

Stock Code: 000418, 200418

Stock Name: Little Swan A, Little Swan B

Announcement No.: 2017-17

WUXI LITTLE SWAN COMPANY LIMITED

SEMI-ANNUAL REPORT 2017 (ABSTRACT)

I Important Notes

This Abstract is based on the full text of the Semi-Annual Report. In order for a full understanding of the operating results, financial condition and future development planning of the Company, investors are kindly reminded to read the full text carefully on the media designated by the China Securities Regulatory Commission (the “CSRC”).

All directors attended the board meeting for the review of this Report.

This Abstract has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

II Company Profile

1. Stock Profile

Stock name	Little Swan A, Little Swan B	Stock code	000418, 200418
Stock exchange	Shenzhen Stock Exchange		
Contact information	Board Secretary	Securities Representative	
Name	Ms. Zhou Sixiu	Mr. Zhao Yulin	
Office address	No. 18, Changjiang Road S., National Hi-tech Development Zone, Wuxi, Jiangsu Province, P.R.China	No. 18, Changjiang Road S., National Hi-tech Development Zone, Wuxi, Jiangsu Province, P.R.China	
Tel.	0510-81082320	0510-81082377	
E-mail	ir@littleswan.com.cn	ir@littleswan.com.cn	

2. Key Operating Results

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

Yes No

	Reporting Period	Same period of last year	+/- (%)
Operating revenues (RMB)	10,568,060,854.21	7,984,787,194.92	32.35%
Net profit attributable to shareholders of the Company (RMB)	731,540,502.47	580,826,562.58	25.95%
Net profit attributable to shareholders of the Company before exceptional profit and loss (RMB)	714,797,214.75	567,444,003.06	25.97%

Net cash generated by operating activities (RMB)	-142,410,692.24	1,607,097,392.88	-108.86%
Basic earnings per share (RMB/share)	1.16	0.92	26.09%
Diluted earnings per share (RMB/share)	1.16	0.92	26.09%
Weighted average return on equity (%)	11.69%	10.82%	0.87%
	End of Reporting Period	End of last year	+/- (%)
Total assets (RMB)	18,655,287,176.82	18,885,986,837.64	-1.22%
Net assets attributable to shareholders of the Company (RMB)	6,237,082,827.17	5,983,847,862.72	4.23%

3. Shareholders and Their Holdings at Period-End

Unit: share

Total number of common shareholders at period-end	20,964	Total number of preference shareholders with resumed voting rights at period-end (if any)	0			
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Pledged or frozen shares	
					Status	Number
MIDEA GROUP CO., LTD.	Domestic non-state-owned corporation	37.78%	238,948,117			
TITONI INVESTMENTS DEVELOPMENT LTD.	Foreign corporation	14.89%	94,204,942			
GAOLING FUND,L.P.	Foreign corporation	3.74%	23,664,125			
NATIONAL SOCIAL SECURITY FUND PORTFOLIO 108	Domestic non-state-owned corporation	3.34%	21,097,464			
GREENWOODS CHINA ALPHA MASTER FUND	Foreign corporation	2.82%	17,846,794			
FINANCE BUREAU OF WUXI	State-owned corporation	2.70%	17,054,071			
NATIONAL SOCIAL SECURITY FUND PORTFOLIO 101	Domestic non-state-owned corporation	2.17%	13,709,256			
CENTRAL HUIJIN ASSET MANAGEMENT CO., LTD.	State-owned corporation	1.61%	10,156,300			
HONG KONG SECURITIES CLEARING COMPANY LTD.	Foreign corporation	1.34%	8,471,606			
INDUSTRIAL AND COMMERCIAL BANK OF CHINA – CHINA UNIVERSAL GROWTH FOCUS MIXED SECURITIES INVESTMENT FUND	Domestic non-state-owned corporation	1.15%	7,288,881			
Related or acting-in-concert parties among shareholders above	Midea Group Co., Ltd. and Titoni Investments Development Ltd. are parties acting in concert.					
Shareholders conducting securities margin trading (if any)	N/A					

III Performance Discussion and Analysis

1. Performance Review for Reporting Period

In the first half of 2017, China's economy expanded steadily while the world economy continued to recover. With real estate tightening policies and the RMB in stabilization and recovery, China's home appliance industry kept seeking for growth in the "New Normal Economic State". In the Reporting Period, increased general costs of home appliance makers caused by high-priced raw materials boosted the prices of end products; large-capacity, intelligent and healthy household appliances have become more and more favored; and factors such as changing consumption, evolving manufacturing and distribution systems and deeper technological research and development have changed the value chain substantially. Domestically, with the popularization of washing machines, the future growth point for such manufacturers lies in product structure upgrading by developing and introducing new types of products and products with new functions. Considering the burgeoning clothes drying demand resulted from changing living environments and habits, washer-dryers and freestanding dryers are expected to be in great need. Internationally, mature markets such as the American and European countries with a high washer ownership rate, mainly look for renewal; while emerging markets with fewer washers seek for new machines largely. Due to the noticeable pick-up in export of washing machines as a result of the gradual recovery of the global economy, international business is estimated to be more profitable. According to ChinaIOL, a surveying company, China saw the sales of 30.021 million washing machines in the first half of 2017, up 9.2% on a year-on-year basis, of which 20.3 million units were sold domestically, representing an increase of 6.9%, and 9.721 million units were exported, up 14.4%.

In the first six months of 2017, the Company continued to adhere closely to its core strategy of "Advanced Products, Efficiency-Driven Growth and Global Operations" and focus on its main business of washing machines, as well as the needs of its customers. It furthered its operational transformation, strengthened research and development, improved product quality, expanded overseas markets and promoted manufacturing and efficiency improvement, which has helped increase its core competitiveness and resulted in good operating results. For the six months ended June 30, 2017, the Company achieved consolidated operating revenues of RMB10.57 billion, up 32.4% compared to the same period of last year. The net profit attributable to shareholders of the Company stood at RMB0.73 billion, representing a 26.0% growth. And the consolidated gross profit margin was 25.6%.

2. Matters Related to Financial Report

(1) Changes in Accounting Policies, Accounting Estimations and Measurement Methods Compared to Last Accounting Period

Applicable Not applicable

No such cases.

(2) Retroactive Restatements due to Correction of Significant Accounting Errors in the Reporting Period

Applicable Not applicable

No such cases.

(3) Changes in Scope of Consolidated Financial Statements Compared to Last Accounting Period

Applicable Not applicable

No such cases.

Wuxi Little Swan Company Limited

Legal Representative: Fang Hongbo

August 5, 2017