
Prepayments	23,420,029.47	25,310,796.89
Interest receivable		
Dividend receivable		
Other account receivable	433,035,187.30	432,062,236.88
Inventories	18,340,943.99	19,766,175.81
Non-current asset due in 1 year		
Other current asset	19,211.84	19,211.84
Total of current assets	514,282,642.41	523,511,220.63
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	4,728,458,306.96	4,728,458,306.96
Property investment	4,148,927.22	4,203,586.44
Fixed assets	30,987,775.19	31,342,639.14
Construction in progress	23,712,084.39	23,712,084.39
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	10,765,787.59	10,847,178.52
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset	8,034,510.33	8,034,510.33
Other non-current asset		
Total of non-current assets	4,806,107,391.68	4,806,598,305.78
Total of assets	5,320,390,034.09	5,330,109,526.41

Current liabilities		
Short-term loans		
Trade off financial liabilities		
Bill payable		
Account payable	14,154,527.38	16,158,244.45
Advance payment	1,501,741.79	6,702,336.70
Employees' wage payable	3,791,716.72	3,964,746.75
Tax payable	450,962.02	1,676,183.24
Interest payable		
Dividend payable		
Other account payable	105,798,362.69	105,904,670.83
Non-current liability due in 1 year		
Other current liability	20,000.00	20,000.00
Total of current liability	125,717,310.60	134,426,181.97
Non-current liabilities:		
Long-term loan		
Bond payable		
Long-term payable		
Special payable		
Expected liabilities		
Differed income tax liability		
Other non-current liabilities	45,000.00	45,000.00
Total of Non-current liabilities	45,000.00	45,000.00
Total of liability	125,762,310.60	134,471,181.97
Owners' equity		
Share capital	903,000,000.00	903,000,000.00
Capital reserves	4,799,360,997.35	4,799,360,997.35
Less: Shares in stock		
Special reserves		
Surplus reserves	32,204,150.60	32,204,150.60
Commonly risk Reserves		
Undistributed profit	-539,937,424.46	-538,926,803.51
Different of foreign currency translation		

Total of owners' equity	5,194,627,723.49	5,195,638,344.44
Total of liabilities and owners' equity	5,320,390,034.09	5,330,109,526.41

3. Consolidated Profit statement

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Item	Report period	Same period of the previous year
I. Income from the key business	577,399,306.04	191,297,126.26
Incl: Business income	577,399,306.04	191,297,126.26
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	326,321,239.23	89,636,724.94
Incl: Business cost	260,675,002.58	64,628,503.35
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	9,136,064.55	2,075,428.17
Sales expense	1,647,610.56	1,186,023.55
Administrative expense	32,665,154.25	19,483,842.27
Financial expenses	22,195,570.09	2,265,777.60
Asset impairment loss	1,837.20	-2,850.00
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)		
Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	251,078,066.81	101,660,401.32
Add: Non-business income	2,003,010.00	24,084,798.44
Less: Non business expenses	7,080.00	507,958.00

Incl: Loss from disposal of non-current assets		
IV.Total profit("-"for loss)	253,073,996.81	125,237,241.76
Less: Income tax expenses	32,520,518.09	35,147,665.00
V. Net profit ("-"for net loss	220,553,478.72	90,089,576.76
Including: Net profit realized by the entity taken over before the takeover		
Net profit attributable to the owners of parent company	207,652,354.20	61,882,386.28
Minority shareholders' equity	12,901,124.52	28,207,190.48
VI. Earnings per share:	--	--
(I) Basic earnings per share	0.23	0.16
(II)Diluted earnings per share	0.23	0.16
VII. Other comprehensive income		
VIII. Total comprehensive income	220,553,478.72	90,089,576.76
Total comprehensive income attributable to the owner of the parent company	207,652,354.20	61,882,386.28
Total comprehensive income attributable minority shareholders	12,901,124.52	28,207,190.48

4. Profit statement of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Report period	Same period of the previous year
I. Income from the key business	10,407,766.52	2,932,757.24
Incl: Business cost	9,025,195.82	3,041,605.70
Business tax and surcharge	-44,952.08	38,573.94
Sales expense	59,139.64	80,259.26
Administrative expense	3,897,891.28	6,129,942.57
Financial expenses	-19,879.39	-649.43
Asset impairment loss	1,837.20	-2,850.00
Add: Gains from change of fir value ("-"for loss)		
Investment gain ("-"for loss)		
Incl: investment gains from affiliates		

II. Operational profit (“-”for loss)	-2,511,465.95	-6,354,124.80
Add: Non-business income	1,500,845.00	1,500,400.00
Less: Non business expenses		
Incl: Loss from disposal of non-current assets		
III.Total profit(“-”for loss)	-1,010,620.95	-4,853,724.80
Less: Income tax expenses		
IV. Net profit (“-”for net loss)	-1,010,620.95	-4,853,724.80
V. Earnings per share:	--	--
(I) Basic earnings per share		
(II)Diluted earnings per share		
VI. Other comprehensive income		
VII. Total comprehensive income	-1,010,620.95	-4,853,724.80

5. Consolidated Cash flow statement

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Report period	Same period of the previous year
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	105,039,195.89	250,072,131.56
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of trade financial asset disposal		
Cash received as interest, processing		

fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	5,945,613.86	17,480,966.28
Other cash received from business operation	712,248,625.48	49,762,433.03
Sub-total of cash inflow	823,233,435.23	317,315,530.87
Cash paid for purchasing of merchandise and services	1,177,792,633.78	158,879,682.42
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	55,924,693.74	41,169,640.41
Taxes paid	76,163,532.52	49,823,485.04
Other cash paid for business activities	211,584,255.69	236,121,324.14
Sub-total of cash outflow from business activities	1,521,465,115.73	485,994,132.01
Cash flow generated by business operation, net	-698,231,680.50	-168,678,601.14
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Net cash received from disposal of subsidiaries or other operational units		
Sub-total of cash inflow due to		

investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets	121,976,867.08	129,427,052.62
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	121,976,867.08	129,427,052.62
Net cash flow generated by investment	-121,976,867.08	-129,427,052.62
III. Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	350,000,000.00	775,000,000.00
Cash received from bond placing		
Other financing –related cash received	3,157,967.69	
Sub-total of cash inflow from financing activities	353,157,967.69	775,000,000.00
Cash to repay debts	290,000,000.00	100,000,000.00
Cash paid as dividend, profit, or interests	50,007,866.54	19,256,055.55
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		220,000.00
Sub-total of cash outflow due to financing activities	340,007,866.54	119,476,055.55
Net cash flow generated by financing	13,150,101.15	655,523,944.45
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-807,058,446.43	357,418,290.69
Add: balance of cash and cash equivalents at the beginning of term	2,586,660,951.04	110,770,070.84

VI. Balance of cash and cash equivalents at the end of term	1,779,602,504.61	468,188,361.53
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6. Cash flow statement of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Report period	Same period of the previous year
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	113,527.37	9,386,742.25
Tax returned		
Other cash received from business operation	3,030,719.82	1,351,996.92
Sub-total of cash inflow	3,144,247.19	10,738,739.17
Cash paid for purchasing of merchandise and services	24,420.09	2,876,440.38
Cash paid to staffs or paid for staffs	3,414,079.76	3,304,833.95
Taxes paid	1,224,262.54	839,419.88
Other cash paid for business activities	8,685,539.10	1,695,232.81
Sub-total of cash outflow from business activities	13,348,301.49	8,715,927.02
Cash flow generated by business operation, net	-10,204,054.30	2,022,812.15
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other cash receivable for investment activities		
Sub-total of cash inflow due to investment activities		

Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities		
Net cash flow generated by investment		
III.Cash flow generated by financing		
Cash received from capital contributions		
Cash received as loans		
Cash received from bond placing		
Other financing –related ash received		
Sub-total of cash inflow from financing activities		
Cash to repay debts		
Cash paid as dividend, profit, or interests		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities		
Net cash flow generated by financing		
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	-10,204,054.30	2,022,812.15
Add: balance of cash and cash equivalents at the beginning of term	29,805,307.79	1,602,670.30
VI.Balance of cash and cash equivalents at the end of term	19,601,253.49	3,625,482.45

II. Auditor' report

Is the First Quarterly Report be audited?

Yes No

This 1st Quarterly Report is not audited.

Dongxu Optoelectronic Technology Co., Ltd.

Chairman of the Board: Li Zhaoting

Issue day approved by the Board of Directors: April 27,2014.