

Dongxu Optoelectronic Technology Co., Ltd.

The First Quarterly Report 2017

April 2017

I. Important Notice

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

All of the directors presented the board meeting at which this Quarterly Report was examined.

Mr. Li Zhaoting, The Company leader, Mr.Huang Jinliang, Chief financial officer and the Mr.Gao Feipeng, the person in charge of the accounting department (the person in charge of the accounting)declare: the financial report carried in this report is authentic and completed

II. Basic information about the company

I. Main financial data and financial index

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

Yes No

	This period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	2,169,628,215.08	1,581,690,834.17	37.17%
Net profit attributable to the shareholders of the listed company (RMB)	392,782,644.51	347,750,532.74	12.95%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	290,972,061.96	269,369,501.10	8.02%
Cash flow generated by business operation, net (RMB)	-832,363,127.03	-934,819,444.05	-10.96%
Basic earning per share(RMB/Share)	0.08	0.09	-11.11%
Diluted gains per share(RMB/Share)(RMB/Share)	0.08	0.09	-11.11%
Weighted average return on equity (%)	1.75%	2.40%	-0.65%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (RMB)	47,651,364,079.28	46,826,319,570.41	1.76%
Net assets attributable to the shareholders of the listed company (RMB)	22,609,481,410.37	22,216,300,365.86	1.77%

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	143,037,216.39	

Gain/loss on loans obtained by entrusting others	1,613,345.11	
Other non-operating income and expenditure beside for the above items	148,672.05	
Less: Influenced amount of income tax	25,370,571.30	
Amount of influence of minority interests (After tax)	17,618,079.70	
Total	101,810,582.55	--

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

Applicable Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non -recurring gain/loss in the report period.

II.Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Total number of common shareholders at the period-end	370,545(including 353,006 shareholders holding A shares and 17,539 shareholders holding B shares)	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)	0			
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Dongxu Group	Domestic Non-State-owned legal person	11.32%	558,968,800		Pledge	558,962,697
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Domestic Non-State-owned legal person	6.73%	332,382,171		Pledge	153,520,000
China Fund Management Co., Ltd. - Huaxia Bank - TTCO Trust Co., Ltd. - TTCO Trust Co., Ltd. - Shunjing No.5 Single capital trust	Other	4.51%	222,575,516			
Minsheng Royal Fund Management Co., Ltd.-Ping An Bank-Ping An Trust-Ping An	Other	3.71%	183,284,457			

Wealth* Huitai No.163 Single Fund Trust						
Sws Mu Fund Management Co.,Ltd.—China Merchants Bank—Huarun Shen State investment trust—Ruihua increase funds No. 2 Collective capital trust plan	Other	2.25%	111,287,758			
Penghua Fund—Ningbo Bank—Daye Trust—Daye Trust Dongxu Optoelectronic increase funds II Single fund trust	Other	2.25%	111,287,758			
STAS Asset Management—Ningbo Bank—Minsheng Trust—China Minsheng Trust Zhixin No.208 Dongxu Optoelectronic increase collective fund trust plan	Other	2.25%	111,287,758			
Shenzhen Taianer Information Technology Co., Ltd.	Domestic Non-State-owned legal person	2.24%	110,492,845		Pledge	32,000,000
Qianhai Equity Investment Fund (LP)	Domestic Non-State-owned legal person	2.24%	110,492,845		Pledge	110,492,845
Nuoan Fund—Xingye Securities—Nanjing Shuangan Assets Management Co., Ltd.	Other	2.24%	110,492,845			

Shares held by the Top 10 Shareholders of Non-restricted shares

Shareholders' Names	Number of the non-restricted shares held	Share type	
		Share type	Quantity
Shijiazhuang Baoshi Electronic Group Co., Ltd.	332,382,171	RMB Common shares	332,382,171
Minsheng Royal Fund Management Co., Ltd.-Ping An Bank-Ping An Trust-Ping An Wealth* Huitai No.163 Single Fund Trust	183,284,457	RMB Common shares	183,284,457
Dongxu Group	119,086,103	RMB Common shares	119,086,103
HuaAn Future Asset-ICBC-No.1 Asset Management Plan of Dongxu Optoelectronic's Private Placement	96,774,193	RMB Common shares	96,774,193

Bosera Capital-Ping An Bank- Ping An Trust-Ping An Wealth* Huitai No.164 Single Fund Trust	83,610,154	RMB Common shares	83,610,154
Bosera Capital-Ping An Bank- Ping An Trust-Ping An Wealth* Huitai No.164 Single Fund Trust	34,078,650	RMB Common shares	34,078,650
Huijin Asset Management Co., Ltd.	24,205,500	RMB Common shares	24,205,500
Xie Xiantuan	17,044,700	RMB Common shares	17,044,700
Cuiyi International Marble Co., Ltd.	6,693,699	Foreign shares placed in domestic exchange	6,693,699
China Securities Finance Co., Ltd.	6,380,178	RMB Common shares	6,380,178
Explanation on shareholders participating in the margin trading business	Among the shareholders , Dongxu Group and Baoshi Group have relationship and constitute persons taking concerted action. The company does not know whether there is relationship between other shareholders or whether they are persons taking concerted action defined in Administrative Measures Relating to Acquisitions of Listed Companies.		
Participation of top 10 unconditional common share shareholders in securities margin trading (if any)	The natural persons in the top ten Non-restricted common stockholders Xie Xiantuan holds 15,688.700 shares through stock account with credit transaction and guarantee of Huatai Securities Co., Ltd., taking 0.32% of the total shares in the company.		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

Yes No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable Not applicable

III Significant Events

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

√ Applicable □ Not applicable

Financial index	This period (RMB)	Same period of last year (RMB)	Increase/decrease	Main reason for change
Notes receivable	34,770,496.61	55,340,287.95	-37.17%	Mainly due to the maturity of the notes due.
Prepayments	2,196,690,299.68	862,432,895.10	154.71%	Mainly due to the increase in purchasing stockings for business growth
Other account receivable	381,737,647.00	186,071,085.24	105.16%	Mainly due to the increase in bid bond.
Long-term equity investment	492,115,861.67	72,354,803.70	580.14%	Mainly due to increase in equity investment.
Construction in process	2,482,099,182.83	1,772,629,310.84	40.02%	Mainly due to the construction line.
Engineering material	-	304,468.05	-100.00%	Mainly due to the carrying out of engineering materials.
Other non-current assets	204,077,242.49	387,151,100.41	-47.29%	Mainly due to advance construction projects transferred to construction in progress.
Notes payable	218,575,592.00	393,136,676.05	-44.40%	Mainly due to the payment due.
Advance payment	1,031,020,944.43	414,078,061.38	148.99%	Mainly due to the increase in advance payment
Interest payable	150,385,512.24	81,610,513.91	84.27%	Mainly due to the increase in the size of the financing caused by the increase in interest increase in interest
Dividend payable	-	30,000,000.00	-100.00%	Mainly dividends due to the current payment due.
Business income	2,169,628,215.08	1,581,690,834.17	37.17%	Mainly due to increase market development efforts to bring income increased
Business cost	1,492,560,110.09	1,052,404,374.82	41.82%	Mainly due to an increase in the corresponding increase in income.
Financial expenses	162,325,432.04	50,573,117.41	220.97%	Mainly due to the increase in financial fees due to the vote.
Asset impairment loss	-545,763.05	406,342.06	-234.31%	Mainly due to the recovery of some of the current bad debts.
Investment income	-1,038,942.03	-219,626.96	373.05%	Mainly due to the recognition of the investment income of associates.
Non-operational income	143,411,376.32	95,857,790.53	49.61%	Mainly due to the increase in

				government subsidies received.
Net cash flow arising from investment activities	-937,650,599.60	-465,514,552.86	101.42%	Mainly due to the construction of the production line and increase the investment of associates.
Net cash flow arising from financing activities	-64,865,997.36	-424,474,217.67	-84.72%	Mainly due to the increase in borrowings and the increase in capital of subsidiaries

II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

√Applicable □Not applicable

1. On March 20, 2017, the Proposal about the Plan and its Summary of the company's Share Issuance and Paying Cash to Purchase the Asset and Raise Matching Funds and the Related Transaction (Revised) and the relevant proposal were examined and approved in the eleventh meeting of the eighth session board of directors. (For details, please see the relevant company's announcements disclosed on <http://www.cninfo.com.cn> on March 21).

2. On March 24, 2017, the company received the Inquiry Letter about the Major Asset Restructuring of Dongxu Optoelectronic Technology Co., Ltd (No.6- [2017] Permission-type Inquiry Letter about Restructuring) issued by the management department of Shenzhen Stock Exchange. So the company has made the corresponding supplement and perfection to the Plan of Dongxu Optoelectronic Technology Co., Ltd's Share Issuance and Paying Cash to Purchase the Asset and Raise Matching Funds and the Related Transaction and the relevant documents. And on March 28, the company disclosed the reply for the Inquiry Letter and the perfection-completed Dongxu Optoelectronic Technology Co., Ltd's Share Issuance and Paying Cash to Purchase the Asset and Raise Matching Funds and the Related Transaction (Revised) and the relevant supplementary documents.

3. As of now, the company and the relevant intermediaries are actively promoting the audit, evaluation and other work related to the restructuring. When the relevant work is completed, the company will held the board meeting to deliberate the relevant matters of this major asset restructuring, which will be further submitted to the general shareholders' meeting for deliberation, then after the approval by the general shareholders' meeting, it will be reported to CSRC etc authoritative institution for approval. According to No.10 Guidance for Business Handling of Listed Companies-Major Asset Restructuring and the relevant provisions of Shenzhen Stock Exchange, the company will timely perform the subsequent approval procedures and the obligation of information disclosure.

Overview of material matters	Date of disclosing	Description of the website for disclosing provisional announcement
Summary of the company's Share Issuance and Paying Cash to Purchase the Asset and Raise Matching Funds and the Related Transaction	March 21,2017	http://www.cninfo.com.cn
Summary of the company's Share Issuance and Paying Cash to Purchase the Asset and Raise Matching Funds and the Related Transaction (Revised)	March 28,2017	http://www.cninfo.com.cn

III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

Applicable Not applicable

The company has no commitments completed in period and those without completed till end of the period from actual controller, shareholders, related parties, purchaser and companies.

IV. Prediction of Business performance for January- June 2017

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

Applicable Not applicable

V. Investment in securities

Applicable Not applicable

No securities investment in period.

VI. Investments in derivatives

Applicable Not applicable

There is no derivative investment during the report period.

VII. The registration form of acceptance of investigation, communication and interview in the report period for future reference

Applicable Not applicable

The Period has no research, communication and written inquiry from the investors in the report period.

VIII. External guarantee get out of line

Applicable Not applicable

The Company has no external guarantee get out of the line in the Period

IX. Controlling shareholder and its related parties occupying non-business capital of the listed company

Applicable Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

March 31,2017

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	24,179,709,619.79	26,056,117,216.86
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	34,770,496.61	55,340,287.95
Account receivable	1,402,659,640.10	1,652,714,640.77
Prepayments	2,196,690,299.68	862,432,895.10
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	381,737,647.00	186,071,085.24
Repurchasing of financial assets		
Inventories	3,377,577,211.05	2,688,967,436.27
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	3,149,357,345.49	3,203,453,317.38
Total of current assets	34,722,502,259.72	34,705,096,879.57
Non-current assets:		

Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	492,115,861.67	72,354,803.70
Property investment		
Fixed assets	8,823,279,226.02	8,952,341,070.47
Construction in progress	2,482,099,182.83	1,772,629,310.84
Engineering material		304,468.05
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	573,860,526.28	578,194,545.68
R & D petrol		
Goodwill	33,935,384.57	33,935,384.57
Long-germ expenses to be amortized	11,779,218.07	11,756,506.76
Deferred income tax asset	307,715,177.63	312,555,500.36
Other non-current asset	204,077,242.49	387,151,100.41
Total of non-current assets	12,928,861,819.56	12,121,222,690.84
Total of assets	47,651,364,079.28	46,826,319,570.41
Current liabilities		
Short-term loans	5,120,160,795.48	4,940,816,200.13
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	218,575,592.00	393,136,676.05
Account payable	1,020,947,159.86	1,165,418,491.73
Advance payment	1,031,020,944.43	414,078,061.38
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	38,235,603.09	42,851,392.30

Tax payable	195,846,397.32	224,310,530.71
Interest payable	150,385,512.24	81,610,513.91
Dividend payable		30,000,000.00
Other account payable	113,964,891.66	114,993,136.80
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	1,463,303,072.23	1,618,589,512.42
Other current liability	82,791,544.65	85,535,473.05
Total of current liability	9,435,231,512.96	9,111,339,988.48
Non-current liabilities:		
Long-term loan	6,661,139,049.99	6,596,159,000.00
Bond payable	5,656,200,882.00	5,653,912,494.73
Including: preferred stock		
Sustainable debt		
Long-term payable	1,436,148,668.94	1,514,308,568.67
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income	359,740,447.77	380,949,662.27
Deferred income tax liability	407,355.23	413,257.79
Other non-current liabilities	500,000,000.00	500,000,000.00
Total non-current liabilities	14,613,636,403.93	14,645,742,983.46
Total of liability	24,048,867,916.89	23,757,082,971.94
Owners' equity		
Share capital	4,939,928,983.00	4,939,928,983.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	15,207,609,210.89	15,207,210,810.89
Less: Shares in stock	4,422,320.00	4,422,320.00
Other comprehensive income		

Special reserves		
Surplus reserves	188,044,070.48	188,044,070.48
Common risk provision		
Undistributed profit	2,278,321,466.00	1,885,538,821.49
Total of owner's equity belong to the parent company	22,609,481,410.37	22,216,300,365.86
Minority shareholders' equity	993,014,752.02	852,936,232.61
Total of owners' equity	23,602,496,162.39	23,069,236,598.47
Total of liabilities and owners' equity	47,651,364,079.28	46,826,319,570.41

Legal Representative: Li Zhaoting Person in charge of accounting: Huang Jinliang Accounting Dept Leader: Gao Feipeng

2.Parent Company Balance Sheet

In RMB

Items	Year-end balance	Year-beginning balance
Current asset :		
Monetary fund	11,296,266,230.86	16,951,756,537.76
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	790,800.00	946,400.00
Account receivable	25,105,051.19	19,896,753.26
Prepayments	3,727,405.89	4,280,852.37
Interest receivable		
Dividend receivable		570,000,000.00
Other account receivable	6,913,759,450.14	4,925,419,456.78
Inventories	480,521,676.71	500,254,494.97
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	1,997,569,211.84	2,000,019,211.84
Total of current assets	20,717,739,826.63	24,972,573,706.98
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	15,540,652,418.72	11,373,791,986.49

Property investment		
Fixed assets	48,255,813.56	49,516,721.87
Construction in progress		
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	9,867,728.90	9,951,171.11
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset	3,712,603.85	3,712,603.85
Other non-current asset		
Total of non-current assets	15,602,488,565.03	11,436,972,483.32
Total of assets	36,320,228,391.66	36,409,546,190.30
Current liabilities		
Short-term loans	3,495,500,000.00	3,242,500,000.00
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		159,820,750.00
Account payable	147,097,068.96	147,012,816.26
Advance payment	1,450,587.90	10,587.90
Employees' wage payable	3,698,829.66	3,700,741.68
Tax payable	23,855,398.98	20,970,299.00
Interest payable	142,871,638.05	72,569,720.24
Dividend payable		
Other account payable	2,848,197,520.85	2,889,692,312.04
Liabilities held for sales		
Non-current liability due in 1 year	230,000,000.00	400,005,000.00
Other current liability		
Total of current liability	6,892,671,044.40	6,936,282,227.12
Non-current liabilities:		
Long-term loan	2,972,216,666.66	2,887,600,000.00

Bond payable	5,656,200,882.00	5,653,912,494.73
Including: preferred stock		
Sustainable debt		
Long-term payable		
Employees' wage Long-term payable		
Special payable		
Expected liabilities		
Differed income		
Differed income tax liability		
Other non-current liabilities		
Total of Non-current liabilities	8,628,417,548.66	8,541,512,494.73
Total of liability	15,521,088,593.06	15,477,794,721.85
Owners' equity		
Share capital	4,939,928,983.00	4,939,928,983.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	15,130,590,136.27	15,130,191,736.27
Less: Shares in stock	4,422,320.00	4,422,320.00
Other comprehensive income		
Special reserves		
Surplus reserves	169,054,846.15	169,054,846.15
Undistributed profit	563,988,153.18	696,998,223.03
Total of owners' equity	20,799,139,798.60	20,931,751,468.45
Total of liabilities and owners' equity	36,320,228,391.66	36,409,546,190.30

3.Consolidated Income statement

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	2,169,628,215.08	1,581,690,834.17
Incl: Business income	2,169,628,215.08	1,581,690,834.17
Interest income		
Insurance fee earned		

Fee and commission received		
II. Total business cost	1,776,134,801.77	1,250,579,052.09
Incl: Business cost	1,492,560,110.09	1,052,404,374.82
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount provided as insurance contract reserves		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	16,241,789.34	15,952,780.71
Sales expense	13,183,661.54	13,736,690.70
Administrative expense	92,369,571.81	117,505,746.39
Financial expenses	162,325,432.04	50,573,117.41
Asset impairment loss	-545,763.05	406,342.06
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)	-1,038,942.03	-219,626.96
Incl: investment gains from affiliates	-1,038,942.03	
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	392,454,471.28	330,892,155.12
Add : Non-operational income	143,411,376.32	95,857,790.53
Including: Income from disposal of non-current assets		
Less: Non business expenses	225,487.88	6,257.47
Incl: Loss from disposal of non-current assets		1,872.47
IV.Total profit(“-”for loss)	535,640,359.72	426,743,688.18
Less: Income tax expenses	104,779,195.80	60,750,772.80
V. Net profit	430,861,163.92	365,992,915.38
Net profit attributable to the owners of parent company	392,782,644.51	347,750,532.74
Minority shareholders' equity	38,078,519.41	18,242,382.64
VI. Other comprehensive income		
Net of profit of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		

1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	430,861,163.92	365,992,915.38
Total comprehensive income attributable to the owner of the parent company	392,782,644.51	347,750,532.74
Total comprehensive income attributable minority shareholders	38,078,519.41	18,242,382.64
VIII. Earnings per share		
(I) Basic earnings per share	0.080	0.09
(II) Diluted earnings per share	0.080	0.09

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0, last period the combined party realized RMB 0.

Legal Representative: Li Zhaoting Person in charge of accounting: Huang Jinliang Accounting Dept Leader: Gao Feipeng

4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	29,487,874.98	227,019,059.10

Less: Business cost	23,208,786.32	132,893,796.16
Business tax and surcharge	475,331.94	42,000.00
Sales expense		13.00
Administrative expense	13,924,710.85	13,225,719.79
Financial expenses	123,855,490.95	37,597,734.18
Asset impairment loss		
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)	-1,039,567.77	-219,626.96
Incl: investment gains from affiliates	-1,039,567.77	
II. Operational profit (“-”for loss)	-133,016,012.85	43,040,169.01
Add : Non-operational income	5,943.00	38,666.93
Including: Income from disposal of non-current assets		
Less: Non business expenses		
Incl: Loss from disposal of non-current assets		
III.Total profit (“-”for loss)	-133,010,069.85	43,078,835.94
Less: Income tax expenses		
IV. Net profit (“-”for net loss)	-133,010,069.85	43,078,835.94
V.Net of profit of other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II)		
Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		

5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-133,010,069.85	43,078,835.94
VII. Earnings per share:		
(I) Basic earnings per share		
(II)Diluted earnings per share		

5. Consolidated Cash flow statement

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	3,032,833,392.14	1,492,494,598.14
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	104,894,730.99	102,343,332.12
Other cash received from business operation	97,516,700.43	155,626,401.01
Sub-total of cash inflow	3,235,244,823.56	1,750,464,331.27
Cash paid for purchasing of merchandise and services	2,665,116,957.15	2,282,862,743.80
Net increase of client trade and advance		
Net increase of savings n central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	126,878,772.15	140,977,434.66

Taxes paid	249,038,224.88	187,365,571.21
Other cash paid for business activities	1,026,573,996.41	74,078,025.65
Sub-total of cash outflow from business activities	4,067,607,950.59	2,685,283,775.32
Cash flow generated by business operation, net	-832,363,127.03	-934,819,444.05
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		6,120,000.00
Sub-total of cash inflow due to investment activities		6,120,000.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets	516,959,129.80	164,168,185.45
Cash paid as investment	420,800,000.00	
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units	-108,530.20	307,466,367.41
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	937,650,599.60	471,634,552.86
Net cash flow generated by investment	-937,650,599.60	-465,514,552.86
III.Cash flow generated by financing		
Cash received as investment	102,000,000.00	500,000.00
Incl: Cash received as investment from minor shareholders	102,000,000.00	500,000.00
Cash received as loans	1,081,719,662.01	575,000,000.00
Cash received from bond placing		
Other financing –related ash received	67,096,096.38	259,587,557.66
Sub-total of cash inflow from financing activities	1,250,815,758.39	835,087,557.66
	982,470,416.67	1,055,801,800.00
Cash paid as dividend, profit, or interests	228,467,740.79	161,509,621.90
Incl: Dividend and profit paid by subsidiaries to minor shareholders	30,000,000.00	
Other cash paid for financing activities	104,743,598.29	42,250,353.43
Sub-total of cash outflow due to financing activities	1,315,681,755.75	1,259,561,775.33

Net cash flow generated by financing	-64,865,997.36	-424,474,217.67
IV. Influence of exchange rate alternation on cash and cash equivalents	16,374,381.48	2,714,265.17
V.Net increase of cash and cash equivalents	-1,818,505,342.51	-1,822,093,949.41
Add: balance of cash and cash equivalents at the beginning of term	25,037,335,091.60	11,964,769,404.73
VI ..Balance of cash and cash equivalents at the end of term	23,218,829,749.09	10,142,675,455.32

6. Cash Flow Statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,107,000.00	260,102,617.67
Tax returned		77,000.00
Other cash received from business operation	57,349,385.06	159,509,303.96
Sub-total of cash inflow	59,456,385.06	419,688,921.63
Cash paid for purchasing of merchandise and services	7,381,636.42	339,861,960.78
Cash paid to staffs or paid for staffs	3,499,302.53	3,129,144.31
Taxes paid	4,656,775.49	8,001,056.42
Other cash paid for business activities	2,158,426,007.88	485,075,155.07
Sub-total of cash outflow from business activities	2,173,963,722.32	836,067,316.58
Cash flow generated by business operation, net	-2,114,507,337.26	-416,378,394.95
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	570,000,000.00	
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		6,120,000.00
Sub-total of cash inflow due to investment activities	570,000,000.00	6,120,000.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets		8,200.00
Cash paid as investment	4,167,900,000.00	1,392,801,140.00
Net cash received from subsidiaries and other operational		

units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	4,167,900,000.00	1,392,809,340.00
Net cash flow generated by investment	-3,597,900,000.00	-1,386,689,340.00
III.Cash flow generated by financing		
Cash received as investment		
Cash received as loans	869,666,666.66	430,000,000.00
Cash received from bond placing		
Other financing –related ash received		
Sub-total of cash inflow from financing activities	869,666,666.66	430,000,000.00
Cash to repay debts	702,050,000.00	860,000,000.00
Cash paid as dividend, profit, or interests	87,863,786.81	50,054,483.17
Other cash paid for financing activities	22,835,849.49	
Sub-total of cash outflow due to financing activities	812,749,636.30	910,054,483.17
Net cash flow generated by financing	56,917,030.36	-480,054,483.17
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	-5,655,490,306.90	-2,283,122,218.12
Add: balance of cash and cash equivalents at the beginning of term	16,951,756,537.76	9,835,157,652.41
VI ..Balance of cash and cash equivalents at the end of term	11,296,266,230.86	7,552,035,434.29

II. Auditor' report

Is the First Quarterly Report be audited?

Yes No

The First Quarterly report is not audited.

Dongxu Optoelectronic Technology Co., Ltd.

Board Chairman: Li Zhaoting

Issue day approved by the Board of Directors: April 28,2017