

BOE TECHNOLOGY GROUP CO., LTD.

THE THIRD QUARTERLY REPORT 2012

I. Important Notes

The Board of Directors, the Supervisory Committee, directors, supervisors and other senior management personnel of BOE Technology Group Co., Ltd. (hereinafter referred to as the Company) hereby guarantee that this report carries no false information, misleading statements or major omissions, and accept, individually and collectively, the responsibility for the factuality, accuracy and completeness of the information set forth herein.

All directors attended the board session for reviewing this report.

Mr. Wang Dongsheng, Chairman of the Board of Directors of the Company, Mr. Chen Yanshun, President of the Company, Ms. Sun Yun, Chief Financial Officer and Ms. Yang Xiaoping, Person-in-charge of the Planning & Financial Department hereby confirm the factuality and completeness of the Financial Report in this quarterly report.

II. Company Profile

(I) Major accounting data and financial indexes

Any retrospective adjustment in previous financial statements?

Yes No Inapplicable

	30 Sept. 2012	31 Dec. 2011	Increase/decrease (%)	
Total assets (RMB Yuan)	68,100,966,776.00	68,769,415,646.00	-0.97%	
Owners' equity attributable to shareholders of the Company (RMB Yuan)	24,960,741,954.00	25,585,892,264.00	-2.44%	
Share capital (Share)	13,521,542,341.00	13,521,542,341.00	0%	
Net assets per share attributable to shareholders of the Company (RMB Yuan/share)	1.846	1.8922	-2.44%	
	Jul.-Sept. 2012	YoY increase/decrease (%)	Jan.-Sept. 2012	YoY increase/decrease (%)
Gross operating revenues (RMB Yuan)	7,514,025,988.00	110.21%	17,122,908,001.00	101.1%
Net profit attributable to shareholders of the Company (RMB Yuan)	151,609,285.00	116.34%	-635,272,911.00	70.36%
Net cash flow from operating activities (RMB Yuan)	--	--	402,871,706.00	138.52%
Net cash flow per share from operating activities (RMB Yuan/share)	--	--	0.03	138.52%
Basic EPS (RMB Yuan/share)	0.011	115.71%	-0.047	70.63%
Diluted EPS (RMB Yuan/share)	0.011	115.71%	-0.047	70.63%
Weighted average ROE (%)	0.61%	4.6%	-2.51%	6.48%
Weighted average ROE after deducting non-recurring gains and losses (%)	-0.23%	3.95%	-3.82%	5.58%

Items of non-recurring gains and losses

√Applicable □Inapplicable

Item	Amount during Jan.-Sept. 2012 (RMB Yuan)	Notes
Gains and losses on disposal of non-current assets	-9,379,177.00	
Tax rebate, reduction or exemption due to un-authorized approval or the lack of formal approval documents		
Government grants recognized in the current year, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	396,273,543.00	
Capital occupation fees received from non-financial enterprises that are included in current gains and losses		
Gains generated when the investment costs of the Company's acquiring subsidiaries, associates and joint ventures are less than the fair value of identifiable net assets in the investees attributable to the Company in the acquisition of the investments		
Exchange gains and losses of non-monetary assets		
Gains and losses through entrusting others to invest or manage assets		
Various asset impairment provisions due to acts of God such as natural disasters		
Gains and losses on debt restructuring		
Enterprise reorganization expenses, such as expenses on employee settlement and integration		
Gains and losses on the parts exceeding the fair value when prices of transactions become unfair		
Net current gains and losses from the period-begin to the combination date of subsidiaries due to business combinations under the same control		
Gains and losses on contingent matters which are irrelevant to the normal operation of the Company		
Gains and losses on fair value changes of transactional financial assets and liabilities, and investment gains on disposal of transactional financial assets and liabilities and available-for-sale financial assets, except for the effective hedging business related to the Company's normal operation		
Reversal of impairment provisions for accounts receivable which are separately tested for impairment signs		
Gains and losses on entrustment loans from external parties		
Gains and losses on fair value changes of investing properties for which the fair value method is adopted for subsequent measurement		
Current gain and loss effect due to a just-for-once adjustment to current gains and losses according to requirements of taxation and accounting laws and regulations		
Custodian fee income from entrusted operations with the Company		
Other non-operating incomes and expenses besides the items above	12,916,309.00	
Other gain and loss items that meet the definition of non-recurring gains and losses		
Minority interests effects	-67,632,298.00	

Income tax effects	-2,218,735.00	
Total	329,959,642.00	--

(II) Total number of shareholders and top 10 shareholders at the period-end

Total number of shareholders	426,229 shareholders (including 387,950 A-share holders and 38,279 B-share holders)		
Particulars about shares held by the top ten shareholders holding tradable shares			
Name of shareholder	Number of tradable shares held at period-end	Type and number of shares	
		Type	Number
BEIJING E-TOWN INTERNATIONAL INVESTMENT & DEVELOPMENT CO., LTD	940,000,001	RMB ordinary shares	940,000,001
BEIJING BOE INVESTMENT & DEVELOPMENT CO., LTD.	860,981,080	RMB ordinary shares	860,981,080
BEIJING ECONOMIC-TECHNOLOGICAL INVESTMENT & DEVELOPMENT CORP.	847,650,000	RMB ordinary shares	847,650,000
HEFEI RONGKE PROJECT INVESTMENT CO., LTD.	792,000,000	RMB ordinary shares	792,000,000
HEFEI LAN KE INVESTMENT CO., LTD.	750,000,000	RMB ordinary shares	750,000,000
HEFEI XINCHENG STATE-OWNED ASSETS MANAGEMENT CO., LTD	750,000,000	RMB ordinary shares	750,000,000
BEIJING BDA TECHNOLOGICAL INVESTMENT DEVELOPMENT CO., LTD.	600,000,000	RMB ordinary shares	600,000,000
BEIJING INDUSTRY DEVELOPMENT & INVESTMENT MANAGEMENT CO., LTD.	442,016,711	RMB ordinary shares	442,016,711
CHINA CONSTRUCTION BANK—YINHUA CORE VALUE SELECTED STOCK FUND	309,309,017	RMB ordinary shares	309,309,017
BEIJING ELECTRONICS HOLDING CO., LTD	275,303,883	RMB ordinary shares	275,303,883
Particulars about shareholders	<p>1. Beijing Electronics Holdings Co., Ltd. holds 66.25% shares of Beijing BOE Investment & Development Co., Ltd. and is its controlling shareholder.</p> <p>2. When the Company completed private offering of shares in 2010, Beijing E-TOWN International Investment & Development Co., Ltd. transferred all shares directly held to Beijing BOE Investment & Development Co., Ltd. for management, then BOE Investment acquired the attached rights of the shares attributable to other shareholders in accordance with current effective laws and rules of the Company excluding right of disposition such as transfer, donation, mortgage etc. and usufruct (including claim for profit distribution and claim for retained assets distribution).</p> <p>3. BEIJING ECONOMIC-TECHNOLOGICAL INVESTMENT & DEVELOPMENT CORP. holds 49% shares of BEIJING BDA TECHNOLOGICAL INVESTMENT DEVELOPMENT CO., LTD.. Both of them are under the control of the Administration Committee of Beijing Economic and Technological Development Zone, which makes them parties acting in concert.</p> <p>4. Except for relationship among the above shareholders, the Company is not aware of whether there is any associated relationship or not among top ten shareholders holding shares not subject to trading moratorium.</p>		

III. Significant Events

(I) Significant changes in major accounting data, financial highlights and reasons for these changes

√Applicable □Inapplicable

1. Monetary funds decreased 31% over the end of last year, which was mainly due to the expenditure on projects.
2. Notes receivable increased 82% over the end of last year, which was mainly because some receivables from customers were paid in remittance drafts.
3. Accounts receivable increased 103% over the end of last year, which was mainly because the operating income generated by the phasic mass production of new projects increased and goods payments receivable from customers increased accordingly.
4. Prepayments increased 238% over the end of last year, which was mainly due to the increase of prepayments to suppliers.
5. Interest receivable decreased 64% over the end of last year, which was mainly due to the decrease of term deposits.
6. Inventory increased 34% over the end of last year, which was mainly due to the phasic mass production of new projects.
7. Other current assets increased 246% over the end of last year, which was mainly due to the increase of deductible VAT.
8. Construction in progress decreased 77% over the end of last year, which was mainly because new projects went into mass production and the relevant construction in progress turned into fixed assets.
9. Long-term deferred expenses increased 901% over the end of last year, which was mainly due to the increase of other deferred expenses with an amortization period over one year.
10. Other non-current assets increased 129% over the end of last year, which was mainly due to the increase of prepayments for long-term assets.
11. Short-term borrowings decreased 65% over the end of last year, which was mainly because due trade loans were repaid.
12. Notes payable increased 71% over the end of last year, which was mainly because some payables to suppliers were settled in remittance notes.
13. Accounts payable increased 50% over the end of last year, which was mainly due to the increase of payables to suppliers.
14. Accounts received in advance increased 201% over the end of last year, which was mainly because the operating income generated by the phasic mass production of new projects increased and thus advances from customers increased.
15. Dividend payable increased 59% over the end of last year, which was mainly because some subsidiaries distributed dividends.
16. Non-current liabilities due within one year decreased 32% over the end of last year, which was mainly because the long-term borrowings due within one year were paid off.
17. Other current liabilities decreased 36% over the end of last year, which was mainly because product quality guarantee deposit provisions made in previous years were written off as the products were sold.
18. Operating revenues increased 101% over the same period of last year, which was mainly because the production capacity expanded and new projects went into phasic mass production, which boosted the sales volume of main products, as well as the sales income.
19. Operating costs increased 75% over the same period of last year, which was mainly because the production capacity expanded and new projects went into phasic mass production, which made operating costs increased along with operating revenues.
20. Business taxes and surtaxes increased 35% over the same period of last year, which was mainly because real estate income increased.
21. Selling expenses increased 54% over the same period of last year, which was mainly because the production capacity expanded and new projects went into phasic mass production, which made selling expenses increased along with operating revenues.
22. Financial expenses increased 504% over the same period of last year, which was mainly due to the increase of

net expenses on interest.

23. Asset impairment loss decreased 163% over the same period of last year, which was mainly because the Company reversed the impairments on inventory and some other assets based on the lower of the cost and the net realizable value.

24. Investment income decreased 2,545% over the same period of last year, which was mainly because the investment loss on associates was recognized.

25. Non-operating income increased 245% over the same period of last year, which was mainly due to the increase of governmental subsidies.

26. Net cash flows from operating activities increased 139% over the same period of last year, which was mainly because the operating income expanded and the prices for main products rallied.

27. Net cash flows from investing activities increased 86% over the same period of last year, which was mainly because new projects went from the construction period to the operation period, which resulted in a lower expenditure on construction and equipment purchase.

28. Net cash flows from financing activities decreased 104% over the same period of last year, which was mainly because new projects went from the construction period to the operation period, which resulted in a smaller cash inflow generated by special borrowings.

(II) Progress of significant events and its influence, as well as the analysis and explanation on solutions

1. About non-standard audit opinion

Applicable Inapplicable

2. The Company offers capital to the controlling shareholder or its related parties or provides external guarantees in violation of the prescribed procedures.

Applicable Inapplicable

3. Signing and execution of significant contracts concerning routine operation

Applicable Inapplicable

4. Others

Applicable Inapplicable

1、The Company's subordinate subsidiary could apply for refunds of overpaid taxes for equipment imports, which was disclosed by the Company in the Announcement No. 2011-044 on 21 Nov. 2011. From 1 Jan. 2012 to 30 Sept. 2012, Beijing BOE Display Technology Co., Ltd. received refunds of overpaid value-added taxes for equipment imports of RMB 0.133 billion in total.

2、The Company disclosed on 26 Oct. 2011 Announcement No. 2011-035 regarding its subsidiary transferring equity interests of Ordos BOE Energy Investment Co., Ltd.. And progress of this issue is as follows:

(1) On 24 Oct. 2012, the subordinate of the Company received the Commitment Letter from Beijing Industry Development & Investment Management Co., Ltd., which stated that the rest of the transfer price regarding the said issue was to be paid in two stages. The first stage shall not be less than RMB 2 00 million and shall be paid before 31 Oct. 2012 and the rest before 30 Nov. 2012.

(2) On 24 Oct. 2012, the subordinate of the Company received the Letter from Beijing Haohua Energy Resource Co., Ltd., which stated that the rest of the transfer price regarding the said issue was to be paid in two stages. The first stage shall not be less than RMB 50 million and shall be paid before 25 Oct. 2012 and the rest before 31 Dec. 2013. And the Company has received the first stage (RMB 50 million) till the disclosing date.

(III) Commitments of the Company or shareholders with an over 5% shareholding made in or carried down into the reporting period

Applicable Inapplicable

Event	Commitment maker	Commitment contents	Commitment time	Commitment period	Execution
Commitment made in a share reform					
Commitment made in an acquisition report or a report on changes of owners' equity					
Commitment made in asset exchange					
Commitment made in share issuance	Being E-TOWN International Investment & Development Co., Ltd.	Being E-TOWN International Investment & Development Co., Ltd. has committed that it will not transfer the Company' A-share held by it within 36 months since the date when the private share offering deal is closed.	10 Dec. 2010	From 13 Dec. 2010 to 13 Dec. 2013	In the process of execution
Commitments made to minority shareholders					
Commitment fulfilled in time or not	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Inapplicable				
Specific reasons for failing to fulfill the commitment and plan for the next step	Inapplicable				
Make commitments regarding the horizontal competition and related-party transactions caused or not	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Inapplicable				
Promised deadline for solving the problem	Inapplicable				
Ways of solving the problem	Inapplicable				
Execution of the commitment	Inapplicable				

(IV) Predict the 2012 annual operating results

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

Applicable Inapplicable

(V) Other significant events that need to be explained

1. Securities investment

Applicable Inapplicable

2. Investments in derivatives

Applicable Inapplicable

3. Derivative investments held at the period-end

□Applicable √Inapplicable

4. Researches, visits and interviews received in the reporting period

Time of reception	Place of reception	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the Company
3 Jul. 2012	Conference Room of the Company	Field research	Institution	Barclay Capital	Main discussion: 1. Operation status and future development strategies of the Company; 2. Present status and development trends in the industry; 3. Particulars about the production lines of the Company. Materials provided by the Company: The Company's annual reports for 2011, brochure and other materials available for public access
10 Jul. 2012	Conference Room of the Company	Field research	Institution	Beijing Office of Daiwa Securities	
13 Jul. 2012	Conference Room of the Company	Field research	Institution	China Minzu Securities Co., Ltd.	
16 Jul. 2012	Conference Room of the Company	Field research	Institution	Qilu Securities Co., Ltd.	
18 Jul. 2012	Conference Room of the Company	Field research	Institution	Merrill Lynch Securities Co., Ltd., Capital Research Global Investors	
19 Jul. 2012	Conference Room of the Company	Field research	Institution	HSBC Jintrust Fund Management Company Limited	
20 Jul. 2012	Conference Room of the Company	Field research	Institution	Chang Xin Asset Management Co., Ltd., China Investment Securities Co., Ltd.	
24 Jul. 2012	Conference Room of the Company	Field research	Institution	Clough capital partners,LP	
31 Jul. 2012	Conference Room of the Company	Field research	Institution	Money Week, HK Directors Institute, Shenzhen Guofu Hengtong Investment Consulting Co., Ltd., Shanghai General Motors Buick Company Limited	
17 Aug. 2012	Conference Room of the Company	Field research	Institution	Everbright Securities Co., Ltd.	
6 Sept. 2012	Conference Room of the Company	Field research	Institution	TX Investment Consulting Co., Ltd., Taikang Asset Management Co., Ltd.	
11 Sept. 2012	Over phone	By phone	Institution	Sylebra Capital Management	
14 Sept. 2012	Conference Room of the Company	Field research	Institution	China Minzu Securities Co., Ltd.	
17 Sept. 2012	Conference Room of the Company	Field research	Institution	Fullgoal Fund Management Co., Ltd., CCB Principal Asset Management Co., Ltd., China Asset Management Co., Ltd., Capital Securities Co., Ltd., Beijing Zhongbang Investment Management Co., Ltd., CITIC Private Equity Funds Management Co., Ltd., Shanghai Elegant Investment Co., Ltd., Orient Fund Management Co., Ltd., Yinhua Fund Management Co., Ltd., Qilu Securities Co., Ltd., SWS	

				Research Co., Ltd.
24 Sept. 2012	Conference Room of the Company	Field research	Institution	J.P.Morgan Securities (Asia Pacific) Limited, Moon Capital Management LP

5. Corporate bonds issued

Any corporate bonds issued?

Yes No

IV. Appendix

(I) Financial statements

Consolidated statements or not?

Yes No Inapplicable

The currency unit for data of the financial statements below is RMB Yuan unless otherwise specified.

1. Consolidated balance sheet

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Balance as at 30 Sept. 2012	Balance as at 30 Jun. 2012
Current Assets:		
Monetary funds	14,039,248,421.00	20,325,469,116.00
Settlement reserves		
Intra-group lendings		
Transactional financial assets		
Notes receivable	620,834,911.00	340,293,997.00
Accounts receivable	5,205,471,791.00	2,560,795,545.00
Accounts paid in advance	219,037,618.00	64,799,585.00
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable	37,642,050.00	105,243,519.00
Dividend receivable		
Other accounts receivable	1,857,399,676.00	1,735,824,884.00
Financial assets purchased under agreements to resell		
Inventories	2,830,217,937.00	2,116,218,705.00
Non-current assets due within 1 year		
Other current assets	2,410,648,484.00	696,796,503.00
Total current assets	27,220,500,888.00	27,945,441,854.00
Non-current assets:		
Loans by mandate and advances granted		
Available-for-sale financial assets	83,295,158.00	74,718,931.00
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	959,560,829.00	958,879,205.00

Investing property	1,308,912,381.00	1,340,984,989.00
Fixed assets	34,771,666,143.00	28,388,863,004.00
Construction in progress	1,905,649,963.00	8,412,921,608.00
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	1,361,313,182.00	1,454,669,394.00
R&D expense		
Goodwill	51,502,898.00	51,502,898.00
Long-term deferred expenses	228,806,627.00	22,860,526.00
Deferred income tax assets	47,844,057.00	47,892,088.00
Other non-current assets	161,914,650.00	70,681,149.00
Total of non-current assets	40,880,465,888.00	40,823,973,792.00
Total assets	68,100,966,776.00	68,769,415,646.00
Current liabilities:		
Short-term borrowings	2,293,028,459.00	6,487,193,510.00
Borrowings from Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Transactional financial liabilities		
Notes payable	47,663,713.00	27,918,268.00
Accounts payable	5,448,867,197.00	3,630,464,475.00
Accounts received in advance	560,774,007.00	186,069,735.00
Financial assets sold for repurchase		
Handling charges and commissions payable		
Employee's compensation payable	389,936,877.00	368,442,775.00
Tax payable	39,431,518.00	47,338,545.00
Interest payable	91,528,737.00	110,964,115.00
Dividend payable	10,270,176.00	6,451,170.00
Other accounts payable	3,330,003,649.00	4,285,822,157.00
Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Non-current liabilities due within 1 year	1,174,440,272.00	1,716,776,716.00
Other current liabilities	56,482,641.00	88,652,956.00
Total current liabilities	13,442,427,246.00	16,956,094,422.00
Non-current liabilities:		
Long-term borrowings	18,138,480,712.00	14,700,018,374.00
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities	28,536,806.00	30,080,844.00

Deferred income tax liabilities	403,693,315.00	414,561,354.00
Other non-current liabilities	1,959,348,074.00	1,623,176,746.00
Total non-current liabilities	20,530,058,907.00	16,767,837,318.00
Total liabilities	33,972,486,153.00	33,723,931,740.00
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	13,521,542,341.00	13,521,542,341.00
Capital reserves	15,311,525,173.00	15,302,948,946.00
Less: Treasury stock		
Specific reserves		
Surplus reserves	499,092,613.00	499,092,613.00
Provisions for general risks		
Retained profits	-4,369,578,904.00	-3,734,305,993.00
Foreign exchange difference	-1,839,269.00	-3,385,643.00
Total equity attributable to owners of the Company	24,960,741,954.00	25,585,892,264.00
Minority interests	9,167,738,669.00	9,459,591,642.00
Total owners' (or shareholders') equity	34,128,480,623.00	35,045,483,906.00
Total liabilities and owners' (or shareholders') equity	68,100,966,776.00	68,769,415,646.00

Legal representative: Mr. Wang Dongsheng
Chief of the accounting division: Ms. Yang Xiaoping

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

2. Balance sheet of the Company

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Balance as at 30 Sept. 2012	Balance as at 30 Jun. 2012
Current Assets:		
Monetary funds	2,494,194,400.00	3,043,542,028.00
Transactional financial assets		
Notes receivable	500,000.00	3,863,762.00
Accounts receivable	65,550,165.00	55,112,379.00
Accounts paid in advance	3,275,780.00	2,982,710.00
Interest receivable	10,005,623.00	9,141,082.00
Dividend receivable	10,404,147.00	8,204,147.00
Other accounts receivable	366,699,923.00	389,156,441.00
Inventories	2,147,102.00	1,306,051.00
Non-current assets due within 1 year		
Other current assets	43,674,273.00	28,797,744.00
Total current assets	2,996,451,413.00	3,542,106,344.00
Non-current assets:		
Available-for-sale financial assets	83,295,158.00	74,718,931.00
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	27,659,367,632.00	27,656,535,260.00
Investing property	168,174,207.00	172,908,765.00
Fixed assets	368,914,390.00	393,096,085.00

Construction in progress	122,335,747.00	26,832,993.00
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	112,216,238.00	99,478,210.00
R&D expense		
Goodwill		
Long-term deferred expenses	2,735,427.00	3,586,980.00
Deferred income tax assets		
Other non-current assets	5,490,305.00	4,457,280.00
Total of non-current assets	28,522,529,104.00	28,431,614,504.00
Total assets	31,518,980,517.00	31,973,720,848.00
Current liabilities:		
Short-term borrowings		34,663,422.00
Transactional financial liabilities		
Notes payable		
Accounts payable	14,020,671.00	13,236,221.00
Accounts received in advance	334,777,415.00	287,038,716.00
Employee's compensation payable	50,375,011.00	61,693,468.00
Tax payable	20,046,177.00	21,739,121.00
Interest payable		1,088,911.00
Dividend payable	6,451,170.00	6,451,170.00
Other accounts payable	2,151,698,650.00	2,893,384,484.00
Non-current liabilities due within 1 year	50,000,000.00	100,000,000.00
Other current liabilities		
Total current liabilities	2,627,369,094.00	3,419,295,513.00
Non-current liabilities:		
Long-term borrowings	50,000,000.00	100,000,000.00
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities		
Other non-current liabilities	434,894,809.00	60,063,972.00
Total non-current liabilities	484,894,809.00	160,063,972.00
Total liabilities	3,112,263,903.00	3,579,359,485.00
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	13,521,542,341.00	13,521,542,341.00
Capital reserves	15,103,169,772.00	15,094,593,545.00
Less: Treasury stock		
Specific reserves		
Surplus reserves	499,092,613.00	499,092,613.00
Provisions for general risks		
Retained profits	-717,088,112.00	-720,867,136.00
Foreign exchange difference		

Total owners' (or shareholders') equity	28,406,716,614.00	28,394,361,363.00
Total liabilities and owners' (or shareholders') equity	31,518,980,517.00	31,973,720,848.00

Legal representative: Mr. Wang Dongsheng

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

Chief of the accounting division: Ms. Yang Xiaoping

3. Consolidated income statement for the reporting period

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jul.-Sept. 2012	Jul.-Sept. 2011
I. Total operating revenues	7,514,025,988.00	3,574,602,557.00
Including: Sales income	7,514,025,988.00	3,574,602,557.00
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	7,592,090,920.00	4,600,352,798.00
Including: Cost of sales	6,756,083,331.00	3,933,386,632.00
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	8,536,772.00	6,616,591.00
Selling and distribution expenses	166,716,825.00	103,150,895.00
Administrative expenses	559,398,046.00	363,510,977.00
Financial expenses	175,852,044.00	124,509,310.00
Asset impairment loss	-68,924,621.00	70,128,323.00
Add: Gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)	-5,571,477.00	-949,930.00
Including: share of profits in associates and joint ventures	-5,226,692.00	-949,930.00
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	-89,207,886.00	-1,027,650,101.00
Add: non-operating income	253,665,126.00	46,843,668.00
Less: non-operating expense	11,440,469.00	3,354,418.00
Including: loss from non-current asset disposal	10,340,704.00	2,776,416.00
IV. Total profit ("-" means loss)	153,016,771.00	-984,160,851.00
Less: Income tax expense	-976,873.00	982,049.00
V. Net profit ("-" means loss)	153,993,644.00	-985,142,900.00

Including: Net profit achieved by combined parties before the combinations	0.00	0.00
Attributable to owners of the Company	151,609,285.00	-927,604,124.00
Minority shareholders' income	2,384,359.00	-57,538,776.00
VI. Earnings per share	--	--
(I) Basic earnings per share	0.011	-0.07
(II) Diluted earnings per share	0.011	-0.07
VII. Other comprehensive incomes	-3,951,591.00	-47,274,830.00
VIII. Total comprehensive incomes	150,042,053.00	-1,032,417,730.00
Attributable to owners of the Company	147,657,694.00	-974,878,954.00
Attributable to minority shareholders	2,384,359.00	-57,538,776.00

Where business mergers under the same control occurred in this reporting period, the net profit achieved by the merged parties before the business mergers was RMB 0.

Legal representative: Mr. Wang Dongsheng

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

Chief of the accounting division: Ms. Yang Xiaoping

4. Income statement of the Company for the reporting period

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jul.-Sept. 2012	Jul.-Sept. 2011
I. Total sales	104,721,478.00	48,808,606.00
Less: cost of sales	24,103,875.00	21,241,267.00
Business taxes and surcharges	3,140,981.00	2,040,213.00
Distribution expenses	2,561,175.00	498,605.00
Administrative expenses	104,623,824.00	72,446,197.00
Financial costs	-22,257,227.00	-17,825,232.00
Impairment loss	27,080.00	76,395.00
Add: gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)	564,817.00	-949,930.00
Including: income from investment on associates and joint ventures	-4,268,081.00	-949,930.00
II. Business profit ("-" means loss)	-6,913,413.00	-30,618,769.00
Add: non-business income	11,082,647.00	4,744,004.00
Less: non-business expense		5,016.00
Including: loss from non-current asset disposal		5,016.00
III. Total profit ("-" means loss)	4,169,234.00	-25,879,781.00
Less: income tax expense		
IV. Net profit ("-" means loss)	4,169,234.00	-25,879,781.00
V. Earnings per share	--	--
(I) Basic earnings per share	0.0003	-0.0019
(II) Diluted earnings per share	0.0003	-0.0019
VI. Other comprehensive income	-4,431,203.00	-44,307,246.00
VII. Total comprehensive income	-261,969.00	-70,187,027.00

Legal representative: Mr. Wang Dongsheng
 Chief of the accounting division: Ms. Yang Xiaoping

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

5. Consolidated income statement from 1 Jan. 2012 to 30 Sept. 2012

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2012	Jan.-Sept. 2011
I. Total operating revenues	17,122,908,001.00	8,514,636,554.00
Including: Sales income	17,122,908,001.00	8,514,636,554.00
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	18,419,906,584.00	10,919,179,824.00
Including: Cost of sales	16,258,480,034.00	9,278,104,413.00
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	23,800,903.00	17,587,636.00
Selling and distribution expenses	421,173,934.00	272,911,852.00
Administrative expenses	1,509,435,881.00	1,181,463,915.00
Financial expenses	297,153,768.00	49,227,494.00
Asset impairment loss	-80,813,690.00	128,907,232.00
Add: Gain/(loss) from change in fair value ("-" means loss)		-8,670,137.00
Gain/(loss) from investment ("-" means loss)	-9,324,246.00	-352,581.00
Including: share of profits in associates and joint ventures	-10,993,560.00	-3,782,614.00
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	-1,315,647,075.00	-2,422,588,706.00
Add: non-operating income	413,757,481.00	120,083,345.00
Less: non-operating expense	13,946,806.00	10,903,506.00
Including: loss from non-current asset disposal	11,939,673.00	9,683,737.00
IV. Total profit ("-" means loss)	-915,836,400.00	-2,313,408,867.00
Less: Income tax expense	7,276,636.00	-1,727,651.00
V. Net profit ("-" means loss)	-923,113,036.00	-2,311,681,216.00
Including: Net profit achieved by combined parties before the combinations	0.00	0.00
Attributable to owners of the Company	-635,272,911.00	-2,143,088,601.00
Minority shareholders' income	-287,840,125.00	-168,592,615.00

VI. Earnings per share	--	--
(I) Basic earnings per share	-0.047	-0.158
(II) Diluted earnings per share	-0.047	-0.158
VII. Other comprehensive incomes	10,122,601.00	-68,261,649.00
VIII. Total comprehensive incomes	-912,990,435.00	-2,379,942,865.00
Attributable to owners of the Company	-625,150,310.00	-2,211,350,250.00
Attributable to minority shareholders	-287,840,125.00	-168,592,615.00

Where business mergers under the same control occurred from 1 Jan. 2012 to 30 Sept. 2012, the net profit achieved by the merged parties before the business mergers was RMB 0.

Legal representative: Mr. Wang Dongsheng

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

Chief of the accounting division: Ms. Yang Xiaoping

6. Income statement of the Company from 1 Jan. 2012 to 30 Sept. 2012

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2012	Jan.-Sept. 2011
I. Total sales	275,427,518.00	140,666,309.00
Less: cost of sales	75,650,612.00	59,941,350.00
Business taxes and surcharges	7,207,006.00	4,288,149.00
Distribution expenses	6,767,855.00	542,726.00
Administrative expenses	271,208,196.00	217,742,451.00
Financial costs	-69,905,055.00	-68,948,445.00
Impairment loss	322,910.00	230,090.00
Add: gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)	-956,576.00	-252,634.00
Including: income from investment on associates and joint ventures	-10,003,573.00	-3,682,668.00
II. Business profit ("-" means loss)	-16,780,582.00	-73,382,646.00
Add: non-business income	21,136,322.00	19,360,069.00
Less: non-business expense	576,716.00	185,572.00
Including: loss from non-current asset disposal	576,716.00	185,572.00
III. Total profit ("-" means loss)	3,779,024.00	-54,208,149.00
Less: income tax expense		
IV. Net profit ("-" means loss)	3,779,024.00	-54,208,149.00
V. Earnings per share	--	--
(I) Basic earnings per share	0.0003	-0.004
(II) Diluted earnings per share	0.0003	-0.004
VI. Other comprehensive income	8,576,227.00	-65,608,190.00
VII. Total comprehensive income	12,355,251.00	-119,816,339.00

Legal representative: Mr. Wang Dongsheng

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

Chief of the accounting division: Ms. Yang Xiaoping

7. Consolidated cash flow statement from 1 Jan. 2012 to 30 Sept. 2012

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2012	Jan.-Sept. 2011
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	14,319,558,754.00	6,946,995,699.00
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of tradable financial assets		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received	328,064,879.00	248,672,878.00
Other cash received relating to operating activities	1,199,931,838.00	757,652,972.00
Subtotal of cash inflows from operating activities	15,847,555,471.00	7,953,321,549.00
Cash paid for goods and services	12,842,348,981.00	6,799,800,994.00
Net increase of customer lendings and advances		
Net increase of funds deposited in the central bank and amount due from banks		
Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	1,489,779,233.00	1,013,484,045.00
Various taxes paid	157,740,382.00	144,311,438.00
Other cash payment relating to operating activities	954,815,169.00	1,041,631,378.00
Subtotal of cash outflows from operating activities	15,444,683,765.00	8,999,227,855.00
Net cash flows from operating activities	402,871,706.00	-1,045,906,306.00
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	7,170,027.00	
Cash received from return on	6,846,996.00	3,430,033.00

investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,119,574.00	1,089,108.00
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities	240,821,768.00	1,456,606,939.00
Subtotal of cash inflows from investing activities	257,958,365.00	1,461,126,080.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	2,724,901,135.00	15,760,161,627.00
Cash paid for investment	20,000,000.00	24,446,914.00
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units		15,306,439.00
Other cash payments relating to investing activities	7,370,726.00	2,986,245,887.00
Subtotal of cash outflows from investing activities	2,752,271,861.00	18,786,160,867.00
Net cash flows from investing activities	-2,494,313,496.00	-17,325,034,787.00
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received from borrowings	8,413,066,483.00	19,641,916,106.00
Cash received from issuance of bonds		
Other cash received relating to financing activities	2,068,554,764.00	85,367,637.00
Subtotal of cash inflows from financing activities	10,481,621,247.00	19,727,283,743.00
Repayment of borrowings	9,979,481,877.00	8,167,198,497.00
Cash paid for interest expenses and distribution of dividends or profit	841,012,593.00	415,904,247.00
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities	18,451,189.00	2,124,277,148.00
Sub-total of cash outflows from financing activities	10,838,945,659.00	10,707,379,892.00
Net cash flows from financing activities	-357,324,412.00	9,019,903,851.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents	19,575,668.00	-43,168,022.00
V. Net increase in cash and cash equivalents	-2,429,190,534.00	-9,394,205,264.00
Add: Opening balance of cash and cash equivalents	12,959,533,670.00	19,097,948,638.00
VI. Closing balance of cash and cash equivalents	10,530,343,136.00	9,703,743,374.00

Legal representative: Mr. Wang Dongsheng
Chief of the accounting division: Ms. Yang Xiaoping

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

8. Cash flow statement of the Company from 1 Jan. 2012 to 30 Sept. 2012

Prepared by BOE Technology Group Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Sept. 2012	Jan.-Sept. 2011
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	88,744,648.00	65,712,685.00
Tax refunds received		141,215.00
Other cash received relating to operating activities	1,144,681,428.00	209,700,808.00
Subtotal of cash inflows from operating activities	1,233,426,076.00	275,554,708.00
Cash paid for goods and services	38,240,584.00	93,870,069.00
Cash paid to and for employees	187,791,948.00	107,402,356.00
Various taxes paid	11,707,569.00	27,910,843.00
Other cash payment relating to operating activities	816,385,712.00	278,783,689.00
Subtotal of cash outflows from operating activities	1,054,125,813.00	507,966,957.00
Net cash flows from operating activities	179,300,263.00	-232,412,249.00
II. Cash flows from investing activities:		
Cash received from retraction of investments	7,170,027.00	
Cash received from return on investments	6,846,996.00	3,430,033.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	675,684.00	972,287.00
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities	58,560,738.00	355,128,317.00
Subtotal of cash inflows from investing activities	73,253,445.00	359,530,637.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	104,430,555.00	54,591,899.00
Cash paid for investment	20,000,000.00	8,983,446,914.00
Net cash paid to acquire subsidiaries and other business units		20,000,000.00
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	124,430,555.00	9,058,038,813.00
Net cash flows from investing activities	-51,177,110.00	-8,698,508,176.00
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings		30,338,847.00
Cash received from issuance of bonds		
Other cash received relating to financing activities	41,642,000.00	14,948,000.00

Subtotal of cash inflows from financing activities	41,642,000.00	45,286,847.00
Repayment of borrowings	134,021,667.00	52,032,252.00
Cash paid for interest expenses and distribution of dividends or profit	1,315,665.00	1,471,096.00
Other cash payments relating to financing activities	500,000,000.00	7,476,924.00
Sub-total of cash outflows from financing activities	635,337,332.00	60,980,272.00
Net cash flows from financing activities	-593,695,332.00	-15,693,425.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-2,356.00	-756,662.00
V. Net increase in cash and cash equivalents	-465,574,535.00	-8,947,370,512.00
Add: Opening balance of cash and cash equivalents	2,951,867,533.00	11,478,796,269.00
VI. Closing balance of cash and cash equivalents	2,486,292,998.00	2,531,425,757.00

Legal representative: Mr. Wang Dongsheng

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

Chief of the accounting division: Ms. Yang Xiaoping

(II) Audit report

Auditor's opinion	Un-audited
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Chairman of the Board: Mr. Wang Dongsheng (Signature):

Date when the Board of Directors approved this report for submission: * *, 2012