



京东方科技集团股份有限公司  
BOE TECHNOLOGY GROUP CO., LTD.

## **2014 Semi-annual Report**

**August 2014**

## **Section I. Important Reminders, Contents & Definition**

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of BOE Technology Group 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.

The Company plans not to distribute cash dividends or bonus shares or turn capital reserve into share capital.

Mr. Wang Dongsheng, company principal, Mr. Chen Yanshun, President of the Company, Ms. Sun Yun, chief of the accounting work, and Ms. Yang Xiaoping, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

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

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## Definition

Term	Refers to	Definition
BOE, the Company, Company	Refers to	BOE Technology Group Co., Ltd.
Stock Listing Rules	Refers to	Stock Listing Rules of Shenzhen Stock Exchange (Revised in 2012)
SZSE, the Stock Exchange	Refers to	Shenzhen Stock Exchange
CSRC	Refers to	China Securities Regulation Commission
CSRC Beijing	Refers to	China Securities Regulation Commission Beijing Bureau
Articles of Association	Refers to	Articles of Association of BOE Technology Group Co., Ltd.
The “Company Law”	Refers to	The “Company Law of the People’s Republic of China”
The “Securities Law”	Refers to	The “Securities Law of the People’s Republic of China”
AMOLED	Refers to	Active Matrix/Organic Light Emitting Diode
LTPS	Refers to	Low Temperature Poly-silicon
The cninfo website	Refers to	<a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>

## Section II. Company Profile

### I. Basic information of the Company

Stock abbreviation	BOE A, BOE B	Stock code	000725, 200725
Stock exchange listed with	Shenzhen Stock Exchange		
Chinese name of the Company	京东方科技集团股份有限公司		
Abbr. of the Chinese name of the Company (if any)	京东方		
English name of the Company (if any)	BOE TECHNOLOGY GROUP CO., LTD.		
Abbr. of the English name of the Company (if any)	BOE		
Legal representative of the Company	Wang Dongsheng		

### II. Contact information

Item	Company Secretary	Securities Affairs Representative
Name	Liu Hongfeng	Xiao Zhaoxiong
Contact address	No. 10, Jiuxianqiao Road, Chaoyang District, Beijing, P.R.China	No. 10, Jiuxianqiao Road, Chaoyang District, Beijing, P.R.China
Tel.	010-64318888 ext.	010-64318888 ext.
Fax	010-64366264	010-64366264
E-mail	liuhongfeng@boe.com.cn	xiaozhaoxiong@boe.com.cn

### III. Other information

#### 1. Ways to contact the Company

Did any change occur to the registered address, office address and their postal codes, website address and email address of the Company during the reporting period?

Applicable  Inapplicable

The registered address, office address and their postal codes, website address and email address of the Company did not change during the reporting period. The said information can be found in the 2013 Annual Report.

## 2. About information disclosure and where this report is placed

Did any change occur to information disclosure media and where this report is placed during the reporting period?

Applicable  Inapplicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing this report and the location where this report is placed did not change during the reporting period. The said information can be found in the 2013 Annual Report.

## 3. Change of the registered information

Did any change occur to the registered information during the reporting period?

Applicable  Inapplicable

Item	Registration date	Registration place	Business license No.	Registration code of taxation	Organizational code
At the beginning of the reporting period	6 Dec. 2011	No. 10, Jiuxianqiao Road, Chaoyang District, Beijing, P.R.China	110000005012597	110105101101660	10110166-0
At the end of the reporting period	13 Jun. 2014	No. 10, Jiuxianqiao Road, Chaoyang District, Beijing, P.R.China	110000005012597	110105101101660	10110166-0

## Section III. Highlights of Accounting Data & Financial Indicators

### I. Major accounting data and financial indicators

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

Yes  No

Item	Reporting period	Same period of last year	YoY +/- (%)
Operating revenues (RMB Yuan)	16,113,171,584.00	16,254,326,067.00	-0.87%
Net profit attributable to shareholders of the Company (RMB Yuan)	1,041,635,714.00	859,288,893.00	21.22%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	550,289,218.00	767,426,780.00	-28.29%
Net cash flows from operating activities (RMB Yuan)	3,253,640,502.00	3,727,889,361.00	-12.72%
Basic EPS (RMB Yuan/share)	0.050	0.064	-21.88%
Diluted EPS (RMB Yuan/share)	0.050	0.064	-21.88%
Weighted average ROE (%)	2.38%	3.26%	-0.88%
Item	As at the end of the reporting period	As at the end of last year	+/- (%)
Total assets (RMB Yuan)	127,935,205,029.00	92,538,451,492.00	38.25%
Net assets attributable to shareholders of the Company (RMB Yuan)	74,357,433,156.00	28,251,815,361.00	163.20%

### II. Differences between accounting data under domestic and overseas accounting standards

#### 1. Differences of net profit and net assets disclosed in financial reports prepared under international and Chinese accounting standards

Applicable  Inapplicable

No difference.

#### 2. Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards

Applicable  Inapplicable

No difference.

### III. Items and amounts of extraordinary gains and losses

√Applicable □ Inapplicable

Unit: RMB Yuan

Item	Amount	Explanation
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-1,891,756.00	-
Tax rebates, reductions or exemptions due to approval beyond authority or the lack of official approval documents	0.00	-
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	513,933,311.00	-
Capital occupation charges on non-financial enterprises that were recorded into current gains and losses	0.00	-
Gains due to that the investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the enjoyable fair value of the identifiable net assets of the investees when making the investments	0.00	-
Gain/loss on non-monetary asset swap	0.00	-
Gain/loss on entrusting others with investments or asset management	0.00	-
Asset impairment provisions due to acts of God such as natural disasters	0.00	-
Gain/loss on debt restructuring	0.00	-
Expenses for business reorganization, such as expenses for staffing, reorganization etc.	0.00	-
Gain/loss on the part over the fair value due to transactions with distinctly unfair prices	0.00	-
Current gains and losses of subsidies acquired from business combination under the same control as from period-begin to combination date	0.00	-
Gain/loss on contingent events irrelevant to the Company's normal business	0.00	-
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	0.00	-



Reversal of impairment provisions for the accounts receivable on which the impairment test was carried out separately	0.00	-
Gain/loss on loans obtained by entrusting others	0.00	-
Gain/loss on change of the fair value of investing real estate of which the subsequent measurement is carried out adopting the fair value method	0.00	-
Effect on current gains/losses when a one-off adjustment is made to current gains/losses according to requirements of taxation, accounting and other relevant laws and regulations	0.00	-
Custody fee income when entrusted with operation	0.00	-
Non-operating income and expenses other than the above	27,306,440.00	-
Other gain/loss items that meet the definition of an extraordinary gain/loss	0.00	-
Less: Income tax effects	27,313,193.00	-
Minority interests effects (after tax)	20,688,306.00	-
<b>Total</b>	<b>491,346,496.00</b>	<b>-</b>

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.

## Section IV. Report of the Board of Directors

### I. Overview

The first half of 2014 saw a mild recovery of the global economy, but quite a few uncertain and unstable factors still existed. In terms of the industry as a whole, demand slowed down due to the economic and market environments; prices went down distinctively; and competition was spreading from technology, production capacity, prices to customers, products, talent, intellectual property rights, industrial chains and even business modes. With the traditional display panel still being the main competitive factor, competition for customers became fiercer regarding the system, contents and innovative application products. Despite the sharp market fluctuations, the fierce competition in the industry and the falling product prices, we managed to produce in a full capacity in the four production lines and sell all the products produced. For the first half of 2014, the Company achieved operating revenues of RMB 16.1 billion and net profit attributable to the Company of RMB 1.042 billion. The large and medium-sized products in particular contributed a lot to the fulfillment of our business plan. In the first half of the year, we smoothly carried out a directional additional issue to raise funds of RMB 45.7 billion. The 98"8K\*4K product was successfully introduced to Japan NHK and shown in the America SID Display Week. The production capacity and yield of the Hefei 8.5G Line went straight up and mass production was realized ahead of schedule. The LTPS and Oxide techniques also improved steadily.

Operation of specific divisions:

#### 1. Display device division:

(1) Large and medium-sized panel division: Firstly, we deepened cooperation with strategic customers, the notebook transfer-line products were accepted by the customers, the mainstream display products kept a leading market share and the accumulative profit of TV products was handsome. The efforts in new application market expansion produced good results, and the see-through displays and the 110" module gradually came to mass production and sale. Secondly, we developed 22 new products, with the products of a high gross profit rate accounting for 36% of them. Thirdly, we deepened lean management and the production capacity of the Beijing 8.5G Line hit a record high. Fourthly, the shift to small-sized products produced remarkable results, with the product structure improved and the proportion of products with a high gross profit rate increased. Fifthly, we enhanced the supply chain management, and new progress was made in the key material and equipment dualization and domestication projects.

(2) Medium and small-sized panel division: We solidified the customer foundation and the position of the biggest supplier. Through the "early supplier introduction" mechanism, we achieved common interests with our customers. We designed a lot of new products according to the customers' needs and more samples were accepted when they were sent to customers for the first time. The cutting-edge technology and the product innovation capability improved, quite a few high-performance cell phone screens were developed, and a phasic breakthrough was made in the LTPS technology development. The Beijing 5G Line increased the proportion of high-end cell phones. The Chengdu 4.5G Line pushed forward the transformation of products for vehicles, medical use and wear. The transformation of the Hefei 6G Line towards small-sized products produced good results. The interconnection and cross-line combined transportation mechanism among the production lines improved day by day. And the operating efficiency increased through information sharing, centralized resource allocation, etc.

(3) Electronic material division and vacuum electrical appliance division: In terms of the electronic material division, the vacuum dry pump maintenance project went on well and was put into operation as planned, and the photoresist products of Beijing Asahi Glass Electronics Co., Ltd. were introduced to customers. As for the vacuum electrical appliance division, it dealt with the market changes, vigorously developed the whole-appliance business and became a new business growth point.

#### 2. Intellectual system division:

(1) Display terminal division: The product innovative planning, design and development capability was enhanced and the product roadmaps were made clear. Considering the market demand for products of better quality, we improved the product performance and

ensured the profitability by fully satisfying customers' needs. The BiTV 1.0 series and the 1.1 series of products were launched successively, and the design and development of the BiSD high-end product proceeded in an orderly manner. Joining hands with international consulting companies, we enhanced the BOE brand through internet influence and promoted physical stores to improve the brand image when the BiTV product was launched.

(2) Lighting/photovoltaic division: The independent R&D ability was enhanced and the business mode was innovated. A lighting series was launched and well received. We explored ambient lighting and photovoltaic system integration solutions and promoted the quick birth of application integration innovative products.

(3) OEM division: We earnestly carried out the working policy of "follow the strategy, solidify the foundation and stabilize profit". As a result, the business results of the large and medium-sized as well as the small and medium-sized operations improved greatly when compared with the same period of last year.

### 3. Health care and service division

(1) Professional park division: All main operating indicator objectives were fulfilled, providing a stable cash flow for the Group. The park operation ability, the property service and the standardization management ability improved. A high-end brand park image took shape, with recognition from the market and customers.

(2) Medical care division: The designs of the top layer and the future business mode were completed. The market research and preliminary planning for the intelligent medical care park was initiated. The planning for a digital hospital and the design and development of medical care products proceeded as scheduled.

(3) Cloud service project: The organizational structure design was completed. And the preliminary planning and design of cloud computing products were also finished.

## II. Main business analysis

YoY change of major financial data:

Unit: RMB Yuan

Item	Reporting period	Same period of last year	YoY +/-%	Main reasons for change
Operating revenues	16,113,171,584.00	16,254,326,067.00	-0.87%	--
Operating costs	12,630,118,473.00	12,461,334,555.00	1.35%	--
Selling expenses	481,663,833.00	516,250,043.00	-6.70%	--
Administrative expenses	1,698,855,995.00	1,449,893,803.00	17.17%	As the new production lines came to massive production and the Group increased the technology input, the R&D expenses, the labor cost, the amortization of intangible assets and the like increased.

Financial expenses	106,739,572.00	193,412,657.00	-44.81%	Monetary funds increased and the interest income increased accordingly.
Income tax expenses	156,020,200.00	23,290,836.00	569.88%	The operating results improved and the enterprise income tax increased accordingly.
R&D inputs	934,158,103.00	885,524,040.00	5.49%	--
Net cash flows from operating activities	3,253,640,502.00	3,727,889,361.00	-12.72%	--
Net cash flows from investing activities	-9,406,248,514.00	-7,512,653,893.00	25.21%	--
Net cash flows from financing activities	30,604,020,368.00	12,752,152,132.00	139.99%	The cash inflows from financing activities increased due to the additional issue.
Net increase in cash and cash equivalents	24,494,958,224.00	8,854,254,635.00	176.65%	The net cash and cash equivalents from the additional issue increased.

Major changes to the profit structure or sources of the Company during the reporting period:

Applicable  Inapplicable

No major changes occurred to the profit structure or sources of the Company during the reporting period.

Reporting period progress of the future development planning in the disclosed documents of the Company such as share-soliciting prospectuses, offering prospectuses, asset reorganization reports, etc.:

Applicable  Inapplicable

The Company did not mention any future planning for the reporting period in its disclosed documents such as share-soliciting prospectuses, offering prospectuses, asset reorganization reports, etc.

Review the progress of any previously disclosed business plan in the reporting period:

1. Concerning the Hefei 8.5G Line, it came to mass production in this February, the 30K production capacity for the first phase went straight up, the highest product yield went over 97%, and the UHD TV and PAD products were well received by customers.
2. In regard with the Erdos 5.5G AMOLED project put into production in Nov. 2013, we proactively pushed forward its mass production progress. Currently, the production line is ready for mass production and able to output small batches of smart cellphone panels.

3. As for the Chongqing 8.5G Line of which the construction started in Jul. 2013, it went on well. And the structural capping of the main plants has now completed.

### III. Breakdown of main business

Unit: RMB Yuan

Item	Operating revenues	Operating costs	Gross profit rate (%)	Increase/decrease of operating revenues over the same period of last year (%)	Increase/decrease of operating costs over the same period of last year (%)	Increase/decrease of gross profit rate over the same period of last year (%)
Classified by industry						
TFT-LCD	13,684,856,896.00	10,697,421,890.00	21.83%	-3.10%	-1.05%	-1.62%
Display light source	926,445,592.00	843,394,362.00	8.96%	10.85%	11.23%	-0.31%
Display system	1,742,432,325.00	1,617,639,224.00	7.16%	15.08%	14.32%	0.61%
Other	248,115,928.00	125,048,809.00	49.60%	-45.33%	-57.09%	13.81%
Offset	-1,198,950,446.00	-1,182,304,606.00	1.39%	-19.00%	-17.20%	-2.15%
Classified by product						
TFT-LCD	13,684,856,896.00	10,697,421,890.00	21.83%	-3.10%	-1.05%	-1.62%
Display light source	926,445,592.00	843,394,362.00	8.96%	10.85%	11.23%	-0.31%
Display system	1,742,432,325.00	1,617,639,224.00	7.16%	15.08%	14.32%	0.61%
Other	248,115,928.00	125,048,809.00	49.60%	-45.33%	-57.09%	13.81%
Offset	-1,198,950,446.00	-1,182,304,606.00	1.39%	-19.00%	-17.20%	-2.15%
Classified by region						
China	8,801,174,730.00	6,306,454,521.00	28.35%	7.35%	5.66%	1.14%
Other Asian countries and regions	5,671,285,833.00	4,926,631,157.00	13.13%	-2.85%	7.04%	-8.02%
Europe	343,448,144.00	299,839,503.00	12.70%	-38.89%	-43.46%	7.04%
America	586,991,588.00	568,274,498.00	3.19%	-25.79%	-18.38%	-8.79%

### IV. Core competitiveness analysis

**1. We optimize our business layout and steadily increase our ability for sustainable development in the future.**

On the basis of solidifying and increasing the competitiveness of our display device business, we continue to explore new development modes, look for new profit growth points and seek new opportunities for our sustainable development. In the first half of the year, as the Hefei 8.5G Line and the Erdos 5.5G Line stepped into normal operation, the product range was further enriched, more customers' needs were satisfied and the overall influence and competitiveness of our display device business were further enhanced. In terms of the intelligent system business, we launched a series of new products such as 32" FHD, 42" FHD and 55" FHD/UHD; the OEM output increased significantly year on year; and the overall competitiveness of the business improved remarkably. Meanwhile, new business exploration produced phasic results; and the top layer design of the medical care business was completed successfully and carried out step by step. The sound development of all the business divisions lays a foundation for improving the internal synergistic effect and promoting business upgrading. It will also help us achieve sustainable development in the long run.

**2. Innovation creates value. Our product and technology independent innovation capability improves rapidly.**

The key to survive is to improve the performance rapidly and constantly. We have always attached great importance to R&D input and tried to increase the comprehensive technology competitiveness through constant independent product and technology innovation. In the first half of the year, we filed 2,600 patent applications. And we now have over 20,000 valid patents in total. We accumulate technologies and promote continuous innovation of products, which receives international recognition. The BOE 30" Oxide AMOLED Display Screen won the 2014 CITE Innovative Product and Application Gold Award. The 98" 8K Display Screen won the CITE Innovation Gold Award and the SID Display Week "Best in Show" Award. Besides, we have also launched quite a few cutting-edge products. For example, the 6" LTPS cellphone screen with its pixel density reaching 500PPI, the cellphone screen adopting the most advanced touch-sensitive technology in the industry and the thinnest and lightest cellphone screen in the world of 0.95mm in thickness.

**3. We stick to the principle of "value for both parties" and continuously enhance the ability to expand and cooperate with strategic customers.**

Upholding the policy of "in-depth cooperation, collaborative development and value for both parties", we continue to enhance the cooperation with customers at home and abroad, and establish a long-term stable strategic cooperation partnership with famous brands around the world. While enhancing the cooperation with strategic customers, we constantly improve the customer structure, enhance expansion of strategic customers and promote full production and sale of products. In the first half of the year, we initiated an annual strategic cooperation with Konka, providing high-end LCD TV screens for it. Besides, we kept jointly promoting new products with our strategic customers. During the CES period in 2014, we successfully conducted joint product and brand promotions with customers, which improved the brand effect and solidified the partnership.

**4. We cultivate talent hierarchically and purposefully and strengthen the human capital.**

We adhere to a talent development mode of independent cultivation as the main way and new employment as a support, enhance development of the talent ladder and develop talent in a progressive and fast manner. At the same time, we constantly improve the organization, the flows and the mechanisms to stimulate the enthusiasm and creativity of employees. In the first half of the year, we carried out a series of training programs to cultivate management talents and leaders. We adopted more purposeful cultivation modes for different talents. At the same time, we paid attention to the combination of training and practice to promote the constant improvement of the talent cultivation system.

## V. Investment analysis

### 1. Investments in equities of external parties

#### (1) Investments in external parties

Applicable  Inapplicable

The Company did not invest in any external party in the reporting period.

#### (2) Equity-holdings in financial enterprises

Applicable  Inapplicable

Enterprise name	Enterprise variety	Initial investment cost (RMB Yuan)	Opening equity-holdings (share)	Opening equity-holding ratio	Closing equity-holdings (share)	Closing equity-holding ratio	Closing book value (RMB Yuan)	Gain/loss in the reporting period (RMB Yuan)	Accounting title	Equity source
Bank of Chongqing	Commercial bank	120,084,375.00	25,195,000	0.93%	25,195,000	0.93%	102,192,495.00	0.00	Financial assets available for sale	Subscription
Total		120,084,375.00	25,195,000	--	25,195,000	--	102,192,495.00	0.00	--	--

#### (3) Investment in securities

Shareholdings in other listed companies:

Applicable  Inapplicable

Securities code	Securities abbr.	Initial investment cost (RMB Yuan)	The Company's shareholding percentage in the investee	Closing book value (RMB Yuan)	Gain/loss in the reporting period (RMB Yuan)	Change of owner's equity in the reporting period (RMB Yuan)	Accounting title	Source of stock
HK00903	TPV Technology	134,658,158.00	1.04%	27,650,339.00	0.00	-2,992,832.00	Available-for-sale financial assets	Subscription
SH600658	Electronic Zone	90,160,428.00	1.69%	96,231,032.00	2,533,429.00	-19,049,816.00	Available-for-sale financial assets	Share exchange
Total		224,818,586.00	--	123,881,371.00	2,533,429.00	-22,042,648.00	--	--

## 2. Wealth management entrustment, derivative investments and entrustment loans

### (1) Wealth management entrustment

Applicable  Inapplicable

The Company did not make any wealth management entrustment in the reporting period.

### (2) Derivative investment

Applicable  Inapplicable

The Company did not carry out any derivative investment in the reporting period.

### (3) Entrustment loans

Applicable  Inapplicable

There were no entrustment loans in the reporting period.

## 3. Use of raised funds

### (1) Overview of the use of raised funds

Applicable  Inapplicable

Unit: RMB Ten thousand

Total raised funds	4,488,471
Raised funds input in the reporting period	1,895,708
Raised funds accumulatively input	1,895,708
Raised funds with changed use in the reporting period	0
Accumulative raised funds with changed use	0
Proportion of accumulative raised funds with changed use (%)	0.00%

#### Overview of the use of raised funds

The total raised funds stood at RMB 45,712,999,989.30. After deducting the various issuance expense of RMB 828,294,936.66, the net raised funds via asset and cash subscription stood at RMB 44,884,705,052.64. The total raised funds input in the reporting period included the asset subscription of RMB 8,532,999,999.30 by Beijing State-owned Capital Management Center with its 48.92% stake in Beijing BOE Display Technology Co., Ltd., and the subscription of RMB 5,999,999,999.70 by Hefei Jianxiang Investment Co., Ltd. with its creditor's rights due from the Company and in regard with the investment projects of the funds raised through this private offering. In the reporting period, we input the raised funds to the projects as planned.

### (2) Projects invested with raised funds as promised

Applicable  Inapplicable

Unit: RMB Ten thousand



Projects invested with raised capital as promised and investments with over-raised capital	Project changed or not (including partially changed)	Raised capital input as promised	Investment after adjustment (1)	Input in the reporting period	Accumulative input up to the period-end (2)	Investment progress up to the period-end (%) (3) = (2)/(1)	Date when the project reaches the expected usable condition	Profit generated in the reporting period	Reach the expected profit or not	Material change in the project feasibility or not
Projects invested with raised capital as promised										
8.5G TFT LCD Project (Hefei Xinsheng Optoelectronics 8.5G)	No	1,300,000	1,300,000	711,228	711,228	55.00%	Dec. 2014	-5,830	Inapplicable	No
Touch Screen Production Line Project ((Hefei Xinsheng Optoelectronics)	No	250,000	250,000	56,069	56,069	22.00%	Jun. 2015	346	Inapplicable	No
5.5G AM-OLED Project (Erdos 5.5G)	No	400,000	400,000	29,989	29,989	7.00%	Dec. 2015	-4,037	Inapplicable	No
8.5G New Semi-conductor Display Device & System Project (Chongqing 8.5G)	No	1,520,000	1,520,000	79,951	79,951	5.00%	Mar. 2016	-165	Inapplicable	No
Supplementing the working capital	No	165,171	165,171	165,171	165,171	100.00%	Inapplicable	Inapplicable	Inapplicable	No
BOE Display Equity Subscription Project	No	853,300	853,300	853,300	853,300	100.00%	Apr. 2014	13,543	Inapplicable	No
Subtotal of promised investment projects	--	4,488,471	4,488,471	1,895,708	1,895,708	--	--	Inapplicable	--	--
Investments of over-raised capital										

Total	--	4,488,471	4,488,471	1,895,708	1,895,708	--	--	Inapplicable	--	--
Reason for failing to reach scheduled progress or projected income (explain one project by one project)	Naught									
Explanation on significant changes in feasibility of projects	Naught									
Amount, usage and usage progress of over-raised capital	Inapplicable									
Change of the implementation location of any raised funds investment project	Inapplicable									
Adjustment of the implementation method of any raised funds investment project	Inapplicable									
Advanced input and exchange of any raised funds investment project	Inapplicable									
Idle raised capital for temporarily supplementing	Inapplicable									

working capital	
Outstanding raised funds in project implementation and reasons	Inapplicable
Usage and whereabouts of unused raised capital	The unused raised capital will be input to promised investment projects as planned.
Problems found in the usage and disclosure affairs of raised capital and other situations	Naught

### (3) Change of raised-funds-invested projects

Applicable  Inapplicable

No change of raised-funds-invested projects during the reporting period.

### (4) Projects invested with raised funds

For details, see <The Special Report on the Deposit and Use of the Semi-annual Raised Funds of BOE Technology Group Co., Ltd.> disclosed on the same date with this semi-annual report.

#### 4. Analysis to main subsidiaries and stock-participating companies

√ Applicable □ Inapplicable

Main subsidiaries and stock-participating companies:

Unit: RMB Yuan

Company name	Company variety	Industry	Main products/services	Registered capital	Total assets	Net assets	Operating revenues	Operating profit	Net profit
Beijing BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Semi-conductor display	Development and production of TFT-LCD	USD 649.11 million	6,667,286,823.00	5,021,781,540.00	1,724,945,013.00	191,967,128.00	182,894,540.00
Chengdu BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Semi-conductor display	Development and production of TFT-LCD	RMB 1.83 billion	3,188,649,788.00	2,080,906,691.00	1,497,623,696.00	42,361,753.00	50,310,101.00
Hefei BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Semi-conductor display	Development and production of TFT-LCD	RMB 9 billion	17,657,233,622.00	9,179,511,190.00	3,571,382,466.00	225,385,241.00	557,783,338.00
Beijing BOE Display Technology Co., Ltd.	Subsidiary	Semi-conductor display	Development and production of TFT-LCD	RMB 17.3772 billion	29,566,578,126.00	18,048,869,389.00	7,080,336,318.00	380,521,081.00	402,001,699.00
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Subsidiary	Semi-conductor display	Investment, construction, R&D, production	RMB 19.5 billion	33,308,364,713.00	19,470,849,742.00	20,081,101.00	-60,885,886.00	-54,839,190.00

Ltd.			and sales of the relevant products of thin film transistor LCD and its auxiliary products						
Erdos Yuansheng Optoelectronics Co., Ltd.	Subsidiary	Semi-conductor display	Production and operation of the relevant products of the active-matrix organic light emitting diodes display devices and its auxiliary products	RMB 6.104 billion	12,542,785,426.00	6,088,100,336.00	388,882.00	-65,533,608.00	-40,368,023.00

### 5. Significant projects invested with non-raised funds

Applicable  Inapplicable

No significant projects of investments with non-raised funds during the reporting period.

### VI. Predict the operating results of Jan.-Sept. 2014

Warning of possible loss or considerable YoY change of the accumulated net profit made during the period-begin to the end of the next reporting period according to prediction, as well as explanations on the reasons:

Applicable  Inapplicable

## VII. Explanation by the Board of Directors and the Supervisory Committee about the “non-standard audit report” issued by the CPAs firm for the reporting period

Applicable  Inapplicable

## VIII. Explanation by the Board of Directors about the “non-standard audit report” for last year

Applicable  Inapplicable

## IX. Implementation of profit allocation during the reporting period

Profit allocation plan implemented during the reporting period, especially execution and adjustment of the cash dividend plan and the plan for turning capital reserve into share capital:

Applicable  Inapplicable

As the profit allocation plan for last year, the Company did not distribute cash dividends or bonus shares or turn capital reserve into share capital.

## X. Preplan for profit distribution and turning capital reserve into share capital for the reporting period

Applicable  Inapplicable

The Company planned not to distribute cash dividends or bonus shares or turn capital reserve into share capital for the reporting period.

## XI. Registration form of receiving investigation & research, communication and interviews

Applicable  Inapplicable

Reception date	Reception place	Reception way	Type of visitor	Visitor	Main content of discussion and materials provided by the Company
4 Jan. 2014	Meeting Room of the Company	Field research	Institution	New China Fund Management Co., Ltd.	Main contents of discussion: 1. Information about corporate operation and future development strategy.
4 Jan. 2014	Meeting Room of	Field research	Institution	New China Fund Management Co., Ltd.	

	the Company				2. Industry situation and development tendency. 3. Information about production lines of the Company; 4. New products and technologies; Materials provided: 2012 Annual Report, 2013 Third Quarter Report and Corporate brochure.
6 Jan. 2014	Teleconference	Telephone communication	Institution	Allianz GL	
9 Jan. 2014	Meeting Room of the Company	Field research	Individual	Individual investor	
22 Jan. 2014	Meeting Room of the Company	Field research	Institution	Sinvo Capital Shareholding Co., Ltd., Anbang Asset Management Co., Ltd., Zhongfu Investment Group, Everbright Securities Co., Ltd., China Life Asset Management Company Limited, Bohai Securities Co., Ltd., Sinom Shareholding Co., Ltd.	
11 Feb. 2014	Meeting Room of the Company	Field research	Institution	CITIC-Prudential Life Insurance Company Ltd, Bohai Securities Co., Ltd.	
14 Feb. 2014	Meeting Room of the Company	Field research	Individual	Individual investor	
26 Feb. 2014	Teleconference	Telephone communication	Institution	Orient Asset Management Corporation	
4 Mar. 2014	Meeting Room of the Company	Field research	Institution	TF Securities Co., Ltd., Shanghai Luan Investment Co., Ltd., Zhonghai City Shareholding (Beijing) Co., Ltd.	
10 Mar. 2014	Meeting Room of the Company	Field research	Institution	Owl Creek	
11 Mar. 2014	Meeting Room of the Company	Field research	Individual	Individual investor	
13 Mar. 2014	Meeting Room of the Company	Field research	Institution	HUATAI SECURITIES co., ltd	
17 Mar. 2014	Meeting Room of the Company	Field research	Institution	Alkeon Capital Management	

18 Mar. 2014	Meeting Room of the Company	Field research	Individual	Individual investor	
31 Mar. 2014	Meeting Room of the Company	Field research	Institution	<a href="#">J.P. Morgan Fund Management Co., Ltd.</a> , New China Fund Management Co., Ltd., INDUSTRIAL SECURITIES CO., LTD	
23 Apr. 2014	Meeting Room of the Company	Field research	Institution	New China Fund Management Co., Ltd., INDUSTRIAL SECURITIES CO., LTD, Beijing Jiaxi Asset Management Co., Ltd., China Life Asset Management Company Limited, Anbang Asset Management Co., Ltd., Bohai Securities Co., Ltd., First Capital Securities Co., Ltd., Yingda Taihe Life Insurance Co., Ltd., Guodu Securities Co., Ltd., Beijing Ama Ranch Co., Ltd., Orient Asset Management Corporation	Main contents of discussion: 1. Information about corporate operation and future development strategy. 2. Industry situation and development tendency. 3. Information about production lines of the Company; 4. New product technology Materials provided: Public information including 2013 Annual Report and Corporate brochure.
13 May 2014	Teleconference	Telephone communication	Institution	Capital Securities Investment Trust Co., Ltd., Claw Capital, Franklin Templeton SinoAm Securities Investment Trust Co., Ltd., Yuanta Funds Trust Co., Ltd., Shin Kong Life Insurance Co., Ltd., Risheng Securities Investment Trust Co., Ltd., Guotai Comprehensive Securities Co., Ltd.	Main contents of discussion: 1. Information about corporate operation and future development strategy. 2. Industry situation and development tendency. 3. Information about production lines of the Company; 4. New product technology
28 May 2014	Teleconference	Telephone communication	Institution	UOB Asset Management Ltd	3. Information about production lines of the Company; 4. New product technology
28 May 2014	Meeting Room of the Company	Field research	Institution	Deutsche Bank, MasterLink Securities	Materials provided: Public information including 2013
10 Jun. 2014	Meeting Room of the Company	Field research	Institution	Principal, Lighstreet, Citic Lyons Securities Co.,	Annual Report, 2014 First Quarter



	the Company			Ltd.	Report and Corporate brochure.
12 Jun. 2014	Teleconference	Telephone communication	Institution	SOCIETE GENERALE	
17 Jun. 2014	Teleconference	Telephone communication	Institution	Coatue Management	
19 Jun. 2014	Teleconference	Telephone communication	Institution	Yuanta Funds Trust Co., Ltd.	

## Section V. Significant Events

### I. Corporate governance

The situation of the Company's governance did not differ in principle from the Company Law and the relevant CSRC requirements in the reporting period.

### II. Significant lawsuits or arbitrations

Applicable  Inapplicable

The Company was not involved in any significant lawsuit or arbitration in the reporting period.

### III. Media's queries

Applicable  Inapplicable

There was no media's common query during the reporting period.

### IV. Bankruptcy reorganization

Applicable  Inapplicable

No event involving bankruptcy reorganization occurred to the Company in the reporting period.

### V. Asset transactions

#### 1. Purchase of assets

Applicable  Inapplicable

Transaction party or ultimate controller	Asset acquired or bought in	Transaction price (RMB Ten thousand Yuan)	Progress	Influence on the Company's operation	Influence on the Company's gain/losses	Ratio of the net profit contributed by the asset to the Company to the total profit (%)	Related-party transaction or not	Relationship between the transaction party and the Company (applicable for related-party transaction)	Disclosure date	Disclosure index

								ons)		
Chongqing Jiangbei Mouth the Central Business District Development and Investment Co., Ltd.	48.73% equities of Chongqing BOE Optoelectronic Technology Co., Ltd.	51,216.66	The equities involved had all transferred, and Chongqing BOE had completed the industrial and commercial registration change procedures.	The Company changed from participation to share holding of Chongqing BOE and met with the strategy layout as well as enhanced the overall scale merit.	The net profit contributed to the listed companies from the purchasing date to the end of the reporting period was of RMB 6800	0.00065%	No	-	24 May 2014	Announcement on Purchasing Partly Equity of Chongqing BOE Technology Co., Ltd., with the announcement No.: 2014-035
Chongqing Liang Jiang New Area Development Investment Group Co., Ltd.	2.05% equities of Chongqing BOE Optoelectronic Technology Co., Ltd.	2,264.85	The equities involved had all transferred, and Chongqing BOE had completed the industrial and commercial registration change procedures.	The Company changed from participation to share holding of Chongqing BOE and met with the strategy layout as well as enhanced the overall scale	The net profit contributed to the listed companies from the purchasing date to the end of the reporting period was of RMB 6800	0.00003%	No	-	24 May 2014	Announcement on Purchasing Partly Equity of Chongqing BOE Technology Co., Ltd., with the announcement No.: 2014-035

				merit.						
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## 2. Sale of assets

Applicable  Inapplicable

## 3. Business combination

Applicable  Inapplicable

The Company included Chongqing BOE Technology Co., Ltd. into the consolidation scope, which had no influence on the business continuity and the management stability.

## VI. Implementation of equity incentive and its influence

Applicable  Inapplicable

The Company did not make or carry out any equity incentive plan during the reporting period.

## VII. Significant related-party transactions

### 1. Related-party transactions concerning routine operation

Applicable  Inapplicable

There was no any related-party transaction concerning significant routine operation.

### 2. Related-party transactions arising from acquisition and sale of assets

Applicable  Inapplicable

No related-party transaction arising from acquisition or sale of assets occurred to the Company during the reporting period.

### 3. Related-party transactions arising from joint investment in external parties

Applicable  Inapplicable

No related-party transaction arising from joint investment in external parties occurred to the Company during the reporting period.

### 4. Credits and liabilities with related parties

Applicable  Inapplicable

No credit or liability occurred between the Company and significant related parties during the reporting period.

## 5. Other significant related-party transactions

Applicable  Inapplicable

No other significant related-party transaction occurred to the Company during the reporting period.

## VIII. Occupation of the Company's funds for non-operating purposes by the controlling shareholder and its related parties

Applicable  Inapplicable

The controlling shareholder or its related parties did not occupy the Company's funds for non-operating purposes during the reporting period.

## IX. Significant contracts and fulfillment thereof

### 1. Trusteeship, contracting and leasing

#### (1) Trusteeship

Applicable  Inapplicable

The Company did not make any entrustment in the reporting period.

#### (2) Contracting

Applicable  Inapplicable

The Company was not involved in any contracting in the reporting period.

#### (3) Leasing

Applicable  Inapplicable

The Company was not involved in any leasing in the reporting period.

### 2. Guarantees provided by the Company

Applicable  Inapplicable

Unit: RMB Ten Thousand Yuan

Guarantees provided by the company for external parties (excluding those for subsidiaries)								
Guaranteed party	Disclosure date on relevant announcement of guaranteed amount	Amount for guarantee	Actual occurrence date (date of agreement)	Actual guarantee amount	Type of guarantee	Period of guarantee	Executed or not	Guarantee for a related party or not

Guarantees provided by the company for its subsidiaries								
Guaranteed party	Disclosure date on relevant announcement of guaranteed amount	Amount for guarantee	Actual occurrence date (date of agreement)	Actual guarantee amount	Type of guarantee	Period of guarantee	Executed or not	Guarantee for a related party or not
Erdos Yuansheng Photoelectricity Co., Ltd.	3 Apr. 2013	450,000	22 May 2013	445,334	Pledge	17 Jun. 2013 to 9 Jun. 2021	No	No
Total guarantee line approved for the subsidiaries during the reporting period (B1)				0	Total actual occurred amount of guarantee for the subsidiaries during the reporting period (B2)		0	
Total guarantee line that has been approved for the subsidiaries at the end of the reporting period (B3)				450,000	Total actual guarantee balance for the subsidiaries at the end of the reporting period (B4)		445,334	
Total guarantee amount provided by the company (total of the above-mentioned two kinds of guarantees)								
Total guarantee line approved during the reporting period (A1+B1)				0	Total actual occurred amount of guarantee during the reporting period (A2+B2)		0	
Total guarantee line that has been approved at the end of the reporting period (A3+B3)				450,000	Total actual guarantee balance at the end of the reporting period (A4+B4)		445,334	
Proportion of total guarantee amount (A4+B4) to the net assets of the Company				5.99%				
Of which:								
Amount of guarantees provided for shareholders, actual controller and other related parties (C)				0				
Amount of debt guarantees provided directly or indirectly for parties with asset-liability ratio exceeding 70% (D)				0				
Proportion of total guarantee amount exceeding 50% of the Company's net assets (E)				0				
Total amount of the above three guarantees (C+D+E)				0				
Explanation on possibility of taking several and joint liability involving immature guarantees (if any)				N/A				
Explanation on external guarantees provided by violating				N/A				

regulated procedures(if any)	
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Explanation on guarantee that adopts complex method

Naught

### (1) Illegal provision of guarantees for external parties

Applicable  Inapplicable

The Company did not illegally provide any guarantee for any external party in the reporting period.

### 3. Other significant contracts

Applicable  Inapplicable

There was no other significant contract of the Company in the reporting period.

### 4. Other significant transactions

Applicable  Inapplicable

The Company was not involved in any other significant transaction in the reporting period.

## X. Commitments made by the Company or any shareholder holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

Applicable  Inapplicable

Commitment	Commitment maker	Contents of commitment	Date of commitment	Period of commitment	Execution
Commitments of share reform	-	-	-	-	-
Commitments made in acquisition report or in report on changes of equity	-	-	-	-	-
	-	-	-	-	-
	Beijing State-owned Capital Operation and Management Center, Hefei Jianxiang Investment Co., Ltd., Chongqing Capital Photoelectricity	Committed that the shares acquired from purchasing would not be transferred from the first date of issuing the newly increased shares of the	3 Apr. 2014	36 months	Being performing

	Investment Co., Ltd.	issuer within 36 months			
	HuaAn Funds Management Co., Ltd. Minsheng Royal Fund Management Co., Ltd., Ping An Uob Fund Management Co., Ltd.	Committed that the shares acquired from purchasing would not be transferred from the first date of issuing the newly increased shares of the issuer within 36 months	3 Apr. 2014	12 months	Being performing
Commitments made at the time of assets reorganization	-	-	-	-	-
Commitments made in the initial public offering or refinancing	Yes				
Commitments made by the company to other medium and small shareholders	Inapplicable				

## XI. Engagement and disengagement of the CPAs firm

Has the semi-annual financial report been audited?

Yes  No

## XII. Punishments and rectifications

Applicable  Inapplicable

No punishment or rectification in the reporting period.

## XIII. Delisting risk due to violation of laws or regulations

Applicable  Inapplicable

No such risk in the reporting period.

## XIV. Other significant events

Applicable  Inapplicable

1. On 24 Feb. 2014, the Company disclosed the Announcement on Partly of the Directors, Supervisors, Senior Executives and Other



Core Managers of BOE Technology Group Co., Ltd. Who Planed to Purchase of the Stocks of the Company, and up to 30 Jun. 2014, partly Directors, Supervisors, Senior Executives and partly of other core managers of the Company had completed the execution by self-owned funds through second market, of which the details please refer to the Announcement on Partly of the Directors, Supervisors, Senior Executives and Other Core Managers Completed the Execution of Purchasing the Stocks of the Company on 2 Jul. 2014.

2. On 8 Apr. 2014, the Company disclosed the Issuing Report and Listing Announcement on Non-public Issuing Stocks. The RMB ordinary shares (A-shares) of 21,768,095,233 in number privately issued by the Company on 4 Apr. 2014 went public on 8 Apr. 2014.

3. On 22 Apr. 2014, the Company disclosed the Repurchase long-term mechanism of BOE Technology Group Co., Ltd. (2014-2016) as well as the Preplan of Repurchasing Partly of the Social Public Shares by BOE Technology Group Co., Ltd., and the preplan had reviewed and approved by the 2<sup>nd</sup> Extraordinary General Meeting in 2014, which was under relevant works such examination and approval of foreign exchange, declaration of creditors and account opening of special securities as planed.

4. On 24 May 2014, the Company disclosed Announcement on Purchasing Partly of the Equities of Chongqing BOE Optoelectronic Co., Ltd. by BOE Technology Group Co., Ltd. as well as disclosed the Announcement on the Progress of BOE Technology Group Co., Ltd. of the Investment Project of Issuing Non-public for Raising Funds on 24 Jul. 2014, and the Company has now finished the acquisition and holds about 93.17% equities of Chongqing BOE. For the details, please refer to the above announcements.

5. On 29 Jul. 2014, the Company disclosed the Announcement on BOE Technology Co., Ltd. Purchasing Partly of the Equities of Hefei Xinsheng Optoelectronics technology Co., Ltd., of which the proposal on the Company purchasing partly equities of Hefei Xinsheng Optoelectronics technology Co., Ltd., had been reviewed and approved by the Y2014 2<sup>nd</sup> Extraordinary General Meeting of the Company. Currently, the acquisition is proceeding.

## Section VI. Change in Shares & Shareholders

### I. Change in shares

Unit: Share

Item	Before the change		Increase/decrease (+, -)					After the change	
	Number	Percentage	New shares	Bonus shares	Capitalization of capital reserve	Other	Subtotal	Number	Percentage
I. Shares subject to trading moratorium	201,143	0.00%	21,768,095,233	0	0	676,936,928	22,445,032,161	22,445,233,304	63.60%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by state-owned corporations	0	0.00%	9,920,476,190	0	0	675,026,803	10,595,502,993	10,595,502,993	30.02%
3. Shares held by domestic investors	201,143	0.00%	11,847,619,043	0	0	1,910,125	11,849,529,168	11,849,730,311	33.58%
Among which: shares held by domestic legal person	0	0.00%	11,847,619,043	0	0	0	11,847,619,043	11,847,619,043	33.57%
Shares held by domestic natural person	201,143	0.00%	0	0	0	1,910,125	1,910,125	2,111,268	0.01%
4. Shares held by foreign investors	0	0.00%	0	0	0	0	0	0	0.00%
Among	0	0.00%	0	0	0	0	0	0	0.00%

which: shares held by foreign legal person									
Shares held by foreign natural person	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares not subject to trading moratorium	13,521,341,198	100.00%	0	0	0	-676,936,928	-676,936,928	12,844,404,270	36.40%
1.RMB ordinary shares	12,182,681,198	90.10%	0	0	0	-676,936,928	-676,936,928	11,505,744,270	32.60%
2.Domestica lly listed foreign shares	1,338,660,000	9.90%	0	0	0	0	0	1,338,660,000	3.79%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	13,521,542,341	100.00%	21,768,095,233	0	0	0	21,768,095,233	35,289,637,574	100.00%

**Reasons of changes in shares**

Applicable  Inapplicable

(1) On 8 Apr. 2014, the non-pubic issued Share A of 21,768,095,233 shares listed on exchanges, and the total shares of the Company increased from 13,521,542,341 shares to 35,289,637,574.

(2) During the reporting period, the Senior Executives of the Company increased the holding of the Company' shares, and some Senior Executives resigned upon expiration of their office terms in Jul. 2013, whose shareholdings were unlocked in Jan. 2014. As such, the shares subject to trading moratorium increased by 1,910,125 shares.

(3) Hefei Raycom Project Investment Co., Ltd. voluntary committed to lock the whole shares of the Company for 24 months from 9 Jan. 2014, which increased the shares subject to trading moratorium of 675,026,803 shares.

**Approval of changes in shares**

Applicable  Inapplicable

On 24 Dec. 2013, CSRC approved and issued the Reply on the Approval on the Non-public Issuing Shares of BOE Technology Group Co., Ltd. (ZJXK [2013] No. 615), which approved the Company to issue the non-public new shares of no more than 22.4 billion. Confirmed by the Shenzhen Branch of CSDC, the non-public shares issued by the Company had normally listed on exchanges on 8 Apr. 2014, and had totally issued Share A of 21,768,095,233 shares with the totally shares of the Company increased

from 13,521,542,341 shares to 35,289,637,574 shares.

Particulars about transferring ownership of shares

Applicable  Inapplicable

Influence of changes in shares on financial indicators of the recent year or the recent term including basic EPS, diluted EPS, net asset value per share belonging to common stock holders of the Company, etc.

Applicable  Inapplicable

Unit: RMB Yuan

Item	Jan.-Dec. 2013	Jan.-Jun. 2014
Basic EPS	0.174	0.050
Diluted EPS	0.174	0.050
Item	31 Dec. 2013	30 Jun. 2014
Net asset value per share attributed to the common shareholders of the Company	2.00	2.11

Other contents that the Company thinks it is necessary to disclose or that securities regulatory institutions demand to disclose

Applicable  Inapplicable

Change of the total shares, shareholder structure, asset structure and liability structure

Applicable  Inapplicable

During the reporting period, the Company issued 21,768,095,233 shares of the non-public Share A, and the total shares of the Company increased from 13,521,542,341 shares to 35,289,637,574 shares. The closing total assets of the Company increased from the opening RMB 92,538,451,492 to RMB 127,935,205,029, with the liability-to-asset ratio decreased from 58.77% to 40.48%.

## II. Total number of shareholders and their shareholdings

Unit: Share

Total number of common shareholders at the end of the reporting period	385,963 shareholders (including 348,808 A-share holders and 37,155 B-share holders)		Total number of preferred share holders who had resumed their voting right at the end of the reporting period (if any)			0		
Shareholdings of shareholders holding more than 5% shares or top 10 shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held at the end of the reporting period	Increase/decrease of shares during the reporting period	Number of restricted shares held	Number of non-restricted shares held	Pledged or frozen shares	
							Status of shares	Number of shares
Beijing State-owned Capital Management Center	State-owned Corporation	11.51%	4,063,333,333	4,063,333,333	4,063,333,333	0	-	0
Chongqing	State-owned	8.50%	3,000,000,000	3,000,000,000	3,000,000,000	0	Pledged	955,000,000

Capital Photoelectricity Investment Co., Ltd.	Corporation							
Hefei Jianxiang Investment Co., Ltd.	State-owned Corporation	8.10%	2,857,142,857	2,857,142,857	2,857,142,857	0	-	0
Minsheng Royal Fund—CMBC—Ping An Trust—Ping An Wealth—Huitai No. 66 Assembled Funds Trust Plan	Other	6.75%	2,380,952,380	2,380,952,380	2,380,952,380	0	-	0
Hua An Fund—HXB—Ping An Trust—Ping An Wealth * Huitai No. 72 Assembled Funds Trust	Other	6.75%	2,380,952,380	2,380,952,380	2,380,952,380	0	-	0
Hua An Fund—ICBC—Zhongrong International Trust—Zhongrong—RJ No. 1 Assembled Funds Trust Plan	Other	5.40%	1,904,761,904	1,904,761,904	1,904,761,904	0	-	0
BeijingE-TOWN International Investment & Development Co., Ltd.	State-owned Corporation	4.21%	1,484,159,406	0	0	1,484,159,406	-	0
Ping An Dahua Fund—Ping An Bank—Ping An Golden Orange Wealth No. 31 Asset Management	Other	4.05%	1,428,571,428	1,428,571,428	1,428,571,428	0	-	0

Plan								
Ping An Dahua Fund—Ping An Bank—Ping An Golden Orange Wealth No. 34 Asset Management Plan	Other	4.05%	1,428,571,428	1,428,571,428	1,428,571,428	0	-	0
Shenzhen Ping An New Capital Co., Ltd.	Other	3.37%	1,190,476,190	1,190,476,190	1,190,476,190	0	-	0
Strategic investor or general corporation becoming a top ten shareholder due to placing of new shares (if any)	On 8 Apr. 2014, the Company issued 21,768,095,233 shares of the non-public Share A, and the total shares of the Company increased from 13,521,542,341 shares to 35,289,637,574 shares. 9 shareholders of Beijing State-owned Capital Operation and Management Center, Chongqing Capital Photoelectricity Investment Co., Ltd. and Hefei Jianxiang Investment Co., Ltd. were all participated in the non-public issuing project and had become the top 10 shareholders of the Company, with the specific subscription situation as follows:							
	No.	Name of shareholders	Subscribed shares (share)	Proportion	Restricted Stock Trade Period (month)	Expected date of relieving the restricted stock trade		
	1	Beijing State-owned Capital Operation and Management Center	4,063,333,333	11.51%	36	7 Apr. 2017		
	2	Chongqing Capital Photoelectricity Investment Co., Ltd.	3,000,000,000	8.50%	36	7 Apr. 2017		
	3	Hefei Jianxiang Investment Co., Ltd.	2,857,142,857	8.10%	36	7 Apr. 2017		
4	Minsheng Royal Fund—CMBC—Ping An Trust—Ping An Wealth—Huitai No. 66	2,380,952,380	6.75%	12	7 Apr. 2015			

		Assembled Funds Trust Plan				
	5	Hua An Fund— HXB — Ping An Trust — Ping An Wealth * Huitai No. 72 Assembled Funds Trust	2,380,952,380	6.75%	12	7 Apr. 2015
	6	Hua An Fund— ICBC — Zhongrong International Trust — Zhongrong — RJ No. 1 Assembled Funds Trust Plan	1,904,761,904	5.40%	12	7 Apr. 2015
	7	Ping An Dahua Fund — Ping An Bank — Ping An Golden Orange Wealth No. 31 Asset Management Plan	1,428,571,42	4.05%	12	7 Apr. 2015
	8	Ping An Dahua Fund — Ping An Bank — Ping An Golden Orange Wealth No. 34 Asset Management Plan	1,428,571,42	4.05%	12	7 Apr. 2015
	9	Shenzhen Ping An New Capital Co., Ltd.	1,190,476,190	3.37%	12	7 Apr. 2015
Explanation on associated relationship or/and persons acting in concert among the above-mentioned shareholders	1. When the Company completed private offering of shares in 2010, Beijing E-TOWN International Investment & Development Co., Ltd. transferred all shares directly held to Beijing BOE Investment & Development Co., Ltd. for management, then BOE Investment acquired the attached rights of the shares attributable to other shareholders in accordance with current effective laws and rules of the Company excluding right of disposition such as transfer, donation, mortgage					

	etc. and usufruct (including claim for profit distribution and claim for retained assets distribution). 2. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over its 70% shares to Beijing Electronics Holdings Co., Ltd. for management through Stock Management Protocol, and Beijing Electronics Holdings Co., Ltd. gained the incidental shareholders' rights except for disposing right and usufruct of the shares, of which the rest 30% voting right maintained unanimous with Beijing Electronics Holdings Co., Ltd. through the agreement according to Implementation Protocol of Voting Right; Beijing Electronics Holdings Co., Ltd. held 66.25% equities of Beijing BOE Investment Development Co., Ltd. and was its controlling shareholder. 3. Except for relationship among the above shareholders, the Company is not aware of whether the other top ten shareholders exist associated relationship or not, or they are persons acting in concert or not.		
Shareholdings of the top ten shareholders holding non-restricted shares			
Name of shareholder	Number of non-restricted shares held at the period-end	Type of share	
		Type	Number
Beijing E-TOWN International Investment & Development Co., Ltd.	1,484,159,406	RMB ordinary shares	1,484,159,406
Beijing BOE Investment & Development Co., Ltd.	860,981,080	RMB ordinary shares	860,981,080
Beijing Economic-Technological Investment & Development Corp.	847,650,000	RMB ordinary shares	847,650,000
Hefei Rongke Project Investment Co., Ltd.	600,000,000	RMB ordinary shares	600,000,000
Beijing BDA Technological Investment Development Co., Ltd.	275,303,883	RMB ordinary shares	275,303,883
Beijing Electronics Holdings Co., Ltd.	274,848,276	RMB ordinary shares	274,848,276
Hefei Xincheng State-Owned Assets Management Co., Ltd.	122,369,283	RMB ordinary shares	122,369,283
Hefei Lan Ke Investment Co., Ltd.	111,600,000	RMB ordinary shares	111,600,000



Sinotrans Air Transportation Development Co., Ltd.	105,335,839	RMB ordinary shares	105,335,839
CSOP Asset Management Limited — CSOP A50 ETF	87,478,200	RMB ordinary shares	87,478,200
Explanation on associated relationship or/and persons acting in concert among the top ten tradable shareholders and between the top ten tradable shareholders and the top ten shareholders	<ol style="list-style-type: none"> <li>1. Beijing Electronics Holdings Co., Ltd. holds 66.25% shares of Beijing BOE Investment &amp; Development Co., Ltd. and is its controlling shareholder.</li> <li>2. When the Company completed private offering of shares in 2010, Beijing E-TOWN International Investment &amp; Development Co., Ltd. transferred all shares directly held to Beijing BOE Investment &amp; Development Co., Ltd. for management, then BOE Investment acquired the attached rights of the shares attributable to other shareholders in accordance with current effective laws and rules of the Company excluding right of disposition such as transfer, donation, mortgage etc. and usufruct (including claim for profit distribution and claim for retained assets distribution).</li> <li>3. BEIJING ECONOMIC-TECHNOLOGICAL INVESTMENT &amp; DEVELOPMENT CORP. holds 49% shares of BEIJING BDA TECHNOLOGICAL INVESTMENT DEVELOPMENT CO., LTD. Both of them are under the control of the Administration Committee of Beijing Economic and Technological Development Zone, which makes them parties acting in concert.</li> <li>4. After the non-public issuing of the Company in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Capital Photoelectricity Investment Co., Ltd. maintained unanimous with the intention of Beijing BOE Investment Development Co., Ltd. when executing the voting right of the whole shares through the agreement according to Implementation Protocol of Voting Right.</li> <li>5. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over its 70% shares to Beijing Electronics Holdings Co., Ltd. for management through Stock Management Protocol, and Beijing Electronics Holdings Co., Ltd. gained the incidental shareholders' rights except for disposing right and usufruct of the shares, of which the rest 30% voting right maintained unanimous with Beijing Electronics Holdings Co., Ltd. through the agreement according to Implementation Protocol of Voting Right</li> <li>6. Except for relationship among the above shareholders, the Company is not aware of whether the other top ten shareholders exist associated relationship or not, or they are persons acting in concert or not.</li> </ol>		
Explanation on the top 10 shareholders participating in the margin trading business (if any)	Naught		

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

Yes  No

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

### **III. Change of the controlling shareholder or the actual controller**

Change of the controlling shareholder in the reporting period

Applicable  Inapplicable

The controlling shareholder of the Company did not change in the reporting period.

Change of the actual controller in the reporting period

Applicable  Inapplicable

The actual controller of the Company did not change in the reporting period.

### **IV. Any shareholding increase plan proposed or implemented by any shareholder or its act-in-concert party during the reporting period**

Applicable  Inapplicable

To the best knowledge of the Company, no shareholder or its act-in-concert party proposed or implemented any shareholding increase plan during the reporting period.

## Section VII. Directors, Supervisors & Senior Management Staff

### I. Change of shareholdings of directors, supervisors and senior management staff

√ Applicable □ Inapplicable

Name	Position	Current/ former	Shareholdin g at the period-begin (share)	Shareholdin g increase during the reporting period (share)	Shareholdin g decrease during the reporting period (share)	Shareholdin g at the period-end (share)	Restrict ed shares held at the period- begin (share)	Restricted shares granted during this reporting period (share)	Restricted shares held at the period- end (share)
Wang Dongsheng	Chairman of the Board and Chief of Execution Committee	Current	29,905	270,000	0	299,905	0	0	0
Wu Wenxue	Vice Chairman of the Board	Current	0	0	0	0	0	0	0
Chen Yanshun	Executive Director, President	Current	0	260,000	0	260,000	0	0	0
Wang Jing	Director	Current	0	0	0	0	0	0	0
Xie Xiaoming	Director	Current	7,680	0	0	7,680	0	0	0
Liu Xiaodong	Director, Executive Vice President, COO	Current	0	250,000	0	250,000	0	0	0
Wang Jiaheng	Director, Executive Vice President, COO	Current	0	250,000	0	250,000	0	0	0
Song Jie	Director	Current	0	0	0	0	0	0	0
Geng Jianxin	Independent Director	Current	0	0	0	0	0	0	0
Ji Guoping	Independent Director	Current	0	0	0	0	0	0	0
Yu Ning	Independent Director	Current	0	0	0	0	0	0	0
Lv Tingjie	Independent Director	Current	0	0	0	0	0	0	0

Zhang Jingsong	Supervisory Board Chairman	Current	0	0	0	0	0	0	0
Xu Tao	Supervisor	Current	0	0	0	0	0	0	0
Mu Chengyuan	Supervisor	Current	2,991	0	0	2,991	0	0	0
Zhao Wei	Supervisor	Current	0	0	0	0	0	0	0
Zhang Chunming	Supervisor	Current	0	0	0	0	0	0	0
Zhuang Haoyu	Supervisor	Current	0	0	0	0	0	0	0
Zhong Huifeng	Employee Supervisor	Current	0	150,000	0	150,000	0	0	0
Zhou Yanwen	Employee Supervisor	Current	0	0	0	0	0	0	0
Xu Yangping	Employee Supervisor	Current	0	0	0	0	0	0	0
Song Ying	Executive Vice President, CHO	Current	29,905	200,000	0	229,905	0	0	0
Wang Yanjun	Executive Vice President	Current	11,962	200,000	0	211,962	0	0	0
Dong Youmei	Senior Vice President, CTO	Current	0	200,000	0	200,000	0	0	0
Sun Yun	Senior Vice President, CFO	Current	5,981	150,000	0	155,981	0	0	0
Li Xuezheng	Senior Vice President, CMO	Current	0	186,600	0	186,600	0	0	0
Yue Zhanqiu	Senior Vice President	Current	0	150,000	0	150,000	0	0	0
Feng Liqiong	Senior Vice President, Chief Counsel	Current	0	150,000	0	150,000	0	0	0
Xie Zhongdong	Vice President, Chief Risk Control Officer, Chief Auditor	Current	0	110,000	0	110,000	0	0	0
Yao Xiangjun	Vice President, CSO	Current	0	100,000	0	100,000	0	0	0
Liu Hongfeng	Vice President, Secretary of Board	Current	0	100,000	0	100,000	0	0	0

	of Directors								
Ouyang Zhongcan	Independent Director	Former	0	0	0	0	0	0	0
Total	--	--	88,424	2,726,600	0	2,815,024	0	0	0

## II. Change of directors, supervisors and senior management staff

√ Applicable □ Inapplicable

Name	Position	Type	Date	Reason
Wang Jing	Director	Elected	30 May 2014	Co-opted
Lv Tingjie	Independent Director	Elected	30 May 2014	By-election
Ouyang Zhongcan	Independent Director	Left as the term expired	30 May 2014	Left as the term expired

## Section VIII. Financial Report

### I. Audit report

Has this semi-annual report been audited?

Yes  No

The semi-annual financial report has not been audited.

### II. Financial statements

Currency unit for the statements in the notes to these financial statements: RMB Yuan

#### 1. Consolidated balance sheet

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
<b>Current Assets:</b>		
Monetary funds	44,591,345,895.00	20,464,553,422.00
Settlement reserves	0.00	0.00
Intra-group lendings	0.00	0.00
Transactional financial assets	0.00	0.00
Notes receivable	441,895,086.00	565,423,076.00
Accounts receivable	5,122,439,581.00	4,855,938,522.00
Accounts paid in advance	223,122,002.00	141,404,773.00

Premiums receivable	0.00	0.00
Reinsurance premiums receivable	0.00	0.00
Receivable reinsurance contract reserves	0.00	0.00
Interest receivable	211,529,571.00	109,045,546.00
Dividend receivable	0.00	0.00
Other accounts receivable	573,638,739.00	618,124,736.00
Financial assets purchased under agreements to resell	0.00	0.00
Inventories	3,587,133,465.00	3,018,804,659.00
Non-current assets due within 1 year	0.00	0.00
Other current assets	2,760,053,570.00	1,872,804,826.00
Total current assets	57,511,157,909.00	31,646,099,560.00
Non-current assets:		
Loans by mandate and advances granted	0.00	0.00
Available-for-sale financial assets	226,073,866.00	254,506,569.00
Held-to-maturity investments	0.00	0.00
Long-term accounts receivable	0.00	0.00
Long-term equity investment	988,203,148.00	989,848,083.00
Investing property	1,279,438,548.00	1,284,415,937.00
Fixed assets	32,589,747,763.00	32,495,665,045.00
Construction in progress	31,877,217,133.00	22,172,949,652.00
Engineering materials	0.00	0.00
Disposal of fixed assets	0.00	0.00
Production biological assets	0.00	0.00

Oil-gas assets	0.00	0.00
Intangible assets	2,156,864,047.00	2,025,945,856.00
R&D expense	0.00	0.00
Goodwill	51,502,898.00	51,502,898.00
Long-term deferred expenses	250,145,319.00	242,814,121.00
Deferred income tax assets	150,708,239.00	160,480,672.00
Other non-current assets	854,146,159.00	1,214,223,099.00
Total of non-current assets	70,424,047,120.00	60,892,351,932.00
Total assets	127,935,205,029.00	92,538,451,492.00
Current liabilities:		
Short-term borrowings	3,275,833,980.00	12,122,769,840.00
Borrowings from Central Bank	0.00	0.00
Customer bank deposits and due to banks and other financial institutions	0.00	0.00
Intra-group borrowings	0.00	0.00
Transactional financial liabilities	0.00	0.00
Notes payable	390,854,698.00	135,654,664.00
Accounts payable	5,566,571,822.00	5,667,182,852.00
Accounts received in advance	273,950,001.00	281,618,909.00
Financial assets sold for repurchase	0.00	0.00
Handling charges and commissions payable	0.00	0.00
Employee's compensation payable	766,545,400.00	845,898,437.00
Tax payable	163,315,283.00	190,205,223.00
Interest payable	269,081,089.00	314,004,348.00



Dividend payable	8,051,170.00	8,051,170.00
Other accounts payable	6,824,411,233.00	6,062,245,439.00
Reinsurance premiums payable	0.00	0.00
Insurance contract reserves	0.00	0.00
Payables for acting trading of securities	0.00	0.00
Payables for acting underwriting of securities	0.00	0.00
Non-current liabilities due within 1 year	75,152,800.00	308,628,826.00
Other current liabilities	315,921,887.00	255,465,666.00
Total current liabilities	17,929,689,363.00	26,191,725,374.00
Non-current liabilities:		
Long-term borrowings	26,363,575,078.00	20,995,628,956.00
Bonds payable	0.00	0.00
Long-term payables	0.00	0.00
Specific payables	0.00	0.00
Estimated liabilities	16,457,010.00	16,457,010.00
Deferred income tax liabilities	385,845,850.00	382,048,433.00
Other non-current liabilities	7,090,627,512.00	6,798,328,315.00
Total non-current liabilities	33,856,505,450.00	28,192,462,714.00
Total liabilities	51,786,194,813.00	54,384,188,088.00
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	35,289,637,574.00	13,521,542,341.00
Capital reserves	38,702,221,956.00	15,407,622,455.00
Less: Treasury stock	0.00	0.00

Specific reserves	0.00	0.00
Surplus reserves	499,092,613.00	499,092,613.00
Provisions for general risks	0.00	0.00
Retained profits	-81,171,194.00	-1,122,806,908.00
Foreign exchange difference	-52,347,793.00	-53,635,140.00
Total equity attributable to owners of the Company	74,357,433,156.00	28,251,815,361.00
Minority interests	1,791,577,060.00	9,902,448,043.00
Total owners' (or shareholders') equity	76,149,010,216.00	38,154,263,404.00
Total liabilities and owners' (or shareholders') equity	127,935,205,029.00	92,538,451,492.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

## 2. Balance sheet of the Company

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	13,352,360,143.00	1,712,111,176.00
Transactional financial assets	0.00	0.00
Notes receivable	250,000.00	878,816.00
Accounts receivable	60,930,784.00	58,956,394.00

Accounts paid in advance	14,521,941.00	11,340,225.00
Interest receivable	65,055,920.00	8,270,202.00
Dividend receivable	8,204,147.00	8,204,147.00
Other accounts receivable	302,269,544.00	508,906,713.00
Inventories	4,119,704.00	3,620,138.00
Non-current assets due within 1 year	0.00	0.00
Other current assets	78,612,628.00	66,790,488.00
Total current assets	13,886,324,811.00	2,379,078,299.00
Non-current assets:		
Available-for-sale financial assets	123,881,371.00	145,924,019.00
Held-to-maturity investments	0.00	0.00
Long-term accounts receivable	0.00	0.00
Long-term equity investment	63,563,904,601.00	36,197,880,338.00
Investing property	177,498,697.00	162,436,740.00
Fixed assets	363,111,621.00	374,290,680.00
Construction in progress	325,789,689.00	270,846,366.00
Engineering materials	0.00	0.00
Disposal of fixed assets	0.00	0.00
Production biological assets	0.00	0.00
Oil-gas assets	0.00	0.00
Intangible assets	461,339,494.00	488,384,056.00
R&D expense	0.00	0.00
Goodwill	0.00	0.00

Long-term deferred expenses	2,425,308.00	2,765,222.00
Deferred income tax assets	0.00	0.00
Other non-current assets	4,479,379.00	7,466,369.00
Total of non-current assets	65,022,430,160.00	37,649,993,790.00
Total assets	78,908,754,971.00	40,029,072,089.00
Current liabilities:		
Short-term borrowings	0.00	6,000,000,000.00
Transactional financial liabilities	0.00	0.00
Notes payable	0.00	0.00
Accounts payable	24,728,193.00	29,441,014.00
Accounts received in advance	1,128,774.00	2,163,584.00
Employee's compensation payable	80,502,213.00	132,366,527.00
Tax payable	32,805,873.00	11,962,775.00
Interest payable	83,783,333.00	213,283,333.00
Dividend payable	6,451,171.00	6,451,170.00
Other accounts payable	5,291,523,573.00	5,131,239,943.00
Non-current liabilities due within 1 year	50,000,000.00	50,000,000.00
Other current liabilities	0.00	0.00
Total current liabilities	5,570,923,130.00	11,576,908,346.00
Non-current liabilities:		
Long-term borrowings	0.00	0.00
Bonds payable	0.00	0.00
Long-term payables	0.00	0.00

Specific payables	0.00	0.00
Estimated liabilities	0.00	0.00
Deferred income tax liabilities	0.00	0.00
Other non-current liabilities	70,089,869.00	75,118,764.00
Total non-current liabilities	70,089,869.00	75,118,764.00
Total liabilities	5,641,012,999.00	11,652,027,110.00
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	35,289,637,574.00	13,521,542,341.00
Capital reserves	38,260,365,804.00	15,165,798,633.00
Less: Treasury stock	0.00	0.00
Specific reserves	0.00	0.00
Surplus reserves	499,092,613.00	499,092,613.00
Provisions for general risks	0.00	0.00
Retained profits	-781,354,019.00	-809,388,608.00
Foreign exchange difference	0.00	0.00
Total owners' (or shareholders') equity	73,267,741,972.00	28,377,044,979.00
Total liabilities and owners' (or shareholders') equity	78,908,754,971.00	40,029,072,089.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

### 3. Consolidated income statement

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Reporting period	Same period of last year
I. Total operating revenues	16,113,171,584.00	16,254,326,067.00
Including: Sales income	16,113,171,584.00	16,254,326,067.00
Interest income	0.00	0.00
Premium income	0.00	0.00
Handling charge and commission income	0.00	0.00
II. Total operating cost	15,340,525,002.00	15,206,525,353.00
Including: Cost of sales	12,630,118,473.00	12,461,334,555.00
Interest expenses	0.00	0.00
Handling charge and commission expenses	0.00	0.00
Surrenders	0.00	0.00
Net claims paid	0.00	0.00
Net amount withdrawn for the insurance contract reserve	0.00	0.00
Expenditure on policy dividends	0.00	0.00
Reinsurance premium	0.00	0.00
Taxes and associate charges	37,970,365.00	65,939,290.00
Selling and distribution expenses	481,663,833.00	516,250,043.00
Administrative expenses	1,698,855,995.00	1,449,893,803.00
Financial expenses	106,739,572.00	193,412,657.00
Asset impairment loss	385,176,764.00	519,695,005.00
Add: Gain/(loss) from change in fair value (“-” means loss)	0.00	0.00
Gain/(loss) from investment (“-” means loss)	6,924,389.00	1,624,989.00
Including: share of profits in associates and joint ventures	4,390,960.00	-545,119.00

Foreign exchange gains (“-” means loss)	0.00	0.00
III. Business profit (“-” means loss)	779,570,971.00	1,049,425,703.00
Add: non-operating income	548,360,205.00	205,996,429.00
Less: non-operating expense	9,012,209.00	66,850,527.00
Including: loss from non-current asset disposal	2,964,174.00	64,092,449.00
IV. Total profit (“-” means loss)	1,318,918,967.00	1,188,571,605.00
Less: Income tax expense	156,020,200.00	23,290,836.00
V. Net profit (“-” means loss)	1,162,898,767.00	1,165,280,769.00
Including: Net profit achieved by combined parties before the combinations	0.00	0.00
Attributable to owners of the Company	1,041,635,714.00	859,288,893.00
Minority shareholders’ income	121,263,053.00	305,991,876.00
VI. Earnings per share	--	--
(I) Basic earnings per share	0.050	0.064
(II) Diluted earnings per share	0.050	0.064
VII. Other comprehensive incomes	-27,145,356.00	9,520,272.00
VIII. Total comprehensive incomes	1,135,753,411.00	1,174,801,041.00
Attributable to owners of the Company	1,014,490,358.00	868,809,165.00
Attributable to minority shareholders	121,263,053.00	305,991,876.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

#### 4. Income statement of the Company

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Reporting period	Same period of last year
I. Total sales	394,606,138.00	222,130,321.00
Less: cost of sales	56,752,883.00	56,605,491.00
Business taxes and surcharges	3,096,694.00	5,000,399.00
Distribution expenses	1,132,622.00	1,483,100.00
Administrative expenses	354,310,649.00	280,192,364.00
Financial costs	-28,061,118.00	-552,914.00
Impairment loss	0.00	-34,499.00
Add: gain/(loss) from change in fair value (“-” means loss)	0.00	0.00
Gain/(loss) from investment (“-” means loss)	6,582,590.00	1,624,989.00
Including: income form investment on associates and joint ventures	4,049,161.00	-545,119.00
II. Business profit (“-” means loss)	13,956,998.00	-118,938,631.00
Add: non-business income	14,162,919.00	12,888,424.00
Less: non-business expense	85,328.00	12,980.00
Including: loss from non-current asset disposal	1,935.00	10,180.00
III. Total profit (“-” means loss)	28,034,589.00	-106,063,187.00
Less: income tax expense	0.00	0.00
IV. Net profit (“-” means loss)	28,034,589.00	-106,063,187.00
V. Earnings per share	--	--



(I) Basic earnings per share	0.001	-0.0078
(II) Diluted earnings per share	0.001	-0.0078
VI. Other comprehensive income	-22,042,649.00	9,951,770.00
VII. Total comprehensive income	5,991,940.00	-96,111,417.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

### 5. Consolidated cash flow statement

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Reporting period	Same period of last year
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	17,820,222,805.00	14,931,452,858.00
Net increase of deposits from customers and dues from banks	0.00	0.00
Net increase of loans from the central bank	0.00	0.00
Net increase of funds borrowed from other financial institutions	0.00	0.00
Cash received from premium of original insurance contracts	0.00	0.00
Net cash received from reinsurance business	0.00	0.00
Net increase of deposits of policy holders and investment fund	0.00	0.00

Net increase of disposal of tradable financial assets	0.00	0.00
Cash received from interest, handling charges and commissions	0.00	0.00
Net increase of intra-group borrowings	0.00	0.00
Net increase of funds in repurchase business	0.00	0.00
Tax refunds received	696,134,294.00	910,989,260.00
Other cash received relating to operating activities	678,900,597.00	233,307,610.00
Subtotal of cash inflows from operating activities	19,195,257,696.00	16,075,749,728.00
Cash paid for goods and services	12,914,791,942.00	9,599,582,069.00
Net increase of customer lendings and advances	0.00	0.00
Net increase of funds deposited in the central bank and amount due from banks	0.00	0.00
Cash for paying claims of the original insurance contracts	0.00	0.00
Cash for paying interest, handling charges and commissions	0.00	0.00
Cash for paying policy dividends	0.00	0.00
Cash paid to and for employees	1,823,070,067.00	1,388,434,186.00
Various taxes paid	421,384,320.00	660,484,495.00
Other cash payment relating to operating activities	782,370,865.00	699,359,617.00
Subtotal of cash outflows from operating activities	15,941,617,194.00	12,347,860,367.00
Net cash flows from operating activities	3,253,640,502.00	3,727,889,361.00
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	0.00	0.00

Cash received from return on investments	3,411,262.00	2,170,108.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	363,662.00	172,514.00
Net cash received from disposal of subsidiaries or other business units	0.00	0.00
Other cash received relating to investing activities	402,699,692.00	848,472,428.00
Subtotal of cash inflows from investing activities	406,474,616.00	850,815,050.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	9,255,316,417.00	8,327,919,358.00
Cash paid for investment	6,000,461.00	33,633,862.00
Net increase of pledged loans	0.00	0.00
Net cash paid to acquire subsidiaries and other business units	534,815,100.00	0.00
Other cash payments relating to investing activities	16,591,152.00	1,915,723.00
Subtotal of cash outflows from investing activities	9,812,723,130.00	8,363,468,943.00
Net cash flows from investing activities	-9,406,248,514.00	-7,512,653,893.00
<b>III. Cash Flows from Financing Activities:</b>		
Cash received from capital contributions	30,752,700,690.00	35,042,000.00
Including: Cash received from minority shareholder investments by subsidiaries	0.00	0.00
Cash received from borrowings	12,045,540,367.00	14,933,910,972.00
Cash received from issuance of bonds	0.00	0.00
Other cash received relating to financing activities	48,165,983.00	104,956.00
Subtotal of cash inflows from financing activities	42,846,407,040.00	14,969,057,928.00

Repayment of borrowings	10,518,896,513.00	1,559,865,258.00
Cash paid for interest expenses and distribution of dividends or profit	755,323,762.00	498,345,823.00
Including: dividends or profit paid by subsidiaries to minority shareholders	0.00	0.00
Other cash payments relating to financing activities	968,166,397.00	158,694,715.00
Sub-total of cash outflows from financing activities	12,242,386,672.00	2,216,905,796.00
Net cash flows from financing activities	30,604,020,368.00	12,752,152,132.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents	43,545,868.00	-113,132,965.00
V. Net increase in cash and cash equivalents	24,494,958,224.00	8,854,254,635.00
Add: Opening balance of cash and cash equivalents	16,474,975,849.00	13,556,486,692.00
VI. Closing balance of cash and cash equivalents	40,969,934,073.00	22,410,741,327.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

## 6. Cash flow statement of the Company

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Reporting period	Same period of last year
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	73,929,641.00	68,985,759.00
Tax refunds received	698,357.00	0.00

Other cash received relating to operating activities	691,284,156.00	990,049,207.00
Subtotal of cash inflows from operating activities	765,912,154.00	1,059,034,966.00
Cash paid for goods and services	101,533,737.00	87,554,037.00
Cash paid to and for employees	213,401,635.00	159,879,247.00
Various taxes paid	21,738,682.00	13,165,257.00
Other cash payment relating to operating activities	209,045,481.00	506,269,881.00
Subtotal of cash outflows from operating activities	545,719,535.00	766,868,422.00
Net cash flows from operating activities	220,192,619.00	292,166,544.00
II. Cash flows from investing activities:		
Cash received from retraction of investments	0.00	0.00
Cash received from return on investments	3,373,429.00	2,170,108.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	67,400.00	36,500.00
Net cash received from disposal of subsidiaries or other business units	0.00	0.00
Other cash received relating to investing activities	15,236,429.00	20,958,901.00
Subtotal of cash inflows from investing activities	18,677,258.00	23,165,509.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	66,256,870.00	181,426,307.00
Cash paid for investment	12,001,000,461.00	968,340,512.00
Net cash paid to acquire subsidiaries and other business units	6,834,815,100.00	4,100,000,000.00
Other cash payments relating to investing activities	93,996.00	0.00
Subtotal of cash outflows from investing activities	18,902,166,427.00	5,249,766,819.00

Net cash flows from investing activities	-18,883,489,169.00	-5,226,601,310.00
III. Cash Flows from Financing Activities:		
Cash received from capital contributions	30,752,700,690.00	0.00
Cash received from borrowings	0.00	4,100,000,000.00
Cash received from issuance of bonds	0.00	0.00
Other cash received relating to financing activities	0.00	0.00
Subtotal of cash inflows from financing activities	30,752,700,690.00	4,100,000,000.00
Repayment of borrowings	0.00	0.00
Cash paid for interest expenses and distribution of dividends or profit	215,500,000.00	0.00
Other cash payments relating to financing activities	236,267,369.00	0.00
Sub-total of cash outflows from financing activities	451,767,369.00	0.00
Net cash flows from financing activities	30,300,933,321.00	4,100,000,000.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents	16,425.00	-2,357.00
V. Net increase in cash and cash equivalents	11,637,653,196.00	-834,437,123.00
Add: Opening balance of cash and cash equivalents	1,702,470,760.00	2,264,319,604.00
VI. Closing balance of cash and cash equivalents	13,340,123,956.00	1,429,882,481.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

## 7. Consolidated Statement of Changes in Owners' Equity

Prepared by BOE Technology Group Co., Ltd.

Jan.-Jun. 2014

Unit: RMB Yuan

Item	Reporting period									
	Equity attributable to owners of the Company								Minority interests	Total owners' equity
	Paid-up capital (or share capital)	Capital reserve	Less: treasury stock	Specific reserve	Surplus reserve	General risk reserve	Retained profit	Others		
I. Balance at the end of the previous year	13,521,542,341.00	15,407,622,455.00	0.00	0.00	499,092,613.00	0.00	-1,122,806,908.00	-53,635,140.00	9,902,448,043.00	38,154,263,404.00
Add: change of accounting policy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in previous periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Balance at the beginning of the year	13,521,542,341.00	15,407,622,455.00	0.00	0.00	499,092,613.00	0.00	-1,122,806,908.00	-53,635,140.00	9,902,448,043.00	38,154,263,404.00
III. Increase/decrease in the period ("-" means decrease)	21,768,095,233.00	23,294,599,501.00	0.00	0.00	0.00	0.00	1,041,635,714.00	1,287,347.00	-8,110,870,983.00	37,994,746,812.00
(I) Net profit	0.00	0.00	0.00	0.00	0.00	0.00	1,041,635,714.00	0.00	121,263,053.00	1,162,898,767.00

(II) Other comprehensive incomes	0.00	-28,432,703.00	0.00	0.00	0.00	0.00	0.00	1,287,347.00	0.00	-27,145,356.00
Subtotal of (I) and (II)	0.00	-28,432,703.00	0.00	0.00	0.00	0.00	1,041,635,714.00	1,287,347.00	121,263,053.00	1,135,753,411.00
(III) Capital paid in and reduced by owners	21,768,095,233.00	23,323,032,204.00	0.00	0.00	0.00	0.00	0.00	0.00	-8,232,134,036.00	36,858,993,401.00
1. Capital paid in by owners	21,768,095,233.00	23,116,609,820.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,884,705,053.00
2. Amounts of share-based payments recognized in owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Others	0.00	206,422,384.00	0.00	0.00	0.00	0.00	0.00	0.00	-8,232,134,036.00	-8,025,711,652.00
(IV) Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Appropriations to surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Appropriations to general risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



provisions											
3. Appropriations to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(V) Internal carry-forward of owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. New increase of capital (or share capital) from capital public reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. New increase of capital (or share capital) from surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Surplus reserves for making up losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VI) Specific reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawn for	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

the period										
2. Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VII) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV. Closing balance	35,289,637,574.00	38,702,221,956.00	0.00	0.00	499,092,613.00	0.00	-81,171,194.00	-52,347,793.00	1,791,577,060.00	76,149,010,216.00

Last year

Unit: RMB Yuan

Item	Last year									
	Equity attributable to owners of the Company								Minority interests	Total owners' equity
	Paid-up capital (or share capital)	Capital reserve	Less: treasury stock	Specific reserve	Surplus reserve	General risk reserve	Retained profit	Others		
I. Balance at the end of the previous year	13,521,542,341.00	15,344,798,225.00	0.00	0.00	499,092,613.00	0.00	-3,476,172,602.00	-2,300,927.00	9,377,854,802.00	35,264,814,452.00
Add: retrospective adjustment due to business combination under the same control	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Add: change of accounting policy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in previous periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Balance at the beginning of the year	13,521,542,341.00	15,344,798,225.00	0.00	0.00	499,092,613.00	0.00	-3,476,172,602.00	-2,300,927.00	9,377,854,802.00	35,264,814,452.00
III. Increase/ decrease in the period ("-" means decrease)	0.00	62,824,230.00	0.00	0.00	0.00	0.00	2,353,365,694.00	-51,334,213.00	524,593,241.00	2,889,448,952.00

(I) Net profit	0.00	0.00	0.00	0.00	0.00	0.00	2,353,365,694.00	0.00	618,763,497.00	2,972,129,191.00
(II) Other comprehensive incomes	0.00	17,821,494.00	0.00	0.00	0.00	0.00	0.00	-51,334,213.00	0.00	-33,512,719.00
Subtotal of (I) and (II)	0.00	17,821,494.00	0.00	0.00	0.00	0.00	2,353,365,694.00	-51,334,213.00	618,763,497.00	2,938,616,472.00
(III) Capital paid in and reduced by owners	0.00	45,002,736.00	0.00	0.00	0.00	0.00	0.00	0.00	-94,170,256.00	-49,167,520.00
1. Capital paid in by owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,351,281.00	14,351,281.00
2. Amounts of share-based payments recognized in owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Others	0.00	45,002,736.00	0.00	0.00	0.00	0.00	0.00	0.00	-108,521,537.00	-63,518,801.00
(IV) Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Appropriations to surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. New increase of capital (or share capital) from surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Surplus reserves for making up losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(V) Internal carry-forward of owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. New increase of capital (or share capital) from capital public reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. New increase of capital (or share capital) from surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Surplus reserves for making up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

losses										
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VI) Specific reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VII) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV. Closing balance	13,521,542,341.00	15,407,622,455.00	0.00	0.00	499,092,613.00	0.00	-1,122,806,908.00	-53,635,140.00	9,902,448,043.00	38,154,263,404.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

## 8. Statement of changes in owners' equity of the Company

Prepared by BOE Technology Group Co., Ltd.

Jan.-Jun. 2014

Unit: RMB Yuan

Item	Reporting period							
	Paid-up capital (or share capital)	Capital reserve	Less: treasury stock	Specific reserve	Surplus reserve	General risk reserve	Retained profit	Total owners' equity
I. Balance at the end of the previous year	13,521,542,341.00	15,165,798,633.00	0.00	0.00	499,092,613.00	0.00	-809,388,608.00	28,377,044,979.00
Add: change of accounting policy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in previous periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Balance at the beginning of the year	13,521,542,341.00	15,165,798,633.00	0.00	0.00	499,092,613.00	0.00	-809,388,608.00	28,377,044,979.00

III. Increase/ decrease in the period (“-” means decrease)	21,768,095,233.00	23,094,567,171.00	0.00	0.00	0.00	0.00	28,034,589.00	44,890,696,993.00
(I) Net profit	0.00	0.00	0.00	0.00	0.00	0.00	28,034,589.00	28,034,589.00
(II) Other comprehensive incomes	0.00	-22,042,649.00	0.00	0.00	0.00	0.00	0.00	-22,042,649.00
Subtotal of (I) and (II)	0.00	-22,042,649.00	0.00	0.00	0.00	0.00	28,034,589.00	5,991,940.00
(III) Capital paid in and reduced by owners	21,768,095,233.00	23,116,609,820.00	0.00	0.00	0.00	0.00	0.00	44,884,705,053.00
1. Capital paid in by owners	21,768,095,233.00	23,116,609,820.00	0.00	0.00	0.00	0.00	0.00	44,884,705,053.00
2. Amounts of share-based payments recognized in owners’ equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(IV) Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Appropriations to surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Appropriations to general risk provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Appropriations to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(V) Internal carry-forward of owners’ equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. New increase of capital (or share capital) from capital public reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. New increase of capital (or share capital) from surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Surplus reserves for making up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

losses								
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VI) Specific reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VII) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV. Closing balance	35,289,637,574.00	38,260,365,804.00	0.00	0.00	499,092,613.00	0.00	-781,354,019.00	73,267,741,972.00

Last year

Unit: RMB Yuan

Item	Last year							
	Paid-up capital (or share capital)	Capital reserve	Less: treasury stock	Specific reserve	Surplus reserve	General risk reserve	Retained profit	Total owners' equity
I. Balance at the end of the previous year	13,521,542,341.00	15,136,475,314.00	0.00	0.00	499,092,613.00	0.00	-636,204,663.00	28,520,905,605.00
Add: change of accounting policy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in previous periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Balance at the beginning of the year	13,521,542,341.00	15,136,475,314.00	0.00	0.00	499,092,613.00	0.00	-636,204,663.00	28,520,905,605.00
III. Increase/ decrease in the period (“-” means decrease)	0.00	29,323,319.00	0.00	0.00	0.00	0.00	-173,183,945.00	-143,860,626.00
(I) Net profit	0.00	0.00	0.00	0.00	0.00	0.00	-173,183,945.00	-173,183,945.00
(II) Other comprehensive incomes	0.00	29,323,319.00	0.00	0.00	0.00	0.00	0.00	29,323,319.00
Subtotal of (I) and (II)	0.00	29,323,319.00	0.00	0.00	0.00	0.00	-173,183,945.00	-143,860,626.00
(III) Capital paid in and reduced by owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Capital paid in by owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

2. Amounts of share-based payments recognized in owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(IV) Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Appropriations to surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Appropriations to general risk provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Appropriations to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(V) Internal carry-forward of owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. New increase of capital (or share capital) from capital public reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. New increase of capital (or share capital) from surplus reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Surplus reserves for making up losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VI) Specific reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(VII) Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV. Closing balance	13,521,542,341.00	15,165,798,633.00	0.00	0.00	499,092,613.00	0.00	-809,388,608.00	28,377,044,979.00

Legal representative: Mr. Wang Dongsheng

President of the Company: Mr. Chen Yanshun

Person-in-charge of the accounting work: Ms. Sun Yun

Chief of the accounting division: Ms. Yang Xiaoping

### III. Company profile

BOE Technology Group Company Limited (the “Company”) is a company limited by shares established on 9 April 1993 at Beijing, with its head office located in Beijing. The parent of the Company is Beijing Electronic Tube Factory (after “debt-equity swap” restructuring converted to “Beijing Orient Investment and Development Company Limited” (“BOID”)). The Company’s ultimate holding company is Beijing Electronics Holdings Co., Ltd. (“Electronics Holdings”).

The Company was established with the approval of the Office of Economic Restructuring of Beijing Municipality JTGBZ [1992] No. 22, founded by the former Beijing Electronic Tube Factory as the main promoter by way of directional stock flotation. The former Beijing Electronic Tube Factory transferred its related assets and liabilities to the Company. Such assets and liabilities had been valued by the State-owned Assets Supervision and Administration Commission. The Company used the revaluation amount as the initial value for Company’s accounting records.

As approved by the State Council Securities Commission through document ZWF [1997] No. 32, the Company issued 115,000,000 B shares on 19 May 1997 at the Shenzhen Stock Exchange, with a face value of RMB 1.00 each, getting listed on 10 June 1997 at the Shenzhen Stock Exchange. As approved by the China Securities Regulatory Commission (“CSRC”) through document ZJGSZ [2000] No. 197, the Company issued 60,000,000 ordinary shares denominated in Renminbi on 23 November 2000 at Shenzhen Stock Exchange, with a face value of RMB 1.00 each, getting listed on 12 January 2001 at the Shenzhen Stock Exchange.

As approved by the CSRC through document ZJFXZ [2004] No. 2, “The Notice on approving BOE Technology Group Company Limited’s Further Share Offering”, the Company additionally issued 316,400,000 B shares on 16 Jan 2004, with a face value of RMB 1.00 each and issuing value of HKD 6.32, which raised capital amounting to HKD 1,999,648,000. After accounting for all the relevant issuance fees, the B shares further offering raised capital of HKD 1,922,072,431 (RMB 2,048,160,383), with total share capital increasing to RMB 975,864,800.

Pursuant to the resolution approved by the 2003 Annual General Meeting held on 28 May 2004, the Company implemented its plan of transferring capital reserve into share capital at the rate of “5 shares for every 10 shares” to all shareholders in June 2004. Upon the completion of the transfer, the Company’s total share capital increased to RMB 1,463,797,200.

Pursuant to the resolution passed by the 2005 First Special Shareholders’ General Meeting held on 5 July 2005, based on the total share capital of 1,463,797,200 shares as at 31 December 2004, the Company transferred capital reserve into share capital at the rate of “5 shares for every 10 share” to all shareholders on 19 July 2005. Upon completion of the transfer, the Company’s total share capital increased to RMB 2,195,695,800.

In accordance with “The Approval Notice on BOE’s State-owned Share Reform Plan” issued by State-owned Assets Supervision and Administration Commission of Beijing Municipality (JGZCQZ [2005] No. 119), the Company implemented its state-owned share reform plan agreed by the shareholders on 24 November 2005. According to the plan, those registered tradable RMB-denominated ordinary share shareholders on 29 November 2005 would receive 4.2 shares for every 10 listed shares. This had contributed to the change in percentage of tradable and non-tradable shares of the Company.

Pursuant to the 21st Session of the Forth Board of Directors and the Special Shareholders’ General Meeting held on 18 April 2006 and 19 May 2006 respectively, and the approval from the CSRC through document ZJFXZ [2006] No. 36, the Company issued 675,872,095 non-public targeted ordinary shares (A shares) with face value of RMB 1. On 9 October 2006, the Company completed shares registration and escrow in China Securities Depository and Clearing Corporation Limited Shenzhen branch. Upon completion of the issuance, the Company’s total share capital increased to RMB 2,871,567,895.

Pursuant to the Third Session of the Fifth Board of Directors and the 2007 Forth Special Shareholders’ General Meeting held on 29 August 2007 and 26 September 2007 respectively, and the approval from the CSRC through document ZJFXZ [2008] No. 587, the Company issued 411,334,552 non-public targeted RMB-denominated ordinary share with a face value of RMB 1. On 16



July 2008, the Company completed shares registration and escrow in China Securities Depository and Clearing Corporation Limited Shenzhen branch. Upon completion of the issuance, the Company's total share capital increased to RMB 3,282,902,447.

Pursuant to the 17th Session of the Fifth Board of Directors and the 2008 Second Special General Meeting held on 7 November 2008 and 25 November 2008 respectively, and approval from the CSRC through document ZJFXZ [2009] No. 369, the Company issued 5,000,000,000 non-public targeted RMB-denominated ordinary share with a face value of RMB 1. On 4 June 2009, the Company completed shares registration and escrow in China Securities Depository and Clearing Corporation Limited Shenzhen branch. Upon completion of the issuance, the Company's total share capital increased to RMB 8,282,902,447. The Company revised its Articles of Association on June 2009, and obtained the renewed the business license as legal person with No. 110000005012597 on 7 August 2009.

Pursuant to the Second Session of the Sixth Board of Directors and the 2010 Second Special Shareholders' General Meeting held on 21 Jul. 2010 as well as approval from the CSRC through document ZJFXZ [2010]1324 No. 1324, the Company issued 2,985,049,504 non-public targeted RMB-denominated ordinary share with a face value of RMB 1. On 7 Dec. 2010, the Company completed shares registration and escrow in China Securities Depository and Clearing Corporation Limited Shenzhen branch. Upon completion of the issuance, the Company's total share capital increased to RMB 11,267,951,951.

Pursuant to the Eighth Session of the Sixth Board of Directors held on 22 Apr. 2011 and the 2010 Shareholders' General Meeting held on 30 May 2011, basing on the total share capital of 11,267,951,951 up to 31 Dec. 2010, the Company implemented its plan of transferring capital reserve into share capital at the rate of "2 shares for every 10 shares" to all shareholders in Jun. 2011. Upon the completion of the transfer, the Company's total share capital increased to RMB 13,521,542,341.

Through the resolution of the 2nd Session of the 7th Board of Directors on 24 Jul. 2013 and the approval of the 3rd Extraordinary General Meeting on 12 Aug. 2013 as well as the approval of ZJXK [2013] No. 615 document of CSRC on 24 Dec. 2013, the Company increased the issuing of the non-public Renminbi common shares to the specified targets of RMB 1 that amounted to 21,768,095,233 shares, which completed the share register hosting in Shenzhen Branch of CSDC on 7 Apr. 2014 that after the increase, the share capital of the Company changed into RMB 35,289,637,574.

The Company and its subsidiaries (hereinafter referred to as "the Group") divided into 4 major business branches in the world: such as thin film transistor liquid crystal display device (hereinafter referred to as "TFT-LCD") business, display light source products business, display system products business and other business, of which other business including precision parts and materials business, photovoltaic business and office property leasing business etc.

## **IV. Main accounting policies, accounting estimates and corrections of prior accounting errors**

### **1. Basis for preparation of financial statements**

The financial statements have been prepared on the basis of going concern.

### **2. Statement of compliance with Corporate Accounting Standards**

The financial statements have been prepared in accordance with the requirements of "Accounting Standards for Business Enterprises—Basic Standard" and 38 Specific Standards issued by the Ministry of Finance (MOF) on 15 February 2006, and application guidance, bulletins and other relevant accounting regulations issued subsequently (collectively referred to as "Accounting

Standards for Business Enterprises” or “CAS”). These financial statements present truly and completely the consolidated financial position and financial position as of 30 Jun. 2012, the consolidated results of operations and results of operations and the consolidated cash flows and cash flows in the first half year of 2012 of the Company. These financial statements also comply with the disclosure requirements of “Regulation on the Preparation of Information Disclosures of Companies Issuing Public Shares, No. 15: General Requirements for Financial Reports” as revised by the China Securities Regulatory Commission (hereinafter referred to as “CSRC”) in 2010.

### **3. Accounting period**

The accounting year of the Group is from 1 January to 31 December.

### **4. Functional currency**

The Company’s functional currency is Renminbi. These financial statements are presented in renminbi. The basis of choosing the functional currency for the Company and its subsidiaries is that it’s the pricing and settlement currency for the main business. The Company translates the financial statements of subsidiaries from their respective functional currencies into Renminbi if the subsidiaries’ functional currencies are not Renminbi.

### **5. Accounting treatments for a business combination involving entities under and those not under common control**

#### **(1) Business combination involving entities under common control**

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets and liabilities obtained are measured at the carrying amounts as recorded by the enterprise being combined at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of consideration paid for the combination (or the total face value of shares issued) is adjusted to share premium in the capital reserve. If the balance of share premium is insufficient, any excess is adjusted to retained earnings. Other direct expenses occur when the Group conducting business combinations is recognized in current profit and loss. The combination date is the date on which one combining enterprise effectively obtains control of the other combining enterprises.

#### **(2) Business combinations involving entities not under common control**

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. When the Group acts as the combination party, the cost of a business combination paid by the acquirer is the aggregate of the fair value at the acquisition date of assets given (including share equity of the acquiree held before the combination date), liabilities incurred or assumed, and equity securities issued by the acquirer. Any excess of the cost of a business combination over the acquirer’s interest in the fair value of the acquiree’s identifiable net assets is recognized as goodwill, while any excess of the acquirer’s interest in the fair value of the acquiree’s identifiable net assets over the cost of a business combination is recognized in profit or loss. The cost of equity securities or liability securities as on combination consideration offering is recognized in initial recording capital on equity securities or liability securities. Other direct expenses occur when the Group conducting business combinations is recognized in current profit and loss. The difference between the fair value and the carrying amount of the assets given is recognized in profit or loss. The Group, at the acquisition date,

recognized the acquiree's identifiable asset, liabilities and contingent liabilities at their fair value at that date. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

## **6. Preparation methods for consolidated financial statements**

### **(1) Preparation methods for consolidated financial statements**

The scope of consolidated financial statements is determined on the base of control, which comprise the Company and its subsidiaries. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its operating activities. The financial status, operating results and cash flow of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements as if the combination had occurred at the date that common control was established. Therefore the opening balances and the comparative figures of the consolidated financial statements are restated. In the preparation of the consolidated financial statements, the subsidiary's assets, liabilities and results of operations are included in the consolidated balance sheet based on their carrying amounts; while results of operations are included in the consolidated income statement, from the date that common control was established.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities not under common control, when prepared the consolidated financial statements, the Company shall included the acquired subsidiaries into the consolidated scope from the acquisition date basing on the fair value of the identifiable assets, liabilities at the acquisition date.

Where a business combination involving entities not under common control was realized through two or more transactions and by several steps, for equity held by acquiree before the acquisition date, the Group will re-account the equity according to fair value at the acquisition date and the difference between the fair value and its carrying value is recognized as investment income. If the said equity is involving in other comprehensive income, other relevant comprehensive income is transferred into investment income at the acquisition date.

Where the Company acquires a minority interest from a subsidiary's minority shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the amount by which the minority interests are adjusted and the amount of the consideration paid or received is adjusted to the capital reserve (share premium) in the consolidated balance sheet. If the credit balance of capital reserve (share premium) is insufficient, any excess is adjusted to retained earnings.

Where the control of former subsidiary was lost for disposal of part of equity investment or other reasons, the Group terminated to recognize the assets, liabilities, minority interest and other items of equities relevant to the subsidiary. As for remaining equity investment after disposal, the Group will re-account it according to the fair value at the date the control was lost. Any profit or loss occurred shall be recorded into the investment income during the period of losing control right. Equity, profit or loss attributable to minority shareholders is presented separately under the item of shareholders' equity in consolidated income statement and the net profits in the consolidated income statement.

If current loss shoulder by minority shareholders of a subsidy over the proportion enjoyed by minority shareholders in a subsidy at owners' equity at period-begin, its balance still offset minority shareholders' equity.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealized profit or loss arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the

extent that there is no evidence of impairment.

**(2) As for the event about purchasing and then selling (or selling and then purchasing) equities of the same subsidiary, the Company shall disclose relevant accounting treatment methods.**

Naught

## **7. Standards in recognizing cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments, which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

## **8. Foreign currency and accounting method for foreign currency**

### **(1) Foreign currency business**

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to renminbi at the spot exchange rates at the dates of the transactions.

A spot exchange rate is an exchange rate quoted by the People's Bank of China, the State Administration of Foreign Exchanges or a cross rate determined based on quoted exchange rates. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, normally the average exchange rate of the current period or the weighted average exchange rate.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are recognized in profit or loss, except those arising from the principals and interests on foreign currency borrowings specifically for the purpose of acquisition, construction of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated to Renminbi using the foreign exchange rate at the transaction date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange rate at the date the fair value is determined; the exchange differences, if it's the difference arising from the non-monetary item of available-for-sale financial assets, which shall be considered as other comprehensive income and recognized in capital reserve; other differences shall be recognized in current profit or loss.

## **(2) Translations of financial statements in foreign currencies**

The assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. The equity items, excluding “Retained earning”, are translated to Renminbi at the spot exchange rates at the transaction dates. The income and expenses of foreign operation are translated to Renminbi at rates that approximate the spot exchange rates at the transaction dates. The resulting exchange differences are recognized in a separate component of equity. Upon disposal of a foreign operation, the cumulative amount of the exchange differences recognized in equity which relates to that foreign operation is transferred to profit or loss in the period in which the disposal occurs.

## **9. Financial instruments**

### **(1) Category of financial instruments**

Financial instruments comprise monetary funds, bonds investment, equity investment other than long-term equity investment, receivables, payables, borrowings and share capital, etc.

### **(2) Recognition and measurement of financial instruments**

A financial asset or financial liability is recognized in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

The Group classifies financial assets and liabilities into different categories at initial recognition based on the purpose of acquiring assets or assuming liabilities: financial assets and financial liabilities at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets and other financial liabilities.

Financial assets and liabilities are measured initially at fair value. For financial assets and liabilities at fair value through profit or loss, any directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any attributed transaction costs are included in their initial costs. Subsequent to initial recognition financial assets and liabilities are measured as follows:

– Financial assets and financial liabilities at fair value through profit or loss (including financial assets or financial liabilities held for trading)

A financial asset or financial liability held by the Group is classified as at fair value through profit or loss if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is a derivative.

Subsequent to initial recognition, financial assets and financial liabilities at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

– Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, receivables are subsequently stated at amortized cost using the effective interest method.

– Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are stated at amortized cost using the effective interest method.

– Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that are designated upon initial recognition as available for sale and other financial assets which do not fall into any of the above categories.

As for the available-for-sale financial assets whose fair value cannot be reliably measured is measured at cost subsequent to initial recognition; except that, subsequent to initial recognition, other available-for-sale financial assets are measured at fair value and changes therein, except for impairment losses and foreign exchange gains and losses from monetary financial assets, which are recognized directly in profit or loss, are considered as other comprehensive income to be recognized directly in capital reserves. When an investment is derecognized, the cumulative gain or loss in equity is removed from equity and recognized in profit or loss. Dividend income from these equity instruments is recognized in profit or loss when the investee declares the dividends. Interest on available-for-sale financial assets calculated using the effective interest method is recognized in profit or loss.

– Other financial liabilities

Financial liabilities other than the financial liabilities at fair value through profit or loss are classified as other financial liabilities.

Other financial liabilities include the liabilities arising from financial guarantee contracts. Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the holder) for a loss the holder incurs because a specified debtor fails to make payment when due, in accordance with the terms of a debt instrument. Where the Group issues a financial guarantee, subsequent to initial recognition, the guarantee is measured at the higher of the amount initially recognized less accumulated amortization and the amount of a provision determined in accordance with the principles of contingent liabilities.

Except for the liabilities arising from financial guarantee contracts described above, subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

### **(3) Recognition and accounting method for transfer of financial assets**

A financial asset is derecognized if the Group's contractual rights to the cash flows from the financial asset expire or if the Group transfers substantially all the risks and rewards of ownership of the financial asset to another party.

Where a transfer of a financial asset in its entirety meets the criteria of derecognition, the difference between the two amounts below is recognized in profit or loss:

– Carrying amount of the financial asset transferred

– The sum of the consideration received from the transfer and any cumulative gain or loss that has been recognized directly in equity.

### **(4) Derecognition conditions of financial liabilities**

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged.

### **(5) Recognition method for fair value of financial assets and financial liabilities**

As for a financial asset or financial liability with an active market, the Company determined its fair value by the quoted price in the active market.

If no active market exists for a financial instrument, a valuation technique is used to establish the fair value. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties; reference to the current fair value of another instrument that is substantially the same; or discounted cash flow analysis and option pricing models. The Group calibrates its valuation technique and tests it for validity periodically.

Notes: the recognition method the financial assets and financial liabilities, including the recognition method of the fair value of the financial assets and financial liabilities caused by continued involvement.

### **(6) Withdrawal of impairment provision for financial assets (excluding accounts receivable)**

The carrying amounts of financial assets (other than those at fair value through profit or loss) are reviewed at each balance sheet date to determine whether there is objective evidence of impairment.

Objective evidence of impairment includes but not is limited to the followings:

- (a) A serious financial difficulty occurs to the issuer or debtor;
- (b) The debtor breaches any of the contractual stipulations, for example, fails to pay or delays the payment of interests or the principal, etc.;
- (c) The debtor will probably become bankrupt or carry out other financial reorganizations;
- (d) The financial asset can no longer continue to be traded in the active market due to serious financial difficulties of the issuer;
- (e) Any seriously disadvantageous change has occurred to technical, market, economic or legal environment, etc. wherein the issuer of instruments operates its business, which makes the investor of an equity instrument unable to take back its investment;
- (f) Where the fair value of the equity instrument investment drops significantly or not contemporarily (which the fair value declined of 50%) or not contemporarily (which the fair value constantly declined over than 9 months) etc.

#### – Held-to-maturity investments

Held-to-maturity investments are assessed for impairment on an individual basis. An impairment loss in respect of a held-to-maturity investment is calculated as the excess of its carrying amount over the present value of the estimated future cash flows (exclusive of future credit losses that have not been incurred) discounted at the original effective interest rate. All impairment losses are recognized in profit or loss.

If, after an impairment loss has been recognized on held-to-maturity investments, there is objective evidence of a recovery in value of the financial asset which can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. The reversed carrying amount shall not be any more than the post-amortization costs of the said financial asset on the day of reverse under the assumption that no provision is made for the impairment.

#### – Available-for-sale financial assets

Available-for-sale financial assets are assessed for impairment on an individual basis. When an available-for-sale financial asset is impaired, the cumulative loss arising from a decline in fair value that has been recognized directly in equity is removed from equity and recognized in profit or loss even though the financial asset has not been derecognized.

If, after an impairment loss has been recognized on an available-for-sale debt instrument, the fair value of the debt instrument increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognized, the impairment loss is reversed through profit or loss. An impairment loss recognized for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

**(7) As for event about reclassifying the undue held-to-maturity investment into available-for-sale financial assets, the Company shall state the basis of changes in holding purpose or ability**

Naught

**10. Recognition criteria and withdrawal methods for bad debts provision of accounts receivable**

Accounts receivable uses individual method and compound method to assess the impairment losses contemporary.

When assesses through the individual method and the current price discounted according to the original actual interest rate of the estimated future cash flow of the accounts receivable (not including the future credit losses not happened) lower than the book value, the Group should write-down the current value of the book value of the accounts receivable and the written-down amount should be recognized as the assets impairment losses that included into the current gains and losses.

When assess the impairment losses through the compound method, the losses amount is adjusted and recognized according to the previous losses experience of the accounts receivable with the similar characteristics of the credit risks (including the accounts receivable assessed by individual method but not caused impairment) as well as according to the observed data which reflect the current economic condition.

After recognizing the impairment losses of the accounts receivable, if there is objective evidence indicates the value of the financial assets had recovered, and is objectively relevant to the events happened after the losses, the Group should reverse the original recognized impairment losses and included into the current gains and losses. The book value after reverse should not exceed the amortized cost of the financial assets which are supposed not to withdraw the impairment provision on the reverse date.

**(1) Bad debt provision for individually significant accounts receivable**

Judgement basis or monetary standards of provision for bad debts of the individually significant accounts receivable	RMB 50,000,000
Method of individual provision for bad debts of	On balance sheet day, the impairment test is carried on individually for the individually significant receivables; if it is impaired after the



the individually significant accounts receivable	impairment test, the Company provides provision for impairment loss for the amount which is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, and withdraws relevant bad debt provision.
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## (2) Accounts receivable for which bad debt provisions are made on the group basis

Name of group	Withdrawal method of bad debt provision on the group basis	Recognition basis of group
Portfolio of credit risk	Other method	With the same credit risk characteristics

In the groups, adopting aging analysis method to withdraw bad debt provision:

Applicable  Inapplicable

In the groups, adopting balance percentage method to withdraw bad debt provision

Applicable  Inapplicable

In the groups, adopting other methods to withdraw bad debt provision

Applicable  Inapplicable

Name of group	Notes of method
Portfolio of credit risk	Pursuant to experience of loss of account receivable with similar credit risk characteristic (including account receivable which has not occurred impairment by some ways of evaluation), and observable data reflecting current economic position to investigate and confirm

## (3) Accounts receivable with an insignificant single amount but for which the bad debt provision is made individually

Reason of individually withdrawing bad debt provision:	It refers to the receivables with the closing individual amount not reaching the monetary standards for the above said "accounts receivable with significant amount". On balance sheet day, the impairment test is carried on individually for the individually insignificant receivables; if it is impaired after the impairment test, the Company provides provision for impairment loss for the amount which is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, and withdraws relevant bad debt provision.
Withdrawal method for bad debt provision:	The Company provides provision for impairment loss for the amount which is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, and withdraws relevant bad debt provision

## 11. Inventories

### **(1) Classification**

Inventories include raw materials, work in progress, finished goods and reusable materials. Reusable materials include low-value consumables, packaging materials and other materials, which can be used repeatedly but do not meet the definition of fixed assets.

### **(2) Pricing method for outgoing inventories**

First-in first-out method  Weighted average method  Specific identification method  Other

Cost of inventories is calculated using the weighted average method.

### **(3) Recognition basis of net realizable value and withdrawal method of depreciation reserves for inventories**

Inventories are initially measured by the cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs. Inventories are initially measured at their actual cost. In addition to the purchasing cost of raw materials, work in progress and finished goods include direct labor costs and an appropriate allocation of production overheads.

On the balance sheet day, inventories are carried at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the normal course of business less the estimated costs to completion and the estimated expenses and related taxes necessary to make the sale. The net realizable value of materials held for use in the production of inventories is measured based on the net realizable value of the finished goods in which they will be incorporated. The net realizable value of the quantity of inventory held to satisfy sales or service contracts is based on the contract price. If the quantities of inventories specified in sales contracts are less than the quantities held by the Group, the net realizable value of the excess portion of inventories shall be based on general selling prices.

Any excess of the cost over the net realizable value of each class of inventories is recognized as a provision for diminution in the value of inventories, and then recorded into current profit or loss.

### **(4) Inventory system for inventories:**

System for inventories: Perpetual inventory system

The Group maintains a perpetual inventory system.

### **(5) Amortization method of the low-value consumption goods and packing articles**

Low-value consumption goods

Amortization method: one-off amortization method

The low-value consumption goods adopt one-off amortization method, and recorded into the costs or current profit or loss of relevant assets.

Packing articles

Amortization method: one-off amortization method

The packing articles adopt one-off amortization method, and recorded into the costs or current profit or loss of relevant assets.

## 12. Long-term equity investments

### (1) Recognition of initial investment cost

(a) Long-term equity investments acquired through a business combination

– The initial investment cost of a long-term equity investment obtained through a business combination involving entities under common control is the Company's share of the subsidiary's equity at the combination date. The difference between the initial investment cost and the carrying amounts of the consideration given is adjusted to share premium in capital reserve. If the balance of the share premium is insufficient, any excess is adjusted to retained earnings.

– For other long-term equity investment obtained through entities not under common control, the fair values, on the acquisition date, of the assets given, the liabilities incurred or assumed and the equity securities issued by the acquirer in exchange for the control on the acquiree shall be recognized as initial investment cost of the long-term equity investment. For long-term equity investment obtained through a business combination involving entities not under common control by two or more transactions and by several steps, the initial investment cost is recognized as the aggregation of the carrying value of acquirees' equity investment before the acquisition date held by the Company and newly investment cost at the acquisition date.

(b) Long-term equity investments acquired otherwise than through a business combination

– An investment in a subsidiary acquired otherwise than through a business combination is initially recognized at initial investment cost if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities, or at the value stipulated in the investment contract or agreement if an investment is contributed by shareholders.

### (2) Subsequent measurement and recognition of profits or losses

(a) Investments in subsidiaries

In the Company's financial statements, investments in subsidiaries are accounted for using the cost method. Cash dividends or profit distributions declared by subsidiaries and attributed to the Company shall be recognized as investment income, without dividing whether it's the net profit realized by the investee before the investment or after the investment, except those that have been declared but unpaid at the time of acquisition and therefore included in the price paid or consideration.

– The investment of the subsidiaries is stated at cost less impairment losses in the balance sheet.

– In the Group's consolidated financial statements, investments in subsidiaries are accounted for in accordance with the principles.

(b) Investment in jointly controlled enterprises and associates

A jointly controlled enterprise is an enterprise which operates under joint control in accordance with a contractual agreement between the Group and other parties.

An associate is an enterprise over which the Group has significant influence.

Upon the subsequent measurement, an investment in a jointly controlled enterprise or an associate is accounted for using the equity method, unless the investment is classified as held for sale.

The Group makes the following accounting treatments when using the equity method:

– Where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at the investor's share of the fair value of the investee's identifiable net assets, and the difference is charged to profit or loss.

– After the acquisition of the investment, the Group recognizes its share of the investee's net profits or losses after deducting the amortization of the debit balance of equity investment difference, which was recognized by the Group before the first-time adoption of CAS, as investment income or losses, and adjusts the carrying amount of the investment accordingly. The debit balance of the equity investment difference is amortized using the straight-line method over a period which is determined in accordance with previous accounting standards. Once the investee declares any cash dividends or profits distributions, the carrying amount of the investment is reduced by that attributable to the Group.

The Group recognizes its share of the investee's net profits or losses after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair values of the investee's identifiable net assets at the date of acquisition. Unrealized profits and losses resulting from transactions between the Group and its associates or jointly controlled enterprises are eliminated to the extent of the Group's interest in the associates or jointly controlled enterprises. Unrealized losses resulting from transactions between the Group and its associates or jointly controlled enterprises are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

– The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the associate or the jointly controlled enterprise is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. Where net profits are subsequently made by the associate or jointly controlled enterprise, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

– For the other changes in the owner's equities of jointly controlled enterprises and associates except for the net gains and losses, the Group should adjust the book value of the long-term equity investment and included into the shareholders' equities.

(c) Other long-term equity investment is refer to the long-term investment that the investee enterprises not under the control of the Group, under the same control, and the Group had significant influence on them, as well as there is no offer amount the active market with the fair value should be reliable measured amount the active market.

– The Group adopts the cost method to have follow-up measurement for other long-term equity investment and recognized the cash dividends distributed by the investee units or the profits partly owned by the Group as investment income, and not divide whether are belongs to the net profits realized by the investee units before and after investment, however, except for the price actually paid when gaining the investment or the cash dividends or the profits included in the consideration that had declared but not distributed.

### **(3) The basis for determination of joint control or significant influence over investee enterprise**

Joint control is the contractually agreed sharing of control over an investee's economic activity, and exists only when the strategic financial and operating decisions relating to the activity

require the unanimous consent of the parties sharing the control. The following evidences shall be considered when determining whether the Group can exercise joint control over an investee:

- No single venturer is in a position to control the operating activities unilaterally;
- Operating decisions relating to the investee's economic activity require the unanimous consent of the parties sharing control;
- If the parties sharing control appoint one venturer as the operator or manager of the joint venture through the contractual arrangement, the operator must act within the financial and operating policies that have been agreed by the venturers in accordance with the contractual arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but is not control or joint control over those policies. The following one or more evidences shall be considered when determining whether the Group can exercise significant influence over an investee:

- Representation on the board of directors or equivalent governing body of the investee;
- Participation in policy-making processes, including participation in decisions about dividends or other distributions;
- Material transactions between the investor and the investee;
- Interchange of managerial personnel; or
- Provision of essential technical information.

#### **(4) Impairment test and method of provision for impairment loss**

If any indication exists that an asset may be impaired, the recoverable amount of the asset is estimated. The recoverable amount of an asset, asset group or set of asset groups is the higher of its fair value less costs to sell and its present value of expected future cash flows. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. An asset group is composed of assets directly relating to cash-generation. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups. In identifying an asset group, the Group also considers how management monitors the Group's operations and how management makes decisions about continuing or disposing of the Group's assets.

An asset's fair value less costs to sell is the amount determined by the price of a sale agreement in an arm's length transaction, less the costs that are directly attributable to the disposal of the asset. The present value of expected future cash flows of an asset is determined by discounting future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the result of the recoverable amount calculation indicates that the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognized accordingly. For impairment losses related to an asset group or a set of asset groups, first reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, the carrying amount of an impaired asset will not be reduced below the highest of its individual fair value less costs to sell (if determinable), the present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reserved in a subsequent period.

For other long-term equity investments, the carrying amount is required to be tested for impairment at the balance sheet date. If there is objective evidence that the investments may be impaired,

the impairment shall be assessed on an individual basis. The impairment loss is measured as the amount by which the carrying amount of the investment exceeds the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed. The other long-term equity investments are stated at cost less impairment losses in the balance sheet.

### 13. Investment property

An investment property is a property held either to earn rental income or for capital appreciation or both. After deducting the estimated net salvage and accumulative impairment provision of the cost by the Group, the investment property is depreciated or amortized using the straight-line method over its estimated useful life, unless the investment property is classified as held for sale.

The useful lives and estimated residual values as well as annual depreciation rate of each class of investment property are as follows:

	Useful life (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	25 years-35 years	3%-10%	2.6%-3.9%
Land use rights	32 years-50 years	0%	2%-3.1%

If any indication exists that an asset may be impaired, the recoverable amount of the asset is estimated. The recoverable amount of an asset, asset group or set of asset groups is the higher of its fair value less costs to sell and its present value of expected future cash flows. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. An asset group is composed of assets directly relating to cash-generation. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups. In identifying an asset group, the Group also considers how management monitors the Group's operations and how management makes decisions about continuing or disposing of the Group's assets.

An asset's fair value less costs to sell is the amount determined by the price of a sale agreement in an arm's length transaction, less the costs that are directly attributable to the disposal of the asset. The present value of expected future cash flows of an asset is determined by discounting future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the result of the recoverable amount calculation indicates that the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognized accordingly. For impairment losses related to an asset group or a set of asset groups, first reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, the carrying amount of an impaired asset will not be reduced below the highest of its individual fair value less costs to sell (if determinable), the present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reserved in a subsequent period.

## 14. Fixed assets

### (1) Recognized standard of fixed assets

Fixed assets represent the tangible assets held by the Group for use in the production of goods or supply of services for rental to others or for operation and administrative purposes with useful lives over one year. The cost of a purchased fixed asset comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use. The cost of self-constructed assets is measured in accordance with the policy set out in Note VIII (IV) 15. Where parts of an item of fixed assets have different useful lives or provide benefits to the Group in different patterns thus necessitating use of different depreciation rates or methods, each part is recognized as a separate fixed asset. The subsequent costs, including the cost of replacing part of an item of fixed assets, are recognized in the carrying amount of the item if the recognition criteria are satisfied, and the carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred. Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

### (2) Recognition basis and pricing method of fixed assets by finance lease

From the beginning of lease term, the Group makes entry value of lease assets be the lower one between fair value of assets by lease from the beginning of leasehold and the minimum lease payment, makes the minimum lease payment as entry value of long-term account receivable and its differences as unconfirmed lease expenditure. The Group reckons the initial direct expenses due to financial lease into value of assets by lease. As for those can be confirmed rationally to get the ownership of assets by lease when the lease term due, the assets by lease shall be withdrawn depreciation with life. Otherwise, assets by lease shall be withdrawn depreciation between the shorter term of lease term and useful life of assets. As for unconfirmed financial lease expenses, the Group adopts effective interest method to amortize during every lease term and handles in line with principle of borrowing costs. As for balance sheet date, the Group shall deducts balance of unconfirmed lease expenses from the account receivable relating to financial lease and displays respectively long-term liabilities and long-term liabilities due within one year.

### (3) Depreciation methods of fixed assets

After deducting the estimated net salvage and accumulative impairment provision of the cost by the Group, the investment property is depreciated or amortized using the straight-line method over its estimated useful life, unless the investment property is classified as held for sale.

The Group reexamines the service life, estimated net salvage and depreciation method at least at every year-end.

Category of fixed assets	Useful life (Y)	Estimated residual values	Annual depreciation rate
Housing and building	20-40 years	3%-10%	2.3%-4.9%

Machinery equipments	3-15 years	0%-10%	6%-33.3%
Other equipments	2-10 years	0.00%	9%-50%

#### (4) Testing method of impairment and withdrawal method of provision for impairment on fixed assets

If any indication exists that an asset may be impaired, the recoverable amount of the asset is estimated. The recoverable amount of an asset, asset group or set of asset groups is the higher of its fair value less costs to sell and its present value of expected future cash flows. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. An asset group is composed of assets directly relating to cash-generation. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups. In identifying an asset group, the Group also considers how management monitors the Group's operations and how management makes decisions about continuing or disposing of the Group's assets.

An asset's fair value less costs to sell is the amount determined by the price of a sale agreement in an arm's length transaction, less the costs that are directly attributable to the disposal of the asset. The present value of expected future cash flows of an asset is determined by discounting future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the result of the recoverable amount calculation indicates that the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognized accordingly. For impairment losses related to an asset group or a set of asset groups, first reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, the carrying amount of an impaired asset will not be reduced below the highest of its individual fair value less costs to sell (if determinable), the present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reserved in a subsequent period.

#### (5) Other explanations

### 15. Construction in progress

#### (1) Categories of construction in progress

The enterprise's self-constructed fixed asset includes self construction and contract construction. The cost of the self-constructed fixed asset including the engineering materials, direct labor, borrowing expenses met with the capitalization condition and the necessary expenses happened before the assets reach the expected available state.



## **(2) Standards and time of transferring construction in progress into fixed asset**

When the self-constructed fixed asset reaches the available state, should transfer into the fixed assets, before which should be listed among the construction in progress and not withdraw the depreciation.

## **(3) Impairment test method and withdrawal method for impairment provision of construction in progress**

If any indication exists that an asset may be impaired, the recoverable amount of the asset is estimated. The recoverable amount of an asset, asset group or set of asset groups is the higher of its fair value less costs to sell and its present value of expected future cash flows. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. An asset group is composed of assets directly relating to cash-generation. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups. In identifying an asset group, the Group also considers how management monitors the Group's operations and how management makes decisions about continuing or disposing of the Group's assets.

An asset's fair value less costs to sell is the amount determined by the price of a sale agreement in an arm's length transaction, less the costs that are directly attributable to the disposal of the asset. The present value of expected future cash flows of an asset is determined by discounting future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the result of the recoverable amount calculation indicates that the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognized accordingly. For impairment losses related to an asset group or a set of asset groups, first reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, the carrying amount of an impaired asset will not be reduced below the highest of its individual fair value less costs to sell (if determinable), the present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reserved in a subsequent period.

## **16. Borrowing costs**

### **(1) Recognition principles for capitalization of borrowing costs**

Borrowing costs of the Company incurred directly attributable to the acquisition, construction of a qualifying asset are capitalized as part of the cost of the asset.

### **(2) Capitalization period of borrowing costs**

The capitalizations period is the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding any period over which

capitalization is suspended.

When the capital expenses and the borrowing expenses had happened and the necessary purchasing and construction activity which was for leading the capital to reach the expected available state had began, the borrowing expenses had began capitalization.

When the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased.

If each part of the qualified asset under acquisition and construction or production is constructed and completed respectively, the Group shall determine the time of ceasing capitalization of the borrowing costs according to different situation.

Where each part of a qualified asset under acquisition and construction or production is completed separately and is ready for use or sale during the continuing construction of other parts, and if the acquisition and construction or production activities which are necessary to prepare this part of the asset for the intended use or sale have already been completed substantially, the capitalization of the borrowing costs in relation to this part of asset shall be ceased. Because such part of asset has reached the expected condition of use or sale.

### **(3) Period for suspending capitalization of borrowing costs**

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended.

### **(4) Calculation method of capitalized amount of borrowing costs**

- As for specifically borrowed loans for the acquisition and construction or production of assets eligible for capitalization, the to-be-capitalized amount of interests shall be determined in light of the actual cost incurred of the specially borrowed loan at the present period minus the income of interests earned on the unused borrowing loans as a deposit in the bank or as a temporary investment.

- Where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the enterprise shall calculate and determine the to-be-capitalized amount of interests on the general borrowing by multiplying the weighted average asset disbursement of the part of the accumulative asset disbursements minus the general borrowing by the capitalization rate of the general borrowing used. The capitalization rate shall be calculated and determined in light of the weighted average interest rate of the general borrowing.

- During the period of capitalization, the amount of interest capitalized during each accounting period shall not exceed the amount of interest actually incurred to the relevant borrowings in the current period.

When the Group determines the to-be-capitalized amount of interests (including the amortization of discounts or premiums) in each accounting period, it shall firstly judge the funds source occupied by the assets eligible for capitalization during the process of acquisition, construction and production. If the occupied funds are specifically borrowed loan, the to-be-capitalized amount of interests shall be determined in light of the actual cost incurred of the specially borrowed loan in each accounting period. If the Group gained the income of interests earned on the unused borrowing loans as a deposit in the bank or as a temporary investment, it shall minus the relevant interest income or investment income from the to-be-capitalized amount, so as to reflect the actual costs of assets eligible for capitalization.

## 17. Intangible assets

### (1) Pricing method of intangible assets

Intangible assets are stated in the balance sheet at cost less accumulated amortization (where the estimated useful life is finite) and impairment losses. For an intangible asset with finite useful life, its cost less residual value and impairment losses are amortized on the straight-line method over its estimated useful life, unless the intangible assets are classified as held for sale.

### (2) Estimated useful life of intangible assets with limited useful life

As for the intangible assets with limited useful life, after deducting the salvage of the cost and the impairment provision, the Group amortized the intangible assets through straight line method within the expected service life, unless the intangible assets are classified as held for sale.

Item	Estimated useful life	Basis
Land use rights	40-50 years	Period stipulated by the Land Use Right Certificate
Special technology	9-20 years	Period agreed in the contract or estimated to bring economic benefits for the Company
Computer software	3-10 years	Period agreed in the contract or estimated to bring economic benefits for the Company
Patent and others	5-10 years	Period agreed in the contract or estimated to bring economic benefits for the Company

### (3) Judgment basis of intangible assets with uncertain useful life

An intangible asset is regarded as having an indefinite useful life and is not amortized when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. At the balance sheet date, the Group doesn't have any intangible assets with indefinite useful lives.

### (4) Withdrawal of impairment provision of intangible assets

If any indication exists that an asset may be impaired, the recoverable amount of the asset is estimated. The recoverable amount of an asset, asset group or set of asset groups is the higher of its fair value less costs to sell and its present value of expected future cash flows. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. An asset group is composed of assets directly relating to cash-generation. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups. In identifying an asset group, the Group also considers how management monitors the Group's operations and how management makes decisions about continuing or disposing of the Group's assets.

An asset's fair value less costs to sell is the amount determined by the price of a sale agreement in an arm's length transaction, less the costs that are directly attributable to the disposal of the

asset. The present value of expected future cash flows of an asset is determined by discounting future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the result of the recoverable amount calculation indicates that the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognized accordingly. For impairment losses related to an asset group or a set of asset groups, first reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, the carrying amount of an impaired asset will not be reduced below the highest of its individual fair value less costs to sell (if determinable), the present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reserved in a subsequent period.

### **(5) Criteria of dividing the research phase and development phase of internal R&D project**

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, or products before the start of commercial production or use.

### **(6) Calculation of the expenditures of internal R&D project**

Expenditures of internal R&D project of the Group divides into expenditures on the research phase and expenditures on the development phase.

Expenditures on the research phase are recognized in profit or loss when incurred. Expenditures on the development phase are capitalized if development costs can be measured reliably, the product or process is technically and commercially feasible, and the Group intends to and has sufficient resources to complete development. Capitalized development costs are stated at cost less impairment losses in the balance sheet. Other development expenditures are recognized as expenses in the period in which they are incurred.

## **18. Amortization method of long-term deferred expenses**

Long-term deferred expenses are amortized on a straight-line method within the benefit period:

Item	Amortization period (years)
Cost of operating lease assets improvement	3-10 years
Cost of construction and use of public facilities	10-15 years
Others	3-10 years

## **19. Estimated liabilities**

### **(1) Criteria of estimated liabilities**

A provision is recognized for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **(2) Measurement of estimated liabilities**

Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

## **20. Revenue**

### **(1) Criteria for recognition time of revenue from sale of goods**

Revenue is the gross inflow of economic benefit arising in the course of the Group's ordinary activities when the inflows result in increase in shareholder's equity, other than increase relating to contributions from shareholders. Revenue is recognized in profit or loss when it is probable that the economic benefits will flow to the Group, the revenue and costs can be measured reliably and the following respective conditions are met:

Revenue from sale of goods is recognized when all of the general conditions stated above and following conditions are satisfied:

- The significant risks and rewards of ownership of goods have been transferred to the buyer;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- Revenue from the sale of goods is measured at the fair value of the considerations received or receivable under the sales contract or agreement.

### **(2) Recognition basis of revenue from transferring use rights of assets**

Revenue from rendering of services is measured at the fair value of the considerations received or receivable under the contract or agreement.

### **(3) Recognition basis of revenue from rendering labor services**

The Group confirms amount of rendering services according to received or receivable contract or treaty.

#### **(4) Recognition basis and method for the schedule of contracted project when recognizing the revenue from providing labor services and construction contract by percentage-of-completion method**

In balance sheet date, if the outcome of labor services can be reliably estimated, revenue from rendering services shall be confirmed by percentage-of-completion method, progress of rendering services shall be affirmed by percentage of labor services have already provided to total labor services should be provided.

As for the outcome of labor services can not be reliably estimated, if labor services expenses estimated can receive compensation, revenue from rendering services shall be confirmed by labor services costs and carried down by the same amount; if labor services expenses estimated can not receive compensation, services costs shall be reckoned into current loss and gain and revenue from providing labor services shall not be confirmed.

On balance sheet date, if the results of the construction contract could be reliable evaluated, the contract income and the contract expenditure should be recognized according to the completion percentage method.

The Group recognized the progress of the contract completion according to the percentage of the accumulative actual happened contract cost among the expected total contract cost.

If the result of the construction contract couldn't be reliable evaluated, the Group should dispose according to the following situations respectively:

- If the contract cost could be returned, the contract income should be recognized according to the actual contract cost which could be returned, and the contract cost should be recognized as contract expenditure during the period when happened;
- If the contract cost could not be returned, should be recognized as contract expenditure at the time when happened, and not be recognized as contract income.

## **21. Government grants**

### **(1) Types**

Government grants consist of the government grants pertinent to assets and government grants pertinent to income. The government grants gained by the Company and for purchasing and construction or for forming the long-term assets through other methods are as the government grants related to the assets, and the other government grants except for the assets-related grants that gained by the Group are as the government grants related to the revenues.

### **(2) Accounting policy**

A government grant related to an asset is recognized initially as deferred income and amortized to profit or loss on a straight-line basis over the useful life of the asset. A grant that compensates the Group for expenses to be incurred in the subsequent periods is recognized initially as deferred income and recognized in profit or loss in the same periods in which the expenses are recognized. A grant that compensates the Group for expenses incurred is recognized in profit or loss immediately

## **22. Deferred income tax assets and liabilities**

### **(1) Recognition basis of deferred income tax assets**

The Group uses the balance sheet liability method to calculate its income tax, which is recognized in accordance with a difference between the carrying amount of an asset or liability and its tax base (temporary difference). For any deductible loss that can be carried forward to the next year to deduct the income tax according to the stipulations of tax law, relevant deferred income tax assets shall be recognized. The deferred income tax asset shall be determined to the extent that the amount of taxable income to be offset by the deductible loss or tax deduction to be likely obtained. For the deductible temporary difference relating to the investments of the subsidiary companies, associated enterprises and joint enterprises, the enterprise shall recognize the corresponding deferred income tax assets for those that meet the following requirements: the temporary differences are likely to be reversed in the expected future; and it is likely to acquire any amount of taxable income that may be used for deducting the deductible temporary differences.

### **(2) Recognition basis of deferred income tax liabilities**

The Group uses the balance sheet liability method to calculate its income tax, which is recognized in accordance with a difference between the carrying amount of an asset or liability and its tax base (temporary difference). As for the temporary difference from the initial recognition of goodwill, no deferred income tax liabilities shall be recognized. The taxable temporary differences relating to the investments of subsidiary companies, associated enterprises and joint enterprises shall be recognized as corresponding deferred income tax liabilities, however, excluding those that simultaneously satisfy the following conditions: the investing enterprise can control the time of the reverse of temporary differences; and the temporary differences are unlikely to reverse in the expected future.

## **23. Operating lease and finance lease**

### **(1) Accounting treatments of operating lease**

#### **(a) Operating lease charges**

Rental payments under operating leases are recognized as costs or expenses on a straight-line basis over the lease term.

#### **(b) Assets leased out under operating leases**

Fixed assets leased out under operating leases, except for investment property (see Note VIII (IV) 14 (3)), are depreciated in accordance with the Group's depreciation policies described in Note VIII (IV) 14 (4). Impairment losses are provided for in accordance with the accounting policy. Income derived from operating leases is recognized in the income statement using the straight-line method over the lease term. If initial direct costs incurred in respect of the assets leased out are material, the costs are initially capitalized and subsequently amortized in profit or loss over the lease term on the same basis as the lease income. Otherwise, the costs are charged to profit or loss immediately.

## **(2) Accounting treatments of finance lease**

When the Group acquires an asset under a finance lease, the asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments, each determined at the inception of the lease. The minimum lease payments are recorded as long-term payables. The difference between the value of the leased assets and the minimum lease payments is recognized as unrecognized finance charges. Initial direct costs that are attributable to a finance lease incurred by the Group are added to the amounts recognized for the leased asset. Depreciation and impairment losses are accounted for in accordance with the accounting policies described in Note VIII (IV) 14 (3) and Note VIII (IV) 14 (4), respectively.

If there is reasonable certainty that the Group will obtain ownership of a leased asset at the end of the lease term, the leased asset is depreciated over its estimated useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and its estimated useful life.

Unrecognized finance charge under finance lease is amortized using an effective interest method over the lease term. The amortization is accounted for in accordance with policies of borrowing costs.

At the balance sheet date, long-term payables arising from finance leases, net of the unrecognized finance charges, are presented into long-term payables and non-current liabilities due within one year, respectively in the balance sheet.

## **(3) Accounting disposal of leaseback**

### **24. Assets held for sale**

#### **(1) Recognition criteria of available-for-sale assets**

A non-current asset is classified as held for sale when the Group has made a decision and signed a non-cancelable agreement on the transfer of the asset with the transferee, and the transfer is expected to be completed within one year. Such non-current assets may be fixed assets, intangible assets, and investment property subsequently measured using the cost model, long-term equity investment etc. (not includes financial assets and deferred income tax assets).

#### **(2) Accounting treatments of the assets held for sale**

Non-current assets held for sale are stated at the lower of carrying amount and net realizable value. Any excess of the carrying amount over the net realizable value is recognized as impairment loss. At balance sheet date, non-current assets held for sale are still presented under corresponding asset classification as they were.

### **25. Changes in main accounting policies and estimates**

Were the main accounting policies or estimates changed during the reporting period?



Yes  No

### **(1) Change of accounting policies**

Were the main accounting policies changed during the reporting period?

Yes  No

### **(2) Change of accounting estimates**

Were the main accounting estimates changed during the reporting period?

Yes  No

## **26. Correction of previous accounting errors**

Was any accounting error made in previous periods discovered in the reporting period?

Yes  No

### **(1) Retrospective restatement method**

Was any previous accounting errors adopting retrospective restatement method discovered in the reporting period?

Yes  No

### **(2) Prospective application method**

Was any previous accounting errors adopting prospective application method discovered in the reporting period?

Yes  No

## **27. Other main accounting policies, accounting estimates as well as compilation method of financial statements**

(1) Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control, joint control, or significant influence from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties of the Group. Related parties of the Group and the Company include, but are not limited to:

- (a) the Company's parent
- (b) the Company's subsidiaries
- (c) enterprises that are controlled by the Company's parent
- (d) investors that have joint control or over exercise significant influence over the Group
- (e) enterprise or individuals if a party has control, joint control or significant influence over both the enterprises or individuals and the Group
- (f) joint ventures of the Group, including subsidiaries of joint ventures
- (g) associates of the Group, including subsidiaries of associates
- (h) principal individual investors and close family members of such individuals
- (i) key management personnel of the Group and close family members of such individuals
- (j) key management personnel of the Company's parent
- (k) close family members of key management personnel of the Company's parent; and
- (l) other enterprises that are jointly controlled or significantly influenced by principal individual investors, key management personnel of the Group, and close family members of such individuals.

Besides the related parties stated above determined in accordance with the requirements of CAS, the following enterprises and individuals are considered as (but not restricted to) related parties based on the disclosure requirements of "Administrative Procedures on the Information Disclosures of Listed Companies" issued by the CSRC:

- (m) enterprises, or persons that act in concert, that hold 5% or more of the Company's shares
- (n) individuals and close family members of such individuals who directly or indirectly hold 5% or more of the Company's shares
- (o) enterprises that satisfy any of the aforesaid conditions in (a), (c) and (m) during the past 12 months or will satisfy them within the next 12 months pursuant to a relevant agreement
- (p) individuals who satisfy any of the aforesaid conditions in (i), (j) and (n) during the past 12 months or will satisfy them within the next 12 months pursuant to a relevant agreement; and
- (q) enterprises, other than the Company and subsidiaries controlled by the Company, which are controlled directly or indirectly by an individual defined in (i), (j), (n) or (p), or in which such an individual assumes the position of a director or senior executive.

## (2) Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organization, management requirements and internal reporting system. An operating segment is recognized when all of the following conditions have been satisfied:

- the component engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the Group's management to make decisions about resource to be allocated to the segment and assess its performance; and

– for which financial information regarding financial position, results of operations and cash flows is available.

Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and are similar in respect of the following conditions:

- The nature of products and services
- The nature of production processes
- The type or class of customers for the products and services
- The methods used to distribute the products or provide the services
- The nature of the regulatory environment

When the Group drafts the report of an operating segment, transaction income from operating segments is measured at the basis of actual transaction price. Policies adopts in preparing the report of an operating segment shall in accordance with accounting policies adopted in the preparation of financial statements of the Group.

## V. Taxation

### 1. Main types of taxes and corresponding rates

Category of taxes	Tax basis	Tax rate
VAT	Output VAT is calculated on product sales and taxable services revenue, based on tax laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable.	6% , 17%
Consumption tax	Naught	N/A
Business tax	Based on taxable revenue of sales	5%
City maintenance and construction tax	Based on business tax paid and VAT payable	7% , 5%
Enterprise income tax	Based on taxable revenue	0-25%
Extra charge of education funds and extra charge of local education funds	Based on business tax paid and VAT payable	3% , 2%

The income tax rates adopted by each subsidiary and branch factory

The companies of the Group enjoying the preferential tax rate of enterprise income tax are as follows:

1. The national specially supported hi-tech enterprises include: Beijing BOE Optoelectronics Technology Co., Ltd., Chengdu BOE Optoelectronics Technology Co., Ltd., Hefei BOE Optoelectronics Technology Co., Ltd., BOE (Hebei) Mobile Display Technology Co., Ltd., BOE Electricity Technology Co., Ltd., BOE Hyundai LCD (Beijing) Display Technology Co., Ltd., Beijing BOE Special Display Technology Co., Ltd., Beijing BOE Vacuum Electronics Co., Ltd., BOE Semi-conductor Co., Ltd., Beijing Asahi Electron Glass Co., Ltd., Beijing BOE Vacuum Technology Co., Ltd. and Beijing BOE Multimedia Technology Co. Ltd. Their enterprise income tax rates in 2012 are all 15%.

2. The foreign-invested enterprises enjoying “2-year exemption and 3-year 50% reduction” during the transition period of enterprise income tax: BOE (Hebei) Mobile Technology Co., Ltd., its enterprise income tax rate in 2014 is 12.5%.

Except the above companies enjoying the tax preference and the overseas subsidiaries enjoying local taxes, other companies of the Group adopt a tax rate of 25%.

## 2. Tax preference and official documents

### 1. Enterprise income tax preference

Name of company enjoying the preferential policy	Tax rate	Basis of policy	Approval authority, approval document No. and valid period
BEO Technology Group Co., Ltd.	15%		The Company obtained the certificate of high-tech enterprise numbered GF201111000469 on 14 Sept. 2011, which was entitled jointly by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing, Beijing Municipal Office of State Administration of Taxation, and Beijing Local Taxation Bureau, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
Beijing BOE Optoelectronics Technology Co., Ltd.	15%	According to the Order No. 63 of the Chairman of the People's Republic of China—the Corporate Income Tax Law of the People's Republic of China (“new tax law”) treatment No. 28, corporate income tax for key advanced	The Company obtained the certificate of high-tech enterprise numbered GF201111000041 on 14 Sept. 2011, which was entitled jointly by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing, Beijing Municipal Office of State Administration of Taxation, and Beijing Local Taxation Bureau, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
Chengdu BOE Optoelectronics Technology Co., Ltd.	15%	and high-tech enterprises supported by the State shall be at a preferential tax rate of 15%.	The Company obtained the certificate of high-tech enterprise number GR201351000009 on 20 Jun. 2013, which was entitled jointly by Science & Technology Department of Sichuan Province, Finance Bureau of Sichuan Province, Sichuan Provincial Office, SAT and Sichuan Local Taxation Bureau, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
Hefei BOE Optoelectronics Technology Co., Ltd	15%		The Company obtained the certificate of high-tech enterprise number GR201334000052 on 12 Jul. 2013, which was entitled jointly by Science & Technology Bureau of Anhui Province, Anhui Provincial Department of Finance,

			Anhui Provincial Office of SAT and Local Taxation Bureau of Anhui Province, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
BOE Orient LCD (Beijing) Display Technology Co., Ltd.	15%		The Company obtained the certificate of high-tech enterprise numbered GF201211001010 on 13 Dec. 2012, which was entitled jointly by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing, Beijing Municipal Office of State Administration of Taxation, and Beijing Local Taxation Bureau, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
BOE (Hebei) Mobile Display Technology Co., Ltd.	15%		The Company obtained the certificate of high-tech enterprise number GR201211001010 on 13 Dec. 2012, which was entitled jointly by Science & Technology Bureau of Hebei Province, Hebei Provincial Department of Finance, Hebei Provincial Office of SAT and Local Taxation Bureau of Hebei Province, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
BOE Electricity Technology Co., Ltd.	15%		The Company obtained the certificate of high-tech enterprise number GR201132000300 on 9 Sep. 2011, which was entitled jointly by Science & Technology Bureau of Jiangsu Province, Jiangsu Provincial Department of Finance, Jiangsu Provincial Office of SAT and Local Taxation Bureau of Hebei Province, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
Beijing BOE Chatani Electronics Co., Ltd.	15%		The Company obtained the certificate of high-tech enterprise numbered GF201211000565 on 4 May. 2012, which was entitled jointly by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing, Beijing Municipal Office of State Administration of Taxation, and Beijing Local Taxation Bureau, subject to a preferential enterprise income tax rate of 15% within the valid period three years.
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	15%		Obtained High-tech Enterprises Certificate No GR200911002274 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal

			Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 26 June 2009. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
Beijing BOE Vacuum Electronics Co., Ltd.	15%		Obtained once again the High-tech Enterprises Certificate No GF201111000395 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 14 Sept. 2011. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
BOE Semi-conductor Co., Ltd.	15%		Obtained once again the High-tech Enterprises Certificate No GF201111000163 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 14 Sept. 2011. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
Beijing Asahi Electron Glass Co., Ltd.	15%		Obtained High-tech Enterprises Certificate No GR200911000589 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 26 June 2009. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
Beijing BOE Vacuum Technology Co., Ltd.	15%		Obtained High-tech Enterprises Certificate No GR200911000084 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 27 May 2009. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
Beijing BOE Multimedia Technology Co. Ltd.	15%		Obtained High-tech Enterprises Certificate No GR201111000485 jointly issued

			by Beijing Municipal Science & Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation on 21 Nov. 2011. Subject to a preferential enterprise income tax rate of 15% within the valid period of three years.
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## 2. Customs VAT and tariff tax preference:

Name of company enjoying the preferential policy	Basis of policy	Approval authority, approval document No. and valid period
Hefei BOE Optoelectronics Technology Co., Ltd.	In accordance with CS[2010] No. 100—Circular on Refund the Closing Retained Tax Deduction for the Imported Devices VAT of Partial Projects jointly issued by Ministry of Finance and State Administration of Taxation, approving to refund the closing retained tax deduction for the imported devices VAT of partial projects.	On 4 Nov. 2010, Ministry of Finance and State Administration of Taxation jointly issued the CS[2010] No. 100, approving to refund the closing retained tax deduction for the imported devices VAT of partial projects, such document executed from 1 Dec. 2010.
Beijing BOE Display Technology Co., Ltd., Hefei BOE Optoelectronics Technology Co., Ltd. Hefei Xinchengguang Electronic Technology Co., Ltd.	In accordance with CS[2011] No. 107—Circular on Refund the Closing Retained Tax Deduction for the Procured Equipments VAT of IC Enterprises jointly issued by Ministry of Finance and State Administration of Taxation, approving to refund the closing retained tax deduction for the procured equipments VAT of IC significant enterprises.	On 14 Nov. 2011, Ministry of Finance and State Administration of Taxation jointly issued the CS[2011] No. 107, approving to refund the closing retained tax deduction for the procured equipments VAT of IC significant enterprises, such document executed from 1 Jan. 2011.
Beijing BOE Display Technology Co., Ltd., Ordos Yuansheng Optoelectronics Co., Ltd.	In accordance with CGS[2012] No. 17— Circular on Relevant Policies about Installed Tax Payment for the VAT of Significant Imported Devices of New Flat Panel Display Items jointly issued by the Ministry of Finance and General Administration of Customs, approved the new flat panel display significant enterprises to pay the VAT of imported new devices by installment.	On 21 Mar. 2012, the Ministry of Finance and General Administration of Customs jointly issued the CGS[2012] No. 17, approving he new plat panel display significant enterprises to pay the VAT of imported new devices by installment, such document executed from 1 Jan. 2011.

Beijing BOE Display Technology Co., Ltd.	In Apr. 2012, the Ministry of Finance issued the CGS [2012] No. 16, stipulating to provide the tariff and import VAT exemption and deduction for the building materials, auxiliary systems, equipment accessories in clean room (unavailable from domestic companies) imported by new display devices enterprises; and provide tariff exemption and deduction for production raw materials and consumption materials (unavailable from domestic companies) imported by new display devices enterprises.	On 4 Nov. 2012, the Ministry of Finance, General Administration of Customs and State Administration of Taxation jointly issued the CS [2012] No. 16, providing the tax preferential policy of VAT and tariff for y new display devices significant imported enterprises, the valid period of such document is from 1 Jan. 2012 to 31 Dec. 2015.
Hefei Xinsheng Optoelectronics Technology Co., Ltd. Ordos Yuansheng Optoelectronics Co., Ltd.	In Apr. 2013, the Ministry of Finance issued the CGS [2013] No. 25, affirmed that Hefei Xinsheng Optoelectronics Technology Co., Ltd. and Ordos Yuansheng Optoelectronics Co., Ltd. have the qualification of enjoying the enterprise import taxes policies of the new type display device production.	In Apr. 2013, the Ministry of Finance, General Administration of Customs and State Administration of Taxation jointly issued the CS [2013] No. 25, providing the tax preferential policy of VAT and tariff for y new display devices significant imported enterprises, the valid period lasts to the end of Y2015.

## VI. Business combination and consolidated financial statements

### 1. Subsidiaries

#### (1) Subsidiaries obtained by establishment and investment

Unit: RMB Yuan

Subsidiaries	Type	Registered place	Business nature	Registered capital	Business scope	Actual amount of investments at the period-end	Other essential investment	The proportion of holding shares	The proportion of voting rights	Included in consolidated statement	Minority interest	Deductible minority interests	Balance of parent company's equity after deducting the difference



														that loss of minority interests exceed equity obtained by minority shareholders
Beijing BOE Vacuum Electronics Co., Ltd. (Vacuum Electronics)	Other limited liability company	Beijing, China	Manufacture of electronic vacuum devices	RMB 35,000,000	Manufacture and sale of vacuum electronic products	19,250,000.00	0.00	55.00%	55.00%	Yes	60,998,794.00	0.00	0.00	
Beijing BOE Vacuum Technology Co., Ltd. (Vacuum Technology)	Limited liability company	Beijing, China	Manufacture of electronic vacuum devices	RMB 32,000,000	Manufacture and sale of electronic tubes	32,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00	
Beijing BOE Special Display Technology Co., Ltd. (Special Display)	Limited liability company	Beijing, China	Development of display products and sale of electronic products	RMB 80,000,000	Development of display products and sale of electronic products	80,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00	
Beijing Yinghe Century Co., Ltd. (Yinghe)	Other limited liability	Beijing, China	Property management	RMB 233,105,200	Lease and operation of offices and	333,037,433.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00	

Century)	company				middle grade hotel houses; business and entertainment service; toll parking lots								
Suzhou BOE Chatani Electronics Co., Ltd. (Suzhou Chatani)	Limited liability company	Suzhou, China	Manufacture of electronic components and parts	RMB 337,710,424	Development and manufacture of backlight and related parts and components for LCD	329,961,914.00	0.00	90.51%	90.51%	Yes	1,400,784.00	0.00	0.00
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd. (BOE Hyundai)	Limited liability company	Beijing, China	Manufacture of electronic devices	USD 5,000,000	Development, manufacture and sale of liquid display for mobile termination	31,038,525.00	0.00	75.00%	75.00%	Yes	28,471,069.00	0.00	0.00
Beijing BOE Optoelectronics Technology Co., Ltd. (BOEOT)	Limited liability company	Beijing, China	Manufacture of TFT-LCD	USD 649,110,000	Research, development, design and manufacture of TFT-LCD	4,172,288,084.00	0.00	82.49%	82.49%	Yes	761,685,270.00	0.00	0.00
BOE (Hebei)	Limited	Langfang,	Manufacture of	USD	Manufacture	518,140,140.00	0.00	94.06%	94.06%	Yes	36,803,327.	0.00	0.00

Mobile Technology Co., Ltd. (BOE Hebei)	liability company	China	electronic device	84,150,000	and sale of mobile flat screen display technical products and related services							00		
Beijing Display Technology Co., Ltd. (BOE Display)	Other limited liability company	Beijing, China	Manufacture of TFT-LCD	USD 17,377,199,300	Development of TFT-LCD, manufacture and sale of LCD	17,237,999,999.00	0.00	99.01%	99.01%	Yes	179,666,248.00	0.00	0.00	
Beijing Multimedia Technology Co. Ltd. (Multimedia BOE)	Limited liability company	Beijing, China	Sales of electronic products	RMB 400,000,000	Sale of computer software and hardware , the numeral regards the audio frequency technology	400,000,000.00	0.00	100.00%	100.00%	Yes	15,957,753.00	0.00	0.00	
Beijing Energy Technology Co., Ltd. (BOE Energy)	Limited liability company	Beijing, China	Integration and application of photovoltaic system	RMB 50,000,000	Integration and application of photovoltaic system sale of photovoltaic system and ancillary	50,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00	

					facilities								
Beijing BOE Video Technology Co., Ltd. (BOE Video)	Limited liability company	Beijing, China	R&D and manufacture of electronic products	RMB 560,000,000	Manufacture of LCD TV, LCD; technology development of terminal products and systems such as TFT-LCD display and TV	560,000,000.00	0.00	100.00%	100.00%	Yes	13,982,014.00	0.00	0.00
Beijing Zhongpingxun Technology Co., Ltd. (Beijing Zhongpingxun)	Limited liability company	Beijing, China	Property management	RMB 10,000,000	Technology promotion, property management, and sale of electronic products	10,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00
Beijing Zhongxiangying Technology Co., Ltd. (Beijing Zhongxiangying)	Limited liability company	Beijing, China	Property management	RMB 10,000,000	Technology promotion, property management, and sale of electronic products	10,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00
ErDOS Haosheng Energy Investment Co.,	Other limited liability	Ordos, China	Energy Investment	RMB 30,000,000	Energy investment	10,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00

Ltd. (“Haosheng Energy”)	company												
Ordos Yuansheng Optoelectronics Co., Ltd. (Yuansheng Optoelectronics)	Limited liability company	Ordos, China	Manufacture of AM-OLED	RMB 6,104,000,000	Manufacture and sales of AM-OLED products and auxiliary products	6,104,000,000.00	0	100%	100%	Yes	0.00	0	0
Beijing BOE Semi-conductor Co., Ltd. (BOE Semi-conductor)	Limited liability company	Beijing, China	Manufacture of photoelectronic device and other electronic device	RMB 11,700,000	Processing, manufacturing and sales of precision electronic components, semi-conductor devices and micro module; micro-electronics devices and electronic materials; projects of communications, radio and television equipment	9,450,000.00	0	80.77%	80.77%	Yes	10,633,231.00	-359,704.00	0
Beijing BOE	Limited	Beijing,	Property	RMB	Developmen	7,731,474.00	0	70%	70%	Yes	34,358,022.	0	0

Land Co., Ltd. (BOE Land)	liability company	China	management	55,420,000	t, construction , property management and auxiliary services for industrial plants and ancillary facilities; Real estate information consultancy (excluding intermediary services); Lease of commercial facilities, services and other supporting service facilities							00		
Beijing BOE Digital Technology Co., Ltd. (BOE Digital)	Limited liability company	Beijing, China	Manufacture of home video equipment	USD 10,000,000	R&D, production and sales of self-produce d digital	12,416,550.00	0	75%	75%	Yes	23,913.00	0	0	

					camera and digital video products through wireless transmission platform									
Beijing BOE Marketing Co., Ltd. (BOE Marketing)	Limited liability company	Beijing, China	Sales of electronic products	RMB 500,000	Sales of LCD products	500,000.00	0	100%	100%	Yes	0.00	0	0	
BOE (Korea) Co., Ltd. ("BOE Korea")	Limited liability company	Seongnam, Gyeonggi, Korea	Sales of electronic products	USD 100,000	Sales of electronic products	788,450.00	0	100%	100%	Yes	0.00	0	0	
BOE Optoelectronics Holding Co., Ltd. (Optoelectronics Holding)	Limited liability company	British Virgin Islands	Design, manufacture, trade, investment and financing activities of electronic information industry	USD 600,000	Design, manufacture, trade, investment and financing activities of electronic information industry	1,984,685.00	0	100%	100%	Yes	0.00	0	0	

Other notes to subsidiaries obtained by establishment and investment:

Naught

**(2) Subsidiaries obtained by business combination under the same control**

Unit: RMB Yuan

Subsidiaries	Type	Registered place	Business nature	Registered capital	Business scope	Actual amount of investments at the period-end	Other essential investment	The proportion of holding shares	The proportion of voting rights	Included in consolidated statement	Minority interest	Deductible minority interests	Balance of parent company's equity after deducting the difference that loss of minority interests exceed equity obtained by minority shareholders
Naught													

Notes about subsidiaries obtained by business combination under the same control

### (3) Subsidiaries obtained by business combination not under the same control

Unit: RMB Yuan

Subsidiaries	Type	Registered place	Business nature	Registered capital	Business scope	Actual amount of investments at the period-end	Other essential investment	The proportion of holding shares	The proportion of voting rights	Included in consolidated statement	Minority interest	Deductible minority interests	Balance of parent company's equity after deducting the difference that loss of minority
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													interests exceed equity obtained by minority shareholders
Chengdu BOE Optoelectronics Technology Co., Ltd. (Chengdu Optoelectronics)	Other limited liability company	Chengdu, China	Manufacture of TFT-LCD	RMB 1,830,000,000	TFT-LCD; R&D, production and sales of TFT-LCD	1,833,149,991.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00
Beijing Asahi Glass Electronics Co., Ltd. (Asahi Glass)	Limited liability company	Beijing, China	Manufacture of optoelectronic devices and other electronic devices	RMB 61,576,840	Sales of TV bracket glass rod and CTV low-melting-point solder glass	30,888,470.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00
Hefei BOE Optoelectronics Technology Co., Ltd. (Hefei BOE)	One person limited liability company	Hefei, China	Manufacture of TFT-LCD	RMB 9,000,000,000	R&D, production and sales of TFT-LCD	9,000,000,000.00	0.00	100.00%	100.00%	Yes	0.00	0.00	0.00
Beijing Matsushita Color CRT Co., Ltd. (Matsushita Color CRT)	Other limited liability company	Beijing, China	Property management	RMB 1,240,754,049	Property management and parking service, etc.	424,823,089.00	0.00	88.80%	88.80%	Yes	145,908,234.00	0.00	0.00

Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Other limited liability company	Hefei, China	Manufacture of TFT-LCD	RMB 19,500,000,000	R&D, production and sales of TFT-LCD	15,495,000,000.00	0.00	79.49%	79.49%	Yes	0.00	0.00	0.00
Chongqing BOE Optoelectronics Technology Co., Ltd. (Chongqing BOE)	Other limited liability company	Chengdu, China	Manufacture of TFT-LCD	RMB7,326,000,000	TFT-LCD; R&D, production and sales of TFT-LCD	6,839,669,199.00	0.00	93.17%	93.17%	Yes	502,721,216.00	0.00	0.00

Other notes to subsidiaries obtained by business combination not under the same control:

Naught

## 2. Explanation on changes in consolidated scope

According to <The Announcement on the Acquisition of Some Equities of Chongqing BOE Optoelectronics Technology Co., Ltd.> (announcement No. 2014-035) disclosed by the Company on 24 May 2014, the said equity acquisition was completed. After the acquisition, the Company held a 51.27% stake in Chongqing BOE, making it the controlling shareholder of Chongqing BOE. As such, Chongqing BOE was consolidated.

Applicable Inapplicable

Comparing to last year, this year increased 1 consolidation unit, because

Enterprise consolidation under the same control

Comparing to last year, this year decreased none consolidation unit, because

## 3. Subsidiaries that newly and no longer combined into consolidation scope in the reporting period

The subsidiaries, special purpose entities and operating entities with control right formed by entrusted operation or lease that newly included in the consolidated scope

Unit: RMB Yuan

Name	Closing net assets	Net profit in current period
Chongqing BOE Optoelectronic Technology Co., Ltd.	7,322,919,662.00	-1,652,082

The subsidiaries, special purpose entities and operating entities with control right formed by entrusted operation or lease that not longer included in the consolidated scope

Unit: RMB Yuan

Name	Net asset at the disposal date	Net profit from year-begin to disposal date
Naught		

Other notes to changes in consolidated scope:

Naught

## 4. Business combination not under the same control during the reporting period

Unit: RMB Yuan

The combined party	Amount of goodwill	Calculation method of goodwill
Chongqing BOE Optoelectronic Technology Co., Ltd.	0.00	The outcome of investment costs of merging enterprises and fair value of net assets of merged enterprises

Other notes to business combination not under same control:

Naught

Whether there was any situation of multiple transactions which realized the enterprise merger step by step and gained the control right during the reporting period?

Applicable Inapplicable

**5. Exchange rates of major items in financial statements for foreign entities**

	Depreciation rate in main financial statement	Average exchange rate of currencies at period-end
USD	6.1528	6.1365
JPY	0.0608	0.0599
HKD	0.7938	0.7912

**VII. Notes on major items in consolidated financial statements of the Company**
**1. Monetary funds**

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Amount in foreign currency	Exchange rate	Amount in RMB	Amount in foreign currency	Exchange rate	Amount in RMB
Cash:	--	--	372,323.00	--	--	390,112.00
RMB	--	--	177,202.00	--	--	178,691.00
USD	11,872.00	615.28%	73,043.00	12,119.00	609.69%	73,888.00
HKD	9,666.00	79.38%	7,672.00	9,665.00	78.62%	7,599.00
JPY	102,351.00	6.08%	6,225.00	83,566.00	5.78%	4,830.00
KRW	513,773.00	0.61%	3,152.00	615,189.00	0.57%	3,510.00
Other currency			105,029.00			121,594.00
Bank deposition	--	--	40,969,561,750.00	--	--	16,474,585,737.00
RMB	--	--	39,078,296,025.00	--	--	13,658,469,673.00
USD	299,735,610.00	615.28%	1,844,213,261.00	412,313,423.00	609.69%	2,513,834,777.00
HKD	1,215,859.00	79.38%	965,088.00	1,215,642.00	78.62%	955,738.00
JPY	576,185,054.00	6.08%	35,043,575.00	5,146,530,617.00	5.78%	297,320,468.00
KRW	1,038,857,702.00	0.61%	6,373,392.00	378,474,561.00	0.57%	2,157,305.00
Other currency			4,670,409.00			1,847,776.00
Other monetary funds	--	--	3,621,411,822.00	--	--	3,989,577,573.00
RMB	--	--	2,894,052,737.00	--	--	3,279,798,350.00
USD	111,165,316.00	615.28%	683,977,956.00	103,893,919.00	609.69%	633,430,833.00
HKD	713,270,783.00	6.08%	43,381,129.00	1,321,587,877.00	5.78%	76,348,390.00
Total	--	--	44,591,345,895.00	--	--	20,464,553,422.00

Special explanation shall be made for the accounts limited by being mortgaged, pledged or frozen, deposited overseas or with potential collecting risks:

On 30 Jun. 2014, the Group pledged RMB374,934,970 and USD 643,047,599 under other monetary funds to gain short-term loan. The remaining other monetary funds valued RMB2,603,429,252 (as of 2013 RMB 3,266,667,662) was the warranty deposit deposited in commercial banks.

## 2. Notes receivable

### (1) Category of notes receivable

Unit: RMB Yuan

Category	Closing balance	Opening balance
Bank acceptance bill	441,105,086.00	562,223,076.00
Commercial acceptance bill	790,000.00	3,200,000.00
<b>Total</b>	<b>441,895,086.00</b>	<b>565,423,076.00</b>

### (2) Notes receivable pledged at period-end

Unit: RMB Yuan

Issuing entity	Date of issuance	Expiring date	Amount	Remark
Naught				

### (3) Notes transferred to accounts receivable because drawer of the notes fails to execute the contract or agreement, and undue notes endorsed to other parties at the end of the period

Notes transferred to accounts receivable because drawer of the notes fails to execute the contract or agreement

Unit: RMB Yuan

Issuing entity	Date of issuance	Expiring date	Amount	Remark
Naught				

Notes:

Naught

Undue notes endorsed to other parties by the Company

Unit: RMB Yuan

Issuing entity	Date of issuance	Expiring date	Amount	Remark
Entity 1	17 Mar. 2014	15 Jul. 2014	10,564,279.00	
Entity 2	22 Apr. 2014	22 Jul. 2014	10,000,000.00	
Entity 3	16 May 2014	18 Aug. 2014	10,000,000.00	
Entity 4	16 May 2014	18 Aug. 2014	10,000,000.00	
Entity 5	28 May 2014	28 Aug. 2014	10,000,000.00	
<b>Total</b>	--	--	<b>50,564,279.00</b>	--

Note:

Naught

Notes of commercial acceptance bill that already discounted or pledged:

Naught

### 3. Dividends receivable

Unit: RMB Yuan

Item	Opening amount	Increase	Decrease	Closing amount	Reason for unrecoverable	Whether relating accounts occur impairment
Dividends receivable aging less than one year	0.00	0.00	0.00	0.00		
Of which:	--	--	--	--	--	--
Dividends receivable aging over one year	0.00	0.00	0.00	0.00		
Of which:	--	--	--	--	--	--
Total	0.00	0.00	0.00	0.00	--	--

Notes

### 4. Interest receivable

#### (1) Interest receivable

Unit: RMB Yuan

Item	Opening amount	Increase	Decrease	Closing amount
Bank deposit interest	109,045,546.00	233,877,233.00	131,393,208.00	211,529,571.00
Total	109,045,546.00	233,877,233.00	131,393,208.00	211,529,571.00

#### (2) Overdue interest

Unit: RMB Yuan

Borrowing entity	Overdue days (day)	Amount of overdue interest
Naught		

#### (3) Notes to interest receivable

On 30 Jun. 2014, there was no any account of the shareholders who held 5% (including 5%) of the interest receivable of the Company (Y2013: naught).

On 30 Jun. 2014, there was no any individual significant overdue interest receivable of the Group (Y2013: naught).

## 5. Accounts receivable

### (1) Accounts receivable listed by categories

Unit: RMB Yuan

Category	Closing balance				Opening balance			
	Book balance		Bad debt provision		Book balance		Bad debt provision	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Accounts receivable with significant single amount and individually withdrawn bad debt provision	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Accounts receivable for which bad debt provisions are made on the group basis								
Portfolio of credit risk	5,116,996,092.00	99.77%	0.00	0.00%	4,838,888,759.00	99.36%	0.00	0.00%
Subtotal of the groups	5,116,996,092.00	99.77%	0.00	0.00%	4,838,888,759.00	99.36%	0.00	0.00%
Accounts receivable with insignificant single amount and individually withdrawn bad debt provision	11,972,500.00	0.23%	6,529,011.00	54.53%	31,411,549.00	0.64%	14,361,786.00	45.72%
Total	5,128,968,592.00	--	6,529,011.00	--	4,870,300,308.00	--	14,361,786.00	--

Notes to category of accounts receivable

Accounts receivable with significant single amount and individually withdrawn bad debt provision

Applicable Inapplicable

In the groups, accounts receivable adopting aging analysis method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, accounts receivable adopting balance percentage method to withdraw bad debt provision

Applicable Inapplicable

In the groups, accounts receivable adopting other methods to withdraw bad debt provision

√Applicable □Inapplicable

Unit: RMB Yuan

Name of equity	Book balance	Provision for bad-debt
Portfolio of credit risk	5,116,996,092.00	0.00
<b>Total</b>	<b>5,116,996,092.00</b>	<b>0.00</b>

Other closing individually insignificant but provisions for bad debts individually accounts receivable:

√Applicable □Inapplicable

Unit: RMB Yuan

Content of accounts receivable	Book balance	Provision for bad debt	Withdrawing proportion	Reason
Loan	11,972,500.00	6,529,011.00	54.53%	Calculated by collectable amount
<b>Total</b>	<b>11,972,500.00</b>	<b>6,529,011.00</b>	<b>--</b>	<b>--</b>

## (2) Accounts receivable reversed or collected in the reporting period

Unit: RMB Yuan

Content of accounts receivable	Reversed or collected reason	Recognition basis of original bad debt provision	Reversed or collected amount of the accrued bad debt provision	Reversed or collected amount
Loan	After measurement, it is expected can be received.	According to expected receivable amounts	6,280,412.00	5,722,473.00
<b>Total</b>	<b>--</b>	<b>--</b>	<b>6,280,412.00</b>	<b>--</b>

The withdrawal of bad debt provision of accounts receivable with significant single amount or insignificant single amount but individually made impairment test at the end of reporting period:

Unit: RMB Yuan

Content of accounts receivable	Book balance	Bad debt amount	Withdrawing proportion	Reason
Loan	11,972,500.00	6,529,011.00	54.53%	Calculated by collectable amount
<b>Total</b>	<b>11,972,500.00</b>	<b>6,529,011.00</b>	<b>--</b>	<b>--</b>

Notes to accounts receivable with insignificant single amount but large risks of groups after grouping by credit risks characteristics:

Naught

## (3) The write-off accounts receivable

Unit: RMB Yuan

Name of entity	Nature of accounts receivable	Write-off time	Write-off amount	Write-off reason	Whether arising from related party
----------------	-------------------------------	----------------	------------------	------------------	------------------------------------



					transaction or not?
Company 1	Goods payment	30 Jun. 2014	1,634,030.00	Considered irrecoverable after measuring the estimated recoverable amount	No
Company 2	Goods payment	30 Jun. 2014	1,386,774.00	Considered irrecoverable after measuring the estimated recoverable amount	No

Notes to write off of accounts receivable:

Naught

**(4) Particulars about accounts receivable due to shareholders holding 5% (including 5%) voting rights of the Company**

Unit: RMB Yuan

Name of entity	Closing amount		Opening amount	
	Book balance	Amount withdrawing bed-debt provision	Book balance	Amount withdrawing bed-debt provision
Naught				

**(5) Information of top five accounts receivable:**

Unit: RMB Yuan

Name of entity	The relationship with the Company	Amount	Aging	Proportion
Client 1	Non-related party	636,837,611.00	Within one year	12.42%
Client 2	Non-related party	361,033,513.00	Within one year	7.04%
Client 3	Non-related party	172,882,063.00	Within one year / 1 to 2 years / 2 to 3 years	3.37%
Client 4	Non-related party	122,353,109.00	Within one year	2.39%
Client 5	Non-related party	120,501,931.00	Within one year	2.35%
Total	--	1,413,608,227.00	--	27.57%

**(6) The amounts due from related parties**

Unit: RMB Yuan

Name of entity	The relationship with the Company	Amount	Proportion
----------------	-----------------------------------	--------	------------

Related party 1	Ultimate controller and its affiliated enterprises	644,679.00	0.01%
Related party 2	Associated enterprise	121,674,974.00	2.37%
Related party 3	Associated enterprise	556,227.00	0.01%
Related party 4	Associated enterprise	19,558.00	0.00%
Total	--	122,895,438.00	2.39%

**(7) Information of accounts receivable that terminated recognition**

Unit: RMB Yuan

Item	Amount of termination	Gains or loses related to the termination of recognition
Naught		

**(8) If securitization is carried out on accounts receivable as the underlying assets, please list amount of assets and liabilities arising from further involvement**

Unit: RMB Yuan

Item	Period-end
Assets:	
Naught	
Liabilities:	
Naught	

**6. Other accounts receivable**
**(1) Other accounts receivable disclosed by type:**

Unit: RMB Yuan

Category	Closing balance				Opening balance			
	Balance		Provision for bad debts		Balance		Provision for bad debts	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Other accounts receivable that is individually significant and provisions for bad debts individually	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Other accounts receivable that provisions for bad debts by group								

Portfolio of credit risk	573,577,759.00	98.13%	0.00	0.00%	618,124,736.00	98.28%	0.00	0.00%
Subtotal of group	573,577,759.00	98.13%	0.00	0.00%	618,124,736.00	98.28%	0.00	0.00%
Other accounts receivable that is individually insignificant but provisions for bad debts individually	10,903,896.00	1.87%	10,842,916.00	99.44%	10,835,625.00	1.72%	10,835,625.00	100.00%
Total	584,481,655.00	--	10,842,916.00	--	628,960,361.00	--	10,835,625.00	--

Notes to category of other accounts receivable:

Naught

Other accounts receivable with significant single amount and individually withdrawn bad debt provision

Applicable Inapplicable

In the groups, other accounts receivable adopting aging analysis method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, other accounts receivable adopting balance percentage method to withdraw bad debt provision

Applicable Inapplicable

In the groups, other accounts receivable adopting other methods to withdraw bad debt provision

Applicable Inapplicable

Unit: RMB Yuan

Name of equity	Book balance	Provision for bad debt
Portfolio of credit risk	573,577,759.00	0.00
Total	573,577,759.00	0.00

Other closing individually insignificant but provisions for bad debts individually other accounts receivable:

Applicable Inapplicable

Unit: RMB Yuan

Content of other accounts receivable	Book balance	Provision for bad debt	Withdrawing proportion	Reason
Materials	8,943,791.00	8,943,791.00	100.00%	Calculated by collectable amount
Devices	973,358.00	973,358.00	100.00%	Calculated by collectable amount
Rents	2,206.00	2,206.00	100.00%	Calculated by collectable amount
Other	984,541.00	923,561.00	93.81%	Calculated by collectable amount
Total	10,903,896.00	10,842,916.00	--	--

**(2) Information of other accounts receivable reversed or recovered in the reporting period**

Unit: RMB Yuan

Content of other accounts receivable	Reason for reversed or recovered	Basis for determination of bad debts provision	Accrued amount before reversal or recovery	Amount of reversed or recovered
Naught				

Withdrawal of closing individually significant or insignificant but provisions for bad debts individually accounts receivable:

Unit: RMB Yuan

Content	Book balance	Amount of bad debts	Withdrawal percentage	Reason
Materials	8,943,791.00	8,943,791.00	100.00%	Calculated by collectable amount
Devices	973,358.00	973,358.00	100.00%	Calculated by collectable amount
Rents	2,206.00	2,206.00	100.00%	Calculated by collectable amount
Other	984,541.00	923,561.00	93.81%	Calculated by collectable amount
<b>Total</b>	<b>10,903,896.00</b>	<b>10,842,916.00</b>	<b>--</b>	<b>--</b>

Notes of individually insignificant but was of big risk after grouped by credit risk other accounts receivable:

Naught

**(3) Information of other accounts receivable written off in the reporting period**

Unit: RMB Yuan

Name of company	Nature of other accounts receivable	Write off date	Write off amount	Write off reason	Whether arising from related party transactions or not
Naught					

Notes of written-off of other accounts receivable:

Naught

**(4) Other accounts receivable is due from shareholders with more than 5% (including 5%) of the voting shares of the Company**

Unit: RMB Yuan

Name of entity	Closing balance		Opening balance	
	Book balance	Withdrawal amount of bad debts	Book balance	Withdrawal amount of bad debts
Naught				

**(5) Nature or details of other significant accounts receivable**

Unit: RMB Yuan

Name of entity	Amount	Nature or details of the amount	Proportion of the total
Client 1	200,000,000.00	Equity transfer account	34.87%
<b>Total</b>	<b>200,000,000.00</b>	<b>--</b>	<b>34.87%</b>

Notes

Naught

**(6) Information of top five other accounts receivable**

Unit: RMB Yuan

Name of entity	Relationship with the Company	Amount	Aging	Proportion of the total
Client 1	Non-related party	200,000,000.00	2 to 3 years	34.22%
Client 2	Non-related party	49,418,409.00	Within 1 year/1 to 2 years	8.46%
Client 3	Non-related party	42,052,326.00	Within 1 year	7.19%
Client 4	Non-related party	27,052,315.00	Within 1 year	4.63%
Client 5	Non-related party	16,317,957.00	2 to 3 years	2.79%
<b>Total</b>	<b>--</b>	<b>334,841,007.00</b>	<b>--</b>	<b>57.29%</b>

**(7) Information of the amounts due from related parties**

Unit: RMB Yuan

Name of entity	Relationship with the Company	Amount	Proportion
Related party 1	Corporate shareholder	106,200.00	0.02%
Related party 2	Ultimate controller and affiliated enterprise	55,784.00	0.01%
<b>Total</b>	<b>--</b>	<b>161,984.00</b>	<b>0.03%</b>

**(8) Information of other accounts receivable that terminated recognition**

Unit: RMB Yuan

Item	Amount of termination	Gains or loses related to the termination of recognition
Naught		

**(9) If securitization is carried out on other accounts receivable as the underlying assets, please list amount of assets and liabilities arising from further involvement**

Unit: RMB Yuan

Item	Period-end
Assets:	
Naught	
Liabilities:	
Naught	

**(10) Government subsidy recognized according to the accounts receivable during the reporting period**

Unit: RMB Yuan

Unit	Government subsidy item	Closing balance	Closing aging	Expected charging time	Expected charging amount	Expected charging basis	Reason failed to recover the expected amount on the expected time (if any)
Naught							

**7. Prepayment**

**(1) List by aging analysis:**

Unit: RMB Yuan

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	220,912,962.00	99.00%	140,207,693.00	97.00%
1 year to 2 years	1,642,954.00	1.00%	752,330.00	3.00%
2 years to 3 years	195,221.00	0.00%	279,775.00	0.00%
Over 3 years	370,865.00	0.00%	164,975.00	0.00%
Total	223,122,002.00	--	141,404,773.00	--

Notes of aging of prepayment:

On 30 Jun. 2014, the prepayment over 1 year of the Group was mainly the accounts of the purchasing activities which had not settled.

**(2) Information of the top 5 prepayment**

Unit: RMB Yuan

Name of entity	Relationship	Amount	Time	Reason for unsettled
Entity 1	External supplier	36,557,710.00		Normal prepayment
Entity 2	External supplier	28,376,832.00		Normal prepayment
Entity 3	External supplier	27,067,470.00		Normal prepayment
Entity 4	External supplier	17,819,739.00		Normal prepayment
Entity 5	External supplier	17,661,573.00		Normal prepayment
Total	--	127,483,324.00	--	--

Notes of important companies of prepayment:

On 30 Jun. 2014, the top 5 prepayment of the Group were all aging within 1 year.

### (3) Information about amount due from shareholders with more than 5% (including 5%) of the voting shares of the Company in prepayment

Unit: RMB Yuan

Name of entity	Closing balance		Opening balance	
	Book balance	The amount of bad debt provision	Book balance	The amount of bad debt provision
Naught				

### (4) Notes of prepayment

Naught

## 8. Inventory

### (1) Category

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Impairment of inventories	Book value	Book balance	Impairment of inventories	Book value
Raw materials	1,221,800,403.00	74,355,101.00	1,147,445,302.00	1,037,799,204.00	56,125,364.00	981,673,840.00
Construction contract assets	454,356,075.00	55,874,925.00	398,481,150.00	428,358,175.00	82,373,214.00	345,984,961.00
Inventory goods	2,436,467,334.00	481,044,676.00	1,955,422,658.00	1,945,811,938.00	339,094,214.00	1,606,717,724.00
Turnover material	85,784,355.00	0.00	85,784,355.00	84,428,134.00	0.00	84,428,134.00
Total	4,198,408,167.00	611,274,702.00	3,587,133,465.00	3,496,397,451.00	477,592,792.00	3,018,804,659.00

**(2) Provision for falling price of inventories**

Unit: RMB Yuan

Category	Opening book balance	Increase	Decease		Closing book balance
			Reversal	Write-off	
Raw materials	56,125,364.00	101,392,161.00	15,268,684.00	67,893,740.00	74,355,101.00
Construction contract assets	82,373,214.00	6,482,441.00	20,116,659.00	12,864,071.00	55,874,925.00
Inventory goods	339,094,214.00	341,858,263.00	24,408,544.00	175,499,257.00	481,044,676.00
Turnover material	0.00				0.00
<b>Total</b>	<b>477,592,792.00</b>	<b>449,732,865.00</b>	<b>59,793,887.00</b>	<b>256,257,068.00</b>	<b>611,274,702.00</b>

**(3) Details of provision for falling price of inventories**

Item	Basis on provision for falling price of inventories	Reasons for reversal	Proportion of reversal of provision for impairment of inventories to closing balance
Raw materials	The lower one of cost and realizable net value for the products	Increase of market price for the products	1.25%
Inventory goods	The lower one of cost and realizable net value for the products	Increase of market price for the products	1.00%
Construction contract assets	The lower one of cost and realizable net value for the products	Increase of market price for the products	4.43%

Notes of inventory:

**9. Other current assets**

Unit: RMB Yuan

Item	Closing balance	Opening balance
To-be-deducted VAT	2,755,152,877.00	1,868,850,052.00
Income tax prepayment	408,642.00	380,634.00
Other	4,492,051.00	3,574,140.00
<b>Total</b>	<b>2,760,053,570.00</b>	<b>1,872,804,826.00</b>

Notes of other current assets:

Naught

**10. Available-for-sale financial assets**
**(1) Information of available-for-sale financial assets**

Unit: RMB Yuan



Item	Closing fair value	Opening fair value
Available-for-sale bonds	0.00	0.00
Available-for-sale equity instruments	226,073,866.00	254,506,569.00
Others	0.00	0.00
Total	226,073,866.00	254,506,569.00

In the reporting period, the Company reclassified the held-to-maturity investment into available-for-sale financial assets, a total of RMB 000 was reclassified, which takes 000% of total matured investment before reclassification.

Notes of available-for-sale financial assets:

Naught

### (2) Long-term liability investment of available-for-sale financial assets

Unit: RMB Yuan

Item	Category	Balance	Initial investment cost	Matured date	Opening balance	Interest in the reporting period	Accrued accounts receivable or received interest	Closing balance
Naught								

Notes of long-term liability investment of available-for-sale financial assets

### (3) Impairment of available for sale financial assets

Unit: RMB Yuan

Category	Equity instruments available for sale	Debt instruments available for sale	Other	Total
Cost of equity instruments/amortized cost of debt instruments	344,902,961.00	0.00	0.00	344,902,961.00
Fair value at the period-end	226,073,866.00	0.00	0.00	226,073,866.00
Changed amount of the fair value accumulatively included into other comprehensive profits	31,270,560.00	0.00	0.00	31,270,560.00
Amount of the withdrawn impairment	150,099,655.00	0.00	0.00	150,099,655.00

### (4) Changes in impairment of available for sale financial assets during the reporting period

Unit: RMB Yuan

Category	Equity instruments available for sale	Debt instruments available for sale	Other	Total
Amount of the withdrawn	150,099,655.00	0.00	0.00	150,099,655.00

impairment at the period-begin				
Withdrawal of this year	0.00	0.00	0.00	0.00
Of which: reversed from other comprehensive profits	0.00	0.00	0.00	0.00
Decrease of this year	0.00	0.00	0.00	0.00
Of which: the fair value recovered and reversed at the period-end	0.00	0.00	0.00	0.00
Amount of the withdrawn impairment at the period-end	150,099,655.00	0.00	0.00	150,099,655.00

### (5) The fair value falling sharply or continue falling of equity instruments available for sale

Unit: RMB Yuan

Equity instruments available for sale (itemize)	Cost	Fair value	Falling range of the fair value relative to the cost	Constant falling time	Withdrawal impairment amount	Reasons for the withdrawal of impairment according to the difference between the cost and the fair value at the period-end

## 11. Held-to-maturity investment

### (1) Information

Unit: RMB Yuan

Item	Closing book balance	Opening book balance
Convertible bonds for HYDIS Technology	17,960,946.00	17,960,946.00
Provision for impairment of held-to-maturity investment	-17,960,946.00	-17,960,946.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

Notes:

The held-to-maturity investment of the Group and the Company was the originally held convertible bonds of HYDIS Technology Co., Ltd. (hereinafter referred to as "HYDIS Technology").

Due to poor operation, HYDIS Technology couldn't pay the remaining convertible bonds to the Company. The Company had withdrawn the provision for impairment of uncollected convertible bonds valued of RMB 17,960,946 (USD 2,170,000) in 2005.

On 30 Jun. 2014, the Company had not received any equities or interest, the collectability of such bonds had uncertainty, so the Group and the Company maintained the original withdrawn impairment provision.

**(2) Information of held-to-maturity investment sold in the reporting period but was not matured**

Unit: RMB Yuan

Item	Amount	Percentage of the investment amount before sales
Naught		

Notes of undue held-to-maturity investment sold in the reporting period:

**12. Long-term accounts receivable**

Unit: RMB Yuan

Category	Closing balance	Opening balance
Total	0.00	0.00

**13. Investment to joint ventures and associated enterprises**

Unit: RMB Yuan

Name of investee	Percentage of holding shares of the Company	Voting percentage of the Company in investee	Total closing assets	Total closing liabilities	Net closing assets	Total operation revenue of the reporting period	Net profit of the reporting period
<b>I. Joint ventures</b>							
<b>II. Associated enterprises</b>							
Beijing Nissin Electronics Precision Component Co., Ltd. (Nissin Electronics)	27.04%	27.04%	104,122,501.00	125,617,401.00	-21,494,900.00	37,451,378.00	-19,492,478.00
Beijing Nittan Electronics Co., Ltd. (Nittan Electronics)	40.00%	40.00%	78,867,525.00	17,671,842.00	61,195,683.00	51,173,018.00	9,179,344.00
Beijing Yingfei Hailin Venture Capital Management Co., Ltd. (Yingfei Hailin)	35.00%	35.00%	6,750,796.00	7,918,468.00	-1,167,672.00	2,912,621.00	397,887.00
Ordos BOE Energy	20.00%	20.00%	81,902,665.00	34,449,286.00	47,453,379.00	0.00	-101,621.00

Investment Co., Ltd. (BOE Energy Investment)							
Beijing Fly Hailin Investment Center	40.00%	40.00%	29,558,983.00	17,040,000.00	12,518,983.00	0.00	-2,927,091.00

Notes if significant differences exist between the important accounting policies and accounting estimations of joint ventures, associated enterprises and the Company:

Naught

**14. Long-term equity investment**
**(1) List of long-term equity investment**

Unit: RMB Yuan

Investee	Accounting method	Initial investment cost	Opening balance	Increase/decrease	Closing balance	Share holding percentage in investee	Voting percentage in investee	Explanation for indifferences between the share holding percentage and voting percentage in investee	Impairment provision	Withdrawn impairment provision in the reporting period	Cash bonus in the reporting period
Beijing Nissin Electronics Precision Component Co., Ltd. (Nissin Electronics)	Equity method	18,613,234.00	0.00	0.00	0.00	27.04%	27.04%	Naught	0.00	0.00	0.00
Beijing Nittan Electronics Co., Ltd. (Nittan Electronics)	Equity method	6,650,640.00	20,814,107.00	3,671,740.00	24,485,847.00	40.00%	40.00%	Naught	0.00	0.00	840,000.00
Beijing Yingfei Hailin Venture Capital Management Co., Ltd (Yingfei Hailin)	Equity method	350,000.00	0.00	0.00	0.00	35.00%	35.00%	Naught	0.00	0.00	0.00
Ordos BOE Energy Investment Co., Ltd. (BOE Energy Investment)	Equity method	2,000,000.00	907,511,000.00	-20,324.00	907,490,676.00	20.00%	20.00%	Naught	0.00	0.00	0.00
Beijing Yingfei Hailin	Equity method	30,000,000.00	28,178,429.00	-1,170,836.00	27,007,593.00	40.00%	40.00%	Naught	0.00	0.00	0.00

Investment Center											
Hefei Xincheng Optoelectronics Technology	Cost method	6,826,000,000.00	4,854,099.00	-4,854,099.00	0.00	93.17%	93.17%	Naught	0.00	0.00	0.00
TPV display technology (China) Co., Ltd.	Equity method	10,851,114.00	9,802,416.00	728,584.00	10,531,000.00	8.00%	8.00%	Naught	0.00	0.00	0.00
Teralane Semiconductor Inc	Cost method	11,868,000.00	11,868,000.00	0.00	11,868,000.00	7.29%	7.29%	Naught	0.00	0.00	0.00
National Engineering Laboratory for Digital TV(Beijing)	Cost method	6,250,000.00	6,250,000.00	0.00	6,250,000.00	12.50%	12.50%	Naught	0.00	0.00	0.00
Zhejiang BOE Display Technology CO., Ltd.	Cost method	570,032.00	570,032.00	0.00	570,032.00	7.03%	7.03%	Naught	0.00	0.00	0.00
Other	Cost method	180,000.00	180,000.00	0.00	180,000.00	0.00%	0.00%	Naught	180,000.00	0.00	0.00
<b>Total</b>	--	6,913,333,020.00	990,028,083.00	-1,644,935.00	988,383,148.00	--	--	--	180,000.00	0.00	840,000.00

**(2) Information of the limitation on the capability to transfer capital to investee**

Unit: RMB Yuan

Item that with limitation on the capability to transfer capital to investee	Reason for limitation	Investment losses unrecognized in current period
Naught		

Notes of long-term equity investment:

Naught

## 15. Investment property

### (1) Investment property calculated by cost

Unit: RMB Yuan

Item	Opening book balance	Increase	Decrease	Closing book balance
I. Total cost	1,493,181,902.00	11,279,181.00	0.00	1,504,461,083.00
1. Property and buildings	833,402,685.00	11,279,181.00	0.00	844,681,866.00
2. Land use right	659,779,217.00	0.00	0.00	659,779,217.00
II Accumulated depreciation and amortization	208,765,965.00	16,256,570.00	0.00	225,022,535.00
1. Property and buildings	151,681,981.00	16,066,629.00	0.00	167,748,610.00
2. Land use right	57,083,984.00	189,941.00	0.00	57,273,925.00
III. Total net book value of investment real estate	1,284,415,937.00	-4,977,389.00	0.00	1,279,438,548.00
1. Property and buildings	681,720,704.00	-4,787,448.00	0.00	676,933,256.00
2. Land use right	602,695,233.00	-189,941.00	0.00	602,505,292.00
IV. Accumulated amount of provision for impairment of investment real estate	0.00	0.00	0.00	0.00
1. Property and buildings	0.00	0.00	0.00	0.00
2. Land use right	0.00	0.00	0.00	0.00
V. Total book value of investment real estate	1,284,415,937.00	-4,977,389.00	0.00	1,279,438,548.00
1. Property and buildings	681,720,704.00	-4,787,448.00	0.00	676,933,256.00

2. Land use right	602,695,233.00	-189,941.00	0.00	602,505,292.00
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Unit: RMB Yuan

	The reporting period
Amount of amortization and depreciation in the reporting period	16,256,570.00
Withdrawal amount of provision for impairment of investment real estate in the reporting period	0.00

## 16. Fixed assets

### (1) Fixed assets details

Unit: RMB Yuan

Item	Opening book balance	Increase in the reporting period		Decrease in the reporting period	Closing book balance
I. Total original book value	49,880,662,377.00	2,636,364,021.00		376,534,572.00	52,140,491,826.00
Including: Property and building	10,238,067,168.00	438,903,894.00		0.00	10,676,971,062.00
Machineries	39,434,620,711.00	2,166,390,921.00		374,334,899.00	41,226,676,733.00
Vehicles	207,974,498.00	31,069,206.00		2,199,673.00	236,844,031.00
--	Opening book balance	Increase in the reporting period	Decrease in the reporting period	Closing book balance	Opening book balance
II. Accumulated depreciation:	16,729,774,721.00	0.00	2,348,691,847.00	160,489,425.00	18,917,977,143.00
Including: Property and building	1,104,710,024.00	0.00	460,526,690.00	0.00	1,565,236,714.00
Machineries	15,537,022,601.00	0.00	1,866,162,538.00	158,223,611.00	17,244,961,528.00
Vehicles	88,042,096.00	0.00	22,002,619.00	2,265,814.00	107,778,901.00
--	Opening book balance	--			Opening book balance
III. The net book value of fixed assets	33,150,887,656.00	--			33,222,514,683.00



Including: Property and building	9,133,357,144.00	--	9,111,734,348.00
Machineries	23,897,598,110.00	--	23,981,715,205.00
Vehicles	119,932,402.00	--	129,065,130.00
IV. Total impairment provision	655,222,611.00	--	632,766,920.00
Including: Property and building	1,038,901.00	--	805,883.00
Machineries	654,183,710.00	--	631,961,037.00
Vehicles	0.00	--	0.00
V. Total book value of fixed assets	32,495,665,045.00	--	32,589,747,763.00
Including: Property and building	9,132,318,243.00	--	9,110,928,465.00
Machineries	23,243,414,400.00	--	23,349,754,168.00
Vehicles	119,932,402.00	--	129,065,130.00

Depreciation amount of this reporting period was RMB 2,348,691,847.00 and RMB 2,403,526,991.00 was transferred into fixed assets from construction project.

## (2) Fixed assets leased in from financing lease

Unit: RMB Yuan

Item	Original book value	Accrued depreciation	Net book value
Property and building	11,291,665.00	3,215,405.00	8,076,260.00

## 17. Construction in progress

### (1) List of construction in progress

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Impairment	Book value	Book balance	Impairment	Book value

		provision			provision	
The 8.5 <sup>th</sup> Generation TFT-LCD Project of BOE Display	995,018,151.00	0.00	995,018,151.00	1,858,377,755.00	0.00	1,858,377,755.00
The 6 <sup>th</sup> Generation TFT-LCD Project of Hefei Optoelectronics	128,524,844.00	0.00	128,524,844.00	51,050,315.00	0.00	51,050,315.00
The 4.5 <sup>th</sup> Generation TFT-LCD Project of Chengdu Optoelectronics	127,480,714.00	0.00	127,480,714.00	42,456,647.00	0.00	42,456,647.00
AM-OLED Project of Yuansheng Optoelectronics	7,911,113,470.00	0.00	7,911,113,470.00	7,295,379,869.00	0.00	7,295,379,869.00
Hefei Xinsheng Optoelectronics Project	19,985,432,094.00	0.00	19,985,432,094.00	11,982,854,552.00	0.00	11,982,854,552.00
Operation, research and development Center	209,602,073.00	0.00	209,602,073.00	169,980,530.00	0.00	169,980,530.00
BOE Photoelectricity Expansion Engineering P6 Project	52,471,666.00	0.00	52,471,666.00	92,371,920.00	0.00	92,371,920.00
Chongqing 8.5 <sup>th</sup> Generation of the New Type of Semiconductor Display Device and System Project	1,439,260,713.00	0.00	1,439,260,713.00	0.00	0.00	0.00
Other	1,029,743,174.00	1,429,766.00	1,028,313,408.00	681,907,830.00	1,429,766.00	680,478,064.00
<b>Total</b>	<b>31,878,646,899.00</b>	<b>1,429,766.00</b>	<b>31,877,217,133.00</b>	<b>22,174,379,418.00</b>	<b>1,429,766.00</b>	<b>22,172,949,652.00</b>

**(2) Significant changes in construction in progress**

Unit: RMB Yuan

Name of project	Budget	Opening balance	Increase	Transferred to fixed assets	Other decrease	Project input percentage of budget	Project process	Capitalization of interest	Including: capitalization of interest this period	Capitalization of interest rate (%)	Source of funding	Closing balance
The 8.5 <sup>th</sup> Generation TFT-LCD Project of BOE Display	27,473,860,000.00	1,858,377,755.00	946,752,347.00	1,810,111,951.00	0.00	87.00%	-	670,159,136.00	30,428,194.00	3.43%	Raised and raise funds	995,018,151.00
The 6 <sup>th</sup> Generation TFT-LCD Project of Hefei Optoelectronics	16,000,000,000.00	51,050,315.00	169,294,278.00	91,819,749.00	0.00	85.00%	-	126,503,941.00	0.00	0.00%	Raised and raise funds	128,524,844.00
The 4.5 <sup>th</sup> Generation TFT-LCD Project of Chengdu Optoelectronics	3,675,170,000.00	42,456,647.00	104,177,480.00	19,025,625.00	127,788.00	94.00%	-	4,622,238.00	0.00	0.00%	Raised and raise funds	127,480,714.00
AM-OLED Project of	20,500,000,000.00	7,295,379,869.00	899,568,044.00	0.00	283,834,443.00	41.00%	-	236,228,629.00	104,841,283.00	5.28%	Self-raised	7,911,113,470.00

Yuansheng Optoelectronics												
Hefei Xinsheng Optoelectronics Project	33,897,500,000.00	11,982,854,552.00	8,465,968,798.00	463,391,256.00	0.00	68.00%	-	688,499,655.00	210,782,153.00	2.71%	Self-raised	19,985,432,094.00
Operation, research and development Center	409,000,000.00	169,980,530.00	39,621,543.00	0.00	0.00	52.00%	-	0.00	0.00	0.00%	Self-raised	209,602,073.00
BOE Photoelectricity Expansion Engineering P6 Project	108,120,000.00	92,371,920.00	1,811,736.00	41,711,990.00	0.00	87.00%	-	0.00	0.00	0.00%	Self-raised	52,471,666.00
Chongqing 8.5 <sup>th</sup> Generation of the New Type of Semiconductor Display Device and System Project	30,000,000,000.00	0.00	1,439,260,713.00	0.00	0.00	5.00%	-	1,290,000.00	1,290,000.00	5.70%	Raised and raise funds	1,439,260,713.00

Other	0.00	681,907,830.00	586,967,461.00	239,132,117.00	0.00	0.00%	-	0.00	0.00	0.00%	Self-raised	1,029,743,174.00
<b>Total</b>	132,063,650.00	22,174,379,418.00	12,653,422,400.00	2,665,192,688.00	283,962,231.00	--	--	1,727,303,599.00	347,341,630.00	--	--	31,878,646,899.00

Notes of significant changes in construction in progress:

Naught

### (3) Impairment provision of construction in progress

Unit: RMB Yuan

Item	Opening amount	Increase in the reporting period	Decrease in the reporting period	Closing balance	Reason for withdrawal
Installation and reformation of equipments	1,429,766.00	0.00	0.00	1,429,766.00	
<b>Total</b>	1,429,766.00	0.00	0.00	1,429,766.00	--

## 18. Intangible assets

### (1) Information

Unit: RMB Yuan

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
I. Total original book value	2,741,607,195.00	238,728,437.00	1,468,951.00	2,978,866,681.00
Of which: software	485,961,800.00	20,231,779.00	6,800.00	506,186,779.00
Land usage right	804,112,148.00	213,331,498.00	0.00	1,017,443,646.00
Patent right	40,297,560.00	872,949.00	0.00	41,170,509.00
Non-patent technology	1,001,402,087.00	3,556,680.00	1,462,151.00	1,003,496,616.00
Trademark right	0.00	0.00	0.00	0.00

Copyright	0.00	0.00	0.00	0.00
Franchise	409,833,600.00	735,531.00	0.00	410,569,131.00
II. Total accrued amortization	715,189,886.00	106,341,295.00	0.00	821,531,181.00
Of which: software	210,442,290.00	26,391,549.00	0.00	236,833,839.00
Land usage right	66,055,372.00	10,374,735.00	0.00	76,430,107.00
Patent right	15,263,688.00	1,945,713.00	0.00	17,209,401.00
Non-patent technology	383,926,502.00	37,975,531.00	0.00	421,902,033.00
Trademark right	0.00	0.00	0.00	0.00
Copyright	0.00	0.00	0.00	0.00
Franchise	39,502,034.00	29,653,767.00	0.00	69,155,801.00
III. Total net book value of intangible assets	2,026,417,309.00	132,387,142.00	1,468,951.00	2,157,335,500.00
Of which: software	275,519,510.00	-6,159,770.00	6,800.00	269,352,940.00
Land usage right	738,056,776.00	202,956,763.00	0.00	941,013,539.00
Patent right	25,033,872.00	-1,072,764.00	0.00	23,961,108.00
Non-patent technology	617,475,585.00	-34,418,851.00	1,462,151.00	581,594,583.00
Trademark right	0.00	0.00	0.00	0.00
Copyright	0.00	0.00	0.00	0.00
Franchise	370,331,566.00	-28,918,236.00	0.00	341,413,330.00
IV. Total impairment provision	471,453.00	0.00	0.00	471,453.00
Of which: software	471,453.00	0.00	0.00	471,453.00
Land usage right	0.00	0.00	0.00	0.00
Patent right	0.00	0.00	0.00	0.00
Non-patent technology	0.00	0.00	0.00	0.00

Trademark right	0.00	0.00	0.00	0.00
Copyright	0.00	0.00	0.00	0.00
Franchise	0.00	0.00	0.00	0.00
V. Total book value of intangible assets	2,025,945,856.00	132,387,142.00	1,468,951.00	2,156,864,047.00
Of which: software	275,048,057.00	-6,159,770.00	6,800.00	268,881,487.00
Land usage right	738,056,776.00	202,956,763.00	0.00	941,013,539.00
Patent right	25,033,872.00	-1,072,764.00	0.00	23,961,108.00
Non-patent technology	617,475,585.00	-34,418,851.00	1,462,151.00	581,594,583.00
Trademark right	0.00	0.00	0.00	0.00
Copyright	0.00	0.00	0.00	0.00
Franchise	370,331,566.00	-28,918,236.00	0.00	341,413,330.00

Amortization was of RMB 106,341,295 in the reporting period.

## (2) Company development expense

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease		Closing balance
			Recognized into current gains/losses	Recognized as intangible assets	

Development expense percentage of total expenditure of R&D projects in the reporting period.

Percentage of intangible assets arising from inner R&D of the Company was taken in closing book value of intangible assets.

Notes of R&D projects of the Company, those that include individual value of more than RMB 1 million and recognized with a basis of assessed value, please disclose name of evaluation authority and method of evaluation:

## 19. Goodwill

Unit: RMB Yuan

Name of investee or event that generated goodwill	Opening balance	Increase in the reporting	Decrease in the reporting	Closing balance	Impairment provision

		period	period		at period-end
Beijing Yinghe Century Co., Ltd.	42,940,434.00	0.00	0.00	42,940,434.00	0.00
Suzhou Gaochuang	8,562,464.00	0.00	0.00	8,562,464.00	0.00
BOE Optoelectronics	4,423,876.00	0.00	0.00	4,423,876.00	4,423,876.00
<b>Total</b>	<b>55,926,774.00</b>	<b>0.00</b>	<b>0.00</b>	<b>55,926,774.00</b>	<b>4,423,876.00</b>

Notes of test method of goodwill impairment and impairment withdrawal method:

Whether there is the indication of impairment or not, the Group shall estimate the recoverable amount of goodwill at the end of each fiscal year. The Group amortizes the book value of goodwill in accordance with the situation of related asset group or combination of asset groups gaining benefits from the synergy effect of enterprise merger, and conducts the impairment test of goodwill basing on such situation.

## 20. Long-term amortization expense

Unit: RMB Yuan

Item	Opening balance	Increase	Amortization balance	Other decrease	Closing balance	Reason for other decrease
Cost of operating lease assets improvement	14,032,610.00	0.00	1,056,401.00	0.00	12,976,209.00	
Cost of construction and use of public facilities	174,923,909.00	0.00	7,685,112.00	0.00	167,238,797.00	
Other	53,857,602.00	25,318,958.00	9,246,247.00	0.00	69,930,313.00	
<b>Total</b>	<b>242,814,121.00</b>	<b>25,318,958.00</b>	<b>17,987,760.00</b>	<b>0.00</b>	<b>250,145,319.00</b>	<b>--</b>

Notes of long-term amortization expense:

Naught

## 21. Deferred tax assets and liabilities

### (1) Deferred tax assets and liabilities are not listed as the net value after offset

Deferred tax assets and liabilities that already recognized



Unit: RMB Yuan

Item	Closing balance	Opening balance
Deferred income tax assets:		
Provision for impairment of assets	54,540,465.00	55,482,013.00
Formation expenses	0.00	0.00
Deductible losses	0.00	0.00
Differences of depreciation and amortization	3,553.00	3,553.00
Assessment of value-added to the investment of Yinghe Century	41,775,789.00	42,470,020.00
Employee payroll payable	622,054.00	236,892.00
Undistributed deficit	44,969,606.00	53,491,422.00
Other	8,796,772.00	8,796,772.00
Subtotal	150,708,239.00	160,480,672.00
Deferred income tax liabilities:		
Assessed value of transactional financial instruments and derivative financial instruments	0.00	0.00
Variation in fair value of financial assets available for sale recorded into capital reserves	0.00	0.00
Assessed value add of Matsushita Color CRT	222,463,664.00	225,095,645.00
Assessed value add of Gaochuang Assets	21,440,003.00	22,252,788.00
Long-term equity investment	134,700,000.00	134,700,000.00
Assessed value of transactional financial instruments and derivative financial instruments	7,242,183.00	
Variation in fair value of financial assets available for sale recorded into capital reserves	385,845,850.00	382,048,433.00

List of unrecognized deferred income tax assets

Unit: RMB Yuan

Item	Closing balance	Opening balance
Deductible temporary difference	2,380,181,709.00	2,103,389,706.00
Deductible losses	1,743,678,023.00	2,120,019,584.00
<b>Total</b>	<b>4,123,859,732.00</b>	<b>4,223,409,290.00</b>

Deductible losses of unrecognized deferred income tax assets will due in the following years

Unit: RMB Yuan

Year	Closing balance	Opening balance	Remark
2014	394,408,282.00	451,111,772.00	
2015	428,776,707.00	352,439,731.00	
2016	262,701,795.00	550,367,760.00	
2017	354,714,825.00	367,697,695.00	
2018	152,970,849.00	398,402,626.00	
2019	150,105,565.00	0.00	
<b>Total</b>	<b>1,743,678,023.00</b>	<b>2,120,019,584.00</b>	--

List of taxable differences and deductible differences items

Unit: RMB Yuan

Item	Temporary differences amount	
	Closing balance	Opening balance
<b>Taxable differences items</b>		
Assessed value add of Matsushita Color CRT	889,854,657.00	900,382,580.00
Assessed value add of Gaochuang Assets	85,760,011.00	89,011,152.00
Long-term equity investment	898,000,000.00	898,000,000.00
Other	28,968,733.00	0.00
<b>Subtotal</b>	<b>1,902,583,401.00</b>	<b>1,887,393,732.00</b>

Deductible differences item		
Provision for impairment of assets	222,334,960.00	228,611,918.00
Differences of depreciation and amortization	23,677.00	23,677.00
Assessment of value-added to the investment of Yinghe Century	167,103,154.00	169,880,080.00
Employee payroll payable	3,871,020.00	1,455,667.00
Undistributed deficit	179,878,421.00	213,965,688.00
Other	35,187,090.00	35,187,090.00
<b>Subtotal</b>	<b>608,398,322.00</b>	<b>649,124,120.00</b>

**(2) Deferred income tax assets and liabilities are listed as the net value after offset**

Components items of deferred income tax assets and liabilities after mutual set-off

Unit: RMB Yuan

Item	Deferred income tax assets or liabilities after mutual set-off at the end of the period	Deductible or taxable temporary differences after mutual set-off at the end of the period	Deferred income tax assets or liabilities after mutual set-off at the opening of the period	Deductible or taxable temporary differences after mutual set-off at the opening of the period
Deferred income tax assets	150,708,239.00		160,480,672.00	
Deferred income tax liabilities	385,845,850.00		382,048,433.00	

Notes of deferred income tax assets and the deferred income tax liabilities

Unit: RMB Yuan

Item	Amounts of the mutual set-off in the period

Notes of deferred income tax assets and the deferred income tax liabilities

**22. List of provision for assets impairment**

Unit: RMB Yuan

Item	Opening book balance	Increase	Decrease		Closing book balance
			Reversal	Written off	

I. Provision for bad debt	25,197,411.00	960,259.00	5,722,473.00	3,063,270.00	17,371,927.00
II. Provision for inventory falling price	477,592,792.00	449,732,865.00	59,793,887.00	256,257,068.00	611,274,702.00
III. Impairment provision of available-for-sale financial assets	150,099,655.00	0.00	0.00	0.00	150,099,655.00
IV. Impairment provision of held-to-maturity investment	17,960,946.00	0.00	0.00	0.00	17,960,946.00
V. Impairment provision of long-term equity investment	180,000.00	0.00	0.00	0.00	180,000.00
VI. Impairment provision of investment property	0.00	0.00	0.00	0.00	0.00
VII. Impairment provision of fixed assets	655,222,611.00	0.00	0.00	22,455,691.00	632,766,920.00
VIII. Impairment provision of engineering materials	0.00	0.00	0.00	0.00	0.00
IX. Impairment provision of construction in progress	1,429,766.00		0.00	0.00	1,429,766.00
X. Impairment provision of productive biological assets	0.00	0.00	0.00	0.00	0.00
Including: mature productive biological assets	0.00	0.00	0.00	0.00	0.00
XI. Impairment provision of oil gas assets	0.00	0.00	0.00	0.00	0.00
XII. Impairment provision of intangible assets	471,453.00	0.00	0.00	0.00	471,453.00
XIII. Impairment provision of goodwill	4,423,876.00	0.00	0.00	0.00	4,423,876.00
<b>Total</b>	<b>1,332,578,510.00</b>	<b>450,693,124.00</b>	<b>65,516,360.00</b>	<b>281,776,029.00</b>	<b>1,435,979,245.00</b>

Note:

### 23. Other non-current assets

Unit: RMB Yuan

Item	Closing amount	Opening amount
Prepayment for procurement of fixed assets	199,096,536.00	400,197,786.00
Prepayment for construction	152,204,613.00	357,002,020.00
Accrued deductible VAT	498,445,042.00	442,726,532.00
Other	4,399,968.00	14,296,761.00
<b>Total</b>	<b>854,146,159.00</b>	<b>1,214,223,099.00</b>

Note:

On 30 Jun. 2014, the other non-current assets of the Group and the Company were mainly the prepayment for relevant items of forming non-current assets.

### 24. Short-term loan

#### (1) Category

Unit: RMB Yuan

Category	Closing balance	Opening balance
Pledge loan	1,519,976,884.00	546,524,569.00
Mortgage loan	30,000,000.00	10,000,000.00
Guarantee loan	0.00	4,877,520,000.00
Credit loan	1,725,857,096.00	6,688,725,271.00
<b>Total</b>	<b>3,275,833,980.00</b>	<b>12,122,769,840.00</b>

Notes of category of short-term loan:

As of 30 Jun. 2014, monetary resources with a book value of RMB 769,977,178 were used as a pledge for a short-term loan of USD 117,576,356 and JPY3,665,667,000 in the group.

As of 30 Jun. 2014, plants and buildings with a book value of RMB 13,596,861 and land usage right of RMB 8,473,412 were used as a pledge for a short-term loan of RMB 20,000,000 in the group..

As of 30 Jun. 2014, plants and buildings with a book value of RMB 12,463,992 and land usage right of RMB 4,185,119 were used as a pledge for a short-term loan of RMB 10,000,000 in the group.

As of 30 Jun. 2014, monetary resources with a book value of RMB 178,005,392, account receivable of RMB 48,434,829 and note receivable of RMB 327,483,928 were used as a pledge for a short-term loan of USD 93,230,000 in the group.

## (2) List of unsettled mature short-term loan

Unit: RMB Yuan

Entity	Amount	Interest Rate (%)	Purpose of loan fund	Reason of failing to settle	Estimated repayment period
Naught					

RMB 000 had been repaid after the balance sheet date.

Note to short term loan, including conditions and new mature date of extension expiry mature short-term loan

## 25. Notes payable

Unit: RMB Yuan

Category	Closing balance	Opening balance
Trade acceptance bill	0.00	18,559,072.00
Bank acceptance bill	390,854,698.00	117,095,592.00
Total	390,854,698.00	135,654,664.00

RMB390, 854,698.00 will be due in next fiscal period.

Notes of notes payable:

As of 30 Jun. 2014, there was no note payable of shareholders with more than 5% (including 5%) of voting shares of the Company in the balance of note payable.

**26. Accounts payable**
**(1) Information**

Unit: RMB Yuan

Item	Closing balance	Opening balance
Related party payable	58,441,757.00	20,197,750.00
Third party payable	5,508,130,065.00	5,646,985,102.00
<b>Total</b>	<b>5,566,571,822.00</b>	<b>5,667,182,852.00</b>

**(2) The accounts payable to shareholders with more than 5% (including 5%) of the voting shares of the Company**

Unit: RMB Yuan

Name of entity	Closing balance	Opening balance
Naught		

**(3) Note to large accounts payable aging over one year**

As of 30 Jun. 2014, there was no individual significant accounts payable aging over one year

**27. Advance from customers**
**(1) Information**

Unit: RMB Yuan

Item	Closing balance	Opening balance
Receive in advance	273,950,001.00	281,618,909.00
<b>Total</b>	<b>273,950,001.00</b>	<b>281,618,909.00</b>

**(2) Advance from customers to shareholders with more than 5% (including 5%) of the voting shares of the Company**

Unit: RMB Yuan

Name of entity	Closing balance	Opening balance

**(3) Note to advance from customers aging over one year**
**28. Payroll payable**

Unit: RMB Yuan

Item	Opening book balance	Increase	Decrease	Closing book balance
I. Salary, bonus, allowance, subsidy	628,707,455.00	1,499,638,260.00	1,619,122,418.00	509,223,297.00
II. Employee welfare	0.00	182,368,167.00	182,368,167.00	0.00
III. Social insurance	43,804,705.00	205,460,827.00	203,311,081.00	45,954,451.00
1. Medical insurance premiums	27,806,871.00	63,074,954.00	61,529,015.00	29,352,810.00
2. Endowment insurance	14,103,079.00	121,702,539.00	121,339,752.00	14,465,866.00
3. Unemployment insurance	879,515.00	9,556,806.00	9,597,658.00	838,663.00
4. Employment injury insurance	254,147.00	6,284,193.00	6,094,038.00	444,302.00
5. Maternity insurance	761,093.00	4,842,335.00	4,750,618.00	852,810.00
IV. Housing fund	9,382,838.00	56,916,215.00	63,859,262.00	2,439,791.00
V. Redemption for terminations of labor contract	15,283,411.00	115,708.00	209,764.00	15,189,355.00
VI. Others	148,720,028.00	253,976,793.00	208,958,315.00	193,738,506.00
1. Labor union budget	33,244,202.00	22,775,993.00	18,576,757.00	37,443,438.00
2. Employee education budget	88,675,638.00	17,784,321.00	4,993,626.00	101,466,333.00
3. Employee bonus and welfare fund	20,192,808.00	478,115.00	3,379,587.00	17,291,336.00
4. Other	6,607,380.00	212,938,364.00	182,008,345.00	37,537,399.00
<b>Total</b>	<b>845,898,437.00</b>	<b>2,198,475,970.00</b>	<b>2,277,829,007.00</b>	<b>766,545,400.00</b>

RMB 0.00 is the amounts in arrears in the payroll payable.



The labor union budget and employee education budget is RMB 23,570,383.00, and the non-monetary benefits are RMB 0.00, the compensation for terminating the labor contract is RMB 209,764.00.

### 29. Taxes payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
VAT	7,409,570.00	3,013,089.00
Consumption tax	0.00	0.00
Business tax	2,393,520.00	3,156,277.00
Corporate income tax	71,551,391.00	89,732,969.00
Personal income tax	12,912,714.00	32,654,736.00
Urban maintenance and construction tax	23,315,427.00	29,838,108.00
Educational surcharges and local educational surcharges	16,653,876.00	21,947,282.00
Other	29,078,785.00	9,862,762.00
Total	163,315,283.00	190,205,223.00

Notes of taxes payable: for the taxable income of branch companies and factories approved to be inter-adjusted by their local tax authorities, the Company shall specified their calculation procedure.

### 30. Interest payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Interest payable on long-term borrowings that interest was paid by stages and principle was repay upon due	177,879,460.00	93,808,867.00
Interest of corporate bond	0.00	0.00
Interest payable on short-term borrowings	91,201,629.00	215,987,148.00
Other	0.00	4,208,333.00
Total	269,081,089.00	314,004,348.00

Note:

Naught

### 31. Dividends payable

Unit: RMB Yuan

Name of company	Closing balance	Opening balance	Reason for unsettlement over 1 year
Beijing Picture Tubes Factory	1,504,649.00	1,504,649.00	
Beijing Huayin Industrial Development Company	1,436,963.00	1,436,963.00	
Minority shareholders of Vacuum Appliance	1,600,000.00	1,600,000.00	
Internal employee's shares	2,603,025.00	2,603,025.00	
Other	906,533.00	906,533.00	
<b>Total</b>	<b>8,051,170.00</b>	<b>8,051,170.00</b>	<b>--</b>

Notes:

As of 30 Jun. 2014, dividends payable is unpaid mainly because non-current shareholders did not claim relevant dividends and the unpaid cash dividends of the minority shareholders of Vacuum Appliance.

As of 30 Jun. 2014, there was no single significant dividends payable marked on foreign currency.

### 32. Other accounts payable

#### (1) Information

Unit: RMB Yuan

Item	Closing balance	Opening balance
Other accounts payable	6,824,411,233.00	6,062,245,439.00
<b>Total</b>	<b>6,824,411,233.00</b>	<b>6,062,245,439.00</b>

#### (2) Other accounts payable from shareholders with more than 5% (including 5%) of the voting shares of the Company

Unit: RMB Yuan

Item	Closing balance	Opening balance
Naught		

**(3) Notes of the other large amount accounts payable aging over 1 year**

Naught

**(4) Notes of other accounts payable with significant amount**

Naught

**33. Estimated liabilities**

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Loss contract to be executed	16,457,010.00	0.00	0.00	16,457,010.00
Total	16,457,010.00	0.00	0.00	16,457,010.00

Notes:

In 2009, the Group ceased producing several products and stopped fulfilling the purchase contract related to production. Due to the indemnity incurred accordingly, the Group withdrew the relevant estimated liabilities according to reasonable estimation of losses.

**34. Non-current liabilities due within 1 year**
**(1) Information**

Unit: RMB Yuan

Item	Closing balance	Opening balance
Long-term loan due within 1 year	75,152,800.00	308,628,826.00
Bonds payable due within 1 year	0.00	0.00
Long-term accounts payable due within 1 year	0.00	0.00
Total	75,152,800.00	308,628,826.00

**(2) Long-term loan due within 1 year**

Long-term loan due within 1 year

Unit: RMB Yuan

Item	Closing balance	Opening balance
Pledge loan	0.00	0.00
Mortgage loan	15,000,000.00	244,781,926.00
Guarantee loan	0.00	0.00
Credit loan	50,000,000.00	50,000,000.00
Mortgage and guarantee	10,152,800.00	13,846,900.00
<b>Total</b>	<b>75,152,800.00</b>	<b>308,628,826.00</b>

RMB0.00 of long-term loan due within 1 year was of mature loan with extended term.

Top five long-term loans due within 1 year

Unit: RMB Yuan

Creditor	Starting date	Ending date	Currency	Rate (%)	Closing balance		Opening balance	
					Foreign currency balance	RMB balance	Foreign currency balance	RMB balance
BOE Group	23 Feb. 2006	30 Sep. 2014	CNY	0.00%	0.00	50,000,000.00	0.00	50,000,000.00
Yinghe	5 Jan. 2010	30 Jun. 2015	CNY	6.55%	0.00	15,000,000.00	0.00	15,000,000.00
Chengdu BOE	24 Dec. 2008	29 Oct. 2014	USD	4.01%	1,000,000.00	6,152,800.00	1,000,000.00	6,096,900.00
Chengdu BOE	26 Mar. 2009	29 Oct. 2014	CNY	6.55%	0.00	4,000,000.00	0.00	4,000,000.00
<b>Total</b>	--	--	--	--	--	75,152,800.00	--	75,096,900.00

Mature loan of long-term loan due within 1 year:

Unit: RMB Yuan

Creditor	Amount of loan	Overdue date	Annual rate (%)	Usage	Reason for unsettlement	Estimated settle date
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RMB0.00 was paid back after Balance Sheet Date:

Notes of long-term borrowings due within 1 year

### (3) Bonds payable due within 1 year

Unit: RMB Yuan

Name of the bonds	Face value	Issuing date	Bond period	Issuing amount	Opening interest payable	Accrued interest in reporting period	Interest paid in reporting period	Closing interest payable	Closing balance

Note:

### (4) Long-term accounts payable due within 1 year

Unit: RMB Yuan

Creditor	Term	Initial amount	Rate (%)	Accrued interest	Closing balance	Conditions
Naught						

Note:

### 35. Other current liabilities

Unit: RMB Yuan

Item	Closing balance	Opening balance
Guarantee loan	315,921,887.00	255,465,666.00
Total	315,921,887.00	255,465,666.00

Note:

As of 30 Jun. 2014, the balance of other current liability was the quality assurance deposits of the product. The quality assurance deposits of the product mainly bare the warranty expense of the products sold, whose withdrawal shall be referred to actual amount and the actual sales of warranty expense in previous years, withholding in line with the reasonable evaluation recognized by the management.

### 36. Long-term loan

#### (1) Category of long-term loan

Unit: RMB Yuan

Item	Closing balance	Opening balance
Pledge loan	0.00	0.00
Mortgage loan	21,332,953,892.00	15,871,302,956.00
Guarantee loan	0.00	0.00
Credit loan	276,693,186.00	100,000,000.00
Mortgage and guarantee	300,584,000.00	597,814,000.00
Mortgage and pledge	4,453,344,000.00	4,426,512,000.00
<b>Total</b>	<b>26,363,575,078.00</b>	<b>20,995,628,956.00</b>

Note:

As at 30 Jun. 2014: the Group's long-term loans, amounting to RMB 116,000,000 and USD 30,000,000, and non-current liabilities due within one year, amounting to RMB 4,000,000 and USD 1,000,000, were gained by mortgaging the plants and buildings with a carrying amount of RMB 136,343,702, machinery equipment of RMB 727,862,134 and land use right of RMB 13,508,403, of which the Renminbi loans were guaranteed by CDHT Investment Group Co., Ltd., while the U.S. Dollar loans were guaranteed by Chengdu Industry Investment Group Co., Ltd. and CDHT Investment Group Co., Ltd..

As at 30 Jun. 2014, the Group's long-term loans, amounting to RMB2,617,851,547 and USD 525,390,545, were gained by mortgaging the plants and buildings with a carrying amount of RMB2,067,884,030, machinery equipment of RMB 5,801,151,547 and land use right of RMB 86,779,714.

As at 30 Jun. 2014, the Group's long-term loans, amounting to RMB2,596,683,000 and USD 800,000,000, were gained by mortgaging the plants and buildings with a carrying amount of RMB4,815,194,156, machinery equipment of RMB 13,101,272,372 and land use right of RMB161,783,861.

As at 30 Jun. 2014, the Group's long-term loans, amounting to USD 1,288,000,000, were gained by mortgaging the plants and buildings with a carrying amount of RMB344,049,967, land use right of RMB204,437,618 and construction in progress of RMB 19,985,432,094.

As at 30 Jun. 2014, the Group's long-term loans, amounting to RMB 1,500,000,000 and USD 480,000,000, were gained by mortgaging the plants and buildings with a carrying amount of RMB311,981,942, land use right of RMB52,321,545 and construction in progress of RMB 7,911,113,470. Meanwhile, BOE Technology Group Co., Ltd. mortgaged its holding of 20% equity of BOE Energy Investment, 20% equity of Haosheng Energy, 65% equity of BOE Energy Investment held by Hefei BOE and 15% equity of Haosheng Energy held by BOE Display.

As at 30 Jun. 2014: the Group's long-term loans, amounting to RMB 38,750,000 and non-current liabilities due within one year, amounting to RMB15,000,000, were gained by mortgaging investment property amounting to RMB 179,666,422 (Of which: the plants and buildings was with a carrying amount of RMB 176,564,104 and land use right of RMB3,102,318)

As at 30 Jun. 2014, there was no long term loan of shareholders with more than 5% (including 5%) shares voting in the aforesaid balance.

**(2) The top five long-term loans**

Unit: RMB Yuan

Creditor	Starting date	Ending date	Currency	Rate (%)	Closing balance		Opening balance	
					Foreign currency amount	RMB amount	Foreign currency amount	RMB amount
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	6 Jan. 2014	6 Jan. 2022	USD	4.65%	1,088,000,000.00	6,694,246,400.00	0.00	0.00
Yuansheng Optoelectronics	17 Jun. 2013	9 Jun 2021	USD	4.63%	480,000,000.00	2,953,344,000.00	480,000,000.00	2,926,512,000.00
BOE Display	15 Jun. 2012	26 Jan. 2020	USD	3.43%	465,132,921.00	2,861,869,835.00	465,132,921.00	2,835,868,904.00
Yuansheng Optoelectronics	17 Jun. 2013	9 Jun. 2021	CNY	6.55%	0.00	1,500,000,000.00	0.00	1,500,000,000.00
BOE Display	1 Feb. 2013	26 Jan. 2020	USD	3.43%	190,000,000.00	1,169,032,000.00	190,000,000.00	1,158,411,000.00
<b>Total</b>	--	--	--	--	--	15,178,492,235.00	--	8,420,791,904.00

Notes of long-term loan: for the long-term loans arising from mature loans with extended term, the Company shall explain the conditions of extension, principal, interest, expected repayment arrangement:

**37. Other non-current liabilities**

Unit: RMB Yuan

Item	Closing book balance	Opening book balance
Convertible obligatory right	4,357,389,525.00	4,238,967,274.00
Deferred income	2,235,004,445.00	2,116,634,509.00
VAT of collection of imported equipment	498,233,542.00	442,726,532.00
<b>Total</b>	7,090,627,512.00	6,798,328,315.00

Note:

Liabilities related to governmental subsidy

Unit: RMB Yuan

Item	Opening balance	New subsidy amount in the reporting period	Amount recorded into non-operating income in the reporting period	Other changes	Closing balance	Related to assets/Related to revenue
-The 8.5th Generation TFT-LCD Project	819,020,413.00	0.00	54,414,457.00	0.00	764,605,956.00	Related to assets
-The 6th Generation TFT-LCD Project	283,809,524.00	0.00	34,285,714.00	0.00	249,523,810.00	Related to assets
-Research platform of common technology on panel display	8,214,286.00	0.00	1,071,429.00	0.00	7,142,857.00	Related to assets
-Contracted for construction plant in industrial zone of Hebei	10,960,000.00	0.00	360,000.00	0.00	10,600,000.00	Related to assets
-Construction of National Engineering Laboratory for TFT-LCD technology	16,428,571.00	0.00	2,142,857.00	0.00	14,285,714.00	Related to assets
-Government grants on other technology project	937,066,853.00	281,351,098.00	71,696,905.00	0.00	1,146,721,046.00	Related to assets
-Technological development of TFT-LCD platform	900,000.00	0.00	0.00	0.00	900,000.00	Related to revenue
-Technological development of high generation line graphic display and advanced packaging with large size	800,000.00	0.00	400,000.00	0.00	400,000.00	Related to revenue



-Government grants on other technology project	39,434,862.00	3,720,000.00	2,329,800.00	0.00	40,825,062.00	Related to revenue
<b>Total</b>	<b>2,116,634,509.00</b>	<b>285,071,098.00</b>	<b>166,701,162.00</b>	<b>0.00</b>	<b>2,235,004,445.00</b>	<b>--</b>

### 38. Share capital

Unit: RMB Yuan

	Opening balance	Increase/Decrease (+/-)					Closing balance
		Issuing new shares	Bonus shares	Capitalization of public reserves	Other	Subtotal	
<b>Total shares</b>	13,521,542,341.00	21,768,095,233.00				21,768,095,233.00	35,289,637,574.00

Note: if there was capital increase or capital decrease in the reporting period, shall disclose the name of public accounting firm of perform capital verification and reference number of capital verification for the company operating less than 3 years, just indicate net assets before establishment. Limited liability Company changed into joint - stock company shall indicate the capital verification when the company establish.

### 39. Capital reserves

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium (share capital premium)	15,065,055,460.00	23,116,609,820.00	0.00	38,181,665,280.00
Other capital reserves	342,566,995.00	212,142,831.00	34,153,150.00	520,556,676.00
<b>Total</b>	<b>15,407,622,455.00</b>	<b>23,328,752,651.00</b>	<b>34,153,150.00</b>	<b>38,702,221,956.00</b>

Note:

### 40. Surplus reserves

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserves	209,421,304.00	0.00	0.00	209,421,304.00
Discretionary surplus reserves	289,671,309.00	0.00	0.00	289,671,309.00
Total	499,092,613.00	0.00	0.00	499,092,613.00

Notes of surplus reserves: for surplus reserves transferred to share capital, compensating losses and distributed as dividends, relevant resolutions shall be explained:

#### 41. Retained profits

Unit: RMB Yuan

Item	Amount	Withdrawal or distributed proportion
Opening balance of retained profits before adjustments	-1,122,806,908.00	--
Total of opening retain profits adjustments (Add +, Less -)	0.00	--
Opening balance of retained profits after adjustments	-1,122,806,908.00	--
Add: Net profit attributable to owners of the Company	1,041,635,714.00	--
Withdrawal of discretionary surplus reserves	0.00	
Withdrawal of provision for general risk	0.00	
Dividend of common stock payable	0.00	
Dividend of common stock converted into share capital	0.00	
Closing retained profits	-81,171,194.00	--

List of adjustment of opening retained profits:

- 1) RMB\* opening retained profits was affected by retrospective adjustment conducted according to the Accounting Standards for Business Enterprises and relevant new regulations.
- 2) RMB\* opening retained profits was affected by changes on accounting policies.
- 3) RMB\* opening retained profits was affected by correction of significant accounting errors.
- 4) RMB\* opening retained profits was affected by changes in combination scope arising from same control.
- 5) RMB\* opening retained profits was affected totally by other adjustments.

Notes: as for IPO companies, if the accumulated profits were enjoyed by new and original shareholders according to the resolutions made at the shareholders' general meeting before public offering, the Company shall explain clearly; if the accumulated profits were distributed before public offering and enjoyed by the original shareholders according to the resolutions made at the shareholders' general meeting, the Company shall clearly disclose the audited profits of dividends payable enjoyed by the original shareholders.

Naught

## 42. Revenue and Cost of Sales

### (1) Revenue, Cost of Sales

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Sales of main business	15,402,900,295.00	15,445,799,068.00
Other operating income	710,271,289.00	808,526,999.00
Cost of sales	12,630,118,473.00	12,461,334,555.00

### (2) Main business (Classified by industry)

Unit: RMB Yuan

Industry	Reporting period		Same period of last year	
	Revenue of sales	Costs of sales	Revenue of sales	Costs of sales
TFT-LCD	13,684,856,896.00	10,697,421,890.00	14,122,237,495.00	10,811,045,284.00
Display light source	926,445,592.00	843,394,362.00	835,761,531.00	758,224,637.00
Display system	1,742,432,325.00	1,617,639,224.00	1,514,162,402.00	1,414,995,125.00
Other business	248,115,928.00	125,048,809.00	453,855,631.00	291,415,984.00
Offset	-1,198,950,446.00	-1,182,304,606.00	-1,480,217,991.00	-1,427,821,059.00
Total	15,402,900,295.00	12,101,199,679.00	15,445,799,068.00	11,847,859,971.00

### (3) Main business (Classified by product)

Unit: RMB Yuan

Product	Reporting period		Same period of last year	
	Revenue of sales	Costs of sales	Revenue of sales	Costs of sales
TFT-LCD	13,684,856,896.00	10,697,421,890.00	14,122,237,495.00	10,811,045,284.00
Display light source	926,445,592.00	843,394,362.00	835,761,531.00	758,224,637.00
Display system	1,742,432,325.00	1,617,639,224.00	1,514,162,402.00	1,414,995,125.00
Other business	248,115,928.00	125,048,809.00	453,855,631.00	291,415,984.00
Offset	-1,198,950,446.00	-1,182,304,606.00	-1,480,217,991.00	-1,427,821,059.00
<b>Total</b>	<b>15,402,900,295.00</b>	<b>12,101,199,679.00</b>	<b>15,445,799,068.00</b>	<b>11,847,859,971.00</b>

**(4) Main business (Classified by area)**

Unit: RMB Yuan

Area	Reporting period		Same period of last year	
	Revenue of sales	Costs of sales	Revenue of sales	Costs of sales
China	8,801,174,730.00	6,306,454,521.00	8,198,906,192.00	5,968,460,723.00
Other countries and regions of Asia	5,671,285,833.00	4,926,631,157.00	5,837,465,382.00	4,602,665,798.00
Europe	343,448,144.00	299,839,503.00	562,045,856.00	530,269,729.00
America	586,991,588.00	568,274,498.00	790,992,756.00	696,225,457.00
Other countries	0.00	0.00	56,388,882.00	50,238,264.00
<b>Total</b>	<b>15,402,900,295.00</b>	<b>12,101,199,679.00</b>	<b>15,445,799,068.00</b>	<b>11,847,859,971.00</b>

**(5) The revenue of sales from the top five customers**

Unit: RMB Yuan

Customer	Main business revenue	Proportion of total business revenue (%)
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Customer 1	3,778,832,761.00	23.00%
Customer 2	936,982,154.00	6.00%
Customer 3	642,762,859.00	4.00%
Customer 4	637,403,724.00	4.00%
Customer 5	387,980,137.00	2.00%
<b>Total</b>	<b>6,383,961,635.00</b>	<b>39.00%</b>

Note:

### 43. Business tax and surcharges

Unit: RMB Yuan

Item	Reporting period	Same period of last year	Calculation and payment standard
Consumption tax	0.00	0.00	
Business tax	14,339,614.00	13,068,460.00	5% of taxable operating revenue
Urban maintenance and construction tax	13,605,585.00	30,691,398.00	5%,7% of taxable operation tax and VAT payable
Education surtax	10,025,166.00	22,172,618.00	2%,3% of taxable operation tax and VAT payable
Resources tax	0.00	0.00	
Other	0.00	6,814.00	
<b>Total</b>	<b>37,970,365.00</b>	<b>65,939,290.00</b>	--

Note:

### 44. Selling expenses

Selling expenses mainly refer to the labor cost and other selling expenses incurred by the Group in the selling process.

#### 45. Administrative expenses

Administrative expenses mainly refer to the labor cost, R&D expenses and other administrative expenses incurred by the management personnel of the Group.

#### 46. Financial expense

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Interest expenses	424,150,685.00	529,545,161.00
Interest income (incomes: negative)	-384,942,552.00	-159,453,380.00
Net amount of exchange loss (gains: negative)	58,164,204.00	-188,523,072.00
Other	9,367,235.00	11,843,948.00
Total	106,739,572.00	193,412,657.00

#### 47. Investment income

##### (1) List of investment income

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Long-term equity investment income accounted by cost method	0.00	0.00
Long-term equity investment income accounted by equity method	4,390,960.00	-545,119.00
Investment income arising from disposal of long-term equity investments	0.00	0.00
Investment income received from holding of trading financial assets	0.00	0.00
Investment income received from holding of held-to-maturity investments	0.00	0.00
Investment income received from holding of available-for-sale financial assets	2,533,429.00	2,170,108.00

Investment income received from disposal of trading financial assets	0.00	0.00
Investment income received from holding of held-to-maturity investments	0.00	0.00
Investment income received from available-for-sale financial assets	0.00	0.00
Other	0.00	0.00
<b>Total</b>	<b>6,924,389.00</b>	<b>1,624,989.00</b>

**(2) Long-term equity investment income accounted by equity method**

Unit: RMB Yuan

Name of investee	Reporting period	Same period of last year	Reason for increase/decrease
Naught			

**(3) Long-term equity investment income accounted by equity method**

Unit: RMB Yuan

Name of investee	Reporting period	Same period of last year	Reason for increase/decrease
Beijing Nittan Electronic Co., Ltd.	4,511,738.00	2,201,973.00	Associated company earnings increase
AOC Display technology (China) Co., Ltd.	728,584.00	0.00	Associated company profit in reporting period
Erdos BOE Energy Investment Co., Ltd.	-20,324.00	-95,615.00	Associated company loss reduced
Beijing Yingfei Hailing Investment Center	-1,170,836.00	-582,783.00	Associated company loss increase
<b>Total</b>	<b>4,049,162.00</b>	<b>1,523,575.00</b>	--

Notes of investment income: make notes if there is significant limitation for recovery of investment income. If there isn't the said limitation, notes too.

Naught

**48. Impairment losses**

Unit: RMB Yuan

Item	Reporting period	Same period of last year
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I. Bad debts losses	-4,762,214.00	358,813.00
II. Inventory falling price losses	389,938,978.00	519,336,192.00
III. Impairment losses of available-for-sale financial assets	0.00	0.00
IV. Impairment losses of held-to-maturity of investment	0.00	0.00
V. Impairment losses of long-term equity investment	0.00	0.00
VI. Impairment losses of investment property	0.00	0.00
VII. Impairment losses of fixed assets	0.00	0.00
VIII. Impairment losses of engineering materials	0.00	0.00
IX. Impairment loss of construction in progress	0.00	0.00
X. Impairment losses of productive biological assets	0.00	0.00
XI. Impairment losses of oil and gas assets	0.00	0.00
XII. Impairment losses of intangible assets	0.00	0.00
XIII. Impairment losses of goodwill	0.00	0.00
XIV. Other	0.00	0.00
Total	385,176,764.00	519,695,005.00

#### 49. Non-operating gains

(1)

Unit: RMB Yuan

Item	Reporting period	Same period of last year	The amount included in the current non-recurring gains and losses
Total gains from disposal of non-current assets	1,072,418.00	706,669.00	1,072,418.00
Including: Gains from disposal of fixed assets	1,063,257.00	706,669.00	1,063,257.00
Gains from disposal of intangible assets	0.00	0.00	0.00



Gains from debt reconstruction	0.00	0.00	0.00
Gains from non-monetary assets exchange	0.00	0.00	0.00
Acceptance of donations	0.00	0.00	0.00
Government grants	513,933,311.00	167,557,892.00	513,933,311.00
Other	33,354,476.00	37,731,868.00	33,354,476.00
<b>Total</b>	<b>548,360,205.00</b>	<b>205,996,429.00</b>	<b>548,360,205.00</b>

Note:

Naught

**(2) List of government grants recorded into current profit and loss**

Unit: RMB Yuan

Item	Reporting period	Same period of last year	Related to assets/Related to income revenue	Belong to non-recurring profit and loss or not
Discount on loan for project	18,134,285.00	13,329,564.00	Related to assets	Yes
Government grants on other science and research project	141,355,204.00	124,176,043.00	Related to assets	Yes
Government grants on other science and research project	354,443,822.00	30,052,285.00	Related to revenue	Yes
<b>Total</b>	<b>513,933,311.00</b>	<b>167,557,892.00</b>	<b>--</b>	<b>--</b>

Naught

**50. Non-operating expenses**

Unit: RMB Yuan

Item	Reporting period	Same period of last year	The amount included in the current non-recurring gains and losses
Loss on disposal of non-current assets	2,964,174.00	64,092,449.00	2,964,174.00

Including: Loss on disposal of fixed assets	2,964,174.00	64,092,449.00	2,964,174.00
Loss on disposal of intangible assets	0.00	0.00	0.00
Loss on debt reconstruction	0.00	0.00	0.00
Loss on exchange of non-monetary assets	0.00	0.00	0.00
External donation	5,000.00	1,000,000.00	5,000.00
Other	6,043,035.00	1,758,078.00	6,043,035.00
<b>Total</b>	<b>9,012,209.00</b>	<b>66,850,527.00</b>	<b>9,012,209.00</b>

Note:

Naught

## 51. Income tax expense

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Current income tax expense accounted by tax and relevant regulations	142,450,350.00	26,556,355.00
Adjustment of income tax	13,569,850.00	-3,265,519.00
<b>Total</b>	<b>156,020,200.00</b>	<b>23,290,836.00</b>

## 52. Calculation procedure of basic earnings per share and diluted earnings per share

		Jan.—Jun. 2014	
		Basic	Diluted
		EPS	EPS
Net profit/loss (RMB Yuan) attributable to common shareholders of the parent Company	a	1,041,635,714	1,041,635,714
Add: weighted average amount of common shares issued in this year	b	20,777,574,085	20,777,574,085

Basic &amp; Diluted EPS attributable to the parent Company )      c=a/b      0.050      0.050

**53. Other comprehensive income**

Unit: RMB Yuan

Item	Reporting period	Last period
1. Profits/(losses) from available-for-sale financial assets	-28,432,703.00	9,951,770.00
Less: Effects on income tax generating from available-for-sale financial assets	0.00	0.00
Net amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	0.00	0.00
Subtotal	-28,432,703.00	9,951,770.00
2. Interests in the investee entities' other comprehensive income as per equity method	0.00	0.00
Less: Effects on income tax generating from the interests in the investee entities' other comprehensive income as per equity method	0.00	0.00
Net amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	0.00	0.00
Subtotal	0.00	0.00
3. Profits/(losses) from cash flow hedging instrument	0.00	0.00
Less: Effects on income tax generating from cash flow hedging instrument	0.00	0.00
Net amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	0.00	0.00
The adjustment value that is the converted initial recognition amount of arbitrage project	0.00	0.00
Subtotal	0.00	0.00
4. Converted amount of foreign currency financial statements	1,287,347.00	-431,498.00
Less: Net value of disposal of oversea operations that recognized into current profit and loss	0.00	0.00
Subtotal	1,287,347.00	-431,498.00

5. Other	0.00	0.00
Less: Effects on income tax generating from the others that included into other comprehensive income	0.00	0.00
Net amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	0.00	0.00
Subtotal	0.00	0.00
Total	-27,145,356.00	9,520,272.00

Note:

Naught

#### 54. Notes of Cash Flow Statement

##### (1) Other cash received relevant to operating activities

Unit: RMB Yuan

Item	Amount
Government subsidies related to profits	353,236,009.00
Interest income	99,159,654.00
Guarantee money for a bid / performance bond received	52,267,837.00
Exchange income arising from carry-forward, repurchase	769,518.00
Other	173,467,579.00
Total	678,900,597.00

Notes:

Naught

##### (2) Other cash paid relevant to operating activities

Unit: RMB Yuan

Item	Amount
Daily spending paid	706,861,919.00

Exchange income arising from carry-forward, repurchase	1,156,143.00
Margin deposits	27,527,093.00
Bank service charges	7,516,752.00
Other	39,308,958.00
<b>Total</b>	<b>782,370,865.00</b>

Note:

### (3) Other cash received relevant to investment activities

Unit: RMB Yuan

Item	Amount
Interest incomes	159,855,821.00
Tender shall / guarantee money for a bid	104,879,260.00
Government subsidies related to formation of assets	129,635,609.00
Other	8,329,002.00
<b>Total</b>	<b>402,699,692.00</b>

Notes:

Naught

### (4) Other cash paid relevant to investment activities

Unit: RMB Yuan

Item	Amount
Refund on bid/performance bond / safety construction bond	15,138,000.00
Other	1,453,152.00
<b>Total</b>	<b>16,591,152.00</b>

Notes:

Naught

**(5) Other cash received relevant to financing activities**

Unit: RMB Yuan

Item	Amount
Interest income arising from deposit of guarantee money	47,313,117.00
Government subsidy related to project loan discount	849,000.00
Other	3,866.00
<b>Total</b>	<b>48,165,983.00</b>

Note:

**(6) Other cash paid relevant to financing activities**

Unit: RMB Yuan

Item	Amount
Paid the bank loan principal and interest	71,708,072.00
Bank charges	4,356,990.00
Cash receive from withdrawing the action	8,228,880.00
Paid raise interest	110,956.00
Restrictive deposit in financial institutions increased	647,494,130.00
Issuance expenses paid and the like	236,267,369.00
<b>Total</b>	<b>968,166,397.00</b>

Note:

Naught

**55. Supplementary information to cash flow statement**
**(1) Supplementary information to cash flow statement**

Unit: RMB Yuan

Supplemental information	Reporting period	Same period of last year
1. Reconciliation of net profit to net cash flows generated from operations:	--	--
Net profit	1,162,898,767.00	1,165,280,769.00
Add: Provision for assets impairments	385,176,764.00	519,693,766.00
Depreciation of fixed assets, oil-gas assets and productive biological assets	2,318,091,904.00	2,144,349,551.00
Amortization of intangible assets	105,142,402.00	67,677,116.00
Amortization of long-term deferred expense	23,631,886.00	14,394,130.00
Losses/gains on disposal of property, intangible asset and other long-term assets (gains: negative)	-4,215,514.00	62,027,597.00
Losses/gains on scrapped of fixed assets (gains: negative)	-200,112.00	539,633.00
Losses/gains from variation of fair value (gains: negative)	0.00	0.00
Financial cost (income: negative)	106,739,572.00	193,412,657.00
Investment loss (gains: negative)	-6,582,590.00	-1,624,989.00
Decrease in deferred tax assets (increase: negative)	147,688.00	185,021.00
Increase in deferred tax liabilities (decrease: negative)	-806,973.00	-3,450,540.00
Decrease in inventory (increase: negative)	-648,569,543.00	-474,697,305.00
Decrease in accounts receivable from operating activities (increase: negative)	-752,208,857.00	-1,416,916,674.00
Increase in accounts payable from operating activities (decrease: negative)	564,395,108.00	1,457,018,629.00
Others	0.00	0.00
Net cash flows generated from operating activities	3,253,640,502.00	3,727,889,361.00
2. Significant investing and financing activities without involvement of cash receipts	--	--

and payments		
Debt converted into capital		0.00
Convertible company bonds due within 1 year		0.00
Financing leased fixed assets		0.00
3. Change of cash and cash equivalent:	--	--
Closing balance of Cash	40,969,934,073.00	22,410,741,327.00
Less: opening balance of cash	16,474,975,849.00	13,556,486,692.00
Plus: closing balance of cash equivalent	0.00	0.00
Less: opening balance of cash equivalents	0.00	0.00
The net increase in cash and cash equivalents	24,494,958,224.00	8,854,254,635.00

## (2) Relevant information of acquisition or disposal of subsidiaries and other operation entities in the reporting period

Unit: RMB Yuan

Supplemental information	Reporting period	Same period of last year
I. Relevant information on acquisition of subsidiaries and other operation entities:	--	--
1. Price of acquisition of subsidiaries and other operation entities	534,815,100.00	0.00
2. Cash and cash equivalents paid for acquisition of subsidiaries and other operation entities	534,815,100.00	4,100,000,000.00
Less: Cash and cash equivalents held by subsidiaries and other operation entities	0.00	761,701,824.00
3. Net cash acquired from subsidiaries and other operation entities	534,815,100.00	0.00
4. Net assets acquired from subsidiaries	1,034,101,406.00	8,069,945,032.00
Current assets	6,035,171,422.00	5,786,863,420.00
Non-current assets	1,408,712,018.00	4,993,606,925.00
Current liabilities	6,339,062,034.00	2,400,525,313.00



Non-current liabilities	70,720,000.00	310,000,000.00
II. Relevant information on disposal of subsidiaries and other operation entities	--	--
1. Price of disposal of subsidiaries and other operation entities	0.00	0.00
2. Cash and cash equivalents received for disposal of subsidiaries and other operation entities	0.00	0.00
Less: Cash and cash equivalents held by subsidiaries and other operation entities	0.00	0.00
3. Net cash received from disposal of subsidiaries and other operation entities	0.00	0.00
4. Net assets on disposal of subsidiaries	0.00	0.00
Current assets	0.00	0.00
Non-current assets	0.00	0.00
Current liabilities	0.00	0.00
Non-current liabilities	0.00	0.00

### (3) Composition of cash and cash equivalents

Unit: RMB Yuan

Item	Reporting period	Same period of last year
I. Cash	40,969,934,073.00	16,474,975,849.00
Including: Cash on hand	372,323.00	390,112.00
Bank deposit on demand	40,969,561,750.00	16,474,585,737.00
Other monetary funds on demand	0.00	0.00
Central Bank deposit on demand	0.00	0.00
Due from banks	0.00	0.00
Call loan to banks	0.00	0.00
II. Cash equivalents	0.00	0.00

Including: bond investments due in three months	0.00	0.00
III. Closing balance of cash and cash equivalents	40,969,934,073.00	16,474,975,849.00

Notes:

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## VIII. Related party and related Transaction

### 1. Information related to parent company of the Company

Name of parent company	Relationship	Type	Registration of place	Legal representative	Business scope	Name of parent company	Proportion of share held by parent company against the Company (%)	Proportion of voting rights owned by parent company against the Company (%)	The ultimate controller of the Company	Organization code
Electronics Holding	Actual controller	Limited liability company (state-owned)	No.12 Jiuxian Bridge, Zhaoyang District, Beijing	Wang Yan	Operation and management of state-owned assets within authorization	RMB 1,307,370,000	0.78%	8.84%	State –owned Assets Supervision and Administration Commission of the State Council of the People's Government of Beijing Municipality	63364799-8
BOID	Controlling	Other limited liability company	No.10 Jiuxian Bridge, Zhaoyang District, Beijing	Wang Dongsheng	Manufacture and sale of electronic products	RMB 680,982,000	2.44%	6.65%	State –owned Assets Supervision and Administration Commission of the State Council of the	10110124-9

									People's Government of Beijing Municipality	
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## 2. Information of subsidiaries of the Company

Name	Type	Business Type	Registration of place	Legal representative	Business scope	Registered capital	Proportion of holding shares (%)	Proportion of voting rights (%)	Organization code
Beijing BOE Optoelectronics Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Chen Yanshun	Manufacture of TFT-LCD and related parts	USD 649,110,000	82.49%	82.49%	749353393
Chengdu BOE Optoelectronics Technology Co., Ltd.	Controlling subsidiary	Other limited liability company	Chengdu, China	Zhang Zhaohong	Manufacture of TFT-LCD and related parts	RMB 1,830,000,000	100.00%	100.00%	667556648
Hefei BOE Optoelectronics Technology Co., Ltd	Controlling subsidiary	Limited liability company (Solely-owned by legal person)	Hefei, China	Chen Yanshun	Manufacture of TFT-LCD and related parts	RMB 9,000,000,000	100.00%	100.00%	680822891
Beijing BOE Display Technology Co., Ltd. (BOE Display)	Controlling subsidiary	Other limited liability company	Beijing, China	Wang Dongsheng	Manufacture of TFT-LCD and related parts	RMB 17,377,199,300	99.01%	99.01%	684351388
Hebei Xinsheng	Controlling	Other limited	Hefei, China	Chen Yanshun	Manufacture of	RMB	79.49%	79.49%	694100662

Optoelectronics Technology Co., Ltd.	subsidiary	liability company			TFT-LCD and related parts	19,500,000,000			
BOE (Hebei) Mobile Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Langfang, China	Liu Xiaodong	Manufacture of electronic components	USD 84,150,000	94.06%	94.06%	785747138
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Liu Xiaodong	Manufacture of electronic components	USD 5,000,000	75.00%	75.00%	737650243
Beijing BOE Special Display Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Sun Shenglin	Development of display products and sale of electronic products	RMB 80,000,000	100.00%	100.00%	700222069
Beijing BOE Vacuum Electronics Co., Ltd.	Controlling subsidiary	Other limited liability company	Beijing, China	Ren Jianchang	Manufacture of electronic vacuum components	RMB 35,000,000	55.00%	55.00%	633709503
Beijing BOE Vacuum Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Zhou Yuan	Manufacture of electronic vacuum components	RMB 32,000,000	100.00%	100.00%	660506306
Beijing BOE Land Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Wang Yanjun	Property management	RMB 55,420,000	70.00%	70.00%	600038889
Beijing Yinghe	Controlling	Other limited	Beijing, China	Wang Yanjun	Property	RMB	100.00%	100.00%	600066484

Century Co., Ltd.	subsidiary	liability company			management	233,105,200			
Beijing BOE Multimedia Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Chen Yanshun	Sales of electronic products	RMB 400,000,000	100.00%	100.00%	695042257
Beijing Asahi Glass Electronics Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Wang Yanjun	Manufacture of optoelectronic components and electronic components	RMB 61,576,840	100.00%	100.00%	600015572
Beijing BOE Marketing Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Li Xuezheng	Sales of electronic products	RMB 500,000	100.00%	100.00%	791607561
Beijing BOE Energy Science and Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Li Xiao	Merger and application of PV system	RMB 50,000,000	100.00%	100.00%	69321350X
Beijing Matsushita Color CRT Co., Ltd.	Controlling subsidiary	Other limited liability company	Beijing, China	Chen Yanshun	Property management	RMB 1,240,754,049	88.80%	88.80%	600000143
BOE (Korea) Co., Ltd.	Controlling subsidiary	Limited liability company	Seongnam, Gyeonggi-do, Korea	Li Xuezheng	Sales of electronic products	USD 100,000	100.00%	100.00%	410665718
BOE Optoelectronics Holding Co., Ltd.	Controlling subsidiary	Limited liability company	BVI	Chen Yanshun	Design, manufacture, trade and investment of electronic	USD 600,000	100.00%	100.00%	09266572X

					information industry				
Beijing BOE Digital Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Wang Dongsheng	Home films and television, equipment manufacture	USD 10,000,000	75.00%	75.00%	600086442
BOE Light Technology, Co., Ltd.	Controlling subsidiary	Limited liability company	Suzhou, China	Lu Rui	Manufacture of electronics and relevant component	RMB 337,710,424	90.51%	90.51%	735740093
Beijing BOE Vision-electronic Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Lu Rui	R&D, manufacture and sales of electronic products	RMB 560,000,000	100.00%	100.00%	694956807
Beijing BOE Semi-conductor	Controlling subsidiary	Limited liability company	Beijing, China	Cao Hong	Manufacture of optoelectronics components and other electronic components	RMB 11,700,000	80.77%	80.77%	101711477
Erdos Yuansheng Optoelectronics Co., Ltd.	Controlling subsidiary	Limited liability company	Erdos, China	Chen Yanshun	Active matrix organic light emitting diode display device	RMB 6,104,000,000	100.00%	100.00%	575664748
Beijing Zhongpingxun Technology Co., Ltd.	Controlling subsidiary	Limited liability company	Beijing, China	Wang Yanjun	Property management	RMB 10,000,000	100.00%	100.00%	57522132-2
Beijing	Controlling	Limited liability	Beijing, China	Wang Yanjun	Property	RMB 10,000,000	100.00%	100.00%	57532230-6

Zhongxiangying Technology Co., Ltd.	subsidiary	company			management				
Chongqing BOE Optoelectronics Technology Co., Ltd	Controlling subsidiary	Limited liability company	Chongqing, China	Chen Yanshun	Investment, construction, R&D, production and sales of new type of semiconductor display device, complete machine and related products	RMB 7,326,000,000	93.17%	93.17%	059893448

### 3. Information of joint ventures and associated enterprise

Name of investee	Business type	Registered address	Legal representative	Business nature	Registered capital	Percentage of shareholding (%)	Percentage of voting rights (%)	Relationship	Organization code
I. Joint venture									
II. Associated enterprise									
Beijing Nissin Electronics Precision Component Co., Ltd.	Limited liability company	Beijing, China	Liang Xinqing	Development and manufacture of electron gun and its components; sales of self-made products	USD 13,300,000	27.04%	27.04%	Associated corporation	600042335
Beijing Nittan Electronics Co., Ltd.	Limited liability company	Beijing, China	Liang Xinqing	Development and production of terminal,	USD 2,000,000	40.00%	40.00%	Associated corporation	600042036



				connector, pressure machine; sales of self-made products					
Beijing Yingfei Hailing Venture Investment and Management Co., Ltd.	Limited liability company	Beijing, China	Wang Dongsheng	Investment management, assets management and investment consultancy	RMB 1,000,000	35.00%	35.00%	Associated corporation	587743347
ErDOS BOE Energy Investment Co., Ltd.	Other limited liability company	ErDOS, China	Wang Yanjun	Energy investment	RMB 50,000,000	20.00%	20.00%	Associated corporation	581759030
Beijing Yingfei Hailing Investment Center	Limited partnership	Beijing, China	Wang Dongsheng	Project investment, investment advisory, investment management	Inapplicable	40.00%	40.00%	Associated enterprise	597670532
TPV Display Technology (China) Co., Ltd.	Limited Liability Company	Beijing, China	Xie Jicong	Development, production and sales of LCD digital television, LCD, plasma, digital television, liquid crystal display modules & components	USD 21,739,100	8.00%	8.00%	Associated corporation	551352539

				and semi-finished product suite and production of mold					
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**4. Information of other related parties of the Company**

Name of other related party	Relationship	Organization code
Beijing State-owned Assets Management Co., Ltd.	Corporation that holds over 5% shares of the Company	68435529-0
Being E-TOWN International Investment & Development Co., Ltd.	Corporation that holds over 5% shares of the Company	10112832-9
Beijing Economic-Technological Investment & Development Corp.	Corporation controlled by the same ultimate controlling company	101514043
Beijing Sevenstar Huasheng Electronics Machinery Co., Ltd.	Corporation controlled by the same ultimate controlling company	774078573
Beijing Senvenstar Front Electronics Co., Ltd.	Corporation controlled by the same ultimate controlling company	76675202X
Beijing Sevenstar Huachuang Integrated Circuit Equipment Co., Ltd.	Corporation controlled by the same ultimate controlling company	668436971
Beijing Sevenstar Hongtai Electronics Equipment Co., Ltd.	Corporation controlled by the same ultimate controlling company	783954088
Beijing Sevenstar Electronics Co.,Ltd.	Corporation controlled by the same ultimate controlling company	726377528
Beijing Sevenstar Flight Electronic Co., Ltd.	Corporation controlled by the same ultimate controlling company	717781924
Beijing Jile Electronics Group Co., Ltd.	Corporation controlled by the same ultimate controlling company	101209006
Beijing BBEF Science & Technology Co., Ltd.	Corporation controlled by the same ultimate controlling company	726341699
Beijing Zhengdong Electronic Power Group Co., Ltd.	Corporation controlled by the same ultimate controlling company	101101150
Beijing YanDong Microelectronics Co., Ltd.	Corporation controlled by the same ultimate controlling company	101125734
Beijing Oriental Electronic Materials Co., Ltd.	Corporation controlled by the same ultimate controlling company	10171140X
Beijing Dongdian Industrial Development Co., Ltd.	Corporation controlled by the same ultimate controlling company	101832586
Beijing PCB Source Corporation	Corporation controlled by the same ultimate controlling company	71774666X
Beijing Xinyihua Technology Co., Ltd.	Associated individual in the entity performed as a senior management personnel	067278840
Hefei Xinyihua Intelligent Machine Co.,	Associated individual in the entity	073945216

Ltd.	performed as a senior management personnel	
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Note:

## 5. Related-party transactions

### (1) Purchase of goods and acceptance of service

Unit: RMB Yuan

Related party	Content of the transaction	Pricing method and decision-making procedures for the transaction	Reporting period		Same period of last year	
			Amount	Proportion (%)	Amount	Proportion (%)
Beijing Electronics Holding Co., Ltd and its subsidiaries	Supplemental raw materials	Based on market price and pricing after fair discussion by each party.	118,009,222.00	0.61%	27,970,000.00	0.24%
Beijing Electronics Holding Co., Ltd and its subsidiaries	Repair and transformation, service and processing	Based on market price and pricing after fair discussion by each party.	1,015,136.03	0.88%	1,360,000.00	0.29%
Beijing Nissin Electronics Precision Component Co., Ltd.	Metal frame, lampshade	Based on market price and pricing after fair discussion by each party.	1,118,865.00	0.01%	3,710,000.00	0.03%
Hefei Xin Yi Hua Intelligent Machine Co., Ltd.	Equipment	Based on market price and pricing after fair discussion by each party.	4,563,000.00	0.02%	0.00	0.00%

Sales of goods and rendering of service

Unit: RMB Yuan

Related party	Content of the transaction	Pricing method and decision-making procedures for the transaction	Reporting period		Same period of last year	
			Amount	Proportion (%)	Amount	Proportion (%)
Electronics Holding and its subsidiaries	Products, power, energy	Based on market price and pricing after fair	133,135.00	0.00%	90,000.00	0%

		discussion by each party.				
Beijing Nittan Electronic Co., Ltd.	Products, power, energy	Based on market price and pricing after fair discussion by each party.	366,008.00	0.00%	400,000.00	0.05%
TPV Display Technology (China) Co., Ltd.	Products	Based on market price and pricing after fair discussion by each party.	230,994,417.00	1.02%	0.00	0.00%
Hefei Xin Yi Hua Intelligent Machine Co., Ltd.	Render service	Based on market price and pricing after fair discussion by each party.	13,800.00	0.33%	0.00	0.00%

**(2) Related deposit/contract**

Naught

**(3) Related leased items**

Leased items of the company

Unit: RMB Yuan

Name of lesser	Name of lessee	Category of leased assets	Start date of lease	End date of lease	Pricing evidence of lease income	The lease income confirmed in the report period
BOE Technology Group Co., Ltd.	Beijing Nittan Electronic Co., Ltd.	House	1 Jan. 2012	26 Nov. 2015	Lease contract	708,591.00
BOE Technology Group Co., Ltd.	Beijing Dongdian Industrial Development Co., Ltd.	House	1 Sep. 2013	31 Aug. 2014	Lease contract	37,824.00
BOE Technology Group Co., Ltd.	Beijing Dongdian Industrial Development Co., Ltd.	House	1 Jan. 2014	31 Dec. 2014	Lease contract	13,315.00
BOE Technology Group Co., Ltd.	Beijing Dongdian Industrial Development Co., Ltd.	House	24 Jun. 2012	23 Jun. 2015	Lease contract	343,044.00

**(4) Related-party guarantee**

Naught

**(5) Inter-bank lending capital by related party**

Naught

**(6) Asset assignment and debt restructuring of related party**

Naught

**(7) Other related transactions**

Naught

**6. Accounts receivable and payable of related parties**

Accounts receivable and prepaid of listed related parties

Unit: RMB Yuan

Name	Related party	Closing balance		Opening balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Electronics Holding and its subsidiaries	644,679.00	66,118.00	369,118.00	66,118.00
Accounts receivable	Beijing Nissin Electronics Precision Component Co., Ltd.	556,227.00	0.00	556,227.00	0.00
Accounts receivable	Beijing Nittan Electronic Co., Ltd.	19,558.00	0.00	308,104.00	0.00
Other accounts receivable	Electronics Holding and its subsidiaries	161,983.00	0.00	127,900.00	0.00
Prepayment	Electronics Holding and its subsidiaries	0.00	0.00	1,054,304.00	0.00
Accounts receivable	TPV Display Technology (China) Co., Ltd.	121,674,973.00	0.00	17,445,784.00	0.00

Amount due to listed related parties

Unit: RMB Yuan

Name	Related party	Closing balance	Opening balance
Accounts payable	Electronics Holding and its subsidiaries	57,928,188.00	18,033,100.00
Other accounts payable	Electronics Holding and its subsidiaries	9,589,725.00	9,674,243.00
Accounts payable	Beijing Nissin Electronics Precision Component Co., Ltd.	57,269.00	2,164,650.00
Other accounts payable	Beijing Nissin Electronics Precision Component Co., Ltd.	15,000.00	15,000.00
Accounts payable	Hefei Xin Yi Hua Intelligent	456,300.00	0.00

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	Machine Co., Ltd.		
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## IX. Contingencies

### 1. Contingent liability and financial impacts caused by pending action or arbitration

Naught

### 2. Contingent liability and financial impacts caused by provision of guarantee for other company

Naught

## X. Commitments

### 1. Significant commitments

#### (1) Capital commitments

	30 Jun. 2014	31, Dec, 2013
External investment contracts entered into but not performed or partially performed	13,613,142,482	12,703,040,205
External investment contracts authorized but not entered into contact	29,486,394,106	10,003,636,566
<b>Total</b>	<b>43,099,536,588</b>	<b>22,706,676,771</b>

#### (2) Operating commitments

	30 Jun. 2014	31, Dec, 2013
Within 1 year (including 1 year)	3,806,338	10,818,146
1 years to 2 years (including 2 year)	2,540,119	4,918,939
2 years to 3 years (including 2 year)	1,856,425	1,847,096
Over 3 years	2,924,569	3,109,279
<b>Total</b>	<b>11,127,451</b>	<b>20,693,460</b>

### 2. Fulfillment of previous commitments

They were fulfilled as scheduled in the contracts.

## XI. Events after the balance sheet date

### 1. Significant events after the balance sheet date

Naught

Unit: RMB Yuan

Item	Content	Impacts on the financial situation and operation results	Reason of fail to estimate the impacts
Matters to provide guarantee for subsidiary	According to July 25, 2014 the Second interim shareholders meeting "the motion about providing security to the subsidiaries", BOE will provide guarantee which equals to RMB 53.2 billion for the loan of Hefei BOE, Heifei Xinsheng, BOE display, Yuan Sheng Optoelectronics, Chongqing BOE and long-term guarantee amount of Heifei Xinsheng and Chongqing BOE. Until now, the relevant guarantee agreemeynt	Naught	—



	have not yet been signed.		
Matters regarding short-term break even financial services	According to August 14,2014 the Second interim shareholders meeting “proposal about break-even financial service”, in the premise that the sufficient fund for daily operations and risk control, short-term break even financial services will be used its own funds no more than 2.5 billion yuan. The limit for the fund can be used repeated. At present, our Group is actively preparing the prior period of financial services that will be lauched recently.	Naught	—
Matters regarding the acquisition of part of the shares of Beijing BOE Optoelectronics Technology Co., Ltd.	According to June 25,2014 Seventh 15 <sup>th</sup> the Board Directors meeting “the emotion about acquisition of Beijing BOE Optoelectronics Technology Co., Ltd.”, our Group is going to acquired 17.51% of HYDIS Technology Co., Ltd. (hereinafter referred to as HYDIS) stock rights. Until now, the equity acquisition is in progress.	Naught	—

## XII. Other significant events

### 1. Assets and liabilities measured by fair value

Unit: RMB Yuan

Item	Opening amount	Changes of gains and losses of fair value in the reporting period	Accumulative changes of fair value included in equity	Withdrawn impairment in reporting period	Closing amount
<b>Financial assets</b>					
1.Financial assets recognized into current gains and losses by calculated in fair value (excluded derivative financial assets)	0.00	0.00	0.00	0.00	0.00
2.Derivative financial assets	0.00	0.00	0.00	0.00	0.00
3.Available-for-sale financial assets	254,506,569.00	0.00	-28,432,703.00	0.00	226,073,866.00
Subtotal of financial assets	254,506,569.00	0.00	-28,432,703.00	0.00	226,073,866.00
Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>254,506,569.00</b>	<b>0.00</b>	<b>-28,432,703.00</b>	<b>0.00</b>	<b>226,073,866.00</b>
<b>Financial liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**2. Foreign financial assets and financial liability**

Unit: RMB Yuan

Item	Opening amount	Changes of gains and losses of fair value in the reporting period	Accumulative changes of fair value included in equity	Withdrawn impairment in reporting period	Closing amount
<b>Financial assets</b>					
Available-for-sale financial assets	139,225,722.00	0.00	-9,382,888.00	0.00	129,842,834.00
Subtotal of financial assets	139,225,722.00	0.00	-9,382,888.00	0.00	129,842,834.00

**XIII. Notes to the financial statements of the Company**
**1. Accounts receivable**
**(1) Accounts receivable**

Unit: RMB Yuan

Items	Closing balance				Opening balance			
	Book value		Provision for bad debts		Book value		Provision for bad debts	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Accounts receivable with significant single amount and individually withdrawn bad debt provision	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Accounts receivable for which bad debt provisions are made on the group basis</b>								
Credit risk groups	36,231,337.00	56.47%	0.00	0.00%	34,922,928.00	56.16%	0.00	0.00%
Subtotal of the groups	36,231,337.00	56.47%	0.00	0.00%	34,922,928.00	56.16%	0.00	0.00%
Accounts receivable with insignificant single amount but individually withdrawn bad debt provision	27,927,842.00	43.53%	3,228,395.00	11.56%	27,261,861.00	43.84%	3,228,395.00	11.84%
<b>Total</b>	<b>64,159,179.00</b>	<b>--</b>	<b>3,228,395.00</b>	<b>--</b>	<b>62,184,789.00</b>	<b>--</b>	<b>3,228,395.00</b>	<b>--</b>

Notes to category of accounts receivable:

Naught

Accounts receivable with significant single amount and individually withdrawn bad debt provision at period-end

Applicable Inapplicable

In the groups, accounts receivable adopting aging analysis method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, accounts receivable adopting balance percentage method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, accounts receivable adopting other methods to withdraw bad debt provision:

Applicable Inapplicable

Unit: RMB Yuan

Name of the group	Book balance	Bad debts provision
Group of credit risks	36,231,337.00	0.00
Total	36,231,337.00	0.00

Accounts receivable with insignificant single amount and individually withdrawn bad debt provision at period-end

Applicable Inapplicable

Unit: RMB Yuan

Content of accounts receivable	Book balance	Bad debts provision	Withdrawal proportion	Withdrawal reason
Payment for goods	27,927,842.00	3,228,395.00	11.56%	Calculated by recoverable amount
Total	27,927,842.00	3,228,395.00	--	--

## (2) Information of accounts receivable reversed or recovered in the report period

Unit: RMB Yuan

Content of accounts receivable	Reason for reversal or recovery	Basis on recognition of provision for bad debts	Withdrawal amount of bad debt provision before the reversal or recovery	Reversed or recovered amount
Naught				

The withdrawal of bad debt provision of accounts receivable with significant single amount or insignificant single amount but individually made impairment test at the end of report period:

Unit: RMB Yuan

Content of accounts receivable	Book balance	Amount of bad debts	Withdrawal proportion (%)	Reason
Payment for goods	27,927,842.00	3,228,395.00	11.56%	Calculated by recoverable amount
Total	27,927,842.00	3,228,395.00	--	--

Notes to accounts receivable with insignificant single amount but large risks of groups after grouping by credit risks characteristics:

Naught

**(3) Accounts receivable that written off in the reporting period**

Unit: RMB Yuan

Entity	Nature	Time	Amount	Reason	Whether occurred because of related party transactions
Naught					

Note:

Naught

**(4) Accounts receivable of shareholders with more than 5% (including 5%) of the voting shares of the Company in reporting period**

Unit: RMB Yuan

Entity	Closing amount		Opening amount	
	Book balance	Bad debt provision	Book balance	Bad debt provision
Naught				

**(5) Nature or content of other receivables with large amounts**

Naught

**(6) Accounts receivable due to the top five entities**

Unit: RMB Yuan

Name of company	Relationship	Amount	Term	Proportion (%)
Customer 1	Subsidiary	21,869,829.00	1 Within 1 year /1-2 years /2-3 years	34.09%
Customer 2	Subsidiary	20,776,775.00	1 Within 1 year /1-2 years /2-3 years /over 3 years	32.38%
Customer 3	Non-related party	3,753,911.00	Within 1 year	5.85%
Customer 4	Subsidiary	3,041,660.00	Within 1 year	4.74%
Customer 5	Non-related party	2,672,218.00	Within 1 year	4.16%
Total	--	52,114,393.00	--	81.22%

**(7) Accounts receivable due from related parties**

Unit: RMB Yuan

Name of company	Relationship	Amount	Proportion (%)
Related party 1	Subsidiary	21,869,829.00	34.09%

Related party 2	Subsidiary	20,776,775.00	32.38%
Related party 3	Subsidiary	3,920,099.00	6.11%
Related party 4	Ultimate control and its affiliated enterprises	179,303.00	0.28%
Related party 5	Associated company	65,565.00	0.10%
Other	Subsidiary	5,221,120.00	8.14%
<b>Total</b>	<b>--</b>	<b>52,032,691.00</b>	<b>81.10%</b>

**(8)**

Transfer amount of account receivable not qualify for derecognition conditions was RMB 0.00

**(9) Account receivable for the asset securitization need to briefly explain Related arrangement**

Naught

**2. Other accounts receivable**

**(1) Other accounts receivable**

Unit: RMB Yuan

Category	Closing balance				Opening balance			
	Book balance		Bad debt provision		Book balance		Bad debt provision	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Other accounts receivable with significant single amount and individually withdrawn bad debt provision	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)	0.00%
Other accounts receivable for which bad debt provisions are made on the group basis								
Group of credit risks	302,269,544.00	100.00%	0.00	0.00%	508,906,713.00	100.00%	0.00	0.00%
Subtotal of the groups	302,269,544.00	100.00%	0.00	0.00%	508,906,713.00	100.00%	0.00	0.00%
Other accounts receivable with insignificant single amount but individually withdrawn bad debt provision	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Total</b>	<b>302,269,544.00</b>	<b>--</b>	<b>0.00</b>	<b>--</b>	<b>508,906,713.00</b>	<b>--</b>	<b>0.00</b>	<b>--</b>

Notes:

Naught

Other accounts receivable with significant single amount and individually withdrawn bad debt provision at period-end:

Applicable Inapplicable

In the groups, other accounts receivable adopting aging analysis method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, other accounts receivable adopting balance percentage method to withdraw bad debt provision:

Applicable Inapplicable

In the groups, other accounts receivable adopting other methods to withdraw bad debt provision:

Applicable Inapplicable

Unit: RMB Yuan

Name of the groups	Book balance	Bad debts of provision
Group of credit risks	302,269,544.00	0.00
Total	302,269,544.00	0.00

Other accounts receivable with insignificant single amount but individually withdrawn bad debt provision at period-end:

Applicable Inapplicable

## (2) Other accounts receivable returned or collected during the reporting period

Unit: RMB Yuan

Content	Reason of returned or collected	Basic of recognizing the original bad debt provision	Accumulative amount of bad debt provision before returned or collected	Amount of returned or collected
Naught				

Other account receivable with significant or insignificant single amount but individually made impairment test at the end of reporting period

Unit: RMB Yuan

Content of other accounts receivable	Book balance	Amount of bad debts	Withdrawal proportion (%)	Reason
Naught				

Notes to accounts receivable with insignificant single amount but large risks of groups after grouping by credit risks characteristics:

Naught

## (3) Other Accounts receivable that written off in the reporting period

Unit: RMB Yuan

Entity	Nature	Time	Amount	Reason	Whether occurred because of related party transactions
Naught					

Note:

Naught

**(4) Other accounts receivable of shareholders with more than 5% (including 5%) of the voting shares of the Company in reporting period**

Unit: RMB Yuan

Entity	Closing amount		Opening amount	
	Book balance	Bad provision	Book balance	Bad provision
Naught				

**(5) Nature or content of other receivables with large amounts**

Naught

**(6) Other accounts receivable due to the top five entities**

Unit: RMB Yuan

Name of company	Relationship	Amount	Term	Proportion (%)
Customer 1	Subsidiary	189,702,568.00	Within 1year/1 to 2years	62.76%
Customer 2	Subsidiary	19,742,826.00	2-3 years	6.53%
Customer 3	Non-related party	16,495,000.00	2-3 years	5.46%
Customer 4	Subsidiary	7,600,000.00	Within 1year	2.51%
Customer 5	Subsidiary	6,274,268.00	Within 1year	2.08%
Total	--	239,814,662.00	--	79.34%

**(7) Other account receivable due from related parties**

Unit: RMB Yuan

Name of company	Relationship	Amount	Proportion (%)
Related party 1	Subsidiary	189,702,568.00	62.76%
Related party 2	Subsidiary	19,742,826.00	6.53%
Related party 3	Subsidiary	7,600,000.00	2.51%
Related party 4	Subsidiary	6,274,268.00	2.08%
Other	Subsidiary	13,194,637.00	4.37%
Total	--	236,514,299.00	78.25%

(8)

Transfer amount of account receivable not qualify for derecognition conditions was RMB 0.00

(9) **Account receivable for the asset securitization need to briefly explain Related arrangement**

Naught



**3. Long-term equity investments**

Unit: RMB Yuan

Investee	Accounting method	Initial investment cost	Opening balance	Increasing or decreasing amount	Closing balance	Shareholding proportion for investee (%)	Voting power proportion for investee (%)	Reasons for inconformity between Shareholding proportion and Voting power proportion	Depreciation reserves	Withdrawal of depreciation reserves for this period	Cash dividends for this period
Beijing BOE Vacuum Electronics Co., Ltd.	Cost method	19,250,000.00	19,250,000.00	0.00	19,250,000.00	55.00%	55.00%	No	0.00	0.00	0.00
Beijing Yinghe Century Land Co., Ltd.("Yinghe Century	Cost method	333,037,433.00	333,037,433.00	0.00	333,037,433.00	100.00%	100.00%	No	0.00	0.00	0.00
Beijing BOE Semi-conductor	Cost method	9,450,000.00	9,450,000.00	0.00	9,450,000.00	80.77%	80.77%	No	0.00	0.00	0.00
BOE Optoelectronics Technology Co., Ltd. (Optoelectronics Technology)	Cost method	329,961,914.00	329,961,914.00	0.00	329,961,914.00	90.51%	90.51%	No	0.00	0.00	0.00
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	Cost method	31,038,525.00	31,038,525.00	0.00	31,038,525.00	75.00%	75.00%	No	0.00	0.00	0.00
BOE (Hebei) Mobile Technology Co., Ltd	Cost method	518,140,140.00	518,140,140.00	0.00	518,140,140.00	94.06%	94.06%	No	0.00	0.00	0.00
Beijing BOE Land Co.,	Cost	7,731,474.00	7,731,474.00	0.00	7,731,474.00	70.00%	70.00%	No	0.00	0.00	0.00

Ltd.	method											
Beijing Zhongxiangying Technology Co., Ltd.	Cost method	10,000,000.00	10,000,000.00	0.00	10,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing Zhongpingxun Technology Co., Ltd.	Cost method	10,000,000.00	10,000,000.00	0.00	10,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE Optoelectronics Technology Co., Ltd.	Cost method	4,172,288,084.00	4,172,288,084.00	0.00	4,172,288,084.00	82.49%	82.49%	No	0.00	0.00	0.00	
Beijing BOE Special Display Technology Co., Ltd (" Special Display ")	Cost method	80,000,000.00	80,000,000.00	0.00	80,000,000.00	100.00%	100.00%	No	60,000,000.00	0.00	0.00	
BOE Optoelectronics Holding Co., Ltd.	Cost method	1,984,685.00	1,984,685.00	0.00	1,984,685.00	100.00%	100.00%	No	0.00	0.00	0.00	
BOE (Korea) Co., Ltd.	Cost method	788,450.00	788,450.00	0.00	788,450.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE marketing co., LTD	Cost method	500,000.00	500,000.00	0.00	500,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE Digital Technology Co., Ltd	Cost method	12,416,550.00	12,416,550.00	0.00	12,416,550.00	75.00%	75.00%	No	12,416,550.00	0.00	0.00	
Beijing BOE Vacuum Technology Co., Ltd.(" Vacuum Technology ")	Cost method	32,000,000.00	32,000,000.00	0.00	32,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing Asahi Glass Electronics Co., Ltd.(" Asahi Glass ")	Cost method	30,888,470.00	30,888,470.00	0.00	30,888,470.00	100.00%	100.00%	No	0.00	0.00	0.00	
Chengdu BOE Optoelectronics	Cost method	1,833,149,991.00	1,833,149,991.00	0.00	1,833,149,991.00	100.00%	100.00%	No	0.00	0.00	0.00	

Technology Co., Ltd.("Optoelectronics Technology ")												
Hefei BOE Optoelectronics Technology Co., Ltd.("Hefei Optoelectronics")	Cost method	9,000,000,000.00	9,000,000,000.00	0.00	9,000,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing Matsushita Color CRT Co., Ltd.("Matsushita Color ")	Cost method	424,823,089.00	424,823,089.00	0.00	424,823,089.00	88.80%	88.80%	No	0.00	0.00	0.00	
Beijing BOE Multimedia Technology Co. Ltd.("Multimedia Technology ")	Cost method	400,000,000.00	400,000,000.00	0.00	400,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE Energy Science and Technology Co., Ltd	Cost method	50,000,000.00	50,000,000.00	0.00	50,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE Vision-electronic Co., Ltd.("Vision-electronic ")	Cost method	560,000,000.00	560,000,000.00	0.00	560,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	
Beijing BOE Display Technology Co., Ltd. (BOE Display)(" Display Technology ")	Cost method	17,237,999,999.00	8,705,000,000.00	8,532,999,999.00	17,237,999,999.00	99.01%	99.01%	No	0.00	0.00	0.00	
Erdos Yuansheng Optoelectronics Co., Ltd.(" Yuansheng Optoelectronics ")	Cost method	6,104,000,000.00	3,604,000,000.00	2,500,000,000.00	6,104,000,000.00	100.00%	100.00%	No	0.00	0.00	0.00	

ErDOS Hao Sheng Energy Investment co., LTD("Hao Sheng Energy ")	Cost method	2,000,000.00	2,000,000.00	0.00	2,000,000.00	20.00%	100.00%	Our company, Hefei BOE and BOE Display providing RMB 2000000 yuan, 6500000 yuan and 1500000 yuan jointly funded Hao Sheng Energy. The company has 20% direct vote, and 80% indirect vote through subsidiaries.	0.00	0.00	0.00
Hefei Xinsheng Optoelectronics Technology co., LTD ("Hefei Xinsheng")	Cost method	15,495,000,000.00	6,000,000,000.00	9,495,000,000.00	15,495,000,000.00	79.49%	79.49%	No	0.00	0.00	0.00
Chongqing BOE Optoelectronics Technology Co. Ltd("	Cost method	6,839,669,199.00	4,854,099.00	6,834,815,100.00	6,839,669,199.00	93.17%	93.17%	No	0.00	0.00	0.00

Chongqing BOE")												
Beijing Nissin Electronics Precision Component Co., Ltd.	Equity method	18,613,234.00	0.00	0.00	0.00	27.04%	27.04%	No	0.00	0.00	0.00	
Beijing Nittan Electronics Co., Ltd.	Equity method	6,650,640.00	20,814,107.00	3,671,740.00	24,485,847.00	40.00%	40.00%	No	0.00	0.00	840,000.00	
Beijing Yin Fei Hai Lin Investment Management Co., Ltd.(" Yin Fei Hai Lin ")	Equity method	350,000.00	0.00	0.00	0.00	35.00%	35.00%	No	0.00	0.00	0.00	
Erdos BOE energy investment Co., Ltd. (" BOE energy investment ")	Equity method	2,000,000.00	9,511,000.00	-20,324.00	9,490,676.00	20.00%	20.00%	No	0.00	0.00	0.00	
Beijing Yin Fei Hai Lin investment centre	Equity method	30,000,000.00	28,178,429.00	-1,170,836.00	27,007,593.00	40.00%	40.00%	No	0.00	0.00	0.00	
TPV Display Technology (China) Co., Ltd.	Equity method	10,851,114.00	9,802,416.00	728,584.00	10,531,000.00	8.00%	8.00%	No	0.00	0.00	0.00	
Teralane Semiconductor Inc	Cost method	11,868,000.00	11,868,000.00	0.00	11,868,000.00	7.29%	7.29%	No	0.00	0.00	0.00	
Beijing Digital TV National Engineering Laboratory co., LTD	Cost method	6,250,000.00	6,250,000.00	0.00	6,250,000.00	12.50%	12.50%	No	0.00	0.00	0.00	
Zhejiang BOE Display Technology co., LTD	Cost method	106,391,635.00	106,391,635.00	0.00	106,391,635.00	7.03%	7.03%	No	105,821,603.00	0.00	0.00	
Other	Cost	180,000.00	180,000.00	0.00	180,000.00	0.00%	0.00%	No	180,000.00	0.00	0.00	

	method										
Total	--	63,739,272,626.00	36,376,298,491.00	27,366,024,263.00	63,742,322,754.00	--	--	--	178,418,153.00	0.00	840,000.00

Notes:

Naught

#### 4. Revenue and Cost of Sales

##### (1) Revenue, Cost of Sales

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Main business revenue	0.00	4,116,232.00
Other business revenue	394,606,138.00	218,014,089.00
Total	394,606,138.00	222,130,321.00
Cost of sales	56,752,883.00	56,605,491.00

##### (2) Main business (Classified by industry)

Unit: RMB Yuan

Industry	Reporting period		Same period of last year	
	Revenue of sales	Cots of sales	Revenue of sales	Cots of sales
Other business	0.00	0.00	4,116,232.00	3,304,074.00
Total	0.00	0.00	4,116,232.00	3,304,074.00

##### (3) Main business (Classified by product)

Unit: RMB Yuan

Product	Reporting period		Same period of last year	
	Revenue of sales	Costs of sales	Revenue of sales	Costs of sales
Other business	0.00	0.00	4,116,232.00	3,304,074.00
Total	0.00	0.00	4,116,232.00	3,304,074.00

##### (4) Main business (Classified by area)

Unit: RMB Yuan

Area	Reporting period		Same period of last year	
	Revenue of sales	Costs of sales	Revenue of sales	Costs of sales
Other business	0.00	0.00	4,116,232.00	3,304,074.00
Total	0.00	0.00	4,116,232.00	3,304,074.00

##### (5) Revenue of sales from the top five customers

Unit: RMB Yuan

Customers	Total revenue of sales	Proportion of total
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		revenue of sales (%)
Customer1	8,685,333.00	2.00%
Customer2	10,202,337.00	3.00%
Customer3	1,437,107.00	0.00%
Customer4	1,154,063.00	0.00%
Customer5	1,296,041.00	0.00%
<b>Total</b>	<b>22,774,881.00</b>	<b>5.00%</b>

Notes:

Naught

## 5. Investment income

### (1) List of investment income

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Long-term equity investment income accounted by cost method	0.00	0.00
Long-term equity investment income accounted by equity method	4,049,161.00	-545,119.00
Investment income arising from disposal of long-term equity investments	0.00	0.00
Investment income received from holding of trading financial assets	0.00	0.00
Investment income received from holding of held-to-maturity investments	0.00	0.00
Investment income received from holding of available-for-sale financial assets	2,533,429.00	2,170,108.00
Investment income received from disposal of trading financial assets	0.00	0.00
Investment income received from holding of held-to-maturity investments	0.00	0.00
Investment income received from available-for-sale financial assets	0.00	0.00
Other	0.00	0.00
<b>Total</b>	<b>6,582,590.00</b>	<b>1,624,989.00</b>

### (2) Long-term equity investment income accounted by cost method

Unit: RMB Yuan

Name of investee	Reporting period	Same period of last	Reason for increase/decrease YoY
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		year	
Naught			

### (3) Long-term equity investment income accounted by equity method

Unit: RMB Yuan

Name of investee	Reporting period	Same period of last year	Reason for increase/decrease YoY
Nittan Electronics	4,511,738.00	2,201,973.00	Associated corporation earnings increased
TPV Display Technology (China) Co., Ltd.	728,584.00	0.00	Associated corporation profited in reporting period
Ordos BOE Energy Investment Co., Ltd.	-20,324.00	-95,615.00	Associated corporation loss decreased
Beijing Yingfei HaiLin Investment Center	-1,170,836.00	-582,783.00	Associated corporation loss increased
<b>Total</b>	<b>4,049,162.00</b>	<b>1,523,575.00</b>	<b>--</b>

Note

Naught

## 6. Supplemental information of Cash Flow Statement

Unit: RMB Yuan

Supplemental information	Reporting period	Same period of last year
1. Reconciliation of net profit to net cash flows generated from operations:	--	--
Net profit	28,034,589.00	-106,063,187.00
Add: Provision for assets impairments	0.00	-34,499.00
Depreciation of fixed assets, oil and gas assets and productive biological assets	23,008,366.00	21,766,397.00
Amortization of intangible assets	34,517,372.00	4,219,742.00
Amortization of long-term deferred expense	700,065.00	1,008,887.00
Losses/gains on disposal of property, intangible asset and other long-term assets (gains: negative)	-7,795,416.00	0.00
Losses/gains on scrapped of fixed assets (gains: negative)	824.00	0.00
Losses/gains from variation of fair value (gains: negative)	0.00	0.00
Financial cost (income: negative)	-28,061,118.00	-552,914.00
Investment loss (gains: negative)	-6,582,590.00	-1,624,989.00
Decrease in deferred tax assets (increase: negative)	0.00	0.00
Increase in deferred tax liabilities (decrease: negative)	0.00	0.00

Decrease in inventory (increase: negative)	-499,566.00	1,566,810.00
Decrease in accounts receivable from operating activities (increase: negative)	281,224,092.00	-83,669,751.00
Increase in accounts payable from operating activities (decrease: negative)	-104,353,999.00	455,550,048.00
Others	0.00	0.00
Net cash flows generated from operating activities	220,192,619.00	292,166,544.00
2. Significant investing and financing activities without involvement of cash receipts and payments	--	--
Debt converted into capital	0.00	0.00
Convertible company bonds due within 1 year	0.00	0.00
Financing leased fixed assets	0.00	0.00
3. Change of cash and cash equivalent:	--	--
Closing balance of cash	13,340,123,956.00	1,429,882,481.00
Less: opening balance of cash	1,702,470,760.00	2,264,319,604.00
Plus: closing balance of cash equivalent	0.00	0.00
Less: opening balance of cash equivalents	0.00	0.00
The net increase in cash and cash equivalents	11,637,653,196.00	-834,437,123.00

#### XIV. Supplementary information

##### 1 Items and amounts of extraordinary gains and losses

Unit: RMB Yuan

Item	Amount	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-1,891,756.00	No
Tax rebates, reductions or exemptions due to approval beyond authority or the lack of official approval documents	0.00	No
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	513,933,311.00	No
Capital occupation charges on non-financial enterprises that recorded into current gains and losses	0.00	No
Gains due to that the investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the enjoyable fair value of the identifiable net assets of the investees when making the investments	0.00	No
Gain/loss on non-monetary asset swap	0.00	No

Gain/loss on entrusting others with investments or asset management	0.00	No
Asset impairment provisions due to acts of God such as natural disasters	0.00	No
Gain/loss on debt restructuring	0.00	No
Expenses for business reorganization, such as expenses for staffing, reorganization etc.	0.00	No
Gain/loss on the part over the fair value due to transactions with distinctly unfair prices	0.00	No
Current gains and losses of subsidiaries acquired from business combination under the same control as from period-begin to combination date	0.00	No
Gain/loss on contingent events irrelevant to the Company's normal business	0.00	No
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	0.00	No
Reversal of impairment provisions for the accounts receivable on which impairment tests were carried out separately	0.00	No
Gain/loss on loans obtained by entrusting others	0.00	No
Gain/loss on change of the fair value of investing real estate of which the subsequent measurement is carried out adopting the fair value method	0.00	No
Effect on current gains/losses when a one-off adjustment is made to current gains/losses according to requirements of taxation, accounting and other relevant laws and regulations	0.00	No
Custody fee income when entrusted with operation	0.00	No
Other non-operating income and expenses other than the above	27,306,440.00	No
Other gain/loss items that meet the definition of an extraordinary gain/loss	0.00	No
Less: Income tax effects	27,313,193.00	No
Minority interests effects (after tax)	20,688,306.00	No
Total	491,346,496.00	--

Government grants recognized in the current period was recurrent profit and loss item, shall specify disclosure reason item by item.

Applicable  Inapplicable

## 2. Return on equity and earnings per share

Unit: RMB Yuan

Profit in the reporting period	The weighted average ROE (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to the Company's common stock shareholders	2.38%	0.050	0.050
Net profit attributable to shareholders of the Company's common stock after deducting non-recurring gains and losses	1.26%	0.029	0.029

## 3. Particulars on the abnormal conditions of main items in the financial statements of the Company and relevant reasons

1. Monetary capital increased 118% compare to the same period last year, mainly because the increase of the loan of project construction and operating cash revenue.
2. Accounts payable in advance increased 58% compare to the same period last year, mainly because of the increase of the purchase amount provided by the supplier in advance.
3. Interest receivable increased 94%, mainly because the interest increase with the increase of monetary capital
4. Other current assets Increased 47% compare to the same period last year, mainly because the VAT in the forehead increased in the reporting period.
5. Construction in process increased 44% compare to the same period last year, mainly because the combination scope increased and part of the new project at the stage of construction, engineering construction and equipment procurement increased too.
6. Short-term borrowing decreased by 73%, compare to the same period last year, primarily for the repayment of part of the borrowing.
7. Notes payable increased by 188%, compare to the same period last year, partly caused by payment settlement in paper form.
8. Non-current liabilities due within one year decreased by 76% compare to the same period last year, primarily for the repayment of part of the borrowing.
9. Share capital increased by 161%, compare to the same period last year, primarily for the Company issuing additional stocks.
10. Capital reserve increased by 151%, compare to the same period last year, primarily for the Company issuing additional stocks, the price of stock was higher than the book value.
11. Business tax and surcharges decreased by 42% compare to the same period last year, primarily for the decrease of the export tax rebates for free.
12. Financial expense decreased by 45% compare to the same period last year, primarily for the increase of monetary capital and related interest income.
13. Investment income( Loss “-“) increased by 326%, compare to the same period last year, primarily for joint venture operating conditions improved and participation in profit.
14. Non-operating income increased by 166%, compare to the same period last year, primarily for gaining the government subsidy.
15. Non-operating expense decreased by 87% compare to the same period last year, primarily for the loss of disposal of non-current assets decreased.
16. Income tax increased by 570%, compare to the same period last year, primarily for the increase of enterprise income tax.

## Section IX. Documents Available for Reference

(I) Financial statements signed and sealed by legal representative, president of the company , principal of accounting work, and manager of finance department

(II) In the reporting period, all originals of the Company's documents and public notices have been publicly disclosed in Securities Times, Ta Kung Pao and <http://www.cninfo.com.cn>.

All the above documents prepared and placed at the Office of Board of Directors.