

**BOE**

# **SEMI-ANNUAL REPORT 2017**

**August 2017**

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

## **Section I Important Statements, Contents and Definitions**

**The board of directors (the “Board”), the supervisory board (the “Supervisory Board”) as well as the directors, supervisors and senior management of BOE Technology Group Co., Ltd. (the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any false representation, misleading statements or material omissions in this Report.**

**Mr. Wang Dongsheng, head of the Company, Mr. Chen Yanshun, president of the Execution Committee (chief executive officer) of the Company, Ms. Sun Yun, accounting head for this Report, and Ms. Yang Xiaoping, head of the accounting department (head of accounting), hereby guarantee that the Financial Report carried in this Report is factual, accurate and complete.**

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

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

**Any plans for the future, development strategies and other forward-looking statements mentioned in this Report shall NOT be considered as virtual promises of the Company to investors. Therefore, investors are kindly reminded to pay attention to investment risk. For details, see “X Risks Facing the Company and Countermeasures” in Section IV herein.**

**This Report has been prepared in compliance with the Chinese Accounting Standards for Business Enterprises and other applicable regulations and rules.**

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

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## Definitions

Term	Definition
BOE, the Company, Company, the Group, Group	BOE Technology Group Co., Ltd.
Cninfo website	<a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
CSRC	The China Securities Regulatory Commission
OASIS Hospital	The OASIS International Hospital
SID	The Society for Information Display
DBG	The display and sensor business group of the Company
SBG	The smart business group of the Company
HBG	The health business group of the Company
United Ratings	United Credit Ratings Co., Ltd.
TFT- LCD	Thin film transistor- liquid crystal display
LTPS	Low temperature poly-silicon
AMOLED	Active-matrix organic light emitting diode
OLED	Organic light-emitting diode
VR/AR	Virtual reality /Augmented reality
IFI	IFI CLAIMS Patent Services
TDDI	Touch and Display Driver Integration

## Section II Corporate Profile and Key Operating Results

### I Corporate Information

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

### II Contact Information

Item	Board Secretary	Securities Representative
Name	Liu Hongfeng	Cui Zhiyong
Address	12 Xihuan Middle Road, Beijing Economic-Technological Development Area, P.R.China	12 Xihuan Middle Road, Beijing Economic-Technological Development Area, P.R.China
Tel.	010—64318888 ext.	010—64318888 ext.
Fax	010—64366264	010—64366264
E-mail	liuhongfeng@boe.com.cn	cui ziyong@boe.com.cn

### III Other Information

#### 1. Ways to Contact the Company

Indicate by tick mark whether any changes occur to the registered address, office address and their postal codes, website address and email address of the Company during the Reporting Period.

Applicable  Not applicable

No changes occurred to the said information during the Reporting Period, which can be found in the 2016 Annual Report.

#### 2. Information Disclosure Media and Place where this Report is Kept

Indicate by tick mark whether any changes occurred to the information disclosure media and the place where this Report was kept

during the Reporting Period.

Applicable  Not applicable

The newspapers designated by the Company for information disclosure, the website designated by the CSRC for disclosing this Report and the location where this Report was placed did not change during the Reporting Period. The said information can be found in the 2016 Annual Report.

## IV Key Consolidated Operating Results

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

Yes  No

Item	Reporting Period	Same period of last year	+/- (%)
Operating revenue (RMB Yuan)	44,605,027,995.00	26,448,310,717.00	68.65%
Net profit attributable to shareholders of the Company (RMB Yuan)	4,302,605,600.00	-516,472,418.00	-
Net profit attributable to shareholders of the Company before exceptional gains and losses (RMB Yuan)	4,017,844,109.00	-2,309,697,388.00	-
Net cash from operating activities (RMB Yuan)	10,638,591,266.00	2,734,086,955.00	289.11%
Basic earnings per share (RMB Yuan /share)	0.123	-0.015	-
Diluted earnings per share (RMB Yuan /share)	0.123	-0.015	-
Weighted average return on equity (%)	4.48%	-0.67%	-
	End of Reporting Period	End of last year	+/- (%)
Total assets (RMB Yuan)	225,472,484,104.00	205,135,011,042.00	9.91%
Net assets attributable to shareholders of the Company (RMB Yuan)	81,811,299,775.00	78,699,988,493.00	3.95%

## V Differences in Accounting Data under Domestic and Foreign Accounting Standards

### 1. Differences in Net Profit and Net Assets Disclosed in Financial Reports Prepared under Chinese and International Accounting Standards

Applicable  Not applicable

No such differences for the Reporting Period.

### 2. Differences in Net Profit and Net Assets Disclosed in Financial Reports Prepared under Chinese and Foreign Accounting Standards

Applicable  Not applicable

No such differences for the Reporting Period.

## VI Exceptional Gains/Losses

√ Applicable □ Not applicable

Unit: RMB Yuan

Item	Reporting Period	Note
Gains/losses on disposal of non-current assets (including offset asset impairment provisions)	-19,257,923.00	N/A
Tax rebates, reductions and exemptions due to approval beyond authority or lack of official approval documents	0.00	N/A
Governmental subsidies charged to gains/losses for Reporting Period (except for government grants closely related to the Company's normal business operations and constantly given at fixed quotas or amounts as per government's uniform standards)	306,365,699.00	N/A
Capital occupation charges on non-financial enterprises that are charged to gains/losses for Reporting Period	0.00	N/A
Profit due to situation where investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than enjoyable fair value of identifiable net assets of investees when making investments	0.00	N/A
Gains/losses on non-monetary asset swap	0.00	N/A
Gains/losses on investment or asset management entrustments to third parties	0.00	N/A
Asset impairment provisions due to acts of God such as natural disasters	0.00	N/A
Gains/losses on debt restructuring	0.00	N/A
Restructuring costs in staff arrangement, integration, etc.	0.00	N/A
Gains/losses on over-fair value amount as a result of transactions with distinctly unfair prices	0.00	N/A
Net Reporting Period gains/losses on subsidiaries acquired through business mergers under same control from period-beginning to merger dates	0.00	N/A
Gains/losses on contingencies irrelevant to the Company's routine business activities	0.00	N/A
Gains/losses on fair value changes of financial assets and liabilities held for trading & investment income from disposal of financial assets and liabilities held for trading as well as financial assets available for sale, except for effective hedges related to normal business operations of the Company	20,704,483.00	N/A
Impairment provision reversal for accounts receivable on which impairment test is carried out separately	575,305.00	N/A
Gains/losses on entrusted loans	0.00	N/A
Gains/losses on fair value changes in investing properties of which subsequent measurement is carried out adopting fair value method	0.00	N/A
Effect on Reporting Period gains/losses when a one-off adjustment is made to Reporting Period gains/losses according to requirements of taxation, accounting and other relevant laws and regulations	0.00	N/A

Custody fee income when entrusted with operations	0.00	N/A
Non-operating income and expense other than above	18,275,029.00	N/A
Other gains/losses that meet definition of exceptional gains/losses	0.00	N/A
Less: Income tax effects	36,540,381.00	N/A
Minority interests effects (after tax)	5,360,721.00	N/A
Total	284,761,491.00	--

Explanation of why the Company classified an item as an exceptional gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gains and Losses, or reclassified any exceptional gain/loss item given as an example in the said explanatory announcement as a recurrent gain/loss:

Applicable  Not applicable

No such cases in the Reporting Period.



## Section III Business Profile

### I Main Business Scope for Reporting Period

BOE Technology Group Co., Ltd. (BOE) was established in April 1993. Its core business covers display and sensor devices, smart systems and healthcare services.

#### 1. Display and Sensor Business Group (DBG)

As a leader in innovation and development of semi-conductor display and sensor devices, the Company is trying to strengthen the core technology through transformation in technology, product design and application so as to create more value. It is committed to the development, production and marketing of TFT-LCD, AMOLED, micro display, sensor devices, etc. Currently, it mainly provides display screens and thin film transistors for mobile phones, tablet PCs, laptops, displayers, TVs, vehicles, wearable devices, industrial control, medical care, as well as tiled and transparent display screens. It also provides sensor devices for physical and chemical testing, genetic testing and security, as well as sensor devices with molecular antenna, etc.

#### 2. Smart Business Group (SBG)

Following the main line of “the Internet of Things and artificial intelligence”, the Company is building four business sub-divisions, namely smart manufacturing, smart retail systems, smart vehicle-mounted systems, and smart energy systems. At present, it mainly provides, for its global partners, the most competitive ODM, OEM and customized smart manufacturing services of complete machines, backlight units, etc., as well as specialized Internet of Things solutions for TV, display devices, VR/AR, HD, free form and curved vehicle-mounted display devices, retail systems for art galleries, supermarkets and financial products, photovoltaic power stations, energy management contracting (EMC), plant factories, electrical/carbon asset transactions, etc.

#### 3. Healthcare Business Group (HBG)

With “information medicine and big data” as the basic features, the Company is building a healthcare system covering five sub-divisions, namely mobile healthcare, digital hospitals, regenerative medicine, life insurance and healthcare centers.

### II Significant Changes in Main Assets

#### 1. Significant Changes in Main Assets

Main assets	Reason for significant change in Reporting Period
Construction in progress	New construction and equipment procurement increased in Reporting Period

#### 2. Main Assets Overseas

Applicable  Not applicable

### III Core Competitiveness Analysis

1. The Company firmly promoted and implemented DSH business strategy, rapidly formed the layout of new business area, consolidated businesses and improved global competitiveness.

In the first half of 2017, BOE firmly promoted and implemented DSH business strategy, made efforts to strengthen and expand

display and sensor device business, rapidly formed layout of smart system business and health service business, consolidated its businesses and improved global competitiveness.

As for the display and sensor business group (DBG): The Company started to organize production lines for AMOLED and large-size TFT-LCD on an early date. The Chengdu 6th generation flexible AMOLED production line has begun to produce its first product. And the Hefei 10.5th generation TFT-LCD production line has seen equipment move in ahead of schedule. The aforesaid projects offered the security both in capacity and technology for strengthening and expanding the display and sensor device business, as well as for making transformation and upgrade of the Company.

As for the smart business group (SBG): The Company continued to build four business sub-divisions, namely smart manufacturing, smart retail systems, smart vehicle-mounted systems, and smart energy systems. In 2017, the Company invested to upgrade the Hefei whole-machine smart manufacturing line, and launched a program to acquire over 50.01% equity interests of SES-imagotag SA, a French-listed company, to materialize the “hardware products + software platforms + scenario application” integration.

As for the healthcare business group (HBG): The Company continued to build five business sub-divisions, namely mobile healthcare, digital hospitals, regenerative medicine, life insurance and healthcare centers. The BOE (Chengdu) Digital Medical Center Project Investment & Cooperation Agreement and the BOE—Beihang University “China’s Medical Silicon Valley” Project Cooperation Framework Agreement have been signed. Through these strategic cooperation plans, BOE is trying to make innovations in the healthcare sector and promote development in China’s important emerging industries such as the Internet of Things and healthcare.

2. The Company stuck to client orientation, and deeply ploughed and subdivided the market.

With the policy of “Deep cooperation, Collaborative development, and Value co-creation”, BOE has become the world top supplier in semiconductor and display field. BOE has kept long-term and sustainable cooperation with well-known domestic and overseas clients, including Samsung, LG, Hisense, Konka, Lenovo, Dell, and HP, ranking as the 1st supplier for plenty of international 1st class brands. While intensifying on enlarging and maintaining strategic clients, the Company deeply ploughed and subdivided the markets, and realized stable increase in market share in subdivided markets. As for the display and sensor business group (DBG): according to IHS Markit (Information Handling Services, Inc. & Markit Ltd.) data, as of the end of this June, BOE’s LCD display screens for smart phones, for tablets and for lap tops boast the largest shares in their respective markets worldwide. As for the smart business group (SBG): BOE has successfully established relationships with globally famous customers, with the whole-machine shipment approaching 7 million units, as well as remarkable increases in BOE’s shares in the markets of smart display systems for TV and MNT, in the first half of this year; BOE’s smart vehicle-mounted display systems are successfully installed into its customers’ vehicles; and VR/AR projects are well underway.

3. Reinforce independent innovation and further promote innovation ability

BOE firmly persisted in self-innovation, as well as innovation ideas of “leading technology, first release in the globe, and joint value creation”, continued to strengthen construction of patent attack and defense system, positively took part in domestic and international industrial standard formation, constantly intensified self-innovation capability, kept foresight and primacy of technologies and products, and thoroughly improved global competitiveness. The first half of 2017 sees the increasing number of BOE’s new patent applications. In this period, BOE applied for 4,363 new patents (year-on-year growth rate: 5%), of which the year-on-year growth rate of flexible OLED, artificial intelligence and big data is 22%. In addition, 2,262 licensing patents (year-on-year growth rate: 34%) were gained. BOE has listed among TOP 50 enterprises in terms of the number of 2016 USA licensing patents issued by IFI in January and among TOP 10 enterprises in terms of the number of 2016 international patent applications issued by World Intellectual Property Organization (WIPO) in February. Meanwhile, promoting technology and product innovation, BOE has been the first enterprise to launch 1.5-inch FIC (Full In Cell) OLED, 2.1-inch VR (pixel density: 2300PPI), 5-inch ink-jet printer AMOLED, 5.2-inch eye-caring display screen, 5.5-inch QHD eye tracking 3D and other products with world-leading technologies in the world and win “Best In Show” Award. Furthermore, BOE has launched 5.5-inch QHD and 5.9-inch FHD (Full High Definition) flexible OLED products in new production line of Chengdu, launched 27-inch/65-inch 8K UHR products, increased the sales volume of smart phone TDDI, launched 10.1-inch WU TDDI of TPC (Tablet Personal Computer) and 13.3-inch FHD MLOC (Multi-layer On Cell) Active Pen, and increased the sales volume of high-resolution products.

#### 4. Push forward transformation and upgrading and further promoted brand image

With the promotion of transformation and upgrading, BOE has further improved its products and service quality, motivated the innovation vigor of the organization, enhanced the publicity and marketing promotion, and improved brand image. BOE has accelerated to expand the market channels in the world: run subsidiaries in Russia, Brazil and the Middle East; further strengthened marketing network layout in China: set Chengdu sub-headquarters in Southwest China and 14 subsidiaries in Qingdao, Tianjin, Shenyang, Shijiazhuang, Taiyuan, Hangzhou, Nanjing, Hefei, Xi'an, Chongqing, Guangzhou, Wuhan, Changsha and Xiamen; promoted the sales capacity and channel establishment of iGallery painted screen, MTX and other innovation-based transformational products and supported their transformation to integrated software and hardware and service marketing; optimized the all-rounded and multi-layered on-line distribution platform led by official website, official Weibo and APP; innovated the contents and distribution modes of official Weibo; participated in SID, Professional Commercial Display Exhibition (Japan) and other famous international exhibitions; gained a number of awards and further promoted the brand image.

## Section IV Performance Discussion and Analysis

### I Summary

In order to seize opportunities arising from the shift from the post-Internet era to the Fourth Industrial Revolution across the world, embrace new technologies and make a new leap to a globally-advanced company in the sector of the Internet of Things, the Company has further positioned itself as an “Internet of Things company that offers smart interface products and professional services for information interaction and mankind’s health”.

The first half of 2017 saw a slow recovery in the global economy and a pickup in China’s economy. With balanced supply and demand, the display market was stable. Under such circumstances, the Company continued to unwaveringly follow the DSH (Display, Smart systems and Healthcare services) strategy, and work on new business responsively, with the purpose of solidifying and increasing its global competitiveness. As a result, the Reporting Period has seen a larger market share, more distribution channels and a stronger branding ability of the Company. In addition, the Company has furthered its lean management, which has produced better energy consumption and earnings results. Meanwhile, its major construction projects went on smoothly and all its substantial plans are well underway. For the Reporting Period, the Company achieved, on a consolidated basis, operating revenues of RMB 44.6 billion Yuan, up 69% compared to the same period of last year; and net profit of RMB 4.3 billion Yuan, representing a significant year-on-year growth. Details about the Company’s business divisions in the Reporting Period are given as follows:

#### (1) Display and Sensor Business Group (DBG)

The overall market share of semiconductor display products increased stably. The market share of main products in subdivided markets was in the leading position in the industry. The market share of LCD display screen of smart phones, display of tablets, and display of laptops kept ranking as the world number 1. Products representing the globally frontier technologies, which included 1.5-inch FIC OLED, 2.1-inch VR with high pixel density of 2300PPI, 5-inch ink-jet printing AMQLED, 5.2-inch eye-protective display, 5.5-inch QHD human-eye-tracking 3D, were firstly launched in the world and won the SID “Best in Show” Award. Multiple Flexible OLED products were successfully lightened in new production line. 8K ultrahigh resolution series, TDDI products, MLOC active pen were successfully put into market. The potential dig-out of capacity was deepened through continuous reinforcement of lean management and optimization of bottle-neck techniques. Capacity of the Beijing, Hefei, Chongqing 8.5<sup>th</sup> Generation Line set a new record. Yield rate of key projects distinctly rose up. The result of optimization of product structure was remarkable. The Company’s competitive power made continuous enhancement. Projects in key production lines in Chengdu, Hefei, Fuzhou, Mianyang, etc. were smoothly boosted, of which some production lines realized lightening or mass production in advance. Innovation and transform were accelerated for the sensor business. The photoelectric sensor was developed. Projects of physical and chemical testing, molecular antenna, and security were stably advanced. Samples for glass-based fingerprint identification were made out. Cooperation intention with the 1<sup>st</sup> class clients in domestic and overseas market was agreed for gene sequencing.

#### (2) Smart Business Group (SBG)

The globally well-known branded clients were successfully developed. The shipment of whole machines with smart-manufacturing service continuously increased. The project construction for smart factories was stably carried forward. Integrated planning for the 1<sup>st</sup> -phase smart logistics of Hefei smart factory was accomplished, which substantially saved human labors and realized smooth mass production. Structure capping of main plant of Chongqing smart factory was finished 43 days in advance. Smart vehicle-connection business was being constantly and deeply integrated. The Chengdu vehicle-mounted base smoothly won client’s authentication. In terms of smart retail, the Company started the acquisition of the French SES company, worked out retail solutions for shops and supermarkets, preliminarily formed production lines of iGallery painted-screen art retail business, the system of RFID Internet-of-Things for physical retail stores, and the system of financial retail Internet-of-Things. The reservation of electricity

generation by smart power was sustainably improved.

### (3) Healthcare Business Group (HBG)

In terms of health service business, business structure of synergetic development of mobile health, digital hospital, regenerative medicine, and health park was formed. As for mobile health, the noninvasive multiparameter detector (MTX) and mobile health management platform (APP) were promoted. The noninvasive combined glucometer (COG) was recognized by CFDA (China Food and Drug Administration) authentication. Business performance of the OASIS Hospital kept a year-on-year growth. The construction of Hefei Digital Hospital was steadily advanced. Projects in Beijing, Chengdu, and etc. were being positively planned. As for regenerative medicine, the construction of research institute for trinity regenerative medicine was started up, and domestically initiative cell sheets, such as myocardium and cornea were brought out. License application for the insurance company was steadily advanced. Capacity of the health park was constantly strengthened. On the basis of stable operation of the existing park, the Company developed TS project and promoted its actual operation.

## II Analysis of Main Business

See “I Summary” above.

Year-on-year changes of key consolidated financial data:

Unit: RMB Yuan

Item	Reporting Period	Same period of last year	+/-%	Main reason for change
Operating revenues	44,605,027,995.00	26,448,310,717.00	68.65%	Larger size of the Company and changes in industry prospects
Operating costs	32,235,266,589.00	23,987,091,158.00	34.39%	Operating activities increased
Selling expense	1,228,560,863.00	696,216,454.00	76.46%	Operating activities increased
Administrative expense	3,052,661,575.00	2,311,090,435.00	32.09%	New projects were put into operation and R&D was strengthened
financial expense	1,099,113,182.00	1,234,879,010.00	-10.99%	-
Income taxes	940,261,615.00	56,258,311.00	1,571.33%	Earnings increased significantly
R&D input	3,169,248,290.00	1,944,443,159.00	62.99%	R&D was strengthened
Net cash from operating activities	10,638,591,266.00	2,734,086,955.00	289.11%	Increased earnings of the Company
Net cash from investing activities	-31,989,473,181.00	-12,633,262,404.00	153.22%	Increased payments for engineering and equipment purchase for ongoing projects
Net cash from financial activities	15,249,414,489.00	13,870,080,988.00	9.94%	-
Net increase in cash and cash equivalents	-6,556,493,365.00	3,853,303,396.00	-	Increased payments for engineering and equipment purchase for ongoing projects

Major changes to the profit structure or sources of the Company in the Reporting Period:

Applicable  Not applicable

No such cases in the Reporting Period.

Breakdown of main business:

Unit: RMB Yuan

Item	Operating revenue	Operating cost	Gross profit margin	Operating revenue: YoY +/-%	Operating cost: YoY +/-%	Gross profit margin: YoY +/-%
<b>By business segment</b>						
DBG	40,261,582,742.00	28,802,055,244.00	28.46%	72.93%	34.53%	20.42%
SBG	8,271,879,666.00	7,609,162,350.00	8.01%	55.58%	56.40%	-0.48%
HBG	489,914,987.00	246,278,933.00	49.73%	16.14%	4.35%	5.68%
Others	442,168,181.00	8,488,146.00	98.08%	11.17%	227.52%	-1.27%
Offset	-4,860,517,581.00	-4,430,718,084.00	8.84%	63.66%	75.40%	-6.10%
<b>By product</b>						
DBG	40,261,582,742.00	28,802,055,244.00	28.46%	72.93%	34.53%	20.42%
SBG	8,271,879,666.00	7,609,162,350.00	8.01%	55.58%	56.40%	-0.48%
HBG	489,914,987.00	246,278,933.00	49.73%	16.14%	4.35%	5.68%
Others	442,168,181.00	8,488,146.00	98.08%	11.17%	227.52%	-1.27%
Offset	-4,860,517,581.00	-4,430,718,084.00	8.84%	63.66%	75.40%	-6.10%
<b>By geographic segment</b>						
China	21,530,313,687.00	16,557,000,170.00	23.10%	49.60%	28.96%	12.31%
Other Asian countries and regions	20,890,540,227.00	13,921,857,265.00	33.36%	101.07%	44.99%	25.78%
Europe	1,035,237,551.00	830,230,698.00	19.80%	47.78%	25.90%	13.93%
America	1,112,938,978.00	897,136,045.00	19.39%	23.80%	8.83%	11.08%
Other countries and regions	35,997,552.00	29,042,411.00	19.32%	-46.77%	-53.53%	11.74%

### III Non-Core Business Analysis

Applicable  Not applicable

## IV Analysis of Assets and Liabilities

### 1. Significant Changes in Asset Composition

Unit: RMB Yuan

Item	End of Reporting Period		End of same period of last year		Change in percentage (%)	Main reason for significant change
	Amount	As a percentage of total assets (%)	Amount	As a percentage of total assets (%)		
Monetary funds	50,760,400,727.00	22.51%	44,519,079,579.00	26.15%	-3.64%	N/A
Accounts receivable	16,863,534,739.00	7.48%	10,729,817,649.00	6.30%	1.18%	N/A
Inventories	9,759,164,036.00	4.33%	7,200,449,513.00	4.23%	0.10%	N/A
Investment	1,271,764,715.00	0.56%	1,210,463,063.00	0.71%	-0.15%	N/A
Long-term equity investment	1,981,030,454.00	0.88%	1,700,914,108.00	1.00%	-0.12%	N/A
Fixed assets	78,898,829,994.00	34.99%	63,258,787,740.00	37.15%	-2.16%	N/A
Construction in progress	44,127,069,216.00	19.57%	20,213,753,534.00	11.87%	7.70%	Construction of new projects went on
Short-term borrowings	6,088,832,994.00	2.70%	1,675,552,145.00	0.98%	1.72%	N/A
Long-term borrowings	53,462,402,931.00	23.71%	41,917,658,001.00	24.62%	-0.91%	N/A
Non-current liabilities due within 1 year	9,749,188,493.00	4.32%	2,556,088,170.00	1.50%	2.82%	Lower non-current liabilities due within 1 year as of end of same period of last year due to prepayment of bank loan in prior year
Accounts payable	15,215,611,240.00	6.75%	11,123,142,770.00	6.53%	0.22%	N/A
Other payables	15,003,435,170.00	6.65%	8,230,251,535.00	4.83%	1.82%	Increased payables for equipment and engineering for projects under construction

## 2. Assets and Liabilities Measured at Fair Value

Applicable  Not applicable

Unit: RMB Yuan

Item	Opening balance	Gains/losses on fair value changes in Reporting Period	Cumulative fair value changes charged to equity	Impairment provided in Reporting Period	Purchased in Reporting Period	Sold in Reporting Period	Closing balance
Financial assets							
1. Financial assets at fair value through gains/losses (exclusive of derivative financial assets)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Derivative financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Available-for-sale financial assets	394,236,151.00	0.00	109,924,502.00	0.00	142,474,623.00	0.00	533,895,645.00
Subtotal of financial assets	394,236,151.00	0.00	109,924,502.00	0.00	142,474,623.00	0.00	533,895,645.00
Investment property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Productive living assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total of above	394,236,151.00	0.00	109,924,502.00	0.00	142,474,623.00	0.00	533,895,645.00
Financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Significant changes in the measurement attributes of the main assets in the Reporting Period:

Yes  No



### 3. Restricted Asset Rights as of End of the Reporting Period

Item	Closing book value	Reason for restriction
Monetary funds	7,962,083,704.00	Guarantee and security deposits
Notes receivable	540,548,942.00	Discounted and transferred with right of recourse, endorsed and transferred with right of recourse, as pledge for opening notes payable
Fixed assets	50,748,500,303.00	Mortgage
Intangible assets	897,094,942.00	Mortgage
Investment property	210,681,631.00	Mortgage
Construction in progress	5,366,306,707.00	Mortgage
Total	65,725,216,229.00	--

## V Investments Made

### 1. Total Investments Made

Applicable  Not applicable

Investments made in this Reporting Period (RMB Yuan)	Investments made in the prior year (RMB Yuan)	+/-%
787,439,623.00	467,187,000.00	68.55%

### 2. Significant Equity Investments Made in the Reporting Period

Applicable  Not applicable

### 3. Significant Non-Equity Investments Ongoing in the Reporting Period

Applicable  Not applicable

#### 4. Financial Investments

##### (1) Securities Investments

√ Applicable □ Not applicable

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Opening book value	Profit/loss on fair value changes in this Reporting Period	Cumulative fair value changes charged to equity	Purchased in this Reporting Period	Sold in this Reporting Period	Profit/loss in this Reporting Period	Closing book value	Accounting title	Source of investment funds
Domestic/over seas stock	HK00903	TPV Technology	134,658,158.00	Fair value method	28,763,373.00	0.00	8,322,132.00	0.00	0.00	930,175.00	36,365,439.00	Available-for-sale financial asset	Subscription
Domestic/over seas stock	SH600658	Electronic Zone	90,160,428.00	Fair value method	129,715,503.00	0.00	81,468,760.00	0.00	0.00	0.00	128,144,384.00	Available-for-sale financial asset	Share swap
Domestic/over seas stock	HK01963	Bank of Chongqing	120,084,375.00	Fair value method	148,067,614.00	0.00	16,348,465.00	0.00	0.00	7,331,745.00	136,432,840.00	Available-for-sale financial asset	Subscription
Domestic/over seas stock	HK06066	China Securities	70,041,364.00	Fair value method	69,367,469.00	0.00	-1,558,551.00	0.00	0.00	2,049,750.00	68,482,813.00	Available-for-sale financial asset	Subscription
Domestic/over seas stock	HK01518	New century medical treatment	142,474,623.00	Fair value method	0.00	0.00	1,523,876.00	142,474,623.00	0.00	0.00	143,998,499.00	Available-for-sale financial asset	Subscription

												asset	
Funds	Naught	Black Rock GF World Health Science Fund A2 USD	4,004,297.00	Fair value method	5,974,163.00	0.00	2,214,183.00	0.00	0.00	0.00	6,218,480.00	Available-fo r-sale financial asset	Subscription
Other securities investments held at the period-end			0.00	--	0.00		0.00	0.00	0.00	0.00	0.00	--	--
Total			561,423,245.00	--	381,888,122.00	0.00	108,318,865.00	142,474,623.00	0.00	10,311,670.00	519,642,455.00	--	--
Disclosure date of the announcement about the board's consent for the securities investment		Naught											
Disclosure date of the announcement about the general meeting's consent for the securities investment (if any)		Naught											

## (2) Investments in Derivative Financial Instruments

Applicable  Not applicable

No such cases in the Reporting Period.

## VI Sale of Major Assets and Equity Interests

### 1. Sale of Major Assets

Applicable  Not applicable

No such cases in the Reporting Period.

## 2. Sale of Major Equity Interests

Applicable  Not applicable

## VII Main Controlled and Joint Stock Companies

Applicable  Not applicable

Main subsidiaries and joint stock companies with an over 10% influence on the Company's net profit

Unit: RMB Yuan

Company name	Relationship with the Company	Main business scope	Industry	Registered capital	Total assets	Net assets	Operating revenues	Operating profit	Net profit
Hefei BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	Semiconductor display	9,000,000,000.00	17,060,160,937.00	9,690,898,546.00	8,216,589,999.00	682,949,366.00	585,486,281.00
Beijing BOE Display Technology Co., Ltd.	Subsidiary	Development and production of TFT-LCD	Semiconductor display	17,882,913,500.00	28,356,299,152.00	21,111,137,252.00	10,689,291,263.00	1,302,468,628.00	1,188,816,896.00
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Subsidiary	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	Semiconductor display	19,500,000,000.00	33,628,363,223.00	22,107,385,325.00	6,946,716,077.00	1,245,978,335.00	1,111,762,969.00
Chongqing BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	Semiconductor display	19,226,000,000.00	38,522,003,462.00	22,103,695,144.00	9,457,315,749.00	2,391,041,522.00	2,043,698,978.00

Subsidiaries obtained or disposed in this Reporting Period

√ Applicable □ Not applicable

Subsidiary	How the subsidiary was obtained or disposed in this Reporting Period	Effect on overall production and operation results
Mianyang BOE Optoelectronics Technology Co., Ltd.	Invest to establish	Subsidiary incorporated to build the 6 <sup>th</sup> generation AMOLED (flexible) production line Expected to produce positive effects on the Company
BOE Regenerative Medicine Technology Co., Ltd.	Invest to establish	Subsidiary incorporated for healthcare business Expected to produce positive effects on the Company
Beijing BOE Health Technology Co., Ltd.	Invest to establish	Subsidiary incorporated for healthcare business Expected to produce positive effects on the Company
BOE Brazil Consulting Service Co., Ltd	Invest to establish	Subsidiary incorporated for overseas marketing
Hebei Huanda Trade Co., Ltd*	Asset acquisition	Subsidiary acquired for smart energy system business Expected to produce positive effects on the Company
Pinghu Juhui New Energy Co., Ltd*	Asset acquisition	Subsidiary acquired for smart energy system business Expected to produce positive effects on the Company
Shaoxing Juhui New Energy Co., Ltd*	Asset acquisition	Subsidiary acquired for smart energy system business Expected to produce positive effects on the Company
Zhuji Dinghui New Energy Co., Ltd*	Asset acquisition	Subsidiary acquired for smart energy system business Expected to produce positive effects on the Company
Beijing BOE Yiyun Technology Co., Ltd.	Invest to establish	Subsidiary incorporated for smart retail system business Expected to produce positive effects on the Company

\*: A company newly consolidated by the Company to strengthen the smart energy system business. For details, see the Announcement on Increase of Investment in BOE Energy Technology Co., Ltd. disclosed on July 27, 2016.

## VIII Structured Bodies Controlled by the Company

Applicable  Not applicable

## IX Performance Forecast for January-September 2017

Warning of possible loss or considerable YoY change in the accumulative net profit made during the period-beginning to the end of the next reporting period, as well as the reasons:

Applicable  Not applicable

## X Risks Facing the Company and Countermeasures

### 1. Risks of macroeconomic fluctuation

The second half of 2017 will see more complicated macro economy and market environment. The global economic growth is expected to be rebounded, which is hard to break away from long-term stagnation due to the uncertain politics, increasing trade protectionism and incremental instability factor of financial foreign exchange market. Increasing price of raw materials brought by the structural transformation of China's economy pushes the main traditional products to a new round of fierce price competition in product market.

Adhering to the philosophy of driving transformation and upgrading by innovation, BOE will grasp the market opportunities brought by fast-developing Internet of Things, continuously improve the operation efficiency of production line, optimize the product structure, speed up the improvement of AMOLED competitiveness in the world, promote the sensing industry development, lay a solid foundation for the software and hardware-integrated technology, accelerate the establishment of core competence of information-based medical treatment, boost the implementation of "Internet+ strategy", promote the business transformation and upgrading and enhance the overall profitability.

### 2. Management risks of transformation and upgrading

BOE has established the normative management system and well managed the operation. However, the developing DSH business strategy increases the productivity scale, expands the business field, enhances the management range and difficulty of operating decision, operating management and risk control, and sets higher requirements on BOE's operation and management level.

BOE will promote the overall capacity reform and reconstruction of organizations that face the era of Internet of Things, further strengthen the strategy control and implementation capacity, improve the standardization control platform and informatization management system, establish the awareness, capacity and operating system of positive strategy control and professional service, cultivate, develop and introduce the top operation and management talents in time and make them play an effective role, and meet the operation management requirements of business upgrading.

To deal with the risks above, the Company will strictly follow applicable laws and regulations in its activities, disclose important information in a timely, accurate and complete manner, and improve communication with investors. In addition, the Company will take effective measures to minimize risks and create more value for its shareholders, especially minority shareholders.

## Section V Significant Events

### I Annual and Special Meetings of Shareholders Convened during the Reporting Period

#### 1. Meetings of Shareholders Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Index to disclosed information
2016 Annual Meeting of Shareholders	Annual Meeting of Shareholders	35.65%	06/09/2017	06/10/2017	www.cninfo.com.cn

#### 2. Special Meetings of Shareholders Convened at Request of Preference Shareholders with Resumed Voting

##### Rights

Applicable  Not applicable

### II Proposal for Profit Distribution and Converting Capital Reserve into Share Capital for the Reporting Period

Applicable  Not applicable

For the Reporting Period, the Company plans not to distribute cash dividends or bonus shares or convert capital reserve into share capital.

### III Commitments of the Company's Actual Controller, Shareholders, Related Parties and Acquirer, as well as the Company and Other Commitment Makers, Fulfilled in the Reporting Period or still Ongoing at Period-End

Applicable  Not applicable

Commitment	Commitment maker	Type of commitment	Contents	Date of commitment making	Period of commitment	Fulfillment
Commitments made in share reform	Naught					
Commitments made in acquisition documents or shareholding alteration documents	Naught					
Commitments made in time of asset restructuring	Naught					

Commitments made in time of IPO or refinancing	Beijing State-owned Capital Operation and Management Center, Hefei Jianxiang Investment Co., Ltd., Chongqing Capital Optoelectronics Investment Co., Ltd.	Restricted shares commitments	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	04/08/2014	36 months	Fulfilled
Equity incentive commitments	Naught					
Other commitments made to minority shareholders	Naught					
Fulfilled on time	Yes					
Specific reasons for failing to fulfill commitments on time and plans for next step	Naught					

#### IV Engagement and Disengagement of CPAs Firm

Has the semi-annual financial report been audited?

Yes  No

This Semi-Annual Report is unaudited.

#### V Explanations Given by Board of Directors and Supervisory Board Regarding “Modified Auditor’s Report” Issued by CPAs Firm for the Reporting Period

Applicable  Not applicable

#### VI Explanations Given by Board of Directors Regarding “Modified Auditor’s Report” Issued for Last Year

Applicable  Not applicable

#### VII Bankruptcy and Restructuring

Applicable  Not applicable

No such cases in the Reporting Period.

#### VIII Legal Matters

Significant lawsuits or arbitrations:

Applicable  Not applicable

No such cases in the Reporting Period.



Other legal matters:

Applicable  Not applicable

Basic situation of lawsuit (arbitration)	Lawsuit amount (RMB '0,000 Yuan)	Whether form into estimated liabilities	Process of lawsuit (arbitration)	Trial results and influences of lawsuit (arbitration)	Situation of execution of judgment of lawsuit (arbitration)	Disclosure date	Disclosure index
Legal matters (including former years carry-over) in the first half of year 2017	4,282.1	No	Naught	Naught	Naught	Naught	Naught

## IX Punishments and Rectifications

Applicable  Not applicable

No such cases in the Reporting Period.

## X Credit Conditions of the Company as well as its Controlling Shareholder and Actual Controller

Applicable  Not applicable

## XI Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

Applicable  Not applicable

No such cases in the Reporting Period.

## XII Significant Related Transactions

### 1. Related Transactions Relevant to Routine Operations

Applicable  Not applicable

Not applicable because the routine related parties incurred in the Reporting Period did not reach 5% of last year's audited consolidated net assets in value.

### 2. Related Transactions Regarding Purchase or Sales of Assets or Equity Interests

Applicable  Not applicable

No such cases in the Reporting Period.

### **3. Related Transactions Regarding Joint Investments in Third Parties**

Applicable  Not applicable

No such cases in the Reporting Period.

### **4. Credits and Liabilities with Related Parties**

Applicable  Not applicable

No such cases in the Reporting Period.

### **5. Other Significant Related Transactions**

Applicable  Not applicable

No such cases in the Reporting Period.

## **XIII. Particulars about the Non-operating Occupation of Funds by the Controlling Shareholder and Other Related Parties of the Company**

Applicable  Not applicable

The Company was not involved in the non-operating occupation of funds by the controlling shareholder and other related parties during the Reporting Period.

## **XIV. Significant Contracts and Execution**

### **1. Entrustment, Contracting and Leasing**

#### **(1) Entrustment**

Applicable  Not applicable

No such cases in the Reporting Period.

#### **(2) Contracting**

Applicable  Not applicable

No such cases in the Reporting Period.

#### **(3) Leasing**

Applicable  Not applicable

Explanation to leasing

The Company sold and leased back certain fixed assets in the Reporting Period, which did not affect its normal use of these fixed assets.

The project whose profit and loss brought for the company can reach above 10% of the total profit during the Reporting Period

Applicable  Not applicable

No such cases in the Reporting Period.

## 2. Significant Guarantees

√ Applicable □ Not applicable

### (1) Guarantees

Unit: RMB Yuan'0,000

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
Naught								
Total guarantee line for external parties approved during the Reporting Period (A1)				0	Total actual guarantee amount for external parties during the Reporting Period (A2)		0	
Total approved guarantee line for external parties at the end of the Reporting Period (A3)				0	Total actual guarantee balance for external parties at the end of the Reporting Period (A4)		0	
Guarantees between the Company and its subsidiaries								
Guaranteed party	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date (date of agreement signing)	Actual guarantee amount	Type of guarantee	Term of guarantee	Due or not	Guarantee for a related party or not
Hefei BOE Photoelectric Technology Co., Ltd.	08/14/2014	747,220	03/12/2015	269,080	Joint liability guarantee	07/23/2010 - 07/23/2019	No	No
Beijing BOE Display Technology Co., Ltd.	08/14/2014	1,059,379	09/30/2014	136,064	Joint liability guarantee	01/27/2011 - 01/26/2020	No	No

Hefei Xin Sheng Photoelectric Technology Co., Ltd.	08/14/2014	1,253,264	01/15/2015	785,830	Joint liability guarantee	01/06/2014 - 01/06/2022	No	No
Ordos Yuan Sheng Photoelectric Co., Ltd.	04/02/2013	475,171	05/22/2013	351,098	Pledge	06/17/2013 - 06/09/2021	No	No
Ordos Yuan Sheng Photoelectric Co., Ltd.	08/14/2014	475,171	09/30/2014	351,098	Joint liability guarantee	06/17/2013 - 06/09/2021	No	No
Chongqing BOE Photoelectric Technology Co., Ltd.	08/14/2014	1,442,947	9/29/2014	1,048,062	Joint liability guarantee	11/05/2014 - 11/05/2022	No	No
Chongqing BOE Photoelectric Technology Co., Ltd.	08/14/2014	300,000	05/25/2015	105,000	Joint liability guarantee	Opening date of the letter of guarantee - 12/31/2020	No	No
Fuzhou BOE Photoelectric Technology Co., Ltd.	12/10/2015	1,354,880	12/29/2015	806,393	Joint liability guarantee	12/19/2016-12/19/2025	No	No
Fuzhou BOE Photoelectric Technology Co., Ltd.	12/10/2015	300,000	11/08/2016	108,000	Joint liability guarantee	6 years from the opening date of the letter of guarantee	No	No
Hefei BOE Display Technology Co., Ltd.	12/01/2016	1,666,502	12/26/2016	1,094,736	Joint liability guarantee	12/26/2016-12/26/2017	No	No
Ordos Yuan Sheng Photoelectric Co., Ltd.	12/01/2016	550,000	03/17/2017	335,388	Joint liability guarantee	03/17/2017-03/17/2025	No	No
Total guarantee line for subsidiaries approved during the Reporting Period (B1)			2,750,000	Total actual guarantee amount for subsidiaries during the Reporting Period (B2)				729,552
Total approved guarantee line for subsidiaries at the end of the Reporting Period (B3)			11,899,364	Total actual guarantee balance for subsidiaries at the end of the Reporting Period (B4)				5,039,652

Guarantees between subsidiaries								
Guaranteed party	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date (date of agreement signing)	Actual guarantee amount	Type of guarantee	Term of guarantee	Due or not	Guarantee for a related party or not
Ordos Yuan Sheng Photoelectric Co., Ltd.	04/02/2013	475,171	05/22/2013	351,098	Pledge	06/17/2013 - 06/09/2021	No	No
Huanda Trading (Hebei) Co., Ltd	Naught	14,600	05/24/2017	14,590	Joint liability guarantee	06/15/2017-01/16/2029	No	No
Total guarantee line for subsidiaries approved during the Reporting Period (C1)		14,600		Total actual guarantee amount for subsidiaries during the Reporting Period (C2)		14,590		
Total approved guarantee line for subsidiaries at the end of the Reporting Period (C3)		14,600		Total actual guarantee balance for subsidiaries at the end of the Reporting Period (C4)		14,590		
Total guarantee amount (total of the above-mentioned three kinds of guarantees)								
Total guarantee line approved during the Reporting Period (A1+B1+C1)		2,764,600		Total actual guarantee amount during the Reporting Period (A2+B2+C2)		744,142		
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		11,913,964		Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)		5,054,242		
Proportion of the total actual guarantee amount (A4+B4+C4) in net assets of the Company				61.78%				
Of which:								
Amount of guarantees provided for shareholders, the actual controller and their related parties (D)				0				
Amount of debt guarantees provided directly or indirectly for entities with a liability-to-asset ratio over 70% (E)				14,590				
Portion of the total guarantee amount in excess of 50% of net assets (F)				595,352				

Total amount of the three kinds of guarantees above (D+E+F)	595,352
Joint responsibilities possibly borne in the Reporting Period for undue guarantees (if any)	Naught
Provision of external guarantees in breach of the prescribed procedures (if any)	Naught

1. The Company provided a joint-liability guarantee for a syndicated loan for Erdos Yuansheng Optoelectronics Co., Ltd. In the meantime, the Company, Hefei BOE Optoelectronics Technology Co., Ltd. and Beijing BOE Display Technology Co., Ltd. provided guarantees for the said syndicated loan for Erdos Yuansheng Optoelectronics Co., Ltd. with their stakes in Erdos Haosheng Energy Investment Co., Ltd. as the pledges

2. Amount of debt guarantees provided directly or indirectly for entities with a liability-to-asset ratio over 70% is guarantees between subsidiaries, relevant procedure has been performed according to *Administration of External Guarantee* of the company.

## (2) Illegal Provision of Guarantees for External Parties

Applicable  Not applicable

No such cases in the Reporting Period.

## 3. Other Significant Contracts

Applicable  Not applicable

No such cases in the Reporting Period.

## XV. Social Responsibilities

### 1. Targeted Measures Taken to Help People Lift Themselves Out of Poverty

The Company didn't carry out the work on targeted poverty alleviation, and subsequent targeted poverty alleviation plan in the Reporting Period.

### 2. Significant Environmental Protection

Indicate by tick mark whether the Company or any of its subsidiaries is a heavily polluting business identified by the environmental protection authorities of China

Yes

Name of Company or subsidiary	Name of Main Pollutant and Distinctive Pollutant	Discharge Method	Quantity of Emission Outlet	Distribution Information of Emission Outlet	Emission Concentration	Executed Emission Standard of Pollutant	Total Weight of Emission (t)	Approved Total Weight of Emission (t)	Excessive Emission Condition
Beijing BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	2	South gate of factory, northwest corner of factory	113.04mg/L	500mg/L	158.15t	702.68t	None
	Ammonia nitrogen				13.75mg/L	45 mg/L	19.18t	55.93t	
Chengdu BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	235.41mg/L	500mg/L	127.12t	490.51t	None
	Ammonia nitrogen				15.46mg/L	45 mg/L	8.35t	25.249 t	
Hefei BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	Northwest corner of factory	59.47mg/L	380mg/L	103.37t	1059 t	None
	Ammonia nitrogen				3.38mg/L	30mg/L	5.87t	99.2 t	None
Beijing BOE Display Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	2	East gate of factory, Behind No. 8 Building of factory	172.5mg/L	500mg/L	335.14t	1618.8 t	None
	Ammonia nitrogen			East gate of factory, Behind No. 8 Building of factory	7.01mg/L	45 mg/L	13.7t	134.4 t	None
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	Northeast gate of factory	50.33 mg/l	380mg/L	125.9t	1621.97 t	None
	Ammonia nitrogen			Northeast gate of factory	11.62mg/l	30mg/L	28.85 t	128.08 t	None
Erdos Yuansheng Optoelectronics Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	29.66mg/L	500mg/L	38.81 t	713.81 t	None
	Ammonia nitrogen			North side of factory	0.99mg/L	45mg/L	1.32 t	76.82 t	None
Chongqing BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	South side of factory	77.1mg/L	400mg/L	226.92 t	727.08t	None
	Ammonia nitrogen			South side of factory	15.28mg/L	30mg/L	45.61 t	79.424 t	None



## Construction of pollution prevention equipment and operation condition

BOE has been free of significant environmental problems during the reporting period. All subsidiaries have effectively controlled the operation in accordance with internal water pollution management standard, air pollution management standard, hazardous wastes management standard, energy management standard and other requirements, define the operation and maintenance principle and requirements, establish regular monitoring and supervision mechanism, and ensure the continuously stable operation of systems.

In recent years, the environmental emission index of the Company is up to national standards such as Sewage Comprehensive Discharge Standard (GB8979-1996), Air Pollutant Comprehensive Emission Standard (GB8978-1996), Industrial Enterprise Environmental Noise Emission Standard within Factory Boundary (GB12348-2008) etc and local standards, and all internal management benchmark are higher and more strict than national standards and local standards without any emission and discharge which exceed the standards.

The waste water which is generated by each subordinate enterprise of the Company can be divided in to industrial waste water and household waste water. After collecting, the rain water is discharged into rain water pipeline of factory; after the rain water is collected by rain water pipe network, the rain water is discharged. Meanwhile, the Company also set up special industrial waste water treatment system. After being treated by sewage treatment system in factory, industrial waste water is discharged into sewage treatment factory through municipal pipe network for intense treatment. Household waste water is discharged into municipal sewage treatment factory after pretreatment. In additional, the exhaust gas which is emitted by each subordinate enterprise mainly comes from technology exhaust gas during production process, including general exhaust gas, acid exhaust gas, alkaline exhaust gas, special exhaust gas and organic exhaust gas etc. Various exhaust gas can be emitted after being treated by independent emission treatment system. The emission concentration and total amount of waste water and exhaust gas satisfy the national and local relevant standards. The waste materials which are generated by each subordinate enterprise can be divided into general industrial solid waste, hazardous waste materials and household waste materials, and they all handed over to qualified recycler for regular treatment. At the same time, Companies put forward the recycling of package material constantly, and carry forward the work of waste reduction continuously.

The Company focuses on the recycle of water resource and advanced cleaning methods such as adverse cleaning etc are adopted for processing equipment. Most high purity water and chemicals are recycled, reducing the consumption of high purity water, chemical and other materials maximally and reducing the discharge of waste water and waste materials. According to the principle of using water by separating, the RO concentrated water with higher salt content (deionized water which is got by osmose process) which is generated during preparing original pure water can be used in pure water preparing system after treatment, the remain RO concentrated water is flowed into recycled water system as exhaust gas purifying, cycling and cooling water, replenishing water of sewage treatment system and household flushing water for toilet, watering water for road, water for greening. The drainage water which is generated during ultrapure water preparing process is used for humidification of air conditioning system.

The Company will continue to promote the environmental management, devote to forging green factory and improve environmental management level constantly.

## XVI. Other Significant Events

Applicable  Not applicable

1. On Jan.11, 2017, BOE passed *Bill of Subscribing Shares of New Century Healthcare in Initial Public Offering* in 9th meeting of 8th board of directors. BOE has subscribed 21,550,000 shares (total payment: HKD 160,206,386.05 (relevant service charge included)) of New Century Healthcare in Initial Public Offering (IPO) through wholly-owned subsidiary --- BOE Technology (Hong Kong) Co., Ltd. in Stock Exchange of Hong Kong Limited.
2. The public corporate bonds (Phase 1) of BOE Technology Group Co., Ltd. issued to qualified investors by BOE from Mar.21 to 22, 2017 reach one year on Mar.21, 2017. The interest shall be settled once a year within interest accrual period based on the regulations. On Mar.15, 2017, BOE disclosed "*16BOE01*" 2017 *Announcement of Interest Settlement* (No.: 2017-007), specifying that the interest of 10 bonds is HKD 31.5 (tax included).

3. On Jul.15, 2016, BOE disclosed *Plan on Repurchasing Part of BOE's Public Share*, which was passed in 3th extraordinary general meeting in 2016. On Sep.20, 2016, BOE implemented the plan for the first time. The plan is expired on August 18, 2017 (expired date of repurchase period). BOE has repurchased 88,692,299 A-shares (max. price: RMB 2.92 Yuan /share, min. price: RMB 2.36 Yuan /share, total payment: HKD 226,525,285.07 (commission and other fixed charged included)), and 265,976,681 B-shares (max. price: HKD 3.45/share, min. price: HKD 2.12/share, total payment: HKD 799,996,931.17 (commission and other fixed charged included)). ,for more information,see *Announcement on completion of repurchasing Part of BOE's Public Share* (No.:2017-046).
4. On Dec.2, 2015, BOE disclosed *Announcement on Investing Intelligent Manufacturing Production Line Project for Complete Machine* (No.: 2015-079). BOE has invested RMB 1,190,000,000 Yuan to the project of wholly-owned subsidiaries, which is passed in 32th meeting of 7th board of directors. The project has put into production in Hefei. Under such case, BOE has invested RMB 1,000,000,000 Yuan to the Phase 2 project in Hefei based on the full research and argumentation, which is passed in 13th meeting of 8th board of directors. For more information, see *Announcement on Investing Intelligent Manufacturing Production Line Project (Phase 2) for Complete Machine in Hefei* (No.: 2017-034).
5. BOE Technology (HK) Limited, one of the Company's wholly-owned subsidiaries, filed a lawsuit before the Beijing High People's Court over a disputed sales contract against LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd., LeTV Holdings (Beijing) Co., Ltd., Le Sai Mobile Technology (Beijing) Co., Ltd. and Mr. Jia Yueting for approximately USD 41.84 million in total. The court has issued the Case Acceptance Notice and the Civil Ruling for property preservation respectively on July 6, 2017 and July 31, 2017. As for relevant receivables of this lawsuit, the Company has made relevant bad debt provision according to accounting standard.This case is now waiting for the court's trial. Therefore, its effects on the Company are uncertain.

Overview of significant events	Disclosure date	index to disclosure website for interim report
Announcement about the Strategic Cooperation with Beihang University	05/13/2017	www.cninfo.com.cn
Announcement about Acquisition of shares of SES-imagotag	06/17/2017	www.cninfo.com.cn

## XVII. Significant Events of Subsidiaries

Applicable  Not applicable

## Section VI Share Changes and Shareholders' Profile

### I. Share Changes

#### 1. Share Changes

Unit: Share

Item	Before the change		Increase/decrease (+, -)		After the change	
	Amount	Proportion	Other	Subtotal	Amount	Proportion
I. Restricted shares	9,922,266,108	28.23%	-9,920,476,190	-9,920,476,190	1,789,918	0.01%
1. Shares held by the state	0	0.00%	0	0	0	0.00%
2. Shares held by state-owned corporations	9,920,476,190	28.22%	-9,920,476,190	-9,920,476,190	0	0.00%
3. Shares held by other domestic investors	1,789,918	0.01%	0	0	1,789,918	0.01%
Among which: shares held by domestic corporations	0	0.00%	0	0	0	0.00%
Shares held by domestic individuals	1,789,918	0.01%	0	0	1,789,918	0.01%
4. Shares held by foreign investors	0	0.00%	0	0	0	0.00%
Among which: Shares held by foreign corporations	0	0.00%	0	0	0	0.00%
Shares held by foreign individuals	0	0.00%	0	0	0	0.00%
II. Non-restricted shares	25,230,801,635	71.77%	9,920,476,190	9,920,476,190	35,151,277,825	99.99%
1. RMB Yuan ordinary shares	24,028,711,466	68.35%	9,920,476,190	9,920,476,190	33,949,187,656	96.58%
2. Domestically listed foreign shares	1,202,090,169	3.42%	0	0	1,202,090,169	3.42%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0.00%
4. Other	0	0.00%	0	0	0	0.00%
III. Total shares	35,153,067,743	100.00%	0	0	35,153,067,743	100.00%

Reasons for changes in shares

√ Applicable □ Not applicable

1. On April 10, 2017, the shareholders of the Company eased restrictions of part of non-public shares issuance in 2014, and the amount of released restricted shares is 9,920,476,190.

Approval of share changes

Applicable  Not applicable

Particulars about transferring ownership of shares

Applicable  Not applicable

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  Not applicable

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

Applicable  Not applicable

## 2. Changes in Restricted Shares

Applicable  Not applicable

Unit: Share

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares relieved of the period	Restricted shares increased of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
Beijing State-owned Capital Operation and Management Center	4,063,333,333	4,063,333,333	0	0	Non-public issuance	04/10/2017
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	3,000,000,000	3,000,000,000	0	0	Non-public issuance	04/10/2017
Hefei Jianxiang Investment Co., Ltd.	2,857,142,857	2,857,142,857	0	0	Non-public issuance	04/10/2017
Total	9,920,476,190	9,920,476,190	0	0	--	--

## II. Issuance and Listing of Securities

Applicable  Not applicable

### III. Total Number of Shareholders and Their Shareholdings

Unit: Share

Total number of common shareholders at the period-end		1,034,884 (including 995,012 A-shareholders and 39,872 B-shareholders)						
Shareholdings of common shareholders with a shareholding percentage over 5% or the top 10 common shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total common shares held at the period-end	Increase/decrease during the Reporting Period	Number of restricted common shares held	Number of non-restricted common shares held	Pledged or frozen shares	
							Status of shares	Number of shares
Beijing State-owned Capital Operation and Management Center	State-owned Corporation	11.56%	4,063,333,333	0	0	4,063,333,333	N/A	0
Chongqing Ecapital Opto-electronics Industry Investment Co., Ltd.	State-owned Corporation	8.53%	3,000,000,000	0	0	3,000,000,000	N/A	0
Hefei Jianxiang Investment Co., Ltd.	State-owned Corporation	8.13%	2,857,142,857	0	0	2,857,142,857	N/A	0
Beijing Economic-Technological Investment & Development Corp.	State-owned Corporation	3.53%	1,241,423,641	0	0	1,241,423,641	N/A	0
Beijing BOE Investment & Development Co., Ltd.	State-owned Corporation	2.34%	822,092,180	0	0	822,092,180	N/A	0
Tianan Property Insurance Co., Ltd- Baoying No.1	Other	2.09%	733,544,020	733,544,020	0	733,544,020	N/A	0

National Social Security Fund Portfolio 108	Other	1.39%	490,038,723	210,038,928	0	490,038,723	N/A	0
Hefei Rongke Project Investment Co., Ltd.	State-owned Corporation	0.92%	324,026,893	-350,999,910	0	324,026,893	N/A	0
Beijing Electronics Holdings Co., Ltd.	On behalf of government	0.78%	273,735,583	0	0	273,735,583	N/A	0
Central Huijin Assets Management Co., Ltd	Other	0.71%	248,305,300	0	0	248,305,300	N/A	0
Strategic investors or general corporations becoming top-ten common shareholders due to placing of new shares (if any) (see Note 3)	Naught							
Related or acting-in-concert parties among the shareholders above	<p>1. Beijing State-owned Capital Operation and Management Center held 100% equities of Beijing Electronics Holdings Co., Ltd.</p> <p>2. Beijing Electronics Holdings Co., Ltd. held 66.25% equities of Beijing BOE Investment &amp; Development Co., Ltd. and was its controlling shareholder.</p> <p>3. After the non-public issuing of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Capital Photoelectricity Investment Co., Ltd., by entering into Implementation Protocol of Voting Right respectively, agreed to maintain all of the shares held by them respectively unanimous with Beijing BOE Investment &amp; Development Co., Ltd. when executing the voting rights of the shareholders.</p> <p>4. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over 70% of the shares directly held by it 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.</p> <p>5. 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.</p>							
Shareholdings of the top ten non-restricted common shareholders								
Name of shareholder	Number of non-restricted common shares held at the period-end	Type of shares						
		Type	Number					
Beijing State-owned Capital Operation and	4,063,333,333	RMB ordinary shares	4,063,333,333					

Management Center			
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	3,000,000,000	RMB ordinary shares	3,000,000,000
Hefei Jianxiang Investment Co., Ltd.	2,857,142,857	RMB ordinary shares	2,857,142,857
Beijing Economic-Technological Investment & Development Corp.	1,241,423,641	RMB ordinary shares	1,241,423,641
Beijing BOE Investment & Development Co., Ltd.	822,092,180	RMB ordinary shares	822,092,180
Tianan Property Insurance Co., Ltd- Baoying No.1	733,544,020	RMB ordinary shares	733,544,020
National Social Security Fund Portfolio 108	490,038,723	RMB ordinary shares	490,038,723
Hefei Rongke Project Investment Co., Ltd.	324,026,893	RMB ordinary shares	324,026,893
Beijing Electronics Holdings Co., Ltd.	273,735,583	RMB ordinary shares	273,735,583
Central Huijin Assets Management Co., Ltd	248,305,300	RMB ordinary shares	248,305,300
Related or acting-in-concert parties among the top ten non-restrictedly tradable share holders and between the top ten non-restrictedly tradable share holders and the top ten shareholders	<p>1. Beijing State-owned Capital Operation and Management Center held 100% equities of Beijing Electronics Holdings Co., Ltd.</p> <p>2. Beijing Electronics Holdings Co., Ltd. held 66.25% equities of Beijing BOE Investment &amp; Development Co., Ltd. and was its controlling shareholder.</p> <p>3. After the non-public issuing of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Capital Photoelectricity Investment Co., Ltd., by entering into Implementation Protocol of Voting Right respectively, agreed to maintain all of the shares held by them respectively unanimous with Beijing BOE Investment &amp; Development Co., Ltd. when executing the voting rights of the shareholders.</p> <p>4. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over 70% of the shares directly held by it 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.</p> <p>5. 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.</p>		

Top ten common shareholders conducting securities margin trading (if any)	Naught
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Indicate by tick mark whether any of the top ten common shareholders or the top ten non-restricted common shareholders of the Company conducted any promissory repo during the Reporting Period.

Yea  No

No such cases in the Reporting Period.

#### **IV. Change of the Controlling Shareholder or the Actual Controller**

Change of the controlling shareholder in the Reporting Period

Applicable  Not applicable

There was no any change of the controlling shareholder of the Company in the Reporting Period.

Change of the actual controller in the Reporting Period

Applicable  Not applicable

There was no any change of the actual controller of the Company in the Reporting Period.



## Section VII Preference Shares

Applicable  Not applicable

No preference shares in the Reporting Period.

## Section VIII Directors, Supervisors and Executive Officers

### I Changes in Shareholdings of Directors, Supervisors and Executive Officers

√ Applicable □ Not applicable

Name	Office title	Incumbent/former	Opening shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Closing shareholding (share)
Wang Dongsheng	Chairman of the Board	Current	299,905	0	0	299,905
Xie Xiaoming	Vice Chairman of the Board	Current	7,680	0	0	7,680
Chen Yanshun	Vice Chairman of the Board, Chief of Executive Committee(CEO)	Current	260,000	0	0	260,000
Wang Jing	Director	Current	0	0	0	0
Zhang Jinsong	Director	Current	0	0	0	0
Liu Xiaodong	Director, Vice Chief of Executive Committee, President and COO	Current	250,000	0	0	250,000
Song Jie	Director	Current	0	0	0	0
Sun Yun	Director, Executive Committee Member, Executive Vice President, CFO	Current	155,981	0	0	155,981
Lv Tingjie	Independent Director	Current	0	0	0	0
Wang Huacheng	Independent Director	Current	0	0	0	0
Hu Xiaolin	Independent Director	Current	0	0	0	0
Li Xuan	Independent Director	Current	0	0	0	0
Chen Ming	Chief of Supervisory Board (Convener)	Current	0	0	0	0
Xu Tao	Supervisor	Current	0	0	0	0
Mu Chengyuan	Supervisor, Secretary of Board of Supervisors	Current	2,991	0	0	2,991
Zhao Wei	Supervisor	Current	0	0	0	0
Shi Hong	Supervisor	Current	0	0	0	0
Zhuang	Supervisor	Current	0	0	0	0

Haoyu						
Miao Chuanbin	Employee Supervisor	Current	0	0	0	0
Xu Yangping	Employee Supervisor	Current	0	0	0	0
He Daopin	Employee Supervisor	Current	0	0	0	0
Dong Youmei	Executive Vice President, Secretary General of Strategy Committee of the Board and Director of Technology and Products Strategy Committee	Current	200,000	0	0	200,000
YaoXiangjun	Executive Committee Member, Senior Vice President, Joint COO and CEO of Intellectual System Business Group	Current	100,000	0	0	100,000
Yue Zhanqiu	Executive Committee Member, Senior Vice President, CIO	Current	150,000	0	0	150,000
Feng Liqiong	Executive Committee Member, Senior Vice President, Chief Lawyer	Current	150,000	0	0	150,000
Zhong Huifeng	Executive Committee Member, Senior Vice President, CHO	Current	150,000	0	0	150,000
Xie Zhongdong	Executive Committee Member, Senior Vice President, Chief Risk Officer and Auditor General	Current	110,000	0	0	110,000
Zhang Zhaohong	Executive Committee Member, Senior Vice President, CEO of Display and Sensor Devices Business Group	Current	150,000	0	0	150,000
Feng Qiang	Executive Committee Member, Senior Vice President, CEO of Health Service Business Group	Current	100,000	0	0	100,000
Yang Anle	Executive Committee Member, Senior Vice President, Chief Investment Officer	Current	100,000	0	0	100,000
Tong Guanshan	Executive Committee Member, Senior Vice President, CTO	Current	0	0	0	0
Liu Hongfeng	Executive Committee Member, Vice President, Secretary of the Board	Current	100,000	0	0	100,000
Jing Linfeng	Executive Committee Member, Vice President, CSO and Executive Secretary of the Executive	Current	100,000	0	0	100,000

	Committee					
Total	--	--	2,386,557	0	0	2,386,557

## II Changes in Directors, Supervisors and Executive Officers

√ Applicable □ Not applicable

Name	Office title	Type of change	Date	Reason
YaoXiangjun	Director	Left	04/07/2017	Work adjustment and position change
Sun Yun	Director	Elected	06/09/2017	Elected Director from senior executive

## Section IX Corporate Bonds

Are there any corporate bonds publicly offered and listed on the stock exchange, which were undue before the approval date of this Report or were due but could not be redeemed in full?

Yes

### I. Basic Information of the Company Bonds

Name	Abbr.	Code	Release date	Due date	Bonds balance (RMB'0,000 Yuan)	Interest rate	Way of redemption
2016 Public offering of the corporation bonds for the qualified investors of BOE Technology Group Co., Ltd. (Phase I)	16BOE01	112358	03/21/2016	03/21/2021	1,000,000	3.15%	Paid for the interests by year and the principals once when expired.
Listed or transferred trading place of the Company bonds	List on the SZSE.						
Appropriate arrangement of the investors	the qualified investors						
List of the interests payment of the Company bonds during the Reporting Period	On March 21, 2017, the Company completed the 2016 annual interest payout for the qualified investors of its 2016 corporate bonds.						
Execution of the relevant regulations during the Reporting Period such as the affiliated option clause of the issuers or investors, special clauses such as the exchangeable regulations of the Company bonds (if applicable)	There was affiliated issuers' up-regulation nominal interest rate option and the investors' sell-back option at the year-end of the third year of the current bond duration; and up to the approval quotation date of the Annual Report, the bonds were not yet needed to be executed.						

### II. List of the Bond Trustee and the Rating Organization

Bond trustee:							
Name	Office address	Contact	Contact	Contact number	Contact number	Contact number	Contact number
China Securities Co., Ltd.	Rm. 2203, North Tower, Shanghai Securities Plaza, 528 Pudong Road South,	Zhu Mingqiang, Han Yong, Sheng Cheng					021-68801565

			Shanghai				
Rating organization executed the tracking rating of the Company bonds of the Reporting Period:							
Name	United Ratings Co., Ltd.			Office address	12/F, PICC Building, No.2 Jianwai Street, Chaoyang District, Beijing		
Alternation reasons, execution process and influences on the investors' interests etc. if there was alternation of the bond trustees and the credit rating agencies engaged by the Company during the Reporting Period (if applicable)		Not applicable					

### III. List of the Usage of the Raised Funds of the Company Bonds

List of the usage of the raised funds and the execution process of the Company bonds	The Company executed the internal decision-making process strictly according to the applications committed by the prospectus as well as the review regulations of the Board of Directors and Annual General Meeting of the Company.
Opening balance (RMB'0,000 Yuan)	2.66
Operating situation of the raised funds special account	The Company signed the Agreement on the 2016 Public Offering of the Corporation Bonds Account for the Qualified Investors and the Funds Tripartite Authorities of BOE Technology Group Co., Ltd. with the Beijing Olympic Branch of Ping An Bank Co, Beijing Hepingli Branch of China CITIC Bank Corporation Limited and Beijing Branch of China Merchants Bank Co., Ltd., which set up the raise funds account that ensure the exclusive use of the special fund of the raise funds.
Whether the usage of the raised funds met with the usage, using plan and other agreements committed on the prospectus	Yes

### IV. Rating Situation of the Company Bonds Information

On June 24, 2016, United Ratings issued *the Tracking Rating Report of the 2016 Corporate Bonds Credit Rating of BOE Technology Group Co., Ltd.*, with the issuers' main body credit rating of AAA and AAA of the credit rating of the current corporate bonds. On June 25, 2016, the tracking rating report was disclosed on [www.cninfo.com.cn](http://www.cninfo.com.cn) and [www.unitedratings.com.cn](http://www.unitedratings.com.cn)

On June 23, 2017, United Ratings issued *the Tracking Rating Report of the 2017 Corporate Bonds Credit Rating of BOE Technology Group Co., Ltd.*, with the issuers' main body credit rating of AAA and AAA of the credit rating of the current corporate bonds. On June 24, 2017, the tracking rating report was disclosed on [www.cninfo.com.cn](http://www.cninfo.com.cn) and [www.unitedratings.com.cn](http://www.unitedratings.com.cn).

### V. Credit-adding Mechanism, Repayment Plan and Other Repayment Guarantee Measures of the Company Bonds

There was no guarantee of the corporate bonds of the Reporting Period.

The profits of the main business of the issuers were the main resources of the debt service fund of the bonds of the Reporting Period.

The debt repayment plan was as follows: during the duration period of the bonds of the Reporting Period, every March 21 of each

year from Y2017 to Y2021 is the interest date of the last interest accrual year (if met with the legal holidays or rest days, should postpone which to the subsequent 1<sup>st</sup> working day); if the investors executed the put-back right, the interest date of the part of the put-back bonds is every March 21 of each year from Y2017 to Y2019 is the interest date of the last interest accrual year (if met with the legal holidays or rest days, should postpone which to the subsequent 1<sup>st</sup> working day). The principal of the current bonds should be paid at one time when expired. The payment date of the current bonds would be March 21, 2021 (if met with the legal holidays or rest days, should postpone which to the subsequent 1<sup>st</sup> working day); if the investors executed the put-back right, the payment date of the part of the put-back bonds would be March 21, 2019 (if met with the legal holidays or rest days, should postpone which to the subsequent 1<sup>st</sup> working day).

The repayment guarantee measures of the corporate bonds of the Reporting Period: to formulate the Meeting Regulations of the Bondholders and the repayment guarantee measures; to formulate and strictly carry out the funds management plans; to fully exert the functions of the bond trustees; to strictly disclose the information; at the same time, when expected to fail to repay the principals and interest of the bonds on time or failed to repay the principals and interest of the bonds when expired, the Company will at least adopt the measures of the execution of the capital expenditures projects such as to postpone the significant external investment and the purchase as well as merger and so on that guarantee the repayment of the debts.

During the Reporting Period, there was no alternation of the credit-adding mechanism, debt repayment plan and other repayment guarantee measures of the corporate bonds.

## VI. Convene Situation of the Bonds Holders Meeting during the Reporting Period

No such cases during the Reporting Period.

## VII. List of the Duty Execution of the Bonds Trustee during the Reporting Period

As the bond trustee of the Reporting Period, China Securities Co., Ltd. constantly paid attention on the operating, finance and credit situation of the Company strictly according to the relevant laws and regulations such as the Regulations of the Offering and Trading of the Corporate Bonds, Professional Code of Conduct of the Bond Trustee of the Corporate Bonds and vigorously executed the responsibilities as a trustee as well as maintained the legal interests of the bondholders; there was no any situation conflicted to the Company's interests when executing the relevant responsibilities of the trustee.

## VIII. The Major Accounting Data and the Financial Indicators of the Company up the Period-end and the End of Last Year (or the Reporting Period and Same Period of Last Year)

Item	Period-end	End of last year	Increase/decrease
Asset-liability ratio	56.79%	55.14%	1.65%
Current ratio	1.74	2.20	-0.46
Quick ratio	1.55	2.01	-0.46
Item	Reporting Period	Same period of last year	Increase/decrease
Times interest earned of EBITDA	8.43	5.34	3.09
Loan repayment rate	1.00	1.00	0.00%
Interest coverage	1.00	1.00	0.00%

Main reason of the above accounting data and the financial indicators with the YoY change exceeded 30%

Applicable  Not applicable

The liquidity ratio decreased by 0.46 compared to the end of last year mainly because of the lower non-current liabilities due within 1

year as of the end of the same period of last year resulted from prepayment of bank loan in the prior year.

The quick ratio decreased by 0.46 compared to the end of last year mainly because of the lower non-current liabilities due within 1 year as of the end of the same period of last year resulted from prepayment of bank loan in the prior year.

EBITDA is 3.09 more than the same period of the last year due to the largely increasing total profit in the first half year.

## **IX. Overdue Unpaid Debts of the Company**

Applicable  Not applicable

No such cases during the Reporting Period.

## **X. List of the Interest Payment of Other Bonds and Bonds Financing Instruments during the Reporting Period**

No such situation of the Company during the Reporting Period.

## **XI. List of the Acquired Bank Credit Lines, Usage and the Repayment of the Bank Loans**

The operation and reputation of the Company was favorable and the profitability as well as the debt payment ability of the Company was strong as well as the Company maintained the long-term cooperative partnerships with China Development Bank, Ping An Bank and Industrial and Commercial Bank. Up to June 30, 2017, the total amount of the credit line of the major cooperative banks with the Company was of RMB 27.30 billion Yuan with the used credit line of RMB 6.30 billion Yuan and the unused amount of which was of RMB 21.00 billion Yuan. The principal and interest of bank loans have been paid back on time. No default in bank loans during the Reporting Period.

## **XII List of the Execution of the Agreements or the Commitments Related to the Company Bonds Raising Specification during the Reporting Period**

During the Reporting Period., the Company strictly carried out each agreement and commitment of the current bond prospectus, and there was no any situation of the inefficient execution of the relevant agreements or commitments according to the bond prospectus by the Company that caused the negative influences on the bonds investors.

## **XIII. Significant Events Occurred during the Reporting Period**

There were no occurred significant events listed in Article 45 of Corporate Bonds Issuance and Trading Management Methods during the Reporting Period.

## **XIV. Whether there was guarantor of the Company bonds**

Yes  No



## Section X Financial Report

### I. Auditor's Report

Whether the semi-annual report has been audited?

Yes  No

The semi-annual report of the Company has not been audited.

### II. Financial Statements

The unit of the financial statements attached: RMB Yuan

#### 1. Consolidated Balance Sheet

Prepared by BOE Technology Group Co., Ltd.

June 30, 2017

Unit: RMB Yuan

Item	Notes	Closing balance	Opening balance
Current assets:			
Monetary funds	VII. 1	50,760,400,727.00	58,152,817,223.00
Settlement reserve		0.00	0.00
Interbank lendings		0.00	0.00
Financial assets at fair value through profit/loss		0.00	0.00
Derivative financial assets		0.00	0.00
Notes receivable	VII. 2	1,263,302,564.00	1,369,836,650.00
Accounts receivable	VII. 3	16,863,534,739.00	16,191,791,617.00
Accounts paid in advance	VII. 4	1,041,632,450.00	708,511,473.00
Premiums receivable		0.00	0.00
Reinsurance premiums receivable		0.00	0.00
Receivable reinsurance contract reserve		0.00	0.00
Interest receivable	VII. 5	89,188,241.00	125,141,573.00
Dividends receivable	VII. 6	10,250,449.00	0.00
Other accounts receivable	VII. 7	955,540,522.00	903,069,416.00
Financial assets purchased under agreements to resell		0.00	0.00
Inventories	VII. 8	9,759,164,036.00	7,833,138,532.00

Assets held for sale		0.00	0.00
Non-current assets due within one year	VII. 9	28,941,602.00	66,321,715.00
Other current assets	VII. 10	9,773,604,550.00	5,691,200,226.00
Total current assets		90,545,559,880.00	91,041,828,425.00
Non-current assets:			
Loans and advances to customers		0.00	0.00
Available-for-sale financial assets	VII. 11	757,249,677.00	622,502,556.00
Held-to-maturity investments	VII. 12	0.00	0.00
Long-term accounts receivable		0.00	0.00
Long-term equity investments	VII. 13	1,981,030,454.00	1,356,111,395.00
Investment property	VII. 14	1,271,764,715.00	1,192,932,896.00
Fixed assets	VII. 15	78,898,829,994.00	69,947,586,967.00
Construction in progress	VII. 16	44,127,069,216.00	33,008,248,720.00
Engineering materials		0.00	0.00
Disposal of fixed assets		0.00	0.00
Productive living assets		0.00	0.00
Oil-gas assets		0.00	0.00
Intangible assets	VII. 17	3,046,125,155.00	3,136,873,387.00
R&D expenses		0.00	0.00
Goodwill	VII. 18	197,963,688.00	197,963,688.00
Long-term deferred expense	VII. 19	314,072,978.00	344,891,227.00
Deferred income tax assets	VII. 20	149,942,508.00	146,538,565.00
Other non-current assets	VII. 21	4,182,875,839.00	4,139,533,216.00
Total non-current assets		134,926,924,224.00	114,093,182,617.00
Total assets		225,472,484,104.00	205,135,011,042.00
Current liabilities:			
Short-term borrowings	VII. 22	6,088,832,994.00	4,916,965,507.00
Borrowings from the Central Bank		0.00	0.00
Money deposits accepted and inter-bank deposits		0.00	0.00
Interbank borrowings		0.00	0.00
Financial liabilities at fair value through profit/loss		0.00	0.00
Derivative financial liabilities		0.00	0.00
Notes payable	VII. 23	526,641,067.00	640,262,461.00
Accounts payable	VII. 24	15,215,611,240.00	13,835,615,665.00

Accounts received in advance	VII. 25	857,046,320.00	548,942,714.00
Financial assets sold for repurchase		0.00	0.00
Fees and commissions payable		0.00	0.00
Payroll payable	VII. 26	1,386,497,057.00	1,542,852,266.00
Taxes payable	VII. 27	698,302,308.00	656,351,894.00
Interest payable	VII. 28	551,546,168.00	676,358,748.00
Dividends payable	VII. 29	1,063,292,009.00	9,651,170.00
Other accounts payable	VII. 30	15,003,435,170.00	14,395,525,248.00
Reinsurance premiums payable		0.00	0.00
Insurance contract reserve		0.00	0.00
Payables for acting trading of securities		0.00	0.00
Payables for acting underwriting of securities		0.00	0.00
Liabilities held for sale		0.00	0.00
Non-current liabilities due within one year	VII. 31	9,749,188,493.00	3,684,236,935.00
Other current liabilities	VII. 32	936,175,310.00	532,983,474.00
Total current liabilities		52,076,568,136.00	41,439,746,082.00
Non-current liabilities:			
Long-term borrowings	VII. 33	53,462,402,931.00	49,885,166,211.00
Bonds payable	VII. 34	9,961,519,616.00	9,956,719,508.00
Of which: Preference shares		0.00	0.00
Perpetual bonds		0.00	0.00
Long-term accounts payable	VII. 35	2,191,493,751.00	1,261,446,565.00
Long-term payroll payable		0.00	0.00
Special payables		0.00	0.00
Provisions	VII. 36	16,457,010.00	16,457,010.00
Deferred income	VII. 37	2,432,273,493.00	2,494,122,929.00
Deferred income tax liabilities	VII. 20	468,876,003.00	448,625,054.00
Other non-current liabilities	VII. 38	7,392,781,797.00	7,616,672,523.00
Total non-current liabilities		75,925,804,601.00	71,679,209,800.00
Total liabilities		128,002,372,737.00	113,118,955,882.00
Owners' equity:			
Share capital	VII. 39	35,153,067,743.00	35,153,067,743.00
Other equity instruments		0.00	0.00
Of which: Preference shares		0.00	0.00

Perpetual bonds		0.00	0.00
Capital reserve	VII. 40	39,229,235,434.00	39,031,357,529.00
Less: Treasury shares	VII. 41	666,312,967.00	314,350,824.00
Other comprehensive income	VII. 42	85,086,899.00	75,718,703.00
Special reserve		0.00	0.00
Surplus reserve	VII. 43	743,139,855.00	743,139,855.00
Provisions for general risks		0.00	0.00
Retained earnings	VII. 44	7,267,082,811.00	4,011,055,487.00
Equity attributable to owners of the Company		81,811,299,775.00	78,699,988,493.00
Minority interests		15,658,811,592.00	13,316,066,667.00
Total owners' equity		97,470,111,367.00	92,016,055,160.00
Total liabilities and owners' equity		225,472,484,104.00	205,135,011,042.00

Legal representative: Wang Dongsheng

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

Chief of the accounting division: Yang Xiaoping

## 2. Balance Sheet of the Company

Unit: RMB Yuan

Item	Notes	Closing balance	Opening balance
Current assets:			
Monetary funds		4,491,765,703.00	7,649,349,412.00
Financial assets at fair value through profit/loss		0.00	0.00
Derivative financial assets		0.00	0.00
Notes receivable		1,525,989.00	200,197,354.00
Accounts receivable	XV. 1	45,956,827.00	45,853,859.00
Accounts paid in advance		3,578,829.00	7,462,061.00
Interest receivable		1,141,264.00	21,525,261.00
Dividends receivable		181,395,319.00	1,007,950,479.00
Other accounts receivable	XV. 2	1,167,306,167.00	1,629,176,234.00
Inventories		13,647,450.00	12,069,865.00
Assets held for sale		0.00	0.00
Non-current assets due within one year		3,489,880,000.00	0.00
Other current assets		31,727,901.00	25,504,074.00
Total current assets		9,427,925,449.00	10,599,088,599.00

Non-current assets:			
Available-for-sale financial assets		183,197,854.00	177,166,908.00
Held-to-maturity investments		0.00	0.00
Long-term accounts receivable		0.00	0.00
Long-term equity investments	XV. 3	114,050,700,295.00	99,918,451,449.00
Investment property		252,932,186.00	164,540,581.00
Fixed assets		846,868,417.00	862,860,227.00
Construction in progress		403,761,774.00	468,494,838.00
Engineering materials		0.00	0.00
Disposal of fixed assets		0.00	0.00
Productive living assets		0.00	0.00
Oil-gas assets		0.00	0.00
Intangible assets		581,452,824.00	624,007,700.00
R&D expenses		0.00	0.00
Goodwill		0.00	0.00
Long-term deferred expense		83,821,954.00	98,745,001.00
Deferred income tax assets		51,348,646.00	47,679,645.00
Other non-current assets		715,433,457.00	4,010,146,153.00
Total non-current assets		117,169,517,407.00	106,372,092,502.00
Total assets		126,597,442,856.00	116,971,181,101.00
Current liabilities:			
Short-term borrowings		0.00	0.00
Financial liabilities at fair value through profit/loss		0.00	0.00
Derivative financial liabilities		0.00	0.00
Notes payable		0.00	0.00
Accounts payable		27,792,790.00	34,015,337.00
Accounts received in advance		990,599,241.00	1,093,593,891.00
Payroll payable		88,725,961.00	169,917,103.00
Taxes payable		5,318,217.00	80,897,741.00
Interest payable		120,898,571.00	281,124,448.00
Dividends payable		1,053,029,447.00	6,451,170.00
Other accounts payable		8,288,526,830.00	10,791,929,737.00
Liabilities held for sale		0.00	0.00
Non-current liabilities due within one year		3,489,880,000.00	100,000,000.00

Other current liabilities		0.00	0.00
Total current liabilities		14,064,771,057.00	12,557,929,427.00
Non-current liabilities:			
Long-term borrowings		22,033,000,000.00	18,922,400,000.00
Bonds payable		9,961,519,616.00	9,956,719,508.00
Of which: Preference shares		0.00	0.00
Perpetual bonds		0.00	0.00
Long-term payables		0.00	0.00
Long-term payroll payable		0.00	0.00
Special payables		0.00	0.00
Provisions		0.00	0.00
Deferred income		147,030,911.00	148,987,694.00
Deferred income tax liabilities		0.00	0.00
Other non-current liabilities		6,009,716,667.00	0.00
Total non-current liabilities		38,151,267,194.00	29,028,107,202.00
Total liabilities		52,216,038,251.00	41,586,036,629.00
Owners' equity:			
Share capital		35,153,067,743.00	35,153,067,743.00
Other equity instruments		0.00	0.00
Of which: Preference shares		0.00	0.00
Perpetual bonds		0.00	0.00
Capital reserve		38,157,600,408.00	38,157,600,408.00
Less: Treasury shares		666,312,967.00	314,350,824.00
Other comprehensive income		158,354,407.00	152,323,461.00
Special reserve		0.00	0.00
Surplus reserve		743,139,855.00	743,139,855.00
Retained earnings		835,555,159.00	1,493,363,829.00
Total owners' equity		74,381,404,605.00	75,385,144,472.00
Total liabilities and owners' equity		126,597,442,856.00	116,971,181,101.00

### 3. Consolidated Income Statement

Unit: RMB Yuan

Item	Notes	January-June 2017	January-June 2016
1. Operating revenues		44,605,027,995.00	26,448,310,717.00
Including: Sales income	VII. 45	44,605,027,995.00	26,448,310,717.00
Interest income		0.00	0.00
Premium income		0.00	0.00
Fee and commission income		0.00	0.00
2. Operating costs		39,394,749,331.00	28,837,030,184.00
Including: Cost of sales	VII. 45	32,235,266,589.00	23,987,091,158.00
Interest expenses		0.00	0.00
Fee and commission expenses		0.00	0.00
Surrenders		0.00	0.00
Net claims paid		0.00	0.00
Net amount provided as insurance contract reserve		0.00	0.00
Expenditure on policy dividends		0.00	0.00
Reinsurance premium		0.00	0.00
Taxes and surtaxes	VII. 46	355,700,992.00	92,930,181.00
Selling expenses	VII. 47	1,228,560,863.00	696,216,454.00
Administrative expenses	VII. 48	3,052,661,575.00	2,311,090,435.00
Finance costs	VII. 49	1,099,113,182.00	1,234,879,010.00
Asset impairment loss	VII. 50	1,423,446,130.00	514,822,946.00
Add: Profit on fair value changes (“-” means loss)	VII. 51	0.00	4,623,937.00
Investment income (“-” means loss)	VII. 52	19,162,151.00	64,994,322.00
Including: Share of profit/loss of associates and joint ventures		-13,690,554.00	-11,180,961.00
Exchange gains (“-” means loss)		0.00	0.00
Other gains	VII. 53	275,302,864.00	0.00
3. Operating profit (“-” means loss)		5,504,743,679.00	-2,319,101,208.00
Add: Non-operating income	VII. 54	54,506,578.00	1,793,732,882.00
Including: Profit on disposal of non-current assets		2,597,163.00	4,788,368.00
Less: Non-operating expense	VII. 55	24,426,637.00	5,876,931.00
Including: Loss on disposal of non-current		21,855,086.00	2,257,689.00

assets			
4. Total profit (“-” means loss)		5,534,823,620.00	-531,245,257.00
Less: Corporate income tax	VII. 56	940,261,615.00	56,258,311.00
5. Net profit (“-” means loss)		4,594,562,005.00	-587,503,568.00
Net profit attributable to owners of the Company		4,302,605,600.00	-516,472,418.00
Minority interests’ income		291,956,405.00	-71,031,150.00
6. Other comprehensive income net of tax	VII. 57	-14,001,966.00	-26,340,409.00
Other comprehensive income net of tax attributable to owners of the Company		9,368,196.00	-26,340,409.00
6.1 Other comprehensive income that will not be reclassified into profit/loss		0.00	0.00
6.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		0.00	0.00
6.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		0.00	0.00
6.2 Other comprehensive income to be subsequently reclassified into profit/loss		9,368,196.00	-26,340,409.00
6.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		0.00	-4,418,377.00
6.2.2 Profit/loss on fair value changes of available-for-sale financial assets		-2,155,092.00	-44,147,531.00
6.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		0.00	0.00
6.2.4 Effective profit/loss on cash flow hedges		0.00	0.00
6.2.5 Currency translation differences		11,523,288.00	22,225,499.00
6.2.6 Other		0.00	0.00
Other comprehensive income net of tax attributable to minority interests		-23,370,162.00	0.00
7. Total comprehensive income		4,580,560,039.00	-613,843,977.00
Attributable to owners of the Company		4,311,973,796.00	-542,812,827.00
Attributable to minority interests		268,586,243.00	-71,031,150.00
8. Earnings per share			
8.1 Basic earnings per share		0.123	-0.015
8.2 Diluted earnings per share		0.123	-0.015

Where business mergers under the same control occurred in the Reporting Period, the net profit achieved by the merged parties before the business mergers was RMB 0.00 Yuan, with the corresponding amount for the last period being RMB 0.00 Yuan.



Legal representative: Wang Dongsheng

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

Chief of the accounting division: Yang Xiaoping

#### 4. Income Statement of the Company

Unit: RMB Yuan

Item	Notes	January-June 2017	January-June 2016
1. Operating revenues	XV. 4	705,463,015.00	693,427,051.00
Less: Operating costs	XV. 4	5,670,598.00	58,815,389.00
Taxes and surtaxes		18,569,385.00	2,344,938.00
Selling expenses		1,021,144.00	4,386,080.00
Administrative expenses		684,340,188.00	569,405,477.00
Finance costs		205,355,880.00	60,850,293.00
Asset impairment loss		0.00	0.00
Add: profit on fair value changes (“-” means loss)		0.00	0.00
Investment income (“-” means loss)	XV. 5	594,517,970.00	18,377,124.00
Including: Share of profit/loss of associates and joint ventures		-13,690,554.00	-11,180,961.00
Other gains		9,628,783.00	0.00
2. Operating profit (“-” means loss)		394,652,573.00	16,001,998.00
Add: Non-operating income		2,306,707.00	27,771,591.00
Including: Profit on disposal of non-current assets		0.00	83,799.00
Less: Non-operating expense		862,539.00	374,260.00
Including: Loss on disposal of non-current assets		182,599.00	8,690.00
3. Total profit (“-” means loss)		396,096,741.00	43,399,329.00
Less: Corporate income tax		7,327,135.00	3,399,274.00
4. Net profit (“-” means loss)		388,769,606.00	40,000,055.00
5. Other comprehensive income net of tax		6,030,946.00	-22,046,095.00
5.1 Other comprehensive income that will not be reclassified into profit and loss		0.00	0.00
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		0.00	0.00
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		0.00	0.00
5.2 Other comprehensive income to be subsequently reclassified into profit/loss		6,030,946.00	-22,046,095.00

5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		0.00	0.00
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets		6,030,946.00	-22,046,095.00
5.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		0.00	0.00
5.2.4 Effective profit/loss on cash flow hedges		0.00	0.00
5.2.5 Currency translation differences		0.00	0.00
5.2.6 Other		0.00	0.00
6. Total comprehensive income		394,800,552.00	17,953,960.00
7. Earnings per share			
7.1 Basic earnings per share		0.011	0.001
7.2 Diluted earnings per share		0.011	0.001

## 5. Consolidated Cash Flow Statement

Unit: RMB Yuan

Item	Notes	January-June 2017	January-June 2016
1. Cash flows associated with operating activities:			
Cash received from sale of commodities and rendering of service		43,665,151,353.00	24,660,608,318.00
Net increase in money deposits from customers and interbank placements		0.00	0.00
Net increase in loans from the Central Bank		0.00	0.00
Net increase in 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 in deposits of policy holders and investment fund		0.00	0.00
Net increase in disposal of financial assets at fair value through profit/loss		0.00	0.00
Interest, fees and commissions received		0.00	0.00
Net increase in interbank borrowings		0.00	0.00
Net increase in funds in repurchase business		0.00	0.00
Tax refunds received		3,662,030,436.00	1,773,162,511.00
Cash generated by other operating activities	VII. 58 (1)	768,953,070.00	1,554,539,195.00

Subtotal of cash generated by operating activities		48,096,134,859.00	27,988,310,024.00
Cash paid for goods and services		28,313,641,143.00	18,580,530,133.00
Net increase in loans and advances to customers		0.00	0.00
Net increase in funds deposited in the Central Bank and interbank placements		0.00	0.00
Cash paid for claims of original insurance contracts		0.00	0.00
Interest, fees and commissions paid		0.00	0.00
Cash paid as policy dividends		0.00	0.00
Cash paid to and for employees		4,183,675,298.00	3,000,913,336.00
Taxes paid		2,139,357,844.00	793,428,583.00
Cash used in other operating activities	VII. 58 (2)	2,820,869,308.00	2,879,351,017.00
Subtotal of cash used in operating activities		37,457,543,593.00	25,254,223,069.00
Net cash generated by operating activities		10,638,591,266.00	2,734,086,955.00
2. Cash flows associated with investing activities:			
Cash received from retraction of investments		8,594,039,173.00	15,988,345,399.00
Cash received as investment income		34,325,731.00	83,197,527.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		58,574,338.00	81,891,572.00
Net cash received from disposal of subsidiaries or other business units		0.00	0.00
Cash generated by other investing activities	VII. 58 (3)	1,651,837,600.00	882,751,810.00
Subtotal of cash generated by investing activities		10,338,776,842.00	17,036,186,308.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets		24,969,365,239.00	7,098,361,611.00
Cash paid for investment		16,940,890,821.00	21,154,818,990.00
Net increase in pledged loans		0.00	0.00
Net cash paid to acquire subsidiaries and other business units		0.00	0.00
Cash used in other investing activities	VII. 58 (4)	417,993,963.00	1,416,268,111.00
Subtotal of cash used in investing activities		42,328,250,023.00	29,669,448,712.00
Net cash generated by investing activities		-31,989,473,181.00	-12,633,262,404.00
3. Cash flows associated with financing activities:			
Cash received from capital contributions		6,105,150,000.00	3,008,499,427.00
Including: Cash received from minority shareholder investments by subsidiaries		0.00	0.00
Cash received as borrowings		17,478,499,523.00	9,321,691,631.00
Cash received from issuance of bonds		0.00	10,000,000,000.00

Cash generated by other financing activities	VII. 58 (5)	98,452,479.00	379.00
Subtotal of cash generated by financing activities		23,682,102,002.00	22,330,191,437.00
Repayment of borrowings		5,752,923,590.00	7,177,513,007.00
Cash paid for interest expenses and distribution of dividends or profit		2,030,450,605.00	1,247,945,239.00
Including: dividends or profit paid by subsidiaries to minority interests		0.00	0.00
Cash used in other financing activities	VII. 58 (6)	649,313,318.00	34,652,203.00
Sub-total of cash used in financing activities		8,432,687,513.00	8,460,110,449.00
Net cash generated by financing activities		15,249,414,489.00	13,870,080,988.00
4. Effect of foreign exchange rate changes on cash and cash equivalents		-455,025,939.00	-117,602,143.00
5. Net increase in cash and cash equivalents		-6,556,493,365.00	3,853,303,396.00
Add: Opening balance of cash and cash equivalents		49,354,810,388.00	36,182,738,217.00
6. Closing balance of cash and cash equivalents	VII. 59 (3)	42,798,317,023.00	40,036,041,613.00

## 6. Cash Flow Statement of the Company

Unit: RMB Yuan

Item	Notes	January-June 2017	January-June 2016
1. Cash flows associated with operating activities:			
Cash received from sale of commodities and rendering of service		710,405,975.00	319,644,675.00
Tax refunds received		0.00	1,327,240.00
Cash generated by other operating activities		304,429,662.00	1,475,704,664.00
Subtotal of cash generated by operating activities		1,014,835,637.00	1,796,676,579.00
Cash paid for goods and services		198,978,019.00	158,972,319.00
Cash paid to and for employees		380,998,757.00	248,492,467.00
Taxes paid		175,285,708.00	62,726,325.00
Cash used in other operating activities		2,690,735,937.00	1,872,139,111.00
Subtotal of cash used in operating activities		3,445,998,421.00	2,342,330,222.00
Net cash generated by operating activities		-2,431,162,784.00	-545,653,643.00
2. Cash flows associated with investing activities:			
Cash received from retraction of investments		0.00	4,022,161,515.00
Cash received as investment income		1,434,763,684.00	29,558,084.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		2,096.00	185,464.00

Net cash received from disposal of subsidiaries or other business units		0.00	0.00
Cash generated by other investing activities		1,122,010,303.00	10,654,523.00
Subtotal of cash generated by investing activities		2,556,776,083.00	4,062,559,586.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets		98,591,704.00	490,766,406.00
Cash paid for investment		14,153,939,400.00	16,374,019,482.00
Net cash paid to acquire subsidiaries and other business units		0.00	0.00
Cash used in other investing activities		700,914,519.00	1,101,301,713.00
Subtotal of cash used in investing activities		14,953,445,623.00	17,966,087,601.00
Net cash generated by investing activities		-12,396,669,540.00	-13,903,528,015.00
3. Cash flows associated with financing activities:			
Cash received from capital contributions		0.00	0.00
Cash received as borrowings		12,533,000,000.00	6,940,000,000.00
Cash received from issuance of bonds		0.00	10,000,000,000.00
Cash generated by other financing activities		19.00	379.00
Subtotal of cash generated by financing activities		12,533,000,019.00	16,940,000,379.00
Repayment of borrowings		0.00	423,155,128.00
Cash paid for interest expenses and distribution of dividends or profit		459,582,730.00	402,453,000.00
Cash used in other financing activities		351,381,074.00	1,324.00
Sub-total of cash used in financing activities		810,963,804.00	825,609,452.00
Net cash generated by financing activities		11,722,036,215.00	16,114,390,927.00
4. Effect of foreign exchange rate changes on cash and cash equivalents		-4,955,113.00	10,403,270.00
5. Net increase in cash and cash equivalents		-3,110,751,222.00	1,675,612,539.00
Add: Opening balance of cash and cash equivalents		7,548,700,412.00	3,322,215,443.00
6. Closing balance of cash and cash equivalents		4,437,949,190.00	4,997,827,982.00

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

January-June 2017

Unit: RMB Yuan

Item	January-June 2017												
	Equity attributable to owners of the Company											Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings		
	Preference shares	Perpetual bonds	Other										
1. Balance at the end of the prior year	35,153,067,743.00	0.00	0.00	0.00	39,031,357,529.00	314,350,824.00	75,718,703.00	0.00	743,139,855.00	0.00	4,011,055,487.00	13,316,066,667.00	92,016,055,160.00
Add: Changes in accounting policies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in prior periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Business mergers under the same control	0.00	0.00	0.00	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	0.00	0.00	0.00
2. Balance at the beginning of the year	35,153,067,743.00	0.00	0.00	0.00	39,031,357,529.00	314,350,824.00	75,718,703.00	0.00	743,139,855.00	0.00	4,011,055,487.00	13,316,066,667.00	92,016,055,160.00

3. Increase/decrease in the period (“-” means decrease)	0.00	0.00	0.00	0.00	197,877,905.00	351,962,143.00	9,368,196.00	0.00	0.00	0.00	3,256,027,324.00	2,342,744,925.00	5,454,056,207.00
3.1 Total comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	9,368,196.00	0.00	0.00	0.00	4,302,605,600.00	268,586,242.00	4,580,560,038.00
3.2 Capital increased and reduced by owners	0.00	0.00	0.00	0.00	197,877,905.00	351,962,143.00	0.00	0.00	0.00	0.00	0.00	2,081,586,935.00	1,927,502,697.00
3.2.1 Ordinary shares increased by shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,105,150,240.00	6,105,150,240.00
3.2.2 Capital increased by holders of other equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.3 Amounts of share-based payments charged to owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.4	0.00	0.00	0.00	0.00	197,877,905.00	351,962,143.00	0.00	0.00	0.00	0.00	0.00	-4,023,563,305.00	-4,177,647,543.00

Other														
3.3 Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1,046,578,276.00	-7,428,252.00	-1,054,006,528.00
3.3.1 Appropriation to surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.3.2 Appropriation to general risk provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.3.3 Appropriation 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	-1,046,578,276.00	-7,428,252.00	-1,054,006,528.00
3.3.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4 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	0.00	0.00	0.00
3.4.1 New increase of capital (or share capital) from capital reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.2 New increase of capital (or	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



share capital) from surplus reserve														
3.4.3 Surplus reserve for making up loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5 Special reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.1 Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.2 Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.6 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance	35,153,067,743.00	0.00	0.00	0.00	39,229,235,434.00	666,312,967.00	85,086,899.00	0.00	743,139,855.00	0.00	7,267,082,811.00	15,658,811,592.00	97,470,111,367.00	

January-June 2016

Unit: RMB Yuan

Item	January-June 2016												
	Equity attributable to owners of the Company											Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings		
	Preference shares	Perpetual bonds	Other										
1. Balance at the end of	35,153,067,743.00	0.00	0.00	0.00	39,018,900,467.00	0.00	90,153,009.00	0.00	592,242,059.00	0.00	2,630,912,286.00	865,554,255.00	78,350,829,819.00

the prior year														
Add: Changes in accounting policies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in prior periods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Business mergers under the same control	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00
2. Balance at the beginning of the year	35,153,067,743.00	0.00	0.00	0.00	39,018,900,467.00	0.00	90,153,009.00	0.00	592,242,059.00	0.00	2,630,912,286.00	865,554,255.00	78,350,829,819.00	
3. Increase/ decrease in the period (“-” means decrease)	0.00	0.00	0.00	0.00	12,457,062.00	314,350,824.00	-14,434,306.00	0.00	150,897,796.00	0.00	1,380,143,201.00	12,450,512,412.00	13,665,225,341.00	
3.1 Total comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	-14,434,306.00	0.00	0.00	0.00	1,882,571,674.00	209,092,587.00	2,077,229,955.00	
3.2 Capital increased and reduced by owners	0.00	0.00	0.00	0.00	11,579,348.00	314,350,824.00	0.00	0.00	0.00	0.00	0.00	12,250,152,355.00	11,947,380,879.00	
3.2.1 Ordinary shares increased by shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.2 Capital increased by holders of other equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.3 Amounts of share-based payments charged to owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.4 Other	0.00	0.00	0.00	0.00	11,579,348.00	314,350,824.00	0.00	0.00	0.00	0.00	0.00	12,250,152,355.00	11,947,380,879.00	
3.3 Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,897,796.00	0.00	-502,428,473.00	-8,732,530.00	-360,263,207.00	
3.3.1 Appropriation to surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,897,796.00	0.00	-150,897,796.00	0.00	0.00	

3.3.2 Appropriation to general risk provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.3.3 Appropriation to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-351,530,677.00	-8,732,530.00	-360,263,207.00
3.3.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4 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	0.00	0.00
3.4.1 New increase of capital (or share capital) from capital reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.2 New increase of capital (or share capital) from surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.3 Surplus reserve for making up loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5 Special reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.1 Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.2 Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.6 Other	0.00	0.00	0.00	0.00	877,714.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	877,714.00
4. Closing balance	35,153,067,743.00	0.00	0.00	0.00	39,031,357,529.00	314,350,824.00	75,718,703.00	0.00	743,139,855.00	0.00	4,011,055,487.00	13,316,066,667.00	92,016,055,160.00

## 8. Statement of Changes in Owners' Equity of the Company

January-June 2017

Unit: RMB Yuan

Item	January-June 2017										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total owners' equity
		Preference shares	Perpetual bonds	Other							
1. Balance at the end of the prior year	35,153,067,743.00	0.00	0.00	0.00	38,157,600,408.00	314,350,824.00	152,323,461.00	0.00	743,139,855.00	1,493,363,829.00	75,385,144,472.00
Add: Changes in accounting policies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in prior periods	0.00	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	0.00
2. Balance at the beginning of the year	35,153,067,743.00	0.00	0.00	0.00	38,157,600,408.00	314,350,824.00	152,323,461.00	0.00	743,139,855.00	1,493,363,829.00	75,385,144,472.00
3. Increase/ decrease in the period ("-" means decrease)	0.00	0.00	0.00	0.00	0.00	351,962,143.00	6,030,946.00	0.00	0.00	-657,808,670.00	-1,003,739,867.00
3.1 Total comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	6,030,946.00	0.00	0.00	388,769,606.00	394,800,552.00
3.2 Capital increased and reduced by owners	0.00	0.00	0.00	0.00	0.00	351,962,143.00	0.00	0.00	0.00	0.00	-351,962,143.00
3.2.1 Ordinary shares increased by shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.2 Capital increased by holders of other equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.3 Amounts of share-based payments charged to owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3.2.4 Other	0.00	0.00	0.00	0.00	0.00	351,962,143.00	0.00	0.00	0.00	0.00	-351,962,143.00
3.3 Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1,046,578,276.00	-1,046,578,276.00
3.3.1 Appropriation to surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.3.2 Appropriation to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1,046,578,276.00	-1,046,578,276.00
3.3.3 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4 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
3.4.1 New increase of capital (or share capital) from capital reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.2 New increase of capital (or share capital) from surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.3 Surplus reserve for making up loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5 Special reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.1 Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.2 Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.6 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance	35,153,067,743.00	0.00	0.00	0.00	38,157,600,408.00	666,312,967.00	158,354,407.00	0.00	743,139,855.00	835,555,159.00	74,381,404,605.00

January-June 2016

Unit: RMB Yuan

Item	January-June 2016										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total owners' equity
		Preference shares	Perpetual bonds	Other							
1. Balance at the end of the prior year	35,153,067,743.00	0.00	0.00	0.00	38,152,869,635.00	0.00	109,786,796.00	0.00	592,242,059.00	486,814,338.00	74,494,780,571.00
Add: Changes in accounting policies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Correction of errors in prior periods	0.00	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	0.00
2. Balance at the beginning of the year	35,153,067,743.00	0.00	0.00	0.00	38,152,869,635.00	0.00	109,786,796.00	0.00	592,242,059.00	486,814,338.00	74,494,780,571.00
3. Increase/ decrease in the period ("-" means decrease)	0.00	0.00	0.00	0.00	4,730,773.00	314,350,824.00	42,536,665.00	0.00	150,897,796.00	1,006,549,491.00	890,363,901.00
3.1 Total comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	42,536,665.00	0.00	0.00	1,508,977,964.00	1,551,514,629.00
3.2 Capital increased and reduced by owners	0.00	0.00	0.00	0.00	0.00	314,350,824.00	0.00	0.00	0.00	0.00	-314,350,824.00
3.2.1 Ordinary shares increased by shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.2 Capital increased by holders of other equity instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.3 Amounts of share-based payments charged to owners' equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.2.4 Other	0.00	0.00	0.00	0.00	0.00	314,350,824.00	0.00	0.00	0.00	0.00	-314,350,824.00
3.3 Profit distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,897,796.00	-502,428,473.00	-351,530,677.00

3.3.1 Appropriation to surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,897,796.00	-150,897,796.00	0.00
3.3.2 Appropriation to owners (or shareholders)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-351,530,677.00	-351,530,677.00
3.3.3 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4 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
3.4.1 New increase of capital (or share capital) from capital reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.2 New increase of capital (or share capital) from surplus reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.3 Surplus reserve for making up loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.4.4 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5 Special reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.1 Withdrawn for the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.5.2 Used in the period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.6 Other	0.00	0.00	0.00	0.00	4,730,773.00	0.00	0.00	0.00	0.00	0.00	4,730,773.00
4. Closing balance	35,153,067,743.00	0.00	0.00	0.00	38,157,600,408.00	314,350,824.00	152,323,461.00	0.00	743,139,855.00	1,493,363,829.00	75,385,144,472.00

### **III. Company profile**

BOE Technology Group Company Limited (the “Company”) is a company limited by shares established on April 9, 1993 at Beijing, with its head office located in Beijing. The parent of the Company is Beijing Electronics Holdings Co., Ltd. (“Electronics Holdings”).

The Company and the affiliated subsidiaries (hereinafter referred to as “the Group” for short) divided into three major business group: display and sensor device business, intelligent system products and health service.

The details of the relevant information of the Company and its subsidiaries were on Notes XII. 2. During the Reporting Period, as for the situation of the newly increased and decreased subsidiaries, please refer to Notes VIII. 2.

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

#### **1. Basis for the preparation**

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

#### **2. Continuing operations**

The Company had the continuing operations ability within 12 months since the end of the Reporting Period.

### **V. Significant accounting policies and estimates**

Reminder of the specific accounting policies and estimates: Naught

#### **1. Statement of Compliance with the Accounting Standards for Business Enterprises**

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises issued by the Ministry of Finance (hereinafter referred to as MOF). These financial statements present truly and completely the consolidated financial position and financial position as of June 30, 2017, the consolidated results of operations and results of operations and the consolidated cash flows and cash flows in the first half year of 2017 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 in 2014.

#### **2. Accounting period**

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

#### **3. Operating cycle**

The Company regarded the period from purchasing the assets for processing to realizing the cash or cash equivalents as the normal operating cycle. The operating cycle of the main business of the Company usually is less than 12 months.



#### **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 foreign currency financial statement of subsidiaries when compiling the financial statement.

The currency where the overseas subsidiaries and their main economic circumstances of the operation involved is the functional currency. Renminbi is the bookkeeping base currency when preparing the financial statements for the Reporting Period.

#### **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.

In a business combination not under same control realized by two or more transactions of exchange, for the equities of the purchasees held before the purchase date, the Group will execute the remeasurement according to the fair value of the equity on the purchase date with the difference between the fair value and its book value be recorded in the current investment income. The other comprehensive income which could be reclassified in the gains and losses afterwards and the changes of the equities of the other owners under the measurement of the equity method that involved with the afterwards equity of the purchasees held before the purchase date should be transferred in the current investment income.

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

##### **(1) General principle**

The scope of consolidated financial statements is determined on the base of control, which comprise the Company and its

subsidiaries. The term “control” is the power of the Group upon an investee, with which it can take part in relevant activities of the investee to obtain variable returns and is able to influence the amount of returns. When judging whether the Group owns the right on the investees or not, the Group only considers the substantive rights related to the investees (including the substantive rights enjoyed by the Group itself and by the other parties). 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.

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) Acquiring the subsidiaries from merger

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 based on book value in the consolidated balance sheet of the subsidiary’s assets, liabilities and results of operations 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.

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.

#### (3) Disposing the subsidiaries

Where the control of former subsidiary was lost, any disposal profit or loss occurred shall be recorded into the investment income during the period of losing control right. As for remaining equity investment, 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.

Where the Group losses control on its original subsidiaries due to step by step disposal of equity investments through multiple transactions, should judge whether is the package deal according to the following principles:

- These deals are at the same time or under the condition of considering the influence of each other to concluded;
- These transactions only when be regarded as a whole could achieve a complete business result;
- The occurrence of a deal depends on at least one other transactions;
- A deal alone is not economical, it is economical with other trading together.

If each deal not belongs to a package deal, as for each deal before losing the control right on the subsidiaries, should be disposed according to the accounting policies of partly disposing the equity investment of the subsidiaries under the situation not losing the control right.

If each deal belongs to a package deal, considered as a transaction and conduct accounting treatment, however, before losing control, the differences between every disposal cost and the shares of the book value of the corresponding net assets continuously calculated since the purchase date of the subsidiary of disposal investment are confirmed as other comprehensive income in consolidated financial statements, which together transferred into the current profits and losses in the loss of control , when the Group losing control on its subsidiary.

#### (4) Changes of the equities of the minority shareholders

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.

### **7. Classification of joint arrangements and accounting treatment of joint operations**

A joint arrangement refers to an arrangement jointly controlled by two participants or above and all the participants are both restricted by the arrangement; and two or more participants execute the jointly control on the arrangement. Any of the participant should not individually control the arrangement, while any of the participant that owns the jointly control could stop other participants or the participants group from individually control the arrangement.

Joint arrangements divided into joint operations and joint ventures. A joint operation refers to a joint arrangement where the participant party enjoys assets and has to bear liabilities related to the arrangement. A joint venture refers to a joint arrangement where the participant party is only entitled to the net assets of the arrangement.

The participant party should confirm the following items related to the interests portion among the jointly operation and execute the accounting treatment according to the regulations of the relevant ASBE: recognizes the assets and liabilities that it holds and bears in the joint operation, and recognizes the jointly-held assets and jointly-borne liabilities according to the Group's stake in the joint operation; recognizes the income from sale of the Group's share in the output of the joint operation; recognizes the income from sale of the joint operation's outputs according to the Group's stake in it; and recognizes the expense solely incurred to the Group and the expense incurred to the joint operation according to the Group's stake in it.

### **8. Recognition standard for cash and cash equivalents**

In the Group's understanding, cash and cash equivalents include cash on hand, any deposit that can be used for cover, and short-term and high circulating investments, which are easily convertible into known amount of cash and whose risks in change of value are minimal.

### **9. Foreign currency businesses and translation of foreign currency financial statements**

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.

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.

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 listed in other comprehensive income. 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.

## 10. Financial instruments

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

### (1) Recognition and measurement of the financial assets and financial liabilities

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)

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.

#### (2) Presentation of financial assets and financial liabilities

The financial assets and financial liabilities are respectively presented in the balance sheet without mutual offset. However, for those simultaneously meet with the following conditions, should be presented in the balance sheet by the net amount after mutual offset:

- The Group owns the legal right of neutralizing the recognized amount and the right is executable at present;
- The Group plans to settle by the net amount or to realize the financial assets and to clear off the financial liabilities at the same time.

#### (3) Derecognition of financial assets and financial liabilities

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.

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

#### (4) Impairment of financial assets

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.

For the methods of the impairment of the relevant accounts receivable, please refer to Notes V. 11. The methods of the impairment of other financial assets are as follows:

##### - 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 and combination 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. However, for the investment on the equity instruments without any quoted price among the active market with the fair value could not be reliably measured, should not be reversed.

(5) Equity investments

After the consideration received from issuing the equity instruments by the Company deducted the transaction expenses, should be recorded in the shareholders' equities. To repurchase the consideration and transaction expenses paid for the equity instruments and to decrease the shareholders' equities.

When repurchasing the shares of the Company, those repurchased shares should be managed as the treasury stocks, and the whole expenses should be transferred as the treasury stocks cost and at the same time executes the future reference registration. The treasury stocks would not participate in the profits distribution and would be represented as the allowance items of the shareholders' equities among the sheet balance.

When executing the written-off of the treasury stocks, should decrease the share capital according to the total amount of the face value of the stocks and for the part that the cost of the treasury stocks exceeds the total amount of the face value, should successively write down the capital surplus (capital stock premium), earned surplus and retained earnings; for the cost of the treasury stocks less than the total amount of the face value, the part that lower than the total amount of the face value should increase the capital surplus (capital stock premium).

When transferring the treasury stocks, for the part of the revenues of the transfer that higher than the cost of the treasury stocks, should increase the capital surplus (capital stock premium); for the part that lower than the cost of the treasury stocks, should successively write down the capital surplus (capital stock premium), earned surplus and retained earnings.

(6) Convertible instruments

– Convertible instruments

For the convertible instruments issued by the Group which could be converted as the equity shares and when converting, the shares number and the amount of the consideration are fixed, the Group consider which as the compound instruments that includes the components of liabilities and equities.

When executing the initial recognition, the Group splits the relevant liabilities and equities and firstly recognizes the fair value of the liabilities (including the fair value of the non-equity embedded derivative possibly included) then deducts the fair value of the liabilities component from the fair value of the compound instruments as the value of the equities component as well as record which in the equities component. The transaction expenses occurred from issuing the compound instruments, should amortize which according to each proportion of the total issuance price between the liabilities component and the equities component.

After the initial recognition, for the liabilities component without appointed to be measured by fair value and to be recorded in the current gains and losses with the changes, should be measured by the effective interest method according to the amortized cost. And the equities component would not be remeasured after the initial measurement.

When converting the convertible instruments, the Group transfers the liabilities component and the equities component to the relevant subjects. When the convertible instruments are redeemed, the price paid and the occurred transaction expenses should be distributed to the equities and liabilities component. The methods of the distribution price and the transaction expenses are unanimous with the distribution methods adopt when issuing the instruments. After the distribution of the price and transaction

expenses, for the differences between which and the book value of the equities component and between the book value of the liabilities component, the part related to the equities component should be recorded in the equity while the part related to the liabilities component should be recorded in the gains and losses.

– Other convertible instruments excluding the equities component

For the other convertible instruments excluding the equities component issued by the Group, when executing the initial recognition, the derivative instruments component of the convertible instruments should be measured by fair value while the remained part should be regarded as the initial recognized amount of the main debt instruments.

After the initial recognition, for the derivative instruments component, should be measured by fair value, and the gains or losses formed from the changes of the fair value should be recorded in the current gains and losses. As for the main debt instruments, should be measured by the effective interest rate according to the amortized cost.

When converting the convertible instruments, the Group transfers the main debt instruments and derivative instruments to the relevant subjects. When the convertible instruments are redeemed, the deference between the paid price and the book value of the main debt instruments as well as the derivative instruments should be recorded in the gains and losses.

Notes: Provide the classification, confirmation bases and measurement methods of financial tools, the confirmation bases and measurement methods of transfer of financial assets, the confirmation conditions of termination of financial liabilities, the fair value calculation methods of financial assets and financial liabilities, the test methods and accounting treatment methods of financial assets (receivables excluded).

## 11. Receivables

Receivables are assessed for impairment both on an individual basis and on a collective group basis.

Where impairment is assessed on an individual basis, an impairment loss in respect of a receivable 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 recognised in profit or loss. The Group recognised receivables individually greater than RMB 50,000,000 as significant and perform impairment test on an individual basis. Those receivables individually insignificant but with specific natures, i.e. legal issue or customer credit issue, are also reviewed and tested on an individual basis.

The assessment is made collectively where receivables share similar credit risk characteristics (including those not having been individually assessed as impaired), based on their historical loss experiences, and adjusted by the observable factors reflecting present economic conditions.

If, after an impairment loss has been recognised on receivables, 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 recognised, the previously recognised impairment loss is reversed through profit or loss. A reversal of an impairment loss will not result in the asset's carrying amount exceeding what the amortised cost would have been determined had no impairment loss been recognised in prior years.

## 12. Inventory

### (1) Classification and cost of inventories

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.

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.

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

Cost of inventories is calculated using the weighted average method.

Revolving materials such as the low priced and easily worn articles and the packing materials should be amortized by adopting one-time amortization method and be recorded in the cost of the relevant assets or the current gains and losses.

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

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:

The Group maintains a perpetual inventory system.

### 13. Divided as assets held for sale

The Group should divide the non-current assets (or the disposal group, that is an asset group concurrently be disposed through selling or other methods as an entirety in a transaction and the liabilities directly related to the assets from the transfer among the transaction, the same below )which simultaneously meet with the following conditions as the assets held for sale.

- The assets could be immediately sold only according to the usual terms of selling this kind of assets under the current condition;
- The Group had made resolutions on disposing the assets;
- The Group had signed the irrevocable assignment agreement with the transferees; and the transfer will be completed within 1 year.

When the non-current assets be divided as assets held for sale, the Group measures the non-current assets held for sale, deferred income tax assets and the investment properties be follow-up measured by the fair value mode according to the lower one between the book value and the fair value after deducting the net amount of the disposal expenses, while the deference that the book value higher than the fair value which deducted the disposal expenses should be recognized as the impairment losses of the assets.

The fixed assets and intangible assets be divided as assets held for sale and the investment properties be follow-up measured by the cost mode would not be withdrawn, depreciated or amortized, while the long-term equity investment be divided as assets held for sale that measured by equity method should cease the equity method measurement.

### 14. Long-term equity investments

#### (1) Recognition of the investment cost of the long-term equity investment

##### (a) Investments in subsidiaries

– 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 the long-term equity investment of the subsidiaries formed from the enterprise merger under the same control that realized step by step of the multiple transaction not belong to package deal, the Company would adjust the capital stock premium among the capital surplus according to the difference between the initial



investment cost of the long-term equity investment recognized according to the above principles and the sum of the book value of the long-term equity investment before reaching the merger and the book value of the newly paid consideration which be further received on the merger date, and 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 of the long-term equity investment

(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.

For the impairment test methods and the withdrawal methods of the impairment of the investment of the subsidiaries, please refer to the Notes V. 20.

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

The joint enterprise refers to an arrangement that the Group and other joint operation parties execute jointly control and only enjoy the rights of their own net assets.

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. As for the other changes of the owners' equities except for the net gains and losses, other comprehensive income and profits distribution of the joint ventures or associated enterprises (hereinafter referred to as

“changes of other owners’ equities”), the Group included which in the shareholders’ equities according to the portion ought to be enjoyed or shared, and at the same time adjust the book value of the long-term equity investment.

– The Group recognizes its share of the investee’s net profits or losses, other comprehensive income and changes of other owners’ equities 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 impairment test methods and the withdrawal methods of the impairment provision of the investment on the joint ventures and the associated enterprises by the Group, please refer to Notes V. 20.

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

Joint control refers to the control jointly owned on certain arrangement according to relevant agreement and the relevant activities of the arrangement (which are the activities cause significant influences on the arrangement) could only execute the decision-making through the unanimous consent of the parties sharing control.

The following evidences shall be considered when determining whether the Group can exercise joint control over an investee:

- No single venture 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.

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.

## 15. Investment real estates

### Measurement of cost method

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:

Category	Useful life (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	25-40 years	3%-10%	2.3%-3.9%
Land use rights	32-50 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 reversed in a subsequent period.

## 16. Fixed assets

### (1) Conditions for recognition

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 V. 17. 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 recorded into fixed asset cost when the economic interests related to costs may flow into the Group, 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) Depreciation methods

Category of fixed assets	Method	Useful life	Expected net salvage value	Annual depreciation
Workshops and buildings	Average method of useful life	10-50 years	3%-10%	1.8%-9.7%
Machinery equipments	Average method of useful life	2-20 years	0-10%	4.5%-50%
Other equipments	Average method of useful life	2-10years	0-10%	9%-50%

### (3) Recognition basis, pricing and depreciation method of fixed assets by finance lease

On the begin date of the lease term, the financing leased assets of the Group should be recorded in the entry value according to the lower one between the fair value of the leasing assets and the net value of the minimum lease payment, and the minimum lease payment should be regarded as the entry value of the long-term account payable with the difference be recognized as the unrecognized financial charges. The Group records the initial direct costs of the financial lease in the leased assets value. If it is reasonable to be certain that the lessee will obtain the ownership of the leased assets when the lease term expires, the leased assets shall be fully depreciated within the available age limit. Otherwise, the leased assets shall be fully depreciated over the shorter one of the lease term or its available age limit. The Group amortizes the unrecognized financial charges by the effective interest rate method within each period during the lease term and manages according to the principles of the borrowing costs. On the balance sheet date, the Group will respectively list the difference from the long-term account payable related to the finance lease minus the unrecognized financial charges as the long-term liabilities and the long-term liabilities due within 1 year.

## 17. 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.

## 18. 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 recognizes the effective interest rate of the borrowings, that means to discount the future cash flow of the borrowings during the expected duration or the applicable shorter period to be the interest rate used of the recognized amount during the initial recognition of the borrowings.

During the capitalization period, should capitalize the exchange differences of the principal and the interests of the Foreign currency specific borrowings and record which in the cost of the assets that meet with the conditions of the capitalization. As for the exchange differences from the principal and the interests of the other foreign currency borrowings except for the foreign currency specific borrowings, should be regarded as the financial expenses and included in the current gains and losses.

## 19. Intangible assets

### (1) Pricing method, useful life and impairment test

#### (a) 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.

#### (b) 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

(c) 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.

(d) 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.

(2) Accounting policies of internal R & D expenses

(a) 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.

(b) 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.

## 20. Impairment of long-term assets

The Group executes the impairment test on the assets with impairment indication and evaluates the recoverable amount of the assets. Besides, whether there is impairment indication, the Group will evaluate the recoverable amount of the goodwill at the year-end. The Group will amortize the book value of the good according to the benefit situation in the synergistic effect from the enterprise merger by the relevant assets group or the combination of the assets group and based on which executes the impairment test of the goodwill.

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. Fair value refers to the price received from selling an asset or paid for transferring a liability in the orderly transaction on the measurement date by the market participants. When the Group evaluating the fair value, should consider the characteristics when executing pricing of the relevant assets or liabilities on the measurement date of the market participants (including the assets conditions and the location, the restrictions of the sales or use of the assets and so on) as well as adopt the evaluation technology that applicable under the current circumstance and owns adequate available data and supported by other information. The evaluation technology used mainly including the market method, equity method and cost method.

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.

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.

## 21. 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

## 22. Payroll

(1) Accounting treatment of short-term compensation

During the accounting period of an employee' providing services, the Group recognizes the actual occurred or withdrawn worker wages, bonuses and the social insurance charges such as the medical insurance premiums, industrial injury insurance premium and birth insurance premium according to the specified benchmark and proportion as well as the housing funds as the liabilities and records which in the current gains and losses or the relevant asset costs.

#### (2) Accounting treatment of the welfare after demission

Welfare after demission refers to the various of the compensation and welfare provided after the retirement of the employees or after the labor relation relieved by the enterprise owing to not receiving the service provided by the employees, except for the short-term compensation and the demission welfare. Specifically divided as defined contribution plans and defined benefit plans. The defined contribution plans participated by the Group including: the basic endowment insurance and unemployment insurance among the social security system set up and managed by the government institutions according to the requirements of the relevant Chinese regulations of the employees of the Group and the corporation pension plan approved and set up by the relevant departments according to the relevant policies of the state enterprise annuity system. The payment amount of the basic endowment insurance and the unemployment insurance should be calculated according to the benchmark and the proportion stipulated by the nation. The enterprise annuity should be withdrawn according to the certain proportion of the total amount of the worker wages of the employees voluntarily participated in the pension plan. During the accounting period of the employees providing the service, the Company recognizes the deposited amount as the liabilities and records in the current gains and losses or the relevant asset costs. The Group not involved with any defined benefit plans.

#### (3) Accounting treatment of the demission welfare

The Group relieves the labor relations with the employees before the maturity of the labor contracts or puts forward the advice for compensation for encouraging the employees voluntarily accept the reduction, and recognizes the liabilities caused from the demission welfare on the earlier date of the followings and at the same time records which in the current gains and losses:

- When the Group could not unilaterally withdraw the demission welfare provided owing to the termination of the labor relations or the reduction advice:
- The Group owns specific and formal reorganization plan that concerning the payment of the demission welfare; and the time when the reorganization plan had been executed or had announced the main content of the plan to the parties influenced by which, then led all parties formed the rational expectations about the Group is going to execute the reorganization.

#### (4) Accounting treatment of the welfare of other long-term staffs

The welfare of other long-term staffs refers to the all the employees compensation except for the short-term compensation, welfare after demission and demission welfare, which including the long-term compensated absences, long-term sociability benefits and long-term profit sharing plan and so on. The Group not involved with any other long-term employee's welfare.

### **23. 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

The estimated liabilities should be executed the initial measurement according to the best estimated number needed to be spent when caring out the relevant current obligations. As for those with significant influences on the time value of money, the estimated liabilities should be confirmed according to the amount after the discount of the estimated future cash flow. When recognizing the best estimated number, the Group comprehensively considers the factors such as the risks, uncertainty and the time value of money related to the contingencies. There is a contiguous range of the needed expenses and the possibility of various results within the range is the same and the best estimated number should be recognized according to the mediant within the range; under other circumstance,



the best estimated number should be handled respectively according to the following situations:

- If the contingencies involve with a single item, should be recognized according to the most likely happened amount.
- If the contingencies involve with various items, should be recognized according to the calculation of various possible results and the relevant probabilities.

The Group executes the reexamination of the book value of the estimated liabilities on the balance sheet date and adjusts the book value according to the current best estimated number.

## 24. Revenue

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 revenue and costs can be measured reliably and the economic benefits will flow to the Group, and the following respective conditions are met.

### (1) Selling commodities

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.

The Group appointed different trading methods with buyers in the sales contract. The Company judges the main risks and time-point of remuneration transfer according to trading methods and recognizes the income correspondingly.

### (2) Providing labor services

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

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 measurement of finished works.

As for the outcome of labor services cannot 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 cannot receive compensation, services costs shall be reckoned into current loss and gain and revenue from providing labor services shall not be confirmed.

### (3) Construction contract revenue

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.

### (4) Interest revenue

Interest revenue is recognized according to the calculation of the time of lending monetary capital and the effective interest rate.

(5) Royalty revenue of the intangible assets

Royalty revenue of the intangible assets is recognized according to the charging time and methods agreed by the contracts or the protocol.

## **25. Government subsidies**

(1) Judgment basis and accounting treatment of government subsidies related to assets

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. Government subsidies related to assets should offset the book value of related assets or be recognized as deferred income. Government subsidies related to assets that were recognized as deferred income should be recorded into profits and losses by stages according to reasonable and systematic methods within useful lives. Government subsidies measured by nominal amount should be recorded into profits and losses directly.

(2) Judgment basis and accounting treatment of government subsidies related to profits

The other government grants except for the assets-related grants that gained by the Group are as the government grants related to the revenues. Those government subsidies related to profits used for compensating the related future expenses or losses of the enterprise shall be recognized as deferred income and shall included in the current profits and losses or offset related costs during the period when the relevant cost expense or losses are recognized; or those subsidies used for compensating the related expenses or losses incurred to the enterprise shall be directly included in the current profits and losses or offset related costs.

(3) Handling methods of government subsidies including both those related to assets and those related to profits

Government subsidies including both those related to assets and those related to profits should be conducted accounting treatment separately from different parts; if it is hard to distinguish, it should be wholly classified as government subsidies related to profits.

## **26. Deferred income tax assets/deferred income tax 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 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.

## 27. Lease

### (1) Accounting treatment 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 Notes V. 16 (3)), are depreciated in accordance with the Group's depreciation policies described in Notes V. 20. 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 financial 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 Notes V. 16 (3) and Notes V. 20, 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.

## 28. Other significant accounting policies and estimates

### (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.

## 29. Changes in main accounting policies and estimates

The Ministry of Finance issued The Accounting Standards for Enterprises No. 16 - Governmental Subsidies on May 2017, which implemented from June 12, 2017. The Company revised financial statement according to it. Governmental subsidies related to routine activities of enterprises were recorded into other incomes or offset related costs in line with the essence of economic business. At the same time, item "other gains" is added above the item of "operating profits" in the income statement, and governmental subsidies recorded into other gains was reflected in this item. This change didn't have an influence on financial conditions, operating results, and cash flow of the Company. Except the above-mentioned items, other changes of accounting policies due to the implementation of new criteria didn't have an impact on items and amounts of financial statement, and there was also no need of

retroactive adjustment.

## VI. Taxation

### 1. Main taxes and tax rate

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%, 11%, 13% , 17%
City maintenance and construction tax	Based on VAT payable and the VAT tax free for the Period	5%, 7%
Enterprise income tax	Based on taxable revenue	15%-25%
Education surcharge and local education surcharge	Based on VAT payable and the VAT tax free for the Period	3%, 2%

Notes of the disclosure situation of the taxpaying bodies with different enterprises income tax rate

Name	Income tax rate
BOE Technology Group Co., Ltd.	15%
Beijing BOE Optoelectronics Technology Co., Ltd.	15%
Chengdu BOE Optoelectronics Technology Co., Ltd.	15%
Hefei BOE Optoelectronics Technology Co., Ltd.	15%
Beijing BOE Display Technology Co., Ltd.	15%
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	15%
Erdos Yuansheng Optoelectronics Co., Ltd.	15%
Chongqing BOE Optoelectronics Technology Co., Ltd.	15%
BOE (Hebei) Mobile Display Technology Co., Ltd.	15%
BOE Optical Science and Technology Co., Ltd.	15%
Beijing BOE Tea Valley Electronic Co., Ltd.	15%
Xiamen BOE Electronic Co., Ltd.	15%
Hefei BOE Display Light Source Co., Ltd.	15%
Chongqing BOE Display Lighting Co., Ltd.	15%
Beijing BOE Dedicated Display Technology Co., Ltd.	15%
Beijing BOE Vacuum Electronics Co., Ltd.	15%
Beijing BOE Vacuum Technology Co., Ltd.	15%
Beijing BOE Semi-conductor Co., Ltd.	15%
Hefei BOE Semi-conductor Co., Ltd.	15%

Beijing Asahi Electron Material Co., Ltd.	15%
Beijing BOE Energy Technology Co., Ltd.	15%
Beijing BOE Multimedia Technology Co., Ltd.	15%

## VII. Notes on major items in consolidated financial statements of the Company

### 1. Monetary funds

Unit: RMB Yuan

Item	Closing balance	Opening balance
Cash on hand	237,047.00	707,796.00
Bank deposits	42,521,903,389.00	49,170,616,669.00
Other monetary funds	8,238,260,291.00	8,981,492,758.00
Total	50,760,400,727.00	58,152,817,223.00
Of which: the total amount deposited in overseas	2,415,297,182.00	858,689,619.00

Other notes

Of which: the total amount deposited in overseas was equivalent to RMB 2,415,297,182 Yuan (Y2016: RMB 858,689,619 Yuan). On June 30, 2017, the Company took USD 118,064,983 among the other monetary capital (Y2016: USD 17,428,071) as the pledge for acquiring the short-term borrowings, and took RMB 982,393,752 Yuan and USD11,000,000 (Y2016: RMB120,217,226 Yuan and USD11,000,000) as the pledge for acquiring the long-term borrowings. The rest of the other monetary capital equivalent to RMB 7,137,801,555 Yuan (Y2016: RMB 8,480,584,080 Yuan) was the margin deposit for security deposited in the commercial bank.

### 2. Notes receivable

#### (1) Notes receivable listed by category

Unit: RMB Yuan

Item	Closing balance	Opening balance
Bank acceptance bill	1,260,902,564.00	1,358,736,650.00
Commercial acceptance bill	2,400,000.00	11,100,000.00
Total	1,263,302,564.00	1,369,836,650.00

#### (2) Notes receivable pledged by the Company at the period-end

Unit: RMB Yuan

Item	Amount
Bank acceptance bill	56,626,085.00
Commercial acceptance bill	0.00

Total	56,626,085.00
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**(3) Notes receivable which had endorsed by the Company or had discounted and had not due on the balance sheet date at the period-end**

Unit: RMB Yuan

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end
Bank acceptance bill	0.00	483,922,857.00
Commercial acceptance bill	0.00	0.00
Total	0.00	483,922,857.00

### 3. Accounts receivable

#### (1) Accounts receivable disclosed by category

Unit: RMB Yuan

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable with significant single amount for which bad debt provision separately accrued	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Accounts receivable withdrawn bad debt provision according to credit risks characteristics	17,055,944,269.00	99.69%	205,354,502.00	1.20%	16,850,589,767.00	15,857,746,391.00	97.75%	0.00	0.00%	15,857,746,391.00
Accounts receivable with insignificant single amount for which bad debt provision separately accrued	53,255,837.00	0.31%	40,310,865.00	75.69%	12,944,972.00	365,417,037.00	2.25%	31,371,811.00	8.59%	334,045,226.00
<b>Total</b>	<b>17,109,200,106.00</b>	<b>100.00%</b>	<b>245,665,367.00</b>	<b>1.44%</b>	<b>16,863,534,739.00</b>	<b>16,223,163,428.00</b>	<b>100.00%</b>	<b>31,371,811.00</b>	<b>0.19%</b>	<b>16,191,791,617.00</b>



Accounts receivable with significant single amount for which bad debt provision separately accrued at the period-end

Applicable  Not applicable

No such cases in the Reporting Period.

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

Applicable  Not applicable

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

Applicable  Not applicable

Name of the group	Closing balance		
	Accounts receivable	bad debt provision	Withdrawal proportion
Credit risks portfolio	273,806,002.00	205,354,502.00	75.00%
Total	273,806,002.00	205,354,502.00	75.00%

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

Name of the group	Withdrawal method of the bad debt provision by group	Basic for recognizing the group	Closing balance	Closing balance of the bad debt provision	Withdrawal proportion
Credit risks portfolio	Other method	Owens the similar credit risks characteristics	16,782,138,267.00	0.00	0.00%

## (2) Accounts receivable withdraw, reversed or collected during the Reporting Period

The withdrawal amount of the bad debt provision during the Reporting Period was of RMB 215,284,889.00 Yuan; the amount of the collected or reversed part during the Reporting Period was of RMB 575,305.00 Yuan.

## (3) The actual write-off accounts receivable

Unit: RMB Yuan

Item	Amount
Customer 1	416,028.00

## (4) Top 5 of the closing balance of the accounts receivable collected according to the arrears party

The total amount of the accounts receivable of the top 5 of the Group at the year-end was of RMB 7,249,347,777.00 Yuan that covered 42.37% of the total amount of the closing balance of the accounts receivable at the year-end, which no need to withdraw the bad debt provision after the assessment.

## 4. Prepayment

### (1) List by aging analysis

Unit: RMB Yuan

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	993,364,604.00	95.37%	706,523,558.00	99.72%
1 to 2 years	46,574,256.00	4.47%	1,191,189.00	0.17%
2 to 3 years	936,770.00	0.09%	418,929.00	0.06%
Over 3 years	756,820.00	0.07%	377,797.00	0.05%
Total	1,041,632,450.00	--	708,511,473.00	--

There was no prepayment ages over 1 year with significant amount but failed settled in time of the Group.

### (2) Top 5 of the closing balance of the prepayment collected according to the prepayment target

The total amount of the prepayment of the top 5 of the Group at the year-end was of RMB 566,965,097.00 Yuan that covered 54.43% of the total amount of the closing balance of the prepayment at the year-end.

## 5. Interest receivable

### (1) Category of interest receivable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Fixed time deposit	87,911,912.00	123,027,401.00
Bond investment	1,276,329.00	2,114,172.00
Total	89,188,241.00	125,141,573.00

There was no overdue interest of the Group in the Reporting Period.

## 6. Dividend receivable

### (1) Dividend receivable

Unit: RMB Yuan

Item (or investees)	Closing balance	Opening balance
TPV Technology Co., Ltd	930,175.00	0.00
China Securities Co., Ltd.	2,036,374.00	0.00
Bank of Chongqing Co., Ltd.	7,283,900.00	0.00
Total	10,250,449.00	0.00

## 7. Other accounts receivable

### (1) Other accounts receivable disclosed by category

Unit: RMB Yuan

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Other accounts receivable with significant single amount for which bad debt provision separately accrued	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Other accounts receivable withdrawn bad debt provision according to credit risks characteristics	955,540,522.00	99.93%	0.00	0.00%	955,540,522.00	903,069,416.00	99.93%	0.00	0.00%	903,069,416.00
Other accounts receivable with insignificant single amount for which bad debt provision separately accrued	653,341.00	0.07%	653,341.00	100.00%	0.00	653,341.00	0.07%	653,341.00	100.00%	0.00
Total	956,193,863.00	100.00%	653,341.00	0.07%	955,540,522.00	903,722,757.00	100.00%	653,341.00	0.07%	903,069,416.00

Other accounts receivable with significant single amount for which bad debt provision separately accrued at the period-end

Applicable  Not applicable

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

Applicable  Not applicable

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

Applicable  Not applicable

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

Name of the group	Closing balance		
	Other accounts receivable	Bad debt provision	Withdrawal proportion
Credit risks portfolio	955,540,522.00	0.00	0.00%
Total	955,540,522.00	0.00	0.00%

There were no withdrawn, collected and reversed other accounts receivable made bad debt provision in the Reporting Period. There was no write-off other accounts receivable.

## (2) Other accounts receivable classified by the nature of accounts

Unit: RMB Yuan

Nature	Closing book balance	Opening book balance
Cash deposit and cash pledge	298,986,380.00	289,801,526.00
Equity transfer fee of accounts receivable	200,000,000.00	200,000,000.00
VAT refunds	172,000,398.00	252,652,057.00
Other	285,207,085.00	161,269,174.00
Total	956,193,863.00	903,722,757.00

## (3) Top 5 of the closing balance of the other accounts receivable collected according to the arrears party

Unit: RMB Yuan

Name of units	Nature	Closing balance	Aging	Proportion of the total closing balance of the accounts receivable	Closing balance of bad debt provision
Customer 1	Equity transfer fee of accounts receivable	200,000,000.00	Over 3 years	20.91%	0.00
Customer 2	Cash deposit and cash pledge	155,857,000.00	Within 1 year	16.30%	0.00
Customer 3	VAT refunds	132,142,138.00	Within 1 year	13.82%	0.00
Customer 4	Cash deposit and cash pledge	47,500,000.00	1 to 2 years, 2 to 3 years, over 3 years	4.97%	0.00
Customer 5	VAT refunds	39,293,276.00	Within 1 year	4.11%	0.00
Total	--	574,792,414.00	--	60.11%	0.00

## 8. Inventory

### (1) Category of inventory

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Falling price reserves	Book value	Book balance	Falling price reserves	Book value
Raw materials	4,214,864,010.00	290,628,680.00	3,924,235,330.00	3,378,887,483.00	170,279,800.00	3,208,607,683.00
Goods in process	984,571,354.00	126,136,041.00	858,435,313.00	1,110,541,775.00	154,157,198.00	956,384,577.00
Inventory goods	6,236,285,547.00	1,368,314,770.00	4,867,970,777.00	4,348,635,413.00	789,031,165.00	3,559,604,248.00
Turnover materials	108,603,407.00	80,791.00	108,522,616.00	109,264,439.00	722,415.00	108,542,024.00
Total	11,544,324,318.00	1,785,160,282.00	9,759,164,036.00	8,947,329,110.00	1,114,190,578.00	7,833,138,532.00

### (2) Falling price reserves of inventory

Unit: RMB Yuan

Item	Opening balance	Increased amount		Decreased amount		Closing balance
		Withdrawal	Other	Reverse or write-off	Other	
Raw materials	170,279,800.00	176,817,674.00	0.00	56,468,794.00	0.00	290,628,680.00
Goods in process	154,157,198.00	134,288,520.00	0.00	162,309,677.00	0.00	126,136,041.00
Inventory goods	789,031,165.00	1,268,169,877.00	0.00	688,886,272.00	0.00	1,368,314,770.00
Turnover materials	722,415.00	116,078.00	0.00	757,702.00	0.00	80,791.00
Total	1,114,190,578.00	1,579,392,149.00	0.00	908,422,445.00	0.00	1,785,160,282.00

## 9. Non-current assets due within 1 year

Unit: RMB Yuan

Item	Closing balance	Opening balance
Long-term accounts receivable due within 1 year	28,941,602.00	66,321,715.00
Total	28,941,602.00	66,321,715.00

## 10. Other current assets

Unit: RMB Yuan

Item	Closing balance	Opening balance
VAT retained	4,868,312,927.00	4,323,654,894.00
Input tax to be verified and deducted	1,033,290,595.00	1,264,145,639.00
Finance products	3,846,277,217.00	60,267,110.00
Other	25,723,811.00	43,132,583.00
<b>Total</b>	<b>9,773,604,550.00</b>	<b>5,691,200,226.00</b>

## 11. Available-for-sale financial assets

### (1) List of available-for-sale financial assets

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book value
Available-for-sale liabilities instruments:	14,253,190.00	0.00	14,253,190.00	12,348,030.00	0.00	12,348,030.00
Available-for-sale equity instruments:	893,276,142.00	150,279,655.00	742,996,487.00	760,434,181.00	150,279,655.00	610,154,526.00
Measured by fair value	669,742,110.00	150,099,655.00	519,642,455.00	531,987,776.00	150,099,655.00	381,888,121.00
Measured by cost	223,534,032.00	180,000.00	223,354,032.00	228,446,405.00	180,000.00	228,266,405.00
<b>Total</b>	<b>907,529,332.00</b>	<b>150,279,655.00</b>	<b>757,249,677.00</b>	<b>772,782,211.00</b>	<b>150,279,655.00</b>	<b>622,502,556.00</b>

### (2) Available-for-sale financial assets measured by fair value at the period-end

Unit: RMB Yuan

Category of the available-for-sale financial assets	Available-for-sale equity instruments	Available-for-sale liabilities instruments	Total
Cost of the equity instruments/amortized cost of the liabilities instruments	561,423,245.00	12,647,553.00	574,070,798.00
Fair value	519,642,455.00	14,253,190.00	533,895,645.00
Changes amount of the fair value accumulatively recorded in other comprehensive income	108,318,865.00	-23,560.00	108,295,305.00
Withdrawn impairment amount	150,099,655.00	0.00	150,099,655.00

**(3) Available-for-sale financial assets measured by cost at the period-end**

Unit: RMB Yuan

Investee	Book balance				Impairment provision				Shareholding proportion among the investees
	Period-begin	Increase	Decrease	Period-end	Period-begin	Increase	Decrease	Period-end	
Teralane Semiconductor Inc	11,868,000.00	0.00	0.00	11,868,000.00	0.00	0.00	0.00	0.00	7.29%
Zhejiang BOE Display Technology Co., Ltd.	321,256.00	0.00	0.00	321,256.00	0.00	0.00	0.00	0.00	7.03%
Zhejiang Qiusheng Optoelectronics Technology Co., Ltd.	248,776.00	0.00	0.00	248,776.00	0.00	0.00	0.00	0.00	5.09%
Beijing Digital TV National Engineering Laboratory Co., Ltd.	6,250,000.00	0.00	0.00	6,250,000.00	0.00	0.00	0.00	0.00	12.50%
Meta Company	34,684,948.00	0.00	812,999.00	33,871,949.00	0.00	0.00	0.00	0.00	5.66%
Danhua Capital,L.P.	26,013,750.00	0.00	609,750.00	25,404,000.00	0.00	0.00	0.00	0.00	5.48%
Danhua CapitalIII,L.P	13,874,000.00	0.00	325,200.00	13,548,800.00	0.00	0.00	0.00	0.00	3.29%
Kateeva,Inc.	82,862,466.00	0.00	1,942,258.00	80,920,208.00	0.00	0.00	0.00	0.00	3.51%
DIPICT INC.	13,874,000.00	0.00	325,200.00	13,548,800.00	0.00	0.00	0.00	0.00	19.83%
MOOV INC.	27,862,839.00	0.00	653,092.00	27,209,747.00	0.00	0.00	0.00	0.00	6.48%
ZGLUE,INC.	10,405,488.00	0.00	243,899.00	10,161,589.00	0.00	0.00	0.00	0.00	6.00%
Other	180,882.00	25.00	0.00	180,907.00	180,000.00	0.00	0.00	180,000.00	-
<b>Total</b>	<b>228,446,405.00</b>	<b>25.00</b>	<b>4,912,398.00</b>	<b>223,534,032.00</b>	<b>180,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>180,000.00</b>	<b>--</b>

#### (4) Changes of the impairment of the available-for-sale financial assets during the Reporting Period

Unit: RMB Yuan

Category of the available-for-sale financial assets	Available-for-sale equity instruments	Available-for-sale liabilities instruments	Total
Withdrawn impairment balance at the period-begin	150,279,655.00	0.00	150,279,655.00
Withdrawn amount of the period	0.00	0.00	0.00
Of which: transferred from other comprehensive income	0.00	0.00	0.00
Decreased in the period	0.00	0.00	0.00
Of which: recovered and reversed amount of the fair value after the period	0.00	0.00	0.00
Withdrawn impairment balance at the period-end	150,279,655.00	0.00	150,279,655.00

## 12. Investment held-to-maturity

### (1) List of investment held-to-maturity

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Convertible bonds for HYDIS Technology	17,960,946.00	17,960,946.00	0.00	17,960,946.00	17,960,946.00	0.00
Total	17,960,946.00	17,960,946.00	0.00	17,960,946.00	17,960,946.00	0.00



### 13. Long-term equity investment

Unit: RMB Yuan

Investees	Opening balance	Increase/decrease								Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Other		
I. Joint ventures											
Naught											
II. Associated enterprises											
Beijing Nissin Electronics Precision Component Co., Ltd.	359,892.00	0.00	0.00	-359,892.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beijing Nittan Electronics Co., Ltd.	40,628,603.00	0.00	0.00	1,683,861.00	0.00	0.00	0.00	0.00	0.00	42,312,464.00	0.00
Beijing Yingfei Hailin Venture Capital Management Co., Ltd.	456,681.00	0.00	0.00	-232,315.00	0.00	0.00	0.00	0.00	0.00	224,366.00	0.00
Ordos BOE Energy	907,463,270.00	0.00	0.00	-4,959.00	0.00	0.00	0.00	0.00	0.00	907,458,311.00	537,136,972.00

Investment Co., Ltd. (BOE Energy Investment)												
Beijing Fly Hailin Investment Center	156,981,032.00	0.00	0.00	-413,210.00	0.00	0.00	0.00	0.00	0.00	0.00	156,567,822.00	0.00
TPV Display Technology (China) Co., Ltd.	26,622,344.00	0.00	0.00	-2,292,247.00	0.00	0.00	0.00	0.00	0.00	0.00	24,330,097.00	0.00
Beijing Xindong Neng Investment Fund (limited partnership)	679,323,799.00	300,000,000.00	0.00	-8,238,903.00	0.00	0.00	0.00	0.00	0.00	0.00	971,084,896.00	0.00
Beijing Xindong Neng Investment Management Co., Ltd.	2,906,218.00	0.00	0.00	905,446.00	0.00	0.00	0.00	0.00	0.00	0.00	3,811,664.00	0.00
Shenzhen Yunyinggu Technology Co., Ltd.	50,345,936.00	0.00	0.00	-4,271,755.00	0.00	0.00	0.00	0.00	0.00	0.00	46,074,181.00	0.00

Beijing Xiaolong Technology Co., Ltd.	24,448,577.00	0.00	0.00	-466,580.00	0.00	0.00	0.00	0.00	0.00	23,981,997.00	0.00
New On Technology Co., Ltd.	3,712,015.00	0.00	0.00	0.00	0.00	-110,387.00	0.00	0.00	0.00	3,601,628.00	0.00
Cnoga Medical Ltd.	0.00	344,965,000.00	0.00	0.00	0.00	-6,245,000.00	0.00	0.00	0.00	338,720,000.00	0.00
Subtotal	1,893,248,367.00	644,965,000.00	0.00	-13,690,554.00	0.00	-6,355,387.00	0.00	0.00	0.00	2,518,167,426.00	537,136,972.00
Total	1,893,248,367.00	644,965,000.00	0.00	-13,690,554.00	0.00	-6,355,387.00	0.00	0.00	0.00	2,518,167,426.00	537,136,972.00

## 14. Investment property

### (1) Investment property adopted the cost measurement mode

√ Applicable □ Not applicable

Unit: RMB Yuan

Item	Houses and buildings	Land use right	construction in progress	Total
<b>I. Original book value</b>				
1. Opening balance	858,774,469.00	659,779,217.00	0.00	1,518,553,686.00
2. Increased amount of the period	92,517,320.00	0.00	0.00	92,517,320.00
(1) Outsourcing	0.00	0.00	0.00	0.00
(2) Transfer of inventory\fixed assets\project under construction	92,517,320.00	0.00	0.00	92,517,320.00
(3) Increased from enterprise merger	0.00	0.00	0.00	0.00
3. Decreased amount of the period	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00
(2) Other transfer	0.00	0.00	0.00	0.00
4. Closing balance	951,291,789.00	659,779,217.00	0.00	1,611,071,006.00
<b>II. Accumulative depreciation and accumulative amortization</b>				
1. Opening balance	226,768,752.00	98,852,038.00	0.00	325,620,790.00
2. Increased amount of the period	6,697,291.00	6,988,210.00	0.00	13,685,501.00
(1) Withdrawal or amortization	6,697,291.00	6,988,210.00	0.00	13,685,501.00
3. Decreased amount of the period	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00
(2) Other transfer	0.00	0.00	0.00	0.00
4. Closing balance	233,466,043.00	105,840,248.00	0.00	339,306,291.00
<b>III. Depreciation reserves</b>				
1. Opening balance	0.00	0.00	0.00	0.00
2. Increased amount of the period	0.00	0.00	0.00	0.00
(1) Withdrawal	0.00	0.00	0.00	0.00
3. Decreased amount of the period	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00
(2) Other transfer	0.00	0.00	0.00	0.00

4. Closing balance	0.00	0.00	0.00	0.00
IV. Book value				
1. Closing book value	717,825,746.00	553,938,969.00	0.00	1,271,764,715.00
2. Opening book value	632,005,717.00	560,927,179.00	0.00	1,192,932,896.00

## 15. Fixed assets

### (1) List of fixed assets

Unit: RMB Yuan

Item	Workshops and buildings	Equipments	Other	Total
I. Original book value				
1. Opening balance	22,485,925,560.00	86,402,866,264.00	1,399,699,850.00	110,288,491,674.00
2. Increased amount of the Period	4,260,330,890.00	10,046,644,783.00	164,943,138.00	14,471,918,811.00
(1) Purchase	7,062,804.00	387,715,982.00	48,078,585.00	442,857,371.00
(2) Transfer of project under construction	4,254,099,685.00	9,294,442,868.00	117,290,308.00	13,665,832,861.00
(3) Enterprise combination increase	0.00	368,035,195.00	146,825.00	368,182,020.00
(4) difference of foreign currency conversion	-831,599.00	-3,549,262.00	-572,580.00	-4,953,441.00
3. Decreased amount of the Period	699,698.00	170,543,747.00	42,705,117.00	213,948,562.00
(1) Disposal or Scrap	699,698.00	170,543,747.00	42,705,117.00	213,948,562.00
4. Closing balance	26,745,556,752.00	96,278,967,300.00	1,521,937,871.00	124,546,461,923.00
II. Accumulative depreciation				
1. Opening balance	2,794,512,892.00	36,336,492,967.00	544,281,552.00	39,675,287,411.00
2. Increased amount of the Period	353,931,897.00	4,920,970,998.00	169,193,877.00	5,444,096,772.00
(1) Withdrawal	354,392,573.00	4,926,272,191.00	169,962,462.00	5,450,627,226.00
(2) difference of foreign currency conversion	-460,676.00	-5,301,193.00	-768,585.00	-6,530,454.00
3. Decreased amount of the Period	2,073,585.00	91,456,617.00	35,033,083.00	128,563,285.00
(1) Disposal or Scrap	2,073,585.00	91,456,617.00	35,033,083.00	128,563,285.00
4. Closing balance	3,146,371,204.00	41,166,007,348.00	678,442,346.00	44,990,820,898.00
III. Depreciation reserves				
1. Opening balance	1,100,015.00	663,773,942.00	743,339.00	665,617,296.00
2. Increased amount of the Period	0.00	0.00	0.00	0.00

(1) Withdrawal	0.00	0.00	0.00	0.00
3. Decreased amount of the Period	0.00	8,753,425.00	52,840.00	8,806,265.00
(1) Disposal or Scrap	0.00	8,753,425.00	52,840.00	8,806,265.00
4. Closing balance	1,100,015.00	655,020,517.00	690,499.00	656,811,031.00
IV. Book value				
1. Closing book value	23,598,085,533.00	54,457,939,435.00	842,805,026.00	78,898,829,994.00
2. Opening book value	19,690,312,653.00	49,402,599,355.00	854,674,959.00	69,947,586,967.00

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

Unit: RMB Yuan

Item	Original book value	Accumulative depreciation	Impairment provision	Book value
Workshops and buildings	11,291,665.00	3,976,472.00	0.00	7,315,193.00

## 16. Construction in Progress

### (1) List of Construction in Progress

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
The 8.5 <sup>th</sup> Generation TFT-LCD Project of Hefei Xinsheng and the touch screen project	3,729,515,818.00	0.00	3,729,515,818.00	3,775,171,446.00	0.00	3,775,171,446.00
AM-OLED Project of Yuansheng Optoelectronics	7,046,838,909.00	0.00	7,046,838,909.00	6,977,796,088.00	0.00	6,977,796,088.00
The 8.5 <sup>th</sup> Generation New Type Semiconductor Display Device Project of Fuzhou	6,629,936,627.00	0.00	6,629,936,627.00	8,408,445,327.00	0.00	8,408,445,327.00
The 6 <sup>th</sup> Generation LTPS/AMOLED Production Line Project of Chengdu	12,831,739,192.00	0.00	12,831,739,192.00	6,623,826,176.00	0.00	6,623,826,176.00
The 10.5 <sup>th</sup> Generation TFT-LCD Project of Hefei	10,050,744,422.00	0.00	10,050,744,422.00	3,720,534,213.00	0.00	3,720,534,213.00

BOE Display						
Others	3,839,605,704.00	1,311,456.00	3,838,294,248.00	3,503,786,926.00	1,311,456.00	3,502,475,470.00
Total	44,128,380,672.00	1,311,456.00	44,127,069,216.00	33,009,560,176.00	1,311,456.00	33,008,248,720.00

(2) Changes of Significant Construction in Progress

Unit: RMB Yuan

Name of item	Estimated number	Opening balance	Increased amount	Amount that transferred to fixed assets of the period	Other decreased amount of the period	Closing balance	Proportion estimated of the project accumulative input	Project progress	Accumulative amount of capitalized interests	Of which: the amount of the capitalized interests of the period	Capitalization rate of the interests of the period	Capital resources
The 8.5 <sup>th</sup> Generation TFT-LCD Project of Hefei Xinsheng and the touch screen project	30,987,000,000.00	3,775,171,446.00	153,716,996.00	199,372,624.00	0.00	3,729,515,818.00	81.46%	81.46%	0.00	-3,831,721.00	0.00%	Self-raised
AM-OLED Project of Yuansheng Optoelectronics	20,020,000,000.00	6,977,796,088.00	69,042,821.00	0.00	0.00	7,046,838,909.00	84.54%	84.54%	130,261,795.00	68,681,250.00	4.68%	Self-raised
The 8.5 <sup>th</sup> Generation New Type Semiconductor Display Device Project of Fuzhou	26,985,000,000.00	8,408,445,327.00	10,504,234,966.00	12,282,743,666.00	0.00	6,629,936,627.00	71.47%	71.47%	97,867,361.00	109,229,940.00	4.44%	Self-raised
The 6 <sup>th</sup> Generation LTPS/AMOLED Production Line Project of Chengdu	44,800,000,000.00	6,623,826,176.00	6,311,890,258.00	103,977,242.00	0.00	12,831,739,192.00	28.89%	28.89%	51,056,632.00	51,056,632.00	5.07%	Self-raised
The 10.5 <sup>th</sup> Generation TFT-LCD Project of Hefei BOE Display	42,937,000,000.00	3,720,534,213.00	6,334,494,221.00	4,160,937.00	123,075.00	10,050,744,422.00	23.42%	23.42%	39,767,850.00	36,407,217.00	3.87%	Self-raised



Others	4,000,000,000.00	3,503,786,926.00	1,525,662,136.00	1,184,597,230.00	5,246,127.00	3,839,605,704.00	0.00%	0.00%	0.00	0.00	0.00%	Self-raised
Total	169,729,000,000.00	33,009,560,176.00	24,899,041,398.00	13,774,851,699.00	5,369,202.00	44,128,380,672.00	--	--	318,953,638.00	261,543,318.00	0.00%	--

## 17. Intangible Assets

### (1) List of Intangible Assets

Unit: RMB Yuan

Item	Land use right	Patent right and proprietary technology	Computer software	Others	Total
I. Original book value					
1. Opening balance	1,766,107,603.00	1,770,732,948.00	695,490,721.00	324,964,999.00	4,557,296,271.00
2. Increased amount of the Period	587,724.00	22,226,274.00	32,581,277.00	0.00	55,395,275.00
(1) Purchase	172,500.00	0.00	28,655,177.00	0.00	28,827,677.00
(2) Internal R&D	0.00	0.00	0.00	0.00	0.00
(3) Enterprise combination increase	0.00	0.00	0.00	0.00	0.00
(4) Transfer of construction in progress	415,224.00	22,226,274.00	3,926,100.00	0.00	26,567,598.00
3. Decreased amount of the Period	0.00	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00	0.00
4. Closing balance	1,766,695,327.00	1,792,959,222.00	728,071,998.00	324,964,999.00	4,612,691,546.00
II. Accumulated amortization					
1. Opening balance	138,014,289.00	864,354,618.00	373,253,291.00	44,329,233.00	1,419,951,431.00
2. Increased amount of the Period	17,756,064.00	83,489,092.00	35,064,966.00	9,833,385.00	146,143,507.00
(1) Withdrawal	17,756,064.00	83,489,092.00	35,064,966.00	9,833,385.00	146,143,507.00

3. Decreased amount of the Period	0.00	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00	0.00
4. Closing balance	155,770,353.00	947,843,710.00	408,318,257.00	54,162,618.00	1,566,094,938.00
III. Depreciation reserves					
1. Opening balance	0.00	0.00	471,453.00	0.00	471,453.00
2. Increased amount of the Period	0.00	0.00	0.00	0.00	0.00
(1) Withdrawal	0.00	0.00	0.00	0.00	0.00
3. Decreased amount of the Period	0.00	0.00	0.00	0.00	0.00
(1) Disposal	0.00	0.00	0.00	0.00	0.00
4. Closing balance	0.00	0.00	471,453.00	0.00	471,453.00
IV. Book value					
1. Closing book value	1,610,924,974.00	845,115,512.00	319,282,288.00	270,802,381.00	3,046,125,155.00
2. Opening book value	1,628,093,314.00	906,378,330.00	321,765,977.00	280,635,766.00	3,136,873,387.00

The proportion of the intangible assets formed from the internal R&D through the Company amount the balance of the intangible assets at the period-end was 0.00%.

## 18. Goodwill

### (1) Original Book Value of Goodwill

Unit: RMB Yuan

Name of the invested units or events generating goodwill	Opening balance	Closing balance
Beijing Yinghe Century Co., Ltd.	42,940,434.00	42,940,434.00
Gaochuang (Suzhou) Electronics Co., Ltd.	8,562,464.00	8,562,464.00
Beijing BOE Optoelectronics Technology Co., Ltd.	4,423,876.00	4,423,876.00
BOE Healthcare Co., Ltd.	146,460,790.00	146,460,790.00
Total	202,387,564.00	202,387,564.00

### (2) Impairment Provision of Goodwill

Unit: RMB Yuan

Name of the invested units or events generating goodwill	Opening balance	Closing balance
Beijing BOE Optoelectronics Technology Co., Ltd.	4,423,876.00	4,423,876.00
Total	4,423,876.00	4,423,876.00

Notes of the testing process of goodwill impairment, parameters and the recognition method of goodwill impairment losses:

See V.20.

## 19. Long-term Unamortized Expenses

Unit: RMB Yuan

Item	Opening balance	Increased amount	Amortization amount	Decrease	Closing balance
Cost of operating lease assets improvement	8,554,720.00	1,920,600.00	1,022,576.00	0.00	9,452,744.00
Cost of construction and use of public facilities	128,813,237.00	0.00	7,685,112.00	0.00	121,128,125.00
Others	207,523,270.00	11,248,964.00	35,280,125.00	0.00	183,492,109.00
Total	344,891,227.00	13,169,564.00	43,987,813.00	0.00	314,072,978.00

## 20. Deferred Income Tax Assets/Deferred Income Tax Liabilities

### (1) Deferred Income Tax Assets Had Not Been Off-set

Unit: RMB Yuan

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Assets impairment provision	162,969,986.00	38,243,618.00	150,713,954.00	36,340,807.00
Unrealized internal sales gain and loss	0.00	0.00	0.00	0.00
Deductible losses	60,812,430.00	15,203,107.00	61,989,130.00	15,497,284.00
Differences of depreciation and amortization	68,006,912.00	10,201,038.00	19,830,095.00	2,974,516.00
Evaluation increment of subsidiary with immovable property investment	150,441,603.00	37,610,401.00	153,218,516.00	38,304,629.00
Advance from customers	123,484,850.00	18,522,728.00	349,621,212.00	52,443,182.00
Others	249,147,290.00	40,868,140.00	65,184,744.00	13,273,757.00
Total	814,863,071.00	160,649,032.00	800,557,651.00	158,834,175.00

### (2) Deferred Income Tax Liabilities Had Not Been Off-set

Unit: RMB Yuan

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset evaluation increment of business combination not under the same control	1,123,026,559.00	277,450,548.00	1,129,240,231.00	282,310,058.00
Change in fair value of available-for-sale financial assets	28,168,564.00	4,647,813.00	27,983,239.00	4,617,234.00
Depreciation of fixed assets	864,023,931.00	132,092,410.00	699,513,159.00	107,479,271.00

Changes in fair value of financial products	3,205,112.00	555,778.00	356,147.00	89,037.00
Long-term equity investment	360,863,027.00	54,129,454.00	360,863,027.00	54,129,454.00
Bond interest	71,376,827.00	10,706,524.00	71,221,140.00	10,683,171.00
Others	0.00	0.00	10,749,594.00	1,612,439.00
Total	2,450,664,020.00	479,582,527.00	2,299,926,537.00	460,920,664.00

### (3) Deferred Income Tax Assets or Liabilities Listed by Net Amount after Off-set

Unit: RMB Yuan

Item	Mutual set-off amount of deferred income tax assets and liabilities at the period-end	Amount of deferred income tax assets or liabilities after off-set at the period-end	Mutual set-off amount of deferred income tax assets and liabilities	Amount of deferred income tax assets or liabilities after off-set at the period-begin
Deferred income tax assets	10,706,524.00	149,942,508.00	12,295,610.00	146,538,565.00
Deferred income tax liabilities	10,706,524.00	468,876,003.00	12,295,610.00	448,625,054.00

### (4) List of unrecognized deferred income tax assets

Unit: RMB Yuan

Item	Closing balance	Opening balance
Deductible temporary difference	5,176,885,370.00	4,878,250,340.00
Deductible losses	2,345,727,319.00	1,797,146,855.00
Total	7,522,612,689.00	6,675,397,195.00

### (5) Deductible losses of unrecognized deferred income tax assets will due the following years

Years	Closing amount	Opening amount	Notes
Y 2017	0.00	284,484,489.00	Naught
Y 2018	122,337,278.00	158,349,778.00	Naught
Y 2019	182,914,138.00	278,873,005.00	Naught
Y 2020	627,363,358.00	826,746,986.00	Naught
Y 2021	362,718,074.00	248,692,597.00	Naught
Y 2022	1,050,394,471.00	0.00	Naught
Total	2,345,727,319.00	1,797,146,855.00	--

## 21. Other Non-current Assets

Unit: RMB Yuan

Item	Closing balance	Opening balance
Prepayment for construction	1,192,928,184.00	1,056,333,969.00
Prepayment for procurement of fixed assets	2,592,932,464.00	2,447,632,012.00
Excess VAT paid	204,866,545.00	199,580,943.00
The VAT collection of imported equipment	0.00	354,553,214.00
Others	192,148,646.00	81,433,078.00
Total	4,182,875,839.00	4,139,533,216.00

## 22. Short-term Loans

### (1) Category of Short-term Loans

Unit: RMB Yuan

Item	Closing balance	Opening balance
Pledge loan	479,707,040.00	510,407,952.00
Guaranteed loan	4,064,640,000.00	2,913,540,000.00
Credit loan	1,544,485,954.00	1,493,017,555.00
Total	6,088,832,994.00	4,916,965,507.00

There was no overdue loan for the Company at the period-end.

## 23. Notes Payable

Unit: RMB Yuan

Category	Closing balance	Opening balance
Trade acceptance	418,356,746.00	524,560,235.00
Bank acceptance bill	108,284,321.00	115,702,226.00
Total	526,641,067.00	640,262,461.00

There was no overdue notes payable for the Company at the period-end.

## 24. Accounts Payable

### (1) List of Accounts Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Account payable of related party	11,081,219.00	5,937,474.00
Account payable of third party	15,204,530,021.00	13,829,678,191.00
Total	15,215,611,240.00	13,835,615,665.00

There was no significant accounts payable aging over one year for the Company at the period-end.

## 25. Advance from Customers

### (1) List of Advance from Customers

Unit: RMB Yuan

Item	Closing balance	Opening balance
Advance from customers of related party	52,761.00	0.00
Advance from customers of third party	856,993,559.00	548,942,714.00
Total	857,046,320.00	548,942,714.00

There was no significant advance from customers aging over one year for the Company at the period-end.

## 26. Payroll Payable

### (1) List of Payroll Payable

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
I. Short-term salary	1,497,068,752.00	4,276,871,774.00	4,434,396,455.00	1,339,544,071.00
II. Post-employment benefit-defined contribution plans	30,746,554.00	321,134,994.00	319,905,448.00	31,976,100.00
III. Termination benefits	15,036,960.00	567,843.00	627,917.00	14,976,886.00
IV. Other benefits due within one year	0.00	0.00	0.00	0.00
Total	1,542,852,266.00	4,598,574,611.00	4,754,929,820.00	1,386,497,057.00

## (2) List of Short-term Salary

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
1. Salary, bonus, allowance, subsidy	1,178,080,434.00	3,532,391,747.00	3,655,613,870.00	1,054,858,311.00
2. Employee welfare	0.00	319,919,833.00	319,919,833.00	0.00
3. Social insurance	66,779,153.00	131,721,222.00	164,838,033.00	33,662,342.00
Of which: 1. Medical insurance premiums	63,337,669.00	107,058,055.00	139,732,108.00	30,663,616.00
Work-related injury insurance	1,631,421.00	12,984,099.00	12,887,917.00	1,727,603.00
Maternity insurance	1,810,063.00	11,679,068.00	12,218,008.00	1,271,123.00
4. Housing fund	20,607,756.00	159,560,632.00	179,981,104.00	187,284.00
5. Labor union budget and employee education budget	214,936,641.00	84,520,381.00	69,594,680.00	229,862,342.00
6. Employee bonus and welfare fund	7,282,591.00	0.00	0.00	7,282,591.00
7. Other	9,382,177.00	48,757,959.00	44,448,935.00	13,691,201.00
Total	1,497,068,752.00	4,276,871,774.00	4,434,396,455.00	1,339,544,071.00

## (3) List of Drawing Scheme

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
1. Basic pension benefits	24,629,016.00	303,159,679.00	298,501,512.00	29,287,183.00
2. Unemployment insurance	1,219,162.00	12,958,963.00	13,265,462.00	912,663.00
3. Annuity	4,898,376.00	5,016,352.00	8,138,474.00	1,776,254.00
Total	30,746,554.00	321,134,994.00	319,905,448.00	31,976,100.00



## 27. Taxes Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
VAT	10,652,813.00	6,826,361.00
Corporate income tax	453,659,547.00	342,021,556.00
Personal income tax	24,658,365.00	28,431,907.00
Urban maintenance and construction tax	90,292,723.00	114,056,922.00
Education surcharge and local education surcharge	65,204,040.00	81,471,180.00
Others	53,834,820.00	83,543,968.00
Total	698,302,308.00	656,351,894.00

## 28. Interest Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Long-term loan interest of installment payment of interest and repay the due capital	422,492,569.00	421,434,181.00
Enterprise bond interest	88,027,397.00	246,821,918.00
Interest paid for short-term loans	41,026,202.00	8,102,649.00
Total	551,546,168.00	676,358,748.00

There was no overdue interest for the Company at the period-end.

## 29. Dividends Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Common stock dividends	1,063,292,009.00	9,651,170.00
Total	1,063,292,009.00	9,651,170.00

There was no significant dividends payable unpaid for over one year for the Company at the period-end.

## 30. Other Accounts Payable

### (1) Other Accounts Payable Listed by Nature of the Account

Unit: RMB Yuan

Item	Closing balance	Opening balance
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Engineering and equipment	12,664,356,238.00	11,986,641,278.00
The VAT collection of imported equipment	722,274,338.00	1,019,532,634.00
Margin	374,435,224.00	295,916,263.00
Pre-withdrawal water and electricity & logistics freight	453,599,092.00	363,061,275.00
External agency fee	18,747,749.00	39,629,069.00
Others	770,022,529.00	690,744,729.00
<b>Total</b>	<b>15,003,435,170.00</b>	<b>14,395,525,248.00</b>

There was no significant other accounts payable aging over one year for the Company at the end of period-end.

### 31. Non-current Liabilities Due within 1 Year

Unit: RMB Yuan

Item	Closing balance	Opening balance
Long-term loans due within 1 year	8,020,891,786.00	3,576,759,308.00
Bonds payable due within 1 year	0.00	0.00
Long-term accounts payable due within 1 year	1,728,296,707.00	107,477,627.00
<b>Total</b>	<b>9,749,188,493.00</b>	<b>3,684,236,935.00</b>

### 32. Other Current Liabilities

Unit: RMB Yuan

Item	Closing balance	Opening balance
Quality assurance deposit	919,819,167.00	527,878,792.00
Others	16,356,143.00	5,104,682.00
<b>Total</b>	<b>936,175,310.00</b>	<b>532,983,474.00</b>

### 33. Long-term Loan

#### (1) Category of Long-term Loan

Unit: RMB Yuan

Item	Closing balance	Opening balance
Pledge loan	12,420,000.00	14,865,000.00
Mortgage loan	30,625,566,783.00	30,071,780,327.00
Credit loan	22,824,416,148.00	19,798,520,884.00
<b>Total</b>	<b>53,462,402,931.00</b>	<b>49,885,166,211.00</b>

### 34. Bonds Payable

#### (1) Bonds Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
In 2016, BOE Technology Group Co., Ltd. public issued Corporate bond to the qualify investors (Phase I)	9,961,519,616.00	9,956,719,508.00
Total	9,961,519,616.00	9,956,719,508.00

#### (2) Increase/Decrease of Bonds Payable (Excluding the Other Financial Instruments Classified as the Preference Shares, Perpetual Capital Securities of the Financial Liabilities)

Unit: RMB Yuan

In 2016, BOE Technology Group Co., Ltd. public issued Corporate bond to the qualify investors (Phase I)	100.00	3/21/2016	5 years (Attached end of 3 years, the issuer increase coupon rate option and investors selling back options)	10,000,000.00	9,956,719,508.00	0.00	0.00	4,800,108.00	0.00	9,961,519,616.00
Total	--	--	--	10,000,000.00	9,956,719,508.00	0.00	0.00	4,800,109.00	0.00	9,961,519,616.00

### 35. Long-term Payable

#### (1) Long-term Payable

Unit: RMB Yuan

Item	Closing balance	Opening balance
Financing lease	2,191,493,751.00	1,261,446,565.00

### 36. Accrued Liabilities

Unit: RMB Yuan

Item	Closing balance	Opening balance	Reasons
External guaranty	0.00	0.00	Naught
Pending litigation	0.00	0.00	Naught
Product quality assurance	0.00	0.00	Naught
Restructuring obligations	0.00	0.00	Naught
Loss contract to be executed	16,457,010.00	16,457,010.00	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.
Others	0.00	0.00	Naught
Total	16,457,010.00	16,457,010.00	--

### 37. Deferred Revenue

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance	Reason
Government subsidies	2,494,122,929.00	164,040,012.00	225,889,448.00	2,432,273,493.00	Government subsidies
Total	2,494,122,929.00	164,040,012.00	225,889,448.00	2,432,273,493.00	--

Item involving government subsidies:

Unit: RMB Yuan

Item	Opening balance	Amount of newly subsidy	Amount recorded into non-operating income in Report Period	Amount recorded into other income in Report Period	Closing balance	Related to assets/related income
The 8.5 <sup>th</sup> Generation of TFT-LCD Project	628,751,552.00	0.00	0.00	85,857,717.00	542,893,835.00	Related to assets
The 6 <sup>th</sup> Generation of TFT-LCD Project	82,825,596.00	0.00	0.00	34,697,051.00	48,128,545.00	Related to assets
The 10.5 <sup>th</sup> Generation of TFT-LCD Project	369,744,100.00	0.00	0.00	0.00	369,744,100.00	Related to assets
Government subsidy for other scientific research projects	1,258,696,780.00	5,126,170.00	0.00	104,298,138.00	1,159,524,812.00	Related to assets
Government subsidy for other scientific research	154,104,901.00	158,913,842.00	0.00	1,036,542.00	311,982,201.00	Related to income

projects						
Total	2,494,122,929.00	164,040,012.00	0.00	225,889,448.00	2,432,273,493.00	--

### 38. Other Non-current Liabilities

Unit: RMB Yuan

Item	Closing balance	Opening balance
Convertible creditor's right	3,944,502,816.00	3,823,719,309.00
Equity investment with redemption items	3,358,800,000.00	3,336,400,000.00
The VAT collection of imported equipment	0.00	354,553,214.00
Others	89,478,981.00	102,000,000.00
Total	7,392,781,797.00	7,616,672,523.00

### 39. Share Capital

Item	Opening balance	Increase/decrease (+/-)					Closing balance
		New shares issued	Bonus shares	Capitalized Capital reserves	Others	Subtotal	
The sum of shares	35,153,067,743.00	0.00	0.00	0.00	0.00	0.00	35,153,067,743.00

### 40. Capital Surplus

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium	38,115,575,868.00	0.00	0.00	38,115,575,868.00
Other capital reserves	915,781,661.00	201,412,100.00	3,534,195.00	1,113,659,566.00
Total	39,031,357,529.00	201,412,100.00	3,534,195.00	39,229,235,434.00

### 41. Treasury Stock

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Repurchase of stock by shareholders	314,350,824.00	351,962,143.00	0.00	666,312,967.00
Total	314,350,824.00	351,962,143.00	0.00	666,312,967.00

## 42. Other Comprehensive Income

Unit: RMB Yuan

Item	Opening balance	Reporting period					Closing balance
		Amount before income tax in current period	Less: recorded in other comprehensive income in prior period and transferred to profit or loss in current period	Less: Income tax expense	Attributable to owners of the Company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income cannot be reclassified into profits and losses in future	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which: changes in net assets and liabilities of recalculated defined benefit plans	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share of other comprehensive income of investees measured by the equity method not reclassifiable to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Other comprehensive reclassified into profits or losses	75,718,703.00	-6,286,675.00	7,172,603.00	542,688.00	9,368,196.00	-23,370,162.00	85,086,899.00
Of which: other comprehensive income as per equity method recognized into profit and loss in future	68,563,516.00	0.00	0.00	0.00	0.00	0.00	68,563,516.00
Profits or losses of change in fair value of available-for-sale financial assets	107,485,863.00	5,222,341.00	7,172,603.00	542,688.00	-2,155,092.00	-337,858.00	105,330,771.00
Of which: other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00

as per equity method recognized into profit and loss in future							
Effective hedging gains and losses on cash flows	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Converted difference of the foreign currency financial statement	-100,330,676.00	-11,509,016.00	0.00	0.00	11,523,288.00	-23,032,304.00	-88,807,388.00
Total	75,718,703.00	-6,286,675.00	7,172,603.00	542,688.00	9,368,196.00	-23,370,162.00	85,086,899.00

### 43. Surplus Reserves

Unit: RMB Yuan

Item	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserves	453,468,546.00	0.00	0.00	453,468,546.00
Discretionary surplus reserves	289,671,309.00	0.00	0.00	289,671,309.00
Reserve fund	0.00	0.00	0.00	0.00
Enterprise expansion fund	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Total	743,139,855.00	0.00	0.00	743,139,855.00

#### 44. Retained Earnings

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Opening balance of retained profits before adjustments	4,011,055,487.00	2,630,912,286.00
Total opening balance of retained profits before adjustments (Increase+, decrease-)	0.00	0.00
Opening balance of retained profits after adjustments	4,011,055,487.00	2,630,912,286.00
Add: Net profit attributable to owners of the Company	4,302,605,600.00	-516,472,418.00
Less: Withdrawal of statutory surplus reserves	0.00	0.00
Withdrawal of discretionary surplus reserves	0.00	0.00
Withdrawal of generic risk reserve	0.00	0.00
Dividend of common stock payable	1,046,578,276.00	351,530,677.00
Dividend of common stock transfer into share capital	0.00	0.00
Closing retained profits	7,267,082,811.00	1,762,909,191.00

#### 45. Revenues and Operating Costs

Unit: RMB Yuan

Item	Reporting Period		Same period of last year	
	Sales revenue	Cost of sales	Sales revenue	Cost of sales
Main operations	43,423,735,624.00	31,382,589,960.00	24,881,976,506.00	22,771,274,960.00
Other operations	1,181,292,371.00	852,676,629.00	1,566,334,211.00	1,215,816,198.00
Total	44,605,027,995.00	32,235,266,589.00	26,448,310,717.00	23,987,091,158.00

#### 46. Business Tax and Surcharges

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Urban maintenance and construction tax	101,059,387.00	45,553,431.00
Education Surcharge	73,037,501.00	33,002,047.00
Property tax	110,136,739.00	0.00
Land use tax	20,626,843.00	0.00



Vehicles and vessels use tax	68,666.00	0.00
Stamp duty	38,902,335.00	0.00
Others	11,869,521.00	14,374,703.00
Total	355,700,992.00	92,930,181.00

#### 47. Sale Expenses

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Labor cost	224,486,520.00	143,741,326.00
Logistic transport fees	173,832,751.00	126,171,928.00
Product quality assurance	591,844,446.00	216,781,885.00
Others	238,397,146.00	209,521,315.00
Total	1,228,560,863.00	696,216,454.00

#### 48. Administration Expenses

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Labor cost	939,585,805.00	560,645,612.00
Depreciation and amortization	217,075,708.00	210,067,005.00
R&D expenses	951,137,953.00	738,474,486.00
Maintenance cost	412,714,741.00	299,838,449.00
Others	532,147,368.00	502,064,883.00
Total	3,052,661,575.00	2,311,090,435.00

#### 49. Financial Expenses

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Interest expenses	1,231,529,637.00	822,841,814.00
Interest income	-376,820,432.00	-248,305,319.00
Net amount of exchange loss (gains: negative)	180,783,689.00	645,198,892.00
Others	63,620,288.00	15,143,623.00
Total	1,099,113,182.00	1,234,879,010.00

## 50. Asset Impairment Loss

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
I. Bad debt loss	214,709,584.00	-16,280,180.00
II. Inventory falling price loss	1,208,736,546.00	531,103,126.00
Total	1,423,446,130.00	514,822,946.00

## 51. Gains and Losses from Changes in Fair Value

Unit: RMB Yuan

Sources of changes in fair value gains	Reporting period	Same period of last year
Financial assets measured by fair value and the changes be included in the current profits and losses	0.00	4,623,937.00
Of which, gains on the changes in the fair value of derivative financial instruments	0.00	0.00
Financial liabilities measured by fair value and the changes included in the current gains and losses	0.00	0.00
Investment property adopted fair value measurement mode	0.00	0.00
Total	0.00	4,623,937.00

## 52. Investment Income

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Long-term equity investment income accounted by equity method	-13,690,555.00	-11,180,961.00
Investment income arising from disposal of long-term equity investments	0.00	0.00
Investment income received from financial assets measured by fair value and the changes be included in the current profits and losses during holding period	0.00	0.00
Investment income received from disposal of financial assets measured by fair value and the changes be included in the current profits and	0.00	-13,042,225.00

losses during holding period		
Investment income of held to maturity investment during holding period	0.00	0.00
Investment income received from holding of available-for-sale financial assets	12,148,223.00	9,498,220.00
Investment income received from disposal of available-for-sale financial assets	0.00	0.00
After losing control, gain from the remaining stock remeasured at fair value	0.00	0.00
Investment income from wealth management products on maturity	20,704,483.00	79,719,288.00
Total	19,162,151.00	64,994,322.00

### 53. Other Income

Unit: RMB Yuan

Sources of other income	Reporting period	Same period of last year
Government subsidy related to daily activities of enterprises	275,302,864.00	0.00

### 54. Non-operating Gains

Unit: RMB Yuan

Item	Reporting Period	Same period of last year	Recorded in the amount of the non-recurring gains and losses
Total gains from disposal of non-current assets	2,597,163.00	4,788,368.00	2,597,163.00
Including: Gains from disposal of fixed assets	2,597,163.00	1,135,331.00	2,597,163.00
Gains from disposal of intangible assets	0.00	3,653,037.00	0.00
Debt restructuring	0.00	0.00	0.00
income from non-monetary assets exchange	0.00	0.00	0.00
Accepting donations	0.00	0.00	0.00
Government subsidies	31,062,835.00	1,660,030,393.00	31,062,835.00
Others	20,846,580.00	128,914,121.00	20,846,580.00
Total	54,506,578.00	1,793,732,882.00	54,506,578.00

Government subsidies recorded into current profits and losses

Unit: RMB Yuan

Item	Distribution entity	Distribution reason	Nature	Whether subsidies influence the current profits and losses or not	Special subsidy or not	Reporting Period	Same period of last year	Related to assets/related income
Project loan discount	Commerce Commission etc.	Subsidy	Due to engaged in special industry that the state encouraged and supported, gained subsidy (obtaining in line with the law and the regulations of national policy)	Yes	No	0.00	28,414,203.00	Related to assets
Project loan discount	Administration Committee of the Development Zone etc.	Subsidy	Subsidy gained due to confirming with local government attracting investment and local supportive policy etc.	Yes	No	0.00	601,136,000.00	Related to income
Government subsidy for other scientific research projects	Municipal People's Government, NDRC, Finance Bureau etc.	Subsidy	Due to engaged in special industry that the state encouraged and supported, gained subsidy (obtaining in line with the law and the regulations of national policy)	Yes	No	0.00	186,900,867.00	Related to assets
Government subsidy for other scientific research projects	Municipal People's Government, NDRC, Finance Bureau etc.	Subsidy	Due to engaged in special industry that the state encouraged and supported, gained subsidy (obtaining in line with the law and the regulations of national policy)	Yes	No	31,062,835.00	843,579,323.00	Related to income
Total	--	--	--	--	--	31,062,835.00	1,660,030,393.00	--

## 55. Non-operating Expenses

Unit: RMB Yuan

Item	Reporting Period	Same period of last year	Recorded in the amount of the non-recurring gains and losses
Loss on disposal of non-current assets	21,855,086.00	2,257,689.00	21,855,086.00
Including: Loss on disposal of fixed assets	21,383,716.00	2,257,689.00	21,383,716.00
Losses from disposal of intangible assets	0.00	0.00	0.00
Loss on debt reconstruction	0.00	0.00	0.00
Non-monetary asset exchange losses	0.00	0.00	0.00
Donation	1,184,940.00	0.00	1,184,940.00
Others	1,386,611.00	3,619,242.00	1,386,611.00
Total	24,426,637.00	5,876,931.00	24,426,637.00

## 56. Income Tax Expense

### (1) Lists of Income Tax Expense

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Current income tax expense	923,414,609.00	25,699,596.00
Deferred income tax expense	16,847,006.00	30,558,715.00
Total	940,261,615.00	56,258,311.00

### (2) Adjustment Process of Accounting Profit and Income Tax Expense

Unit: RMB Yuan

Item	Reporting Period
Total profits	5,534,823,620.00
Current income tax expense accounted by tax and relevant regulations	830,223,543.00
Influence of different tax rate suitable to subsidiary	-34,851,494.00
Influence of income tax before adjustment	0.00
Influence of non taxable income	-2,874,323.00

Influence of not deductible costs, expenses and losses	10,105,855.00
Influence of deductible losses of deferred income tax assets derecognized used in previous period	32,420,254.00
Influence of deductible temporary difference or deductible losses of deferred income tax assets derecognized in Reporting Period.	157,559,171.00
Making up the annual losses of previous years	-52,321,391.00
Income tax expense	940,261,615.00

## 57. Other Comprehensive Income

Refer to Note 42.

## 58. Information of Cash Flow Statement

### (1) Other Cash Received Relevant to Operating Activities

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Interest income	248,295,788.00	161,872,743.00
Government subsidies related to income	243,760,365.00	1,288,275,799.00
Receiving cash from recycling waste and waste water	80,220,554.00	0.00
Tender bond / performance bond received	38,191,239.00	35,509,926.00
Receiving a refund for the deposit	20,121,331.00	0.00
Exchange earning from carry-forward, repurchase	187,772.00	521,087.00
Others	138,176,021.00	68,359,640.00
Total	768,953,070.00	1,554,539,195.00

### (2) Other Cash Paid Relevant to Operating Activities

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Daily spending paid	2,496,459,880.00	2,203,273,931.00
Restrictive deposit in financial institutions increased	200,676,652.00	219,615,038.00
Cash deposit	74,682,666.00	54,387,310.00
Bank service charges	24,698,890.00	10,978,187.00

Others	24,351,220.00	391,096,551.00
<b>Total</b>	<b>2,820,869,308.00</b>	<b>2,879,351,017.00</b>

### (3) Other Cash Received Relevant to Investment Activities

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Restrictive deposit in financial institutions recovered	1,419,977,569.00	0.00
Interest income	111,642,364.00	137,545,845.00
Cash inflow from combination of subsidiary	51,553,545.00	657,102,662.00
Tender shall / guarantee money for a bid	33,986,781.00	83,723,914.00
Government subsidies related to assets	24,491,476.00	2,000,000.00
Others	10,185,865.00	2,379,389.00
<b>Total</b>	<b>1,651,837,600.00</b>	<b>882,751,810.00</b>

### (4) Other Cash Paid Relevant to Investment Activity

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Refund on bid/performance bond / safety construction bond	399,110,178.00	27,752,918.00
Restrictive deposit in financial institutions increased	0.00	1,278,387,586.00
Others	18,883,785.00	110,127,607.00
<b>Total</b>	<b>417,993,963.00</b>	<b>1,416,268,111.00</b>

### (5) Other Cash Received Relevant to Financing Activities

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Bill discounting	98,452,460.00	0.00
Scrappy interest of dividends	19.00	379.00
<b>Total</b>	<b>98,452,479.00</b>	<b>379.00</b>

## (6) Other Cash Paid Relevant to Financing Activities

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Payment for repurchase of stock	351,381,074.00	0.00
Restrictive deposit in financial institutions increased	157,510,760.00	0.00
Paid guarantees	120,000,000.00	0.00
Bank service charges	20,421,484.00	34,652,203.00
Total	649,313,318.00	34,652,203.00

## 59. Supplemental Information for Cash Flow Statement

### (1) Supplemental Information for 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 operating activities	--	--
Net profit	4,594,562,005.00	-587,503,568.00
Add: Provision for impairment of assets	1,423,446,130.00	514,822,946.00
Depreciation of fixed assets, of oil-gas assets, of productive biological assets	5,464,374,990.00	4,809,870,880.00
Amortization of intangible assets	143,041,546.00	122,450,569.00
Long-term unamortized expenses	42,667,113.00	30,360,640.00
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains: negative)	-9,952,741.00	-3,840,860.00
Loss on retirement of fixed assets (gains: negative)	-294,151.00	-684,336.00
Losses from variation of fair value (gains: negative)	0.00	-4,623,937.00
Financial cost (gains: negative)	1,472,353,270.00	1,234,879,010.00
Investment loss (gains: negative)	-19,162,151.00	-64,994,322.00
Decrease in deferred income tax assets (gains: negative)	-3,403,943.00	16,083,984.00
Increase in deferred income tax liabilities ("—" means decrease)	20,250,949.00	14,474,731.00
Decrease in inventory (gains: negative)	-2,985,235,404.00	-1,003,386,330.00
Decrease in accounts receivable from operating activities (gains: negative)	-4,224,525,906.00	-4,079,163,191.00
Increase in payables from operating activities (decrease: negative)	4,919,933,010.00	2,117,729,336.00



Others	-199,463,451.00	-382,388,597.00
Net cash flows generated from operating activities	10,638,591,266.00	2,734,086,955.00
2. Significant investing and financing activities without involvement of cash receipts and payments	--	--
Conversion of debt into capital	0.00	0.00
Company bonus convertible due within one year	0.00	0.00
Fix assets under financing lease	0.00	0.00
3. Net increase in cash and cash equivalents:	--	--
Closing balance of cash	42,798,317,023.00	40,036,041,613.00
Less: Opening balance of cash	49,354,810,388.00	36,182,738,217.00
Add: Closing balance of cash equivalents	0.00	0.00
Less: Opening balance of cash equivalents	0.00	0.00
Net increase in cash and cash equivalents	-6,556,493,365	3,853,303,396.00

There was no net cash paid/received from the acquisition/disposal of subsidiaries for the Company during the Reporting Period.

## (2) Net Cash paid of obtaining the subsidiary

Item	Amount
Cash or cash equivalent paid for enterprise combination	78,393,738.00
Of which:	--
Less: cash and cash equivalents held by subsidiary on purchase date	129,947,283.00
Of which:	--
Add: cash or cash equivalent paid for enterprise combination in previous period	0.00
Of which:	--
Net Cash paid of obtaining the subsidiary	-51,553,545.00

## (3) Cash and Cash Equivalents

Unit: RMB Yuan

Item	Closing balance	Opening balance
I. Cash	42,798,317,023.00	49,354,810,388.00
Including: Cash on hand	237,047.00	707,796.00
Bank deposit on demand	42,521,903,389.00	49,170,616,669.00
Other monetary funds on demand	276,176,587.00	183,485,923.00
Payable of due from central bank	0.00	0.00

Deposits in other banks	0.00	0.00
Call loans to banks	0.00	0.00
II. Cash and cash equivalents	0.00	0.00
Of which: Bond investment due within three months	0.00	0.00
III. Closing balance of cash and cash equivalents	42,798,317,023.00	49,354,810,388.00
Including: the restricted cash and cash equivalents of the Company and the subsidiaries of the Group used	0.00	0.00

## 60. Assets with Restricted Ownership and Right to Use

Refer to Section IV. 3.

## 61. Foreign Currency Monetary Items

### (1) Foreign Currency Monetary Items

Unit: RMB Yuan

Item	Closing foreign currency balance	Exchange rate	Closing convert to RMB Yuan balance
Monetary capital	--	--	21,556,733,062.00
Including: USD	2,944,777,015.00	6.7744	19,949,097,408.00
EUR	370,592.00	7.7496	2,871,943.00
HKD	476,110,628.00	0.8679	413,225,936.00
JPY	19,359,012,220.00	0.0605	1,170,929,854.00
GBP	397.00	8.8144	3,502.00
MYR	3,804.00	1.5779	6,002.00
TWD	42,736,876.00	0.2224	9,505,752.00
KRW	1,052,006,352.00	0.0059	6,234,190.00
SGD	504,844.00	4.9135	2,480,549.00
SF	710.00	7.0888	5,033.00
Cruzeiro	652,656.00	2.0502	1,338,081.00
INR	9,877,019.00	0.1048	1,369,503.00
Accounts receivable	--	--	8,145,892,601.00
Including: USD	1,164,275,604.00	6.7744	7,887,282,373.00
EUR	659,878.00	7.7496	5,113,791.00

JPY	2,039,858,170.00	0.0605	123,411,419.00
GBP	4,403,832.00	8.8144	38,817,137.00
Long-term loan	--	--	25,937,129,826.00
Including: USD	3,828,697,719.00	6.7744	25,937,129,826.00
EUR	0.00	0.00	0.00
HKD	0.00	0.00	0.00

**(2) Note to Oversea Entities Including: for Significant Oversea Entities, Shall Disclose Main Operating Place, Recording Currency and Selection Basis, if there Are Changes into Recording Currency, Shall Also Disclose the Reason.**

Applicable  Not applicable

## VIII. Change of Consolidation Scope

In the Reporting Period, BOE has incorporated five new subsidiaries: Mianyang BOE Optoelectronics Co., Ltd., Beijing BOE Yiyun Technology Co., Ltd., BOE Brazil Consulting Service Co., Ltd., BOE Regenerative Medical Technologies Co. Ltd. and Beijing BOE Health Technology Co., Ltd. BOE holds 62.5%, 51%, 100%, 100% and 100% of their shares respectively.

In the Reporting Period, to strengthen the smart energy system business, BOE has taken over Huanda Trading (Hebei) Co., Ltd., Juhui New Energy (Pinghu) Co., Ltd., Juhui New Energy (Shaoxing) Co., Ltd. and Dinghui New Energy (Zhuji) Co., Ltd. BOE holds 100% of their shares.

## IX. Equity in Other Entities

### 1. Equity in Subsidiary

#### (1) The Structure of the Enterprise Group

Name	Main operating place/ Registration place	Nature of business	Holding percentage (%)		Way of gaining
			Directly	Indirectly	
Beijing BOE Optoelectronics Technology Co., Ltd.	Beijing, China	Research, development, design and manufacture of TFT-LCD	82.49%	17.51%	Investment
Chengdu BOE Optoelectronics Technology Co., Ltd.	Chengdu, China	R&D, production and sales of TFT-LCD	100.00%	0.00%	Business combination not under the same control
Hefei BOE Optoelectronics	Hefei, China	R&D, production and sales of TFT-LCD	100.00%	0.00%	Business combination not

Technology Co., Ltd.					under the same control
Beijing BOE Display Technology Co., Ltd.	Beijing, China	Development of TFT-LCD, manufacture and sale of LCD	97.17%	2.83%	Investment
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Hefei, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	84.59%	0.03%	Business combination not under the same control
Ordos Yuansheng Optoelectronics Co., Ltd.	Ordos, China	Manufacture and sales of AM-OLED products and auxiliary products	100.00%	0.00%	Investment
Chongqing BOE Optoelectronics Technology Co., Ltd.	Chongqing, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	100.00%	0.00%	Business combination not under the same control
Fuzhou BOE Optoelectronic Technology Co., Ltd.	Fuzhou, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	68.52%	0.00%	Business combination not under the same control
Beijing BOE Video Technology Co., Ltd.	Beijing, China	Manufacture of LCD TV, LCD; technology development of terminal products and systems such as TFT-LCD display and TV	100.00%	0.00%	Investment
Beijing BOE Vacuum Electronics Co., Ltd.	Beijing, China	Manufacture and sale of vacuum electronic products	55.00%	0.00%	Investment
Beijing BOE Vacuum Technology Co., Ltd.	Beijing, China	Manufacture and sale of electronic tubes	100.00%	0.00%	Investment
Beijing BOE Special Display Technology Co., Ltd.	Beijing, China	Development of display products and sale of electronic products	100.00%	0.00%	Investment
Beijing Yinghe Century Co., Ltd.	Beijing, China	Development and research of real estate, motor vehicles public parking service; market research	100.00%	0.00%	Investment
BOE Optoelectronics Technology Co., Ltd.	Suzhou, China	Development and manufacture of backlight and related parts and components for LCD	94.77%	0.00%	Investment
BOE Hyundai LCD	Beijing, China	Development, manufacture and sale of liquid	75.00%	0.00%	Investment

(Beijing) Display Technology Co., Ltd.		display for mobile termination			
BOE (Hebei) Mobile Technology Co., Ltd.	Langfang, China	Manufacture and sale of mobile flat screen display technical products and related services	100.00%	0.00%	Investment
Beijing BOE Multimedia Technology Co. Ltd.	Beijing, China	Sale of computer software and hardware, the numeral regards the audio frequency technology	100.00%	0.00%	Investment
Beijing BOE Energy Technology Co., Ltd.	Beijing, China	Solar cell, photovoltaic system, wind power system and solar thermal system	100.00%	0.00%	Investment
Beijing BOE Smart Commerce Co., Ltd.	Beijing, China	Technology promotion, property management, and sales of electronic products	100.00%	0.00%	Investment
Beijing Zhongxiangying Technology Co., Ltd.	Beijing, China	Technology promotion, property management, and sales of electronic products	100.00%	0.00%	Investment
ErDOS Haosheng Energy Investment Co., Ltd.	Ordos, China	Energy investment	20.00%	80.00%	Investment
Beijing BOE Semi-conductor Co., Ltd.	Beijing, China	Processing, manufacturing and sales of precision electronic components, and semi-conductor devices	80.77%	0.00%	Investment
BOE Optoelectronics Holding Co., Ltd	Hong Kong, China / Virgin Islands, British	Design, manufacturing and sales of electronic-information industry related products, investment and financing businesses	100.00%	0.00%	Investment
Beijing Asahi Electronic Materials Co., Ltd.	Beijing, China	Sales of TV bracket glass rod and CTV low-melting-point solder glass	100.00%	0.00%	Business combination not under the same control
BOE Healthcare Co., Ltd.	Beijing, China	Investment management and project investment	100.00%	0.00%	Business combination not under the same control
Beijing•Matsushita Color CRT Co., Ltd.	Beijing, China	Color TV set, Display tube and materials of color RPTV projection tube	88.80%	0.00%	Business combination not under the same control

Hefei BOE Display Technology Co., Ltd.	Hefei, China	Investment, R & D and production of products related to TFT-LCD and the supporting facility	6.70%	0.00%	Business combination not under the same control
Beijing BOE Technology Development Co., Ltd.	Beijing, China	Development, transfer, consulting and service of technology	100.00%	0.00%	Investment
BOE Intelligent technology Co., Ltd.	Beijing, China	Development, transfer, consulting, service and promotion of technology	100.00%	0.00%	Investment
Hefei BOE Zhuoyin Technology Co., Ltd.	Hefei, China	Investment, construction, R&D, production and sales of products related to OLED display device and auxiliary products	60.06%	0.00%	Investment
Beijing BOE Real Estate Co., Ltd.	Beijing, China	Development, construction, property management and supporting service of industrial plants and supporting facilities; information consulting of real estate; lease of commercial facilities, commercial attendants and the supporting service facilities; motor vehicles public parking service	70.00%	0.00%	Investment
BOE (Korea) Co., Ltd.	Korea	Trade related to electronic information industry	100.00%	0.00%	Investment
Mianyang BOE Optoelectronic Technology Co., Ltd.	Mianyang, China	Production of display panel for high-end smart phones, folding laptops etc. and R&D, production and sales of modules	62.50%	0.00%	Investment
Beijing BOE Yiyun Technology Co., Ltd.	Beijing, China	R&D, production, sales, technical consulting and maintenance of computer software/hardware and the auxiliary equipment, electronics, hardware, camera equipment, household appliances, arts&Crafts etc.	51.00%	0.00%	Investment
Beijing BOE Marketing Co., Ltd.	Beijing, China	Sales of communication equipment, software&hardware of electronic computers, peripheral devices, electronics, maintenance of equipment; development, transfer, consulting and service of technologies; imports&exports of goods, agency, technologies; manufacturing consignment of electronics and LCD devices	100.00%	0.00%	Investment

The Company holds 6.70% of shares of Hefei Display. Through the agreement on acting in concert signed by the Company with Hefei Construction Investment and Holding Co., Ltd. and Hefei Xinping Industrial Investment Fund (limited partnership), the

Company acquired the control rights over Hefei Display.

## 2. The Transaction of the Company with Its Owner's Equity Share Changed but Still Controlling the Subsidiary

### (1) Explanations on Changes of Owner's Equity in the Subsidiary

In February 2017, BOE has increased the capital of BOE Optoelectronics Co. Ltd. by RMB 89,000,000 Yuan. BOE has held 93.88% and 94.77% of its shares before and after the capital increase respectively.

Hefei BOE Zhuoyin Technology Co., Ltd. has received the additional capital of RMB 250,000 Yuan and RMB 150,000,000 Yuan from Hefei Industry Investment Group in January 2017 and May 2017 respectively, and of RMB Yuan100,000,000 from XZQ Industry Investment Co., Ltd. in June 2017. BOE has held 100% and 60.06% of its shares before and after the capital increase respectively.

Hefei BOE Display Light Co., Ltd. has received our additional capital of RMB 155,000,000 Yuan and RMB 182,000,000 Yuan in February 2017 and June 2017 respectively, and the additional capital of RMB 1,700,000,000 Yuan, RMB 2,000,000,000 Yuan and RMB 2,000,000,000 Yuan from Hefei Xinping Industry Investment Fund (Limited Partnership) in February 2017, May 2017 and June 2017 respectively. BOE has held 7.46% and 6.70% of its shares before and after the capital increase respectively.

In June 2017, BOE has purchased minority stock of Chongqing BOE Optoelectronics Technology Co., Ltd. BOE has held 81.80% and 100% of its shares before and after the capital increase respectively.

### (2) The Effects of Transactions on Minority Equity and Owner's Equity Attributable to the Parent Company

Unit: RMB Yuan

Item	BOE Optical Science and Technology Co., Ltd.	Hefei BOE Display Technology Co., Ltd.	Chongqing BOE Optoelectronics Technology Co., Ltd.	Hefei BOE Zhuoyin Technology Co., Ltd.
Purchase cost/disposal consideration	89,000,000.00	337,000,000.00	3,825,685,400.00	150,000,000.00
--Cash	89,000,000.00	337,000,000.00	3,825,685,400.00	150,000,000.00
-Fair value of non-cash assets	0.00	0.00	0.00	0.00
Total of purchase cost /disposal consideration	89,000,000.00	337,000,000.00	3,825,685,400.00	150,000,000.00
Less: subsidiary net assets proportion calculated by share proportion obtained/disposal	89,939,325.00	336,850,827.00	4,023,870,436.00	149,967,474.00
Difference	-939,325.00	149,173.00	-198,185,036.00	32,526.00
Of which: Adjustment of capital reserves	-939,325.00	149,173.00	-198,185,036.00	32,526.00
Surplus reserves adjustments	0.00	0.00	0.00	0.00
Retained profits adjustments	0.00	0.00	0.00	0.00



### 3. Equity in Associated Enterprises

Unit: RMB Yuan

Item	Closing balance/ Reporting Period	Opening balance /last period
Total investment book value	1,981,030,454.00	1,356,111,395.00
The total of following items according to the shareholding proportions	--	--
--Net profits	-13,690,554.00	-15,121,347.00
--Other comprehensive income	-6,355,387.00	46,783,399.00
--Total comprehensive income	-20,045,941.00	31,662,052.00

### Excess Loss Incurred in Associated Enterprises

Unit: RMB Yuan

Name	The cumulative recognized losses in previous accumulatively derecognized	The derecognized losses or the share of net profit in Reporting Period	The noncumulative unrecognized losses in Reporting Period
Beijing Nissin Electronic Precision Components Co., Ltd.	0.00	543,140.00	543,140.00

## X. The Risk Related Financial Instruments

Risks related to financial instruments in daily activities for the Group include:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign exchange risk
- Other price risks

The risk exposure and causes, changes in this year, risk management objectives, policies and procedures, methods of measuring risks and changes in this year will be discussed below.

Risk management objective of the Company is to balance the risks and profits, minimize the negative effects to business performance and maximize the profits for stockholders and other equity investors. On the basis of risk management objectives, basic strategies of risk management are to determine and analyze all possible risks, establish appropriate risk baseline, control and manage risks and monitor all risks timely and reliably within defined scope. The Group will regularly review the risk management policies and internal control system to adapt to the market and changes of operating activities. The Internal Audit Department will regularly review or randomly inspect whether implementation of internal control system satisfies risk management policies.

#### (1) Credit Risk

Credit risk is the possibility of financial loss to one party of financial instruments from unfulfillment of obligations of the other party. Credit risk of the Group mainly comes from accounts receivable. The management of this group will monitor the credit risk exposure.

Except that the monetary capital (other than cash) is deposited in financing institution with good credit, the management does not believe that other important credit risks exist or losses are not expected to be made to the group due to the other party's breach.

For the accounts receivable, the board of directors has formulated the credit policies according to actual conditions to determine the credit sale limit and credit term by credit assessment. Credit assessment is performed according to customer s' financial situation, external ratings and transaction history. Relevant accounts receivable will expire within 15-120 days after billing date. Debtor of accounts receivable overdue will be required to pay off the outstanding balance to obtain the credit line.

In order to monitor the credit risk, this group will analyze the customer data by aging, maturity date and other factors.

Credit risk of this group is affected by the customer characteristics, but not the industry, country or region. Therefore, concentration of important credit risk is relied on the important accounts receivable of individual customers. On balance sheet date, accounts receivable of the Group and top 5 customers account for 42% and 1% respectively of all receivables (40% and 1% in 2016). Furthermore, accounts receivable without expiry or decrease in value are most related to customers without arrears recently.

The largest credit risk exposure of this group is the book amount of each financial asset on the balance sheet. Until June 30, 2017, the group did not provide any guaranty that may cause credit risk.

## (2) Liquidity Risk

Liquidity risk refers to that with capital shortage when the Company is fulfilling obligations of cash payment or payment by other financial assets methods. The Company and its subsidiaries are responsible for its own cash management, including short-term investment of cash surplus and loan financing to satisfy prospective cash needs (if the borrowing exceeds preauthorized upper limit, it shall be approved by the board of directors). It is the group's policy to regularly monitor short-term and long-term circulating capital needs and confirm whether it satisfies loan agreement in order to keep sufficient cash reserve and negotiable securities available for realization and obtain sufficient reserve fund as promised by financing institution to satisfy the demands of short-term and long-term circulating capital.

## (3) Interest Rate Risk

Interest bearing financial instruments of fixed interest rate and floating interest rate will impose interest rate risks of fair value and cash flow on the Group. Proportion of fixed interest rate and floating interest rate instruments is decided by marketing environment. The Group will regularly review and maintain the combination of fixed and floating interest rate instruments. The Group will not hedge interest rate risk by derivative financial instruments.

Until June 30, 2017, under the circumstance without changes of other variables, it is supposed that the rising/ falling interest rate at 100 base points will result in reduction/ increase of RMB 210.8 million Yuan (RMB 81.37 million Yuan in 2016) for net profits and stockholders' equity.

Until balance sheet date, the group has not held any financial instruments that may impose fair value interest rate risk on the Group. For the floating interest rate but not derivative instruments held by the Group and imposing the Group with interest rate risk of cash flow on balance sheet date, the net profits and owners' equity in the above sensitivity analysis will affect the annual interest expenses or income due to above variation of interest rate.

## (4) Foreign Exchange Risk

For the monetary capital, accounts receivable and payable, short-term borrowing and other foreign currency assets and liabilities not valued by bookkeeping base currency, if short-term unbalance occurs, the Group will buy or sell the foreign currencies at market exchange rate to maintain net risk exposure at an acceptable level.

Until June 30, 2017, the foreign assets liabilities item with significant risk exposure settled by USD, the total net assets exposure of USD item risk exposure was USD 401,958,932 (net liabilities exposure USD 181,256,436 in 2016) discounted into RMB Yuan was RMB Yuan2,723,030,588 (RMB 1,257,375,894 Yuan in 2016) at spot rate on balance sheet date. Under the circumstance without changes of other variables, 5% fluctuation in exchange rate of RMB Yuan against U.S. dollar will result in reduction / increase of RMB 129,190,526 Yuan (RMB 99,443,997 Yuan in 2016) for stockholders' equity and net profits.

Above sensitivity analysis is performed based on changes of exchange rate on balance sheet date and re-measurement of financial instruments of foreign exchange risk according to changed exchange rate held by the Group on balance sheet date. Above analysis excludes differences of the foreign currency conversion. Analysis of the last year is based on similar assumption and methods.

## (5) Other Price Risks

Other price risks include equity price risk, commodity price risk, etc.

## XI. The Disclosure of the Fair Value

### 1. Closing Fair Value of Assets and Liabilities Calculated by Fair Value

Unit: RMB Yuan

Item	Fair value at the end of the reporting period			
	First level Fair value measurement	Second level Fair value measurement	Third level Fair value measurement	Total
I. Consistent fair value measurement	--	--	--	--
(I) Financial assets calculated by fair value and changes record into current profits or losses	0.00	0.00	0.00	0.00
1. Trading financial assets	0.00	0.00	0.00	0.00
(1) Debt instruments investment	0.00	0.00	0.00	0.00
(2) Equity tool investment	0.00	0.00	0.00	0.00
(3) Derivative financial assets	0.00	0.00	0.00	0.00
2. Financial assets assigned measured by fair value and the changes be included in the current gains and losses	0.00	0.00	0.00	0.00
(1) Debt instruments investment	0.00	0.00	0.00	0.00
(2) Equity tool investment	0.00	0.00	0.00	0.00
(II) Available-for-sale financial assets	523,792,045.00	0.00	3,856,380,817.00	4,380,172,862.00
(1) Debt instruments investment	4,149,590.00	0.00	10,103,600.00	14,253,190.00
(2) Equity tool investment	519,642,455.00	0.00	0.00	519,642,455.00
(3) Other	0.00	0.00	3,846,277,217.00	3,846,277,217.00
(III) Investment property	0.00	0.00	0.00	0.00
1. Lease the land use right	0.00	0.00	0.00	0.00
2. Rental buildings	0.00	0.00	0.00	0.00
3. Land use right held and prepared to transfer after appreciation	0.00	0.00	0.00	0.00
(IV) Biological assets	0.00	0.00	0.00	0.00
1. Consumable biological assets	0.00	0.00	0.00	0.00

2. Productive biological assets	0.00	0.00	0.00	0.00
Total assets of consistent fair value measurement	523,792,045.00	0.00	3,856,380,817.00	4,380,172,862.00
(V) Transaction financial liabilities	0.00	0.00	0.00	0.00
Of which: tradable bond issued	0.00	0.00	0.00	0.00
Derivative financial liabilities	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
(VI) Refer as financial liabilities measured by fair value and the changes included in the current gains and losses	0.00	0.00	0.00	0.00
Total liabilities of consistent fair value measurement	0.00	0.00	0.00	0.00
II. Inconsistent fair value measurement	--	--	--	--
(I) Assets held for sale	0.00	0.00	0.00	0.00
Total assets inconsistently measured at fair value	0.00	0.00	0.00	0.00
Total liabilities inconsistent measured at fair value	0.00	0.00	0.00	0.00

## 2. Market Price Recognition Basis for Consistent and Inconsistent Fair Value Measurement Items at Level 1

The unadjusted offer in active market obtaining same assets or liabilities on calculation date

## 3. Consistent and Inconsistent Fair value Measurement Items at Level 2, Valuation Techniques Adopted, the Qualitative and Quantitative Information of Important Parameters

Observable input value of related assets or liabilities except level 1 input value

## 4. Consistent and Inconsistent Fair Value Measurement Items at Level 3, Valuation Techniques Adopted, the Qualitative and Quantitative Information of Important Parameters

The unobservable input value of related assets or liabilities

## XII. Related Party and Related Transaction

### 1. Information Related to Parent Company of the Company

Name of parent company	Registration place	Nature of business	Registered capital	Proportion of share held by parent company against the Company (%)	Proportion of voting rights owned by parent company against the Company (%)
Electronics Holding	No.12 Jiuxian Bridge, Zhaoyang District, Beijing	Operation and management of state-owned assets within authorization	RMB 1,307,370,000 Yuan	0.78%	11.21%

The actual controller of the Company is Beijing Electronics Holding Co., Ltd.

### 2. Subsidiaries of the Company

Refer to Note IX. 1.

### 3. Information on the Associated Enterprises of the Company

For information of the major associated enterprises of the Company, please refer to Note IX. 3.

List of other joint ventures and associated enterprises that made related-party transactions with the Company generating balance during or before the report period:

Name of associated enterprise	Relationship with the Company
Beijing Nissin Electronics Precision Component Co., Ltd.	Beijing Xindongneng Investment Management Co.
Shenzhen Yunyinggu Technology Co., Ltd.	Beijing Xindongneng Investment Management Co.
Beijing Nittan Electronic Co., Ltd.	Beijing Xindongneng Investment Management Co.
TPV Display Technology (China) Limited	Beijing Xindongneng Investment Management Co.
Beijing Xindongneng Investment Management Co., Ltd.	Beijing Xindongneng Investment Management Co.
Cnoga Medical Ltd.	Beijing Xindongneng Investment Management Co.

### 4. Information on Other Related Parties of the Company

Name	Relationship
Beijing Jile Electronics Group Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Sevenstar Huasheng Electronics & Machinery Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Sevenstar Front Electronics Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company

	holding company
Beijing Sevenstar Hongtai Electronic Equipment Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Sevenstar Front Electronics Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Zhengdong Electronic Power Group Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Yandong Microelectronic Co., Ltd.,	Enterprises that are controlled by the Company's ultimate holding company
Beijing Orient Electronics Material Corp.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Dongdian Industrial Development Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing PCB Square Corporation	Enterprises that are controlled by the Company's ultimate holding company
Beijing Sevenstar Integrated Circuit Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing North Microelectronics Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Zhaowei Technology Development Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Sevenstar Huadian Technology Group Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Electronic City Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing BBEF Science & Technology Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Beijing Northern Microelectronics Foundation Equipment Technology Research Center	Enterprises that are controlled by the Company's ultimate holding company
Beijing Zhaowei Electronic Group Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
Xin Xiang Microelectronic (Hong Kong) Co., Ltd.	Enterprises that are controlled by the Company's ultimate holding company
BAIC BJEV	The associated natural person of the Company serves as its director.

## 5. List of Related-party Transactions

### (1) Information on Acquisition of Goods and Reception of Labor Service

Information on acquisition of goods and reception of labor service

Unit: RMB Yuan

Related-party	Content	Reporting Period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Beijing Electronics Holding Co., Ltd and its subsidiaries	Purchase of goods	158,505,273.00	800,000,000.00	No	77,008,531.00
Beijing Electronics Holding Co., Ltd and its subsidiaries	Accepting labor services	1,640,754.00	9,000,000.00	No	1,911,217.00
Other related party	Purchase of goods	5,847,243.00	351,000,000.00	No	2,219,693.00
Other related party	Accepting labor services	0.00	30,000,000.00	No	0.00

Information of sales of goods and provision of labor service

Unit: RMB Yuan

Related-party	Content	Reporting Period	Same period of last year
Beijing Electronics Holding Co., Ltd and its subsidiaries	Sale of goods	1,718,201.00	57,904.00
Beijing Electronics Holding Co., Ltd and its subsidiaries	Render service	48,192.00	28,963.00
Other related party	Sale of goods	44,248,480.00	118,013,542.00
Other related party	Render service	223,757.00	23,857.00

### (2) Information of Related Lease

The Company serves as the lessor:

Unit: RMB Yuan

Name of leasee	Type of leased assets	Rental income confirmed in the Report period	Rental income confirmed in the same period of last year
Beijing Electronics Holding Co., Ltd and its subsidiaries	Investment property	639,813.00	339,332.00
Other related party	Investment property	1,767,383.00	1,415,621.00

The Company serves as the lessee:

Unit: RMB Yuan

Name of lessor	Type of leased assets	Rental expense confirmed in the	Rental expense confirmed in the
----------------	-----------------------	---------------------------------	---------------------------------

		report period	same period of last year
Beijing Electronics Holding Co., Ltd and its subsidiaries	Fixed assets	18,239.00	19,367.00

### (3) Rewards for the Key Management Personnel

Unit: RMB Yuan

Item	Reporting period	Same period of last year
Rewards for the key management personnel	28,603,916.00	18,968,374.00

## 6. Receivables and Payables of Related Parties

### (1) Receivables

Unit: RMB Yuan

Name of item	Related-party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Beijing Electronics Holding Co., Ltd and its subsidiaries	679,310.00	0.00	698,445.00	0.00
Accounts receivable	Other related party	13,149,901.00	0.00	31,391,346.00	0.00
Payment in advance	Other related party	257,252.00	0.00	0.00	0.00
Other accounts receivable	Beijing Electronics Holding Co., Ltd and its subsidiaries	7,540.00	0.00	6,440.00	0.00

### (2) Payables

Unit: RMB Yuan

Name of item	Related-party	Closing book balance	Opening book balance
Accounts payable	Beijing Electronics Holding Co., Ltd and its subsidiaries	11,089,577.00	5,878,972.00
Accounts payable	Other related party	58,502.00	58,502.00
Other accounts payable	Beijing Electronics Holding Co., Ltd and its subsidiaries	93,388,422.00	113,707,663.00
Other accounts payable	Other related party	81,479.00	15,000.00
Advance from customers	Other related party	52,761.00	0.00



## XIII. Commitments and Contingencies

### 1. Significant Commitments

Significant commitments at balance sheet date

#### (1) Capital Commitments

The Group	06/30/2017	12/31/2016
Investment contracts entered into but not performed or performed partially	33,254,796,386.00	36,715,593,193.00
Investment contracts authorized but not entered into	49,001,990,595.00	67,984,162,416.00
<b>Total</b>	<b>82,256,786,981.00</b>	<b>104,699,755,609.00</b>

The Group	06/30/2017	12/31/2016
Investment contracts entered into but not performed or performed partially	24,428,128,741.00	28,310,042,427.00
Investment contracts authorized but not entered into	0.00	0.00
<b>Total</b>	<b>24,428,128,741.00</b>	<b>28,310,042,427.00</b>

#### (2) Operating Commitments

The Group	06/30/2017	12/31/2016
Within 1 year (including 1 year)	32,396,040.00	21,220,578.00
Over 1 year and within 2 years (including 2 year)	25,712,007.00	17,634,577.00
Over 2 year and within 3 years (including 3 year)	21,167,479.00	13,715,188.00
Over 3 years	132,818,855.00	16,038,238.00
<b>Total</b>	<b>212,094,381.00</b>	<b>68,608,581.00</b>

### 2. Contingencies

There was no significant contingency for the Company to disclose.

## XIV. Other Significant Events

### 1. Annuity Plan

Since 2014, the Group established pension plan in line with the related policies of private pension system and replies of related department; withdraw enterprise pension in line with the total amount of employees' voluntary participation in pension plan.

### 2. Segment Information

#### (1) Recognition Basis and Accounting Policies of Reportable Segment

##### (1) Segment Reporting Considerations

The Group principal decision-makers review the operation performance and distribute resources in accordance to the business segments below.

(a) Display and Sensor Business Group - This business mainly involves the R&D, production and distribution on the panel and module for TFT-LCD and AM-OLED.

(b) Smart system -This business mainly involves the development, manufacture and sales of display terminal products and system; OEM service for terminal products and system of TV, display, special display product; offering safe, energy-saving, healthy, fashionable quality illumination service and solutions; the integration and operation for solar energy application system (e.g. photovoltaic-thermal system), including key parts and overall solution for this area.

(c) Healthcare service -This business mainly covers Health Cloud, Health & Medical product, and Park Solution. Health Cloud is an information management system based on cloud computing and cloud server; Health & Medical product and service mainly includes wearable and testing equipments; Park Solution refers to professional solution for technology estate and health estate and so on.

(d) Others - other service mainly includes technical development service and patent maintenance service

The main reason to separate the segments is that the Group independently manages the display parts business, the smart system business, and healthcare service businesses. Because the business segments manufacture and distribute different products, apply to different manufacturing processes and specify in gross profit, the business segments are managed independently. The management evaluates the performance and allocates resources according to the profit of each business segment and does not take financing cost and investment income into account.

## (2) Accounting Policy for the Measurements of Segment Profit or Loss, Assets and Liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's management regularly reviews the assets, liabilities, revenue, cost and results of operations, attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible, other non-current and current assets, such as accounts receivable, with the exception of deferred tax assets and other unallocated corporate assets. Segment liabilities include payables, bank borrowings and other non-current liabilities attributable to the individual segments, but exclude deferred tax liabilities and other unallocated corporate liabilities.

Financial performance is operating income (including operating income from external customers and inter-segment operating income) after deducting expenses, depreciation, amortization, impairment losses, gains or losses from changes in fair value, investment gain, non-operating income and expenses and income tax expenses attributable to the individual segments. Inter-segment sales are determined with reference to prices charged to external parties for similar orders.

## (2) The Financial Information of Reportable Segment

Unit: RMB Yuan

Item	Display and Sensor business	Smart system business	Health services	Others	Offset in segment	Total
Operation revenue	40,261,582,742.00	8,271,879,666.00	489,914,987.00	442,168,181.00	-4,860,517,581.00	44,605,027,995.00
Operation cost	28,802,055,244.00	7,609,162,350.00	246,278,933.00	8,488,146.00	-4,430,718,084.00	32,235,266,589.00

## XV. Notes of Main Items in the Financial Statements of the Company

### 1. Accounts Receivable

#### (1) Accounts Receivable Classified by Category

Unit: RMB Yuan

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable with significant single amount for which bad debt provision separately accrued	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Accounts receivable withdrawal of bad debt provision of by credit risks characteristics:	31,450,726.00	64.39%	0.00	0.00%	31,450,726.00	30,874,530.00	63.34%	0.00	0.00%	30,874,530.00
Accounts receivable with insignificant single amount for which bad debt provision separately accrued	17,395,967.00	35.61%	2,889,866.00	16.61%	14,506,101.00	17,869,195.00	36.66%	2,889,866.00	16.17%	14,979,329.00
<b>Total</b>	<b>48,846,693.00</b>	<b>100.00%</b>	<b>2,889,866.00</b>	<b>5.92%</b>	<b>45,956,827.00</b>	<b>48,743,725.00</b>	<b>100.00%</b>	<b>2,889,866.00</b>	<b>5.93%</b>	<b>45,853,859.00</b>

Accounts receivable with single significant amount and withdrawal bad debt provision separately at end of period

Applicable  Not applicable

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

Applicable  Not applicable

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

Applicable  Not applicable

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

Name of the group	Withdraw methods for bad debt provision by group	Basis	Closing balance	Closing balance of bad debt provision	Withdrawal proportion
Credit risk group	Method of which is lower between future recoverable amount and book value	With similar credit risks characteristics	31,450,727.00	00.00	0.00%

There was no bad debt provision withdrawn, collected or reversed for the Company during the reporting Period as well as write-off accounts receivable. .

## (2) Accounts Receivable of the Top 5 of the Closing Balance Collected According to the Arrears Party

The total amount of top five of account receivable of closing balance collected by arrears party was RMB 44,323,275.00 Yuan, 90.74% of total closing balance of account receivable, the relevant closing balance of bad debt provision withdrawn was RMB 473,228.00 Yuan.

## 2. Other Accounts Receivable

### (1) Other Accounts Receivable Classified by Category

Unit: RMB Yuan

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Other accounts receivable with significant single amount for which bad debt provision separately accrued	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Other accounts receivable withdrawn bad debt provision	1,167,306,167.00	100.00%	0.00	0.00%	1,167,306,167.00	1,629,176,234.00	100.00%	0.00	0.00%	1,629,176,234.00

according to credit risks characteristics										
Other accounts receivable with insignificant single amount for which bad debt provision separately accrued	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Total	1,167,306,167.00	100.00%	0.00	0.00%	1,167,306,167.00	1,629,176,234.00	100.00%	0.00	0.00%	1,629,176,234.00

Other receivable with single significant amount and withdrawal bad debt provision separately at end of period:

Applicable  Not applicable

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

Applicable  Not applicable

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

Applicable  Not applicable

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

√ Applicable □ Not applicable

Name of the group	Withdrawal method	Basis of determining group	Closing balance	Closing balance of bad debt provision
Credit risk group	Methods of which is lower between future recoverable amount and book value	With similar credit risks characteristics	1,167,306,167.00	0.00

There was no bad debt provision withdrawn, collected and reversed for the Company as well as write-off other accounts receivable during the Reporting Period.

## (2) Other Accounts Receivable Classified by Account Nature

Unit: RMB Yuan

Nature of accounts	Closing book balance	Opening book balance
Intercourse funds	862,328,766.00	1,248,425,532.00
Rent receivable	196,737,690.00	209,636,819.00
Others	108,239,711.00	171,113,883.00
<b>Total</b>	<b>1,167,306,167.00</b>	<b>1,629,176,234.00</b>

## (5) The Top Five Other Account Receivable Classified by Debtor at Period-end

Unit: RMB Yuan

Name of the entity	Nature	Closing balance	Aging	Proportion%	Closing balance of bad debt provision
Customer 1	Intercourse funds	506,160,000.00	Within 1 year	43.37%	0.00
Customer 2	Intercourse funds	189,702,568.00	Over 3 years	16.25%	0.00
Customer 3	Intercourse funds	112,792,007.00	Within 1 year	9.66%	0.00
Customer 4	Intercourse funds	86,771,218.00	Within 1 year, 1 to 2 years and 2 to 3 years	7.43%	0.00
Customer 5	Intercourse funds	51,668,416.00	Within 1 year and 2 to 3 years	4.43%	0.00
<b>Total</b>	--	<b>947,094,209.00</b>	--	<b>81.14%</b>	<b>0.00</b>

### 3. Long-term Equity Investment

Unit: RMB Yuan

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment to the subsidiary	112,832,854,497.00	60,000,000.00	112,772,854,497.00	98,986,915,097.00	60,000,000.00	98,926,915,097.00
Investment to joint ventures and associated enterprises	1,277,845,798.00	0.00	1,277,845,798.00	991,536,352.00	0.00	991,536,352.00
Total	114,110,700,295.00	60,000,000.00	114,050,700,295.00	99,978,451,449.00	60,000,000.00	99,918,451,449.00

#### (1) Investment to the subsidiary

Unit: RMB Yuan

Investee	Opening balance	Increase	Decrease	Closing balance	Withdrawn impairment provision in the Reporting Period	Closing balance of impairment provision
Beijing BOE Semi-conductor Co., Ltd.	9,450,000.00	0.00	0.00	9,450,000.00	0.00	0.00
Beijing Yinghe Century Co., Ltd.	333,037,433.00	0.00	0.00	333,037,433.00	0.00	0.00
Beijing BOE Land Co., Ltd.	7,731,474.00	0.00	0.00	7,731,474.00	0.00	0.00
BOE (Hebei) Mobile Technology Co., Ltd.	1,053,651,020.00	0.00	0.00	1,053,651,020.00	0.00	0.00
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	31,038,525.00	0.00	0.00	31,038,525.00	0.00	0.00
Beijing BOE Vacuum Electronics Co., Ltd.	19,250,000.00	0.00	0.00	19,250,000.00	0.00	0.00

Beijing BOE Vacuum Technology Co., Ltd.	32,000,000.00	0.00	0.00	32,000,000.00	0.00	0.00
Beijing BOE Optoelectronics Technology Co., Ltd.	4,172,288,084.00	0.00	0.00	4,172,288,084.00	0.00	0.00
Beijing BOE Special Display Technology Co., Ltd.	100,000,000.00	0.00	0.00	100,000,000.00	0.00	60,000,000.00
BOE Optoelectronics Technology Co., Ltd.	519,961,914.00	89,000,000.00	0.00	608,961,914.00	0.00	0.00
BOE Marketing Co., Ltd.	500,000.00	0.00	0.00	500,000.00	0.00	0.00
Chengdu BOE Optoelectronics Technology Co., Ltd.	11,333,149,991.00	1,200,000,000.00	0.00	12,533,149,991.00	0.00	0.00
Beijing Asahi Electronic Material Co., Ltd.	30,888,470.00	0.00	0.00	30,888,470.00	0.00	0.00
BOE (Korea) Co., Ltd.	788,450.00	0.00	0.00	788,450.00	0.00	0.00
Beijing BOE Optoelectronics Holding Co., Ltd.	297,935,467.00	836,154,000.00	0.00	1,134,089,467.00	0.00	0.00
Mianyang BOE Optoelectronics Technology Co., Ltd.	0.00	500,000,000.00	0.00	500,000,000.00	0.00	0.00
Beijing Yiyun Technology Co., Ltd.	0.00	5,100,000.00	0.00	5,100,000.00	0.00	0.00
Beijing BOE Display Technology Co., Ltd.	17,418,713,599.00	0.00	0.00	17,418,713,599.00	0.00	0.00
Beijing BOE Energy Technology Co., Ltd.	250,000,000.00	300,000,000.00	0.00	550,000,000.00	0.00	0.00
Beijing BOE Multimedia Technology Co. Ltd.	400,000,000.00	0.00	0.00	400,000,000.00	0.00	0.00
Hefei BOE Optoelectronics	9,000,000,000.00	0.00	0.00	9,000,000,000.00	0.00	0.00



Technology Co., Ltd.						
Beijing•Matsushita Color CRT Co., Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
Beijing BOE Video Technology Co., Ltd.	1,120,000,000.00	850,000,000.00	0.00	1,970,000,000.00	0.00	0.00
Beijing BOE Smart Commerce Co., Ltd.	10,000,000.00	0.00	0.00	10,000,000.00	0.00	0.00
Beijing Zhongxiangying Technology Co., Ltd.	10,000,000.00	0.00	0.00	10,000,000.00	0.00	0.00
Ordos Yuansheng Optoelectronics Co., Ltd.	11,804,000,000.00	0.00	0.00	11,804,000,000.00	0.00	0.00
Erdos Haosheng Energy Investment Co., Ltd.	2,000,000.00	0.00	0.00	2,000,000.00	0.00	0.00
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	16,575,150,000.00	0.00	0.00	16,575,150,000.00	0.00	0.00
Chongqing BOE Optoelectronics Technology Co., Ltd.	15,739,669,199.00	3,825,685,400.00	0.00	19,565,354,599.00	0.00	0.00
Hefei BOE Display Technology Co., Ltd.	667,765,323.00	337,000,000.00	0.00	1,004,765,323.00	0.00	0.00
Fuzhou BOE Optoelectronic Technology Co., Ltd.	7,183,042,079.00	5,483,000,000.00	0.00	12,666,042,079.00	0.00	0.00
BOE Healthcare Co., Ltd.	813,154,069.00	270,000,000.00	0.00	1,083,154,069.00	0.00	0.00
Intelligent Technology	50,000,000.00	0.00	0.00	50,000,000.00	0.00	0.00
Hefei BOE Zhuoyin Technology Co., Ltd.	750,000.00	150,000,000.00	0.00	150,750,000.00	0.00	0.00
Beijing BOE Technology	1,000,000.00	0.00	0.00	1,000,000.00	0.00	0.00

Development Co., Ltd.											
<b>Total</b>	98,986,915,097.00	13,845,939,400.00	0.00	112,832,854,497.00	0.00	60,000,000.00					

## (2) Investment to Joint Ventures and Associated Enterprises

Unit: RMB Yuan

The investor	Opening balance	Increase/decrease								Closing balance	Closing balance for impairment provisions
		Additional investments	Reduced investments	Profit and loss on investments confirmed according to equity law	Adjustment of other comprehensive income	Changes in other equity	Cash, dividends and profits declared to issue	Impairment provisions	Others		
<b>I. Joint ventures</b>											
Naught											
<b>II. Associated enterprises</b>											
Beijing Nissin Electronics Precision Component Co., Ltd. (Nissin Electronics )	359,892.00	0.00	0.00	-359,892.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beijing Nittan Electronic Co., Ltd. (Nittan Electronics)	40,628,603.00	0.00	0.00	1,683,861.00	0.00	0.00	0.00	0.00	0.00	42,312,464.00	0.00
Beijing Yingfei Hailin Venture Capital Management Co., Ltd. (Yingfei Hailin)	456,681.00	0.00	0.00	-232,315.00	0.00	0.00	0.00	0.00	0.00	224,366.00	0.00
Ordos BOE Energy	9,463,270.00	0.00	0.00	-4,959.00	0.00	0.00	0.00	0.00	0.00	9,458,311.00	0.00

Investment Co., Ltd. (BOE Energy Investment)											
Beijing Fly Hailin Investment Center	156,981,032.00	0.00	0.00	-413,210.00	0.00	0.00	0.00	0.00	0.00	156,567,822.00	0.00
TPV Display Technology (China) Limited	26,622,344.00	0.00	0.00	-2,292,247.00	0.00	0.00	0.00	0.00	0.00	24,330,097.00	0.00
Beijing Xindongneng Investment Fund (LLP)	679,323,799.00	300,000,000.00	0.00	-8,238,903.00	0.00	0.00	0.00	0.00	0.00	971,084,896.00	0.00
Beijing Xindongneng Investment Management Co., Ltd.	2,906,218.00	0.00	0.00	905,446.00	0.00	0.00	0.00	0.00	0.00	3,811,664.00	0.00
Shenzhen Yunyinggu Technology Co., Ltd.	50,345,936.00	0.00	0.00	-4,271,755.00	0.00	0.00	0.00	0.00	0.00	46,074,181.00	0.00
Beijing XLOONG Technology Co., Ltd.	24,448,577.00	0.00	0.00	-466,580.00	0.00	0.00	0.00	0.00	0.00	23,981,997.00	0.00
Subtotal	991,536,352.00	300,000,000.00	0.00	-13,690,554.00	0.00	0.00	0.00	0.00	0.00	1,277,845,798.00	0.00
Total	991,536,352.00	300,000,000.00	0.00	-13,690,554.00	0.00	0.00	0.00	0.00	0.00	1,277,845,798.00	0.00

#### 4. Revenues and Operating Costs

Unit: RMB Yuan

Item	Reporting Period		Same period of last year	
	Sales revenue	Cost of sales	Sales revenue	Cost of sales
Main operations	0.00	0.00	0.00	0.00

Other operations	705,463,015.00	5,670,598.00	693,427,051.00	58,815,389.00
Total	705,463,015.00	5,670,598.00	693,427,051.00	58,815,389.00

## 5. Investment Income

Unit: RMB Yuan

Item	Reporting Period	Same period of last year
Long-term equity investment income accounted by cost method	607,278,350.00	20,375,903.00
Long-term equity investment income accounted by equity method	-13,690,555.00	-11,180,961.00
Investment income arising from disposal of long-term equity investments	0.00	0.00
Investment income received from financial assets measured by fair value and the changes be included in the current profits and losses during holding period	0.00	0.00
Investment income received from disposal of financial assets measured by fair value and the changes be included in the current profits and losses during holding period	0.00	0.00
Investment income of held to maturity investment during holding period	0.00	0.00
Investment income received from holding of available-for-sale financial assets	930,175.00	2,846,740.00
Investment income received from disposal of available-for-sale financial assets	0.00	0.00
After losing control, gain from the remaining stock premeasured at fair value	0.00	0.00
Investment income from wealth management products on maturity	0.00	6,335,442.00
Total	594,517,970.00	18,377,124.00

## XVI. Supplementary Materials

### 1. Items and Amounts of Extraordinary Gains and Losses

√ Applicable □ Not applicable

Unit: RMB Yuan

Item	Amount	Explanation
Gains/losses on the disposal of non-current assets	-19,257,923.00	Naught
Tax return and relief approved ultra vires or without any official approval documents	0.00	Naught
Tax rebates, reductions or exemptions due to approval beyond authority or the lack of official approval documents	306,365,699.00	Naught
Capital occupation charges on non-financial enterprises that are recorded into current gains and losses	0.00	Naught
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	Naught
Gain/loss on non-monetary asset swap	0.00	Naught
Gain/loss on entrusting others with investments or asset management	0.00	Naught
Asset impairment provisions due to acts of God such as natural disasters	0.00	Naught
Gains and losses from debt restructuring	0.00	Naught
Expenses on business reorganization, such as expenses on staff arrangements, integration, etc.	0.00	Naught
Gain/loss on the part over the fair value due to transactions with distinctly unfair prices	0.00	Naught
Current net gains and losses of subsidiaries acquired in business combination under the same control from period-begin to combination date	0.00	Naught
Profit and loss from contingencies irrelative to the normal business operations of company	0.00	Naught
Gain/loss from change of fair value of transactional assets and liabilities, and investment gains from disposal of transactional financial assets and liabilities and available-for-sale financial assets, other than valid hedging related to the Company's common businesses	20,704,483.00	Naught
Depreciation reserves returns of receivables with separate depreciation test	575,305.00	Naught
Gain/loss on entrustment loans	0.00	Naught
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	Naught
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	Naught

Custody fee income when entrusted with operation	0.00	Naught
Other non-operating income and expenses other than the above	18,275,029.00	Naught
Project confirmed with the definition of non-recurring gains and losses and losses	0.00	Naught
Less: Income tax effects	36,540,381.00	Naught
Minority interests effects	5,360,721.00	Naught
Total	284,761,491.00	--

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  Not applicable

## 2. Return on Net Equity and Earnings Per Share

Profit as of Reporting Period	Weighted average ROE (%)	EPS ( Yuan/share )	
		EPS-basic	EPS-diluted
Net profit attributable to common shareholders of the Company	4.48%	0.123	0.123
Net profit attributable to common shareholders of the Company after deduction of non-recurring profit and loss	4.19%	0.115	0.115

## 3. 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  Not applicable

### (2) Differences of Net Profit and Net Assets Disclosed in Financial Reports Prepared under Overseas and Chinese Accounting Standards

Applicable  Not applicable

### (3) Explain Reasons for the Differences between Accounting Data under Domestic and Overseas Accounting Standards, for Audit Data Adjusting Differences Had Been Foreign Audited, Should Indicate the Name of the Foreign Institutions

Naught

## **Section XI Documents Available for Reference**

(I) Financial statements signed and sealed by the head of the Company, the President of the Executive Committee (CEO), the accounting head for this Report and the head of the accounting department (head of accounting); and

(II) Originals of all the documents and announcements that the Company disclosed on [www.cninfo.com.cn](http://www.cninfo.com.cn) during the Reporting Period.

All the above mentioned documents are available at the Board Secretary's Office of the Company.

**Board Chairman's signature: Mr. Wang Dongsheng**

**Date of the Board's approval of this Report's submission: August 28, 2017**