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東方電氣股份有限公司
DONGFANG ELECTRIC CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1072)

2016 THIRD QUARTERLY REPORT

I. IMPORTANT NOTICE

- 1.1 The board of directors, the supervisory committee and the directors, supervisors and senior management of the Company warrant that the contents of this quarterly report are true, accurate and complete, and contain no false representation, misleading statements or material omission, and jointly and severally accept responsibility for this quarterly report.
- 1.2 All directors of the Company attended the meeting of the board of directors to consider this quarterly report.
- 1.3 Zou Lei, Chairman of the Company, Gong Dan, Chief Accountant, and Chen Dong, Head of Accounting Department have guaranteed the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
- 1.4 The Company's third quarterly report is unaudited.

II. PRINCIPAL FINANCIAL DATA OF THE COMPANY AND THE CHANGES OF SHAREHOLDERS

2.1 Principal financial data

		<i>Unit: yuan</i>	<i>Currency: RMB</i>
	As at the end of the Reporting Period	As at the end of last year	Increase/decrease as at the end of the Reporting Period as compared with the end of last year (%)
Total assets	87,388,286,379.37	86,134,423,264.67	1.46
Net asset attributable to shareholders of the Company	21,856,181,587.09	23,051,589,145.83	-5.19
	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease as compared with the corresponding period of last year (%)
Net cash flow generated from operating activities	5,467,564,487.74	-190,025,199.59	2,977.28
	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease as compared with the corresponding period of last year (%)
Operating income	23,639,712,787.11	26,000,799,898.45	-9.08
Net profit attributable to shareholders of the Company	-1,064,939,530.95	246,045,531.97	-532.82
Net profit attributable to shareholders of the Company after deducing non- recurring gain or loss	-1,079,164,447.71	222,442,175.48	-585.14
Weighted average return on net assets (%)	-4.73	1.11	Decreased by 5.84 percentage points
Basic earnings per share (<i>RMB/share</i>)	-0.46	0.11	-518.18
Diluted earnings per share (<i>RMB/share</i>)	-0.46	0.11	-518.18

Non-recurring gain or loss items and amounts

Applicable Not applicable

Unit: yuan Currency: RMB

Item	Amount for the period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)	Description
Gain or loss from disposal of non-current assets	-29,122.96	823,538.36	
Tax refund or exemption from unauthorized approval or non-official approval document or contingency			
Government subsidies recorded in the income statement for the period (exclusive of government subsidies which are closely related to the normal business operations of the Company and entitled to fixed amount or quantity pursuant to the State's unified standard)	30,181,515.21	76,822,364.47	
Gain or loss from the changes in fair value of held-for-trading financial assets, held-for-trading financial liabilities and investment income from disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets, other than those from effective hedging activities relating to the Company's ordinary course of business	3,043,378.53	-5,183,049.79	
Other non-operating revenue/expenses other than the above items	-545,893.55	-48,547,638.36	
Other gain or loss items conforming with the definition of non-recurring gain or loss		-484,170.39	
Effect of income tax	-190,147.18	-7,810,067.36	
Effect of minority interests (after tax)	-523,943.40	-1,396,060.17	
Total	31,935,786.65	14,224,916.76	

2.2 Total number of shareholders and particulars of shareholdings of the top ten shareholders and top ten holders of tradable shares (or holders of shares not subject to trading moratorium) as at the end of the Reporting Period

Unit: share

Total number of shareholders 134,505

Particulars of shareholdings of top ten shareholders

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen status		Nature of shareholder
				Share status	Number	
Dongfang Electric Corporation	974,016,763	41.68%	0	Nil		State-owned legal person
HKSCC Nominees Limited	338,302,297	14.48%	0	Unknown		Overseas legal person
China Securities Finance Corporation Limited	49,648,500	2.12%	0	Unknown		Others
Central Huijin Asset Management Ltd.	22,645,600	0.97%	0	Unknown		Others
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others
E Fund – Agricultural Bank – E Fund China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Program	8,480,400	0.36%	0	Unknown		Others

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium

Name of shareholder	Number of shares held not subject to trading moratorium	Class	Class and number of shares Number
Dongfang Electric Corporation	974,016,763	RMB denominated ordinary shares	974,016,763
HKSCC Nominees Limited	338,302,297	Domestic listed foreign shares	338,302,297
China Securities Finance Corporation Limited	49,648,500	RMB denominated ordinary shares	49,648,500
Central Huijin Asset Management Ltd.	22,645,600	RMB denominated ordinary shares	22,645,600
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
E Fund – Agricultural Bank – E Fund China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Program	8,480,400	RMB denominated ordinary shares	8,480,400
Explanation on the connected relationship or concerted actions among the aforesaid shareholders	The Company is not aware of any connected relationship or concerted actions among the top ten shareholders and top ten holders of tradable shares.		

2.3 Total number of preferential shareholders and particulars of shareholdings of the top ten preferential shareholders and top ten holders of preferential shares not subject to trading moratorium as at the end of the Reporting Period

Applicable Not applicable

III. SIGNIFICANT EVENTS

Production and operation of the Company in the three quarters: In the first three quarters of 2016, the Company manufactured power generation equipment with capacity of 21,325.1MW, representing a decrease of 12.1% as compared with the corresponding period of last year, including 6 hydro-electric turbine generating units (333MW), 52 steam turbine generators (19,986MW) and 484 wind power generation sets (1,006.1MW). In addition, the Company produced 31 power station boilers (14,187MW) and 62 power station steam turbines (18,634.6MW).

In the first three quarters of 2016, the Company's new orders amounted to RMB34.09 billion, including RMB3.70 billion for export orders, which accounted for 10.9%. Among the new orders, 63% was attributable to high-efficiency clean energy, 9% to new energy, 5% to hydropower and environmental protection, and 23% to engineering and services.

3.1 Particulars of material changes in major accounting items and financial indicators of the Company and the reasons therefore

Applicable Not applicable

Analysis on changes in items in income statement during the Reporting Period

Changes in composition of profits

Currency unit: RMB yuan

Item	Amount for the period	Amount for the corresponding period last year	Year-on-year increase/decrease (%)
Operating Income	23,639,712,787.11	26,000,799,898.45	-9.08
Selling expenses	692,021,684.24	512,172,378.23	35.11
Finance costs	-356,050,992.57	-258,698,026.02	-37.63
Asset impairment losses	1,105,764,456.75	442,312,799.61	150.00
Gain(loss) on fair value changes	-2,857,599.70	-6,665,054.10	57.13
Income tax expenses	-36,334,394.04	89,848,781.93	-140.44
Net profit attributable to the owners of the Company	-1,064,939,530.95	246,045,531.97	-532.82

Analysis on reasons of the changes

1. Affected by the macroeconomic environment and factors such as decrease in sales of products and manufacturing progress for this period, the operating income of the Company decreased by 9.08% as compared with the same period last year.
2. Selling expenses of the Company for this period increased by 35.11% as compared with the same period last year, mainly attributable to the increase in income in the wind power products and the year-on-year increase in the accrued after-sales service expenses during this period.
3. Finance costs of the Company for this period decreased by 37.63% as compared with the same period last year, mainly attributable to the pay back of loans for this period and the corresponding decrease in interest expenses, together with the year-on-year increase in exchange gains affected by changes in exchange rate.
4. Asset impairment losses of the Company for this period increased by 150% as compared with the same period last year, mainly due to the increasing difficulty of payment recovery for goods, the further ageing of the accounts receivable and the significant increase in provision for bad debts of accounts receivable according to the accounting policies as implemented by the Company. Meanwhile, with over-capacity and inventory reduction, cost saving and restructuring as guiding thoughts, the Company has examined and disposed of the inventory with poor turnover rate, and made impairment provisions for these goods in impairment status.
5. Fair value changes of the Company increased by 57.13% as compared with the same period last year, mainly attributable to the year-on-year decrease in loss on fair value changes of shares during this period.
6. Income tax expenses of the Company for this period decreased by 140.44% as compared to the same period last year, mainly attributable to the decrease in deferred income tax during this period.
7. Net profit attributable to the owners of the Company for this period decreased by 532.82% as compared to the same period of last year, mainly attributable to the decrease in profitability of principal operations and the significant increase in asset impairment losses during this period.

Operating profit margin during the Reporting Period:

Item	Principal operations on consolidated basis	Clean and High efficiency power generating equipment	New energy equipment	Hydropower and environmental protection equipment	Engineering and services
Operating profit margin (%)	11.06	12.23	7.94	-7.66	14.99

Analysis on changes in items in cash flow statement during the Reporting Period

Changes in items in cash flow statement

Currency unit: RMB yuan

Item	Amount for the period	Amount for the corresponding period last year	Year-on-year increase/decrease (%)
Net cash flow from operating activities	5,467,564,487.74	-190,025,199.59	2,977.28
Net cash flow from investment activities	-315,245,869.19	-227,618,076.50	-38.50
Net cash flow from financing activities	-1,356,736,068.58	-1,015,776,432.67	-33.57

Analysis on reasons for the changes

1. Net cash flow from operating activities increased by 2,977.28% as compared to the same period last year, mainly attributable to the year-on-year decrease in payment made for goods as a result of the controlled procurement scale by the Company during the Period.
2. Net cash flow from investment activities decreased by 38.50% as compared to the same period of last year, mainly attributable to the decrease in the disposal of shares during the Period.
3. Net cash flow from financing activities decreased by 33.57% as compared to the same period of last year, mainly attributable to the year-on-year decrease in cash received from borrowings for the significant decrease in borrowing scale resulted from sufficient monetary capital of the Company during the Period.

3.2 The analysis and explanation of progress and impact of major events and solutions

Applicable Not applicable

3.3 The performance of the undertakings made by the Company and shareholders holding 5% or more of the Company's shares

Applicable Not applicable

3.4 The warning and explanation in the forecast of the possible aggregate net profits from the beginning of the year to the end of the next reporting period becoming a loss or significant changes over the corresponding period of the previous year

Applicable Not applicable

Due to the decrease in demand for power generation equipment in the market and the decline in product price and sales revenue of the Company, gross profit margin and gross profit of the major products of the Company decreased in the Reporting Period. The increase in aging of the Company's accounts receivable, especially the rapid increase in accounts receivable aging over five years, was resulted from the increasing challenges in collection of the payment for products which led to a significant increase in bad debts provision for accounts receivable. Meanwhile, adhering to the guiding thoughts of over-capacity and inventory reduction, the Company carried out inspection upon inventories with low turnover and made provision for inventory with impairment indications. Based on the foregoing, the Company recorded net cumulative loss of RMB1,049 million during January to September 2016. The Company expects to record loss in the operating results throughout 2016.

Company name **Dongfang Electric Corporation Limited**
Legal representative **Zou Lei**
Date 21 October 2016

IV. APPENDICES

4.1 Financial statements

Consolidated Balance Sheet

30 September 2016

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Closing balance	Opening balance
Current assets:		
Monetary fund	25,023,580,994.51	21,087,539,125.49
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets at fair value through profit or loss	55,694,158.00	36,079,098.10
Derivative financial assets		
Bill receivable	4,235,941,874.85	4,340,955,431.92
Accounts receivable	16,701,300,364.87	17,290,192,715.92
Prepayments	2,517,582,217.22	3,299,961,538.85
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Interest receivable	265,208,482.59	297,206,934.58
Dividends receivable		
Other receivable	339,861,872.43	366,296,279.41
Purchases of resold financial assets		
Inventories	26,041,901,321.83	26,899,590,387.82
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	221,971,904.19	335,373,683.92
Total current assets	<u>75,403,043,190.49</u>	<u>73,953,195,196.01</u>

Item	Closing balance	Opening balance
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets	3,100,000.00	3,100,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	1,403,810,954.74	1,066,013,723.84
Investment properties	67,857,674.33	70,560,947.99
Fixed assets	7,532,370,205.61	8,099,246,237.21
Construction in progress	412,136,437.54	447,801,742.11
Construction materials	113,464.96	113,464.96
Disposal of fixed assets	47,206.60	24,979.33
Biological assets for production		
Oil and gas assets		
Intangible assets	912,562,252.52	946,229,278.85
Development expenses		
Goodwill		
Long-term deferred expenditures	262,500.25	344,000.22
Deferred income tax asset	1,652,523,498.27	1,547,269,129.51
Other non-current assets	458,994.06	524,564.64
	<hr/>	<hr/>
Total non-current assets	<u>11,985,243,188.88</u>	<u>12,181,228,068.66</u>
	<hr/>	<hr/>
Total assets	<u>87,388,286,379.37</u>	<u>86,134,423,264.67</u>

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	284,500,000.00	1,642,000,000.00
Borrowings from central bank		
Deposit taking and deposit in inter-bank market		
Placements from banks and other financial institutions		
Financial liabilities at fair value through profit or loss	4,366,695.60	5,853,124.58
Derivative financial liabilities		
Notes payable	4,699,301,592.05	4,657,772,328.81
Accounts payable	16,910,692,550.22	15,179,533,382.72
Payments received in advance	36,421,315,700.25	34,846,467,692.38
Disposal of repurchased financial assets		
Handling charges and commissions payable		
Staff remuneration payable	453,282,844.02	396,074,204.46
Taxes payable	264,132,543.03	518,222,871.19
Interest payable		1,776,111.10
Dividends payable	3,747,911.77	3,144,122.09
Other payable	1,735,946,153.10	1,774,765,747.04
Reinsurance accounts payable		
Deposits for insurance contracts		
Customer deposits for trading in securities		
Amounts due to issuer for securities underwriting		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	683,540,000.00	354,320,000.00
Other current liabilities	83,568,473.82	103,512,042.66
Total current liabilities	<u>61,544,394,463.86</u>	<u>59,483,441,627.03</u>

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	576,540,000.00	718,820,000.00
Bonds payable		
Including: Preferred shares		
Perpetual capital securities		
Long-term payables	26,537,786.29	
Long-term staff remuneration payable	291,682,027.09	142,868,920.51
Special payables	58,102,614.63	58,062,614.63
Estimated liabilities	1,589,694,276.68	1,330,193,012.30
Deferred income	497,481,266.51	408,634,664.10
Deferred income tax liabilities	16,550,455.43	14,813,276.16
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	3,056,588,426.63	2,673,392,487.70
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities	64,600,982,890.49	62,156,834,114.73
	<hr/> <hr/>	<hr/> <hr/>
Owners' equity		
Share capital	2,336,900,368.00	2,336,900,368.00
Other equity instruments		
Including: Preferred shares		
Perpetual capital securities		
Capital reserves	8,828,516,983.85	8,828,516,983.85
Less: Treasury shares		
Other comprehensive income	-30,810,208.75	-34,093,733.04
Special reserves	39,629,871.60	33,167,401.60
Surplus reserves	730,751,423.51	730,751,423.51
General risk reserves		
Retained profit	9,951,193,148.88	11,156,346,701.91
Total owners' equity attributable to equity holders of the Company	21,856,181,587.09	23,051,589,145.83
Minority shareholders' equity	931,121,901.79	926,000,004.11
	<hr/>	<hr/>
Total owners' equity	22,787,303,488.88	23,977,589,149.94
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and owners' equity	87,388,286,379.37	86,134,423,264.67
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Legal representative:
Zou Lei

Chief accountant:
Gong Dan

Head of the accounting department:
Chen Dong

Balance Sheet of the Company*30 September 2016*

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Amount at the end of the period	Amount at the beginning of the year
Current assets:		
Cash and cash equivalents	9,260,608,163.12	7,514,610,838.61
Financial assets at fair value through profit or loss	55,694,158.00	36,068,759.00
Derivative financial assets		
Notes receivable	202,450,100.00	386,376,590.50
Accounts receivable	5,092,832,951.59	5,571,352,222.71
Prepayments	13,152,962,120.00	12,140,191,338.69
Interest receivable	1,565,295.84	18,120,377.78
Dividends receivable	131,436,444.73	131,436,444.73
Other receivable	6,164,514,147.70	6,215,312,953.39
Inventories	1,753,979,714.43	1,424,153,310.29
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	389,197,248.65	647,969,236.34
Total current assets	<u>36,205,240,344.06</u>	<u>34,085,592,072.04</u>

Item	Amount at the end of the period	Amount at the beginning of the year
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	10,802,554,637.62	10,559,843,563.61
Investment properties	14,823,877.84	15,658,898.04
Fixed assets	6,040,319.05	8,562,532.97
Construction in progress	447,768.77	135,922.33
Construction materials		
Disposal of fixed assets	7,766.30	24,979.33
Biological assets for production		
Oil and gas assets		
Intangible assets	10,971,743.64	12,566,992.92
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax asset	227,583,297.31	203,043,329.94
Other non-current assets		
	<hr/>	<hr/>
Total non-current assets	<u><u>11,062,429,410.53</u></u>	<u><u>10,799,836,219.14</u></u>
Total assets	<u><u>47,267,669,754.59</u></u>	<u><u>44,885,428,291.18</u></u>
Current liabilities:		
Short-term borrowings		
Financial liabilities at fair value through profit or loss	1,662,549.91	
Derivative financial liabilities		
Notes payable		
Accounts payable	8,319,587,926.35	6,536,829,028.27
Payments received in advance	18,856,250,097.81	18,411,949,106.94
Staff remuneration payable	10,584,451.68	9,724,290.17
Taxes payable	10,751,345.81	107,266,289.32
Interest payable		
Dividends payable		
Other payable	1,439,204,107.09	1,400,746,598.40
Liabilities classified as held-for-sale		
Non-current liabilities due within one year		
Other current liabilities	130,880.35	148,521.37
	<hr/>	<hr/>
Total current liabilities	<u><u>28,638,171,359.00</u></u>	<u><u>26,466,663,834.47</u></u>

Item	Amount at the end of the period	Amount at the beginning of the year
Non-current liabilities:		
Long-term borrowings		
Debtures payable		
Including: Preferred shares		
Perpetual capital securities		
Long-term payable		
Long-term staff remuneration payable	71,141.26	
Special payable		
Estimated liabilities	108,130,000.00	108,130,000.00
Deferred income	6,588,632.91	3,738,056.91
Deferred income tax liabilities		
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>114,789,774.17</u>	<u>111,868,056.91</u>
Total liabilities	<u>28,752,961,133.17</u>	<u>26,578,531,891.38</u>
Owners' equity:		
Share capital	2,336,900,368.00	2,336,900,368.00
Other equity instruments		
Including: Preferred shares		
Perpetual capital securities		
Capital reserves	8,891,700,256.53	8,891,700,256.53
Less: Treasury shares		
Other comprehensive income		
Special reserves		
Surplus reserves	1,019,114,539.94	1,019,114,539.94
Retained profit	6,266,993,456.95	6,059,181,235.33
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Total owners' equity	<u>18,514,708,621.42</u>	<u>18,306,896,399.80</u>
Total liabilities and owners' equity	<u>47,267,669,754.59</u>	<u>44,885,428,291.18</u>

Legal representative:
Zou Lei

Chief accountant:
Gong Dan

*Head of the accounting
department:*
Chen Dong

Consolidated Income Statement
January to September 2016

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
I. Total revenue from operations	23,639,712,787.11	26,000,799,898.45
Including: Revenue from operations	23,639,712,787.11	26,000,799,898.45
Interest income		
Insurance premiums earned		
Income from fees and commissions		
II. Total cost of operations	24,900,755,837.75	25,772,569,953.90
Including: Cost of operations	21,007,435,698.84	22,647,135,151.21
Interest expenses		
Fee and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance contracts		
Expenditures for insurance policy dividend		
Reinsurance costs		
Business tax and surcharges	161,931,175.04	261,253,808.20
Selling expenses	692,021,684.24	512,172,378.23
Administrative expenses	2,289,653,815.45	2,168,393,842.67
Finance costs	-356,050,992.57	-258,698,026.02
Impairments loss of assets	1,105,764,456.75	442,312,799.61
Add: Gains from change in fair value (loss is represented by "-")	-2,857,599.70	-6,665,054.10
Gains from investment (loss is represented by "-")	149,106,211.63	112,783,899.06
Including: Gains from investment in associates and joint ventures	151,457,582.70	87,696,921.19
Exchange gain (loss is represented by "-")		

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
III. Operating profit (loss is represented by “-”)	-1,114,794,438.71	334,348,789.51
Add: Non-operating income	87,288,299.29	66,209,865.31
Including: Gains from disposal of non-current assets	1,708,523.03	2,654,198.78
Less: Non-operating expense	58,177,551.00	46,277,529.37
Including: Loss from disposal of non-current assets	884,984.67	2,872,179.77
IV. Total profit (total loss is represented by “-”)	-1,085,683,690.42	354,281,125.45
Less: Income tax expense	-36,334,394.04	89,848,781.93
V. Net profit (net loss is represented by “-”)	-1,049,349,296.38	264,432,343.52
Net profit attributable to the shareholders of the Company	-1,064,939,530.95	246,045,531.97
Minority interests	15,590,234.57	18,386,811.55
VI. Net amount of other comprehensive income, net of tax	3,283,341.96	-1,132,066.13
Other comprehensive income attributable to owners of the Company, net of tax	3,283,524.29	-1,132,066.13
(1) Other comprehensive income that will not be reclassified subsequently to profit or loss		
1. Changes of net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income (that will not be reclassified subsequently to profit or loss) of investees accounted for using equity method		
(2) Other comprehensive income that may be reclassified subsequently to profit or loss	3,283,524.29	-1,132,066.13
1. Share of other comprehensive income of the investees which can be reclassified into profit or loss under equity method subsequently		
2. Fair value gains/(losses) on available-for-sale financial assets		

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
3. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets		
4. Effective portion of profit or loss from cash flows hedges		
5. Exchange differences from translation of financial statements	3,283,524.29	-1,132,066.13
6. Others		
Other comprehensive income attributable to minority interests, net of tax	-182.33	
VII. Total comprehensive income	-1,046,065,954.42	263,300,277.39
Total comprehensive income attributable to the shareholders of the Company	-1,061,656,006.66	244,913,465.84
Total comprehensive income attributable to minority interests	15,590,052.24	18,386,811.55
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	-0.46	0.11
(II) Diluted earnings per share (<i>RMB/share</i>)	-0.46	0.11

Legal representative:
Zou Lei

Chief accountant:
Gong Dan

*Head of the accounting
department:*
Chen Dong

Income Statement of the Parent Company

January to September 2016

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
I. Operating income	12,056,230,696.38	12,636,239,328.73
Less: Cost of operations	11,775,940,223.87	12,275,115,888.31
Business tax and surcharges	776,702.72	4,092,857.88
Selling expenses	25,509,805.05	30,042,949.09
Administrative expenses	83,131,138.69	99,936,091.04
Finance costs	-129,419,329.31	-199,620,407.06
Impairments loss of assets	154,770,607.89	189,057,918.40
Add: Gains from change in fair value (loss is represented by “-”)	-5,996,239.49	-14,946,225.83
Gain from investment (loss is represented by “-”)	201,021,632.70	458,358,860.02
Including: Gains from investment in associates and joint ventures	51,961,074.01	37,475,076.55
II. Operating profit (loss is represented by “-”)	340,546,940.68	681,026,665.26
Add: Non-operating income	3,440,562.42	1,198,269.05
Including: Gain from disposal of non-current assets		
Less: Non-operating expense	45,521.19	375,219.84
Including: Loss from disposal of non-current assets	24,069.60	377.49
III. Total profit (total loss is represented by “-”)	343,941,981.91	681,849,714.47
Less: Income tax expense	-4,084,261.79	-8,018,900.10
IV. Net profit (net loss is represented by “-”)	348,026,243.70	689,868,614.57

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
V. Other comprehensive income, net of tax:		
(1) Other comprehensive income that will not be reclassified subsequently to profit or loss		
1. Changes of net liabilities or net assets arising from the re- measurement of defined benefit plans		
2. Share of other comprehensive income (that will not be reclassified subsequently to profit or loss) of investees accounted for using equity method		
(2) Other comprehensive income that may be reclassified subsequently to profit or loss		
1. Share of other comprehensive income of the investees which can be reclassified into profit or loss under equity method subsequently		
2. Fair value gains/(losses) on available-for-sale financial assets		
3. Profit or loss from held-to- maturity investment reclassified as available-for-sale financial assets		
4. Effective portion of profit or loss from cash flows hedges		
5. Exchange differences from translation of financial statements		
6. Others		
VI. Total comprehensive income	348,026,243.70	689,868,614.57
VII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)		
(II) Diluted earnings per share (<i>RMB/share</i>)		

Legal representative:
Zou Lei

Chief accountant:
Gong Dan

*Head of the accounting
department:*
Chen Dong

Consolidated Cash Flow Statement

January to September 2016

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
I. Cash flow generated from operating activities:		
Cash received from sale of goods and rendering of services	26,081,882,809.70	24,499,880,149.30
Net increase in customer and interbank deposits		
Net increase in borrowings from central bank		
Net increase in placements from banks and other financial institutions		
Cash received from premiums under original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment		
Net increase from disposal of financial assets at fair value through gains and loss		
Cash from interests, auxiliary expenses and commissions		
Net increase of placements from banks and other financial institutions		
Net increase in repurchase business capital		
Received tax rebates	95,616,531.13	412,041,200.79
Other cash received from operating activities	857,840,018.11	282,254,487.57
Sub-total of cash inflows from operating activities	27,035,339,358.94	25,194,175,837.66
Cash paid for goods and services	16,144,513,022.66	19,154,700,002.18
Net increase in customer loans and advances		
Net increase in deposits with PBOC and interbank deposits		
Cash paid for compensation payments under original insurance contract		
Cash paid for interest, fees and commissions		
Cash flow policy dividend		
Cash paid to and on behalf of employees	2,244,361,494.94	2,319,846,759.01
Various taxes paid	2,071,108,426.38	2,749,203,283.23
Other cash payments relating to operating activities	1,107,791,927.22	1,160,450,992.83
Sub-total of cash outflows from operating activities	21,567,774,871.20	25,384,201,037.25
Net cash flow from operating activities	5,467,564,487.74	-190,025,199.59

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
II. Cash flow generated from investing activities:		
Cash received from disposal of investments	615,981.31	103,148,339.39
Cash received from gains in investment	12,538,818.20	5,378,852.72
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	323,159.00	3,097,635.64
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities		
Sub-total of cash inflows from investing activities	13,477,958.51	111,624,827.75
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	128,007,072.04	265,590,313.95
Cash paid for investment	200,716,755.66	73,652,590.30
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investing activities		
Sub-total of cash outflows from investing activities	328,723,827.70	339,242,904.25
Net cash flow generated from investing activities	-315,245,869.19	-227,618,076.50
III. Net cash flow generated from financing activities:		
Proceeds received from financing activities		201.12
Including: Proceeds received by subsidiaries from minority shareholders' investment		201.12
Cash received from borrowings	749,440,000.00	1,362,000,000.00
Cash received from issuing bonds		
Other cash received from financing-related activities		
Sub-total of cash inflows from financing activities	749,440,000.00	1,362,000,201.12
Cash repayments of borrowings	1,910,000,000.00	2,067,897,000.00
Dividends paid, profit distributed or interest paid	193,966,233.98	309,879,633.79
Including: Dividend and profit paid by subsidiaries to minority shareholders	9,890,986.28	15,461,661.37
Other cash paid for financing-related activities	2,209,834.60	
Sub-total of cash outflows from financing activities	2,106,176,068.58	2,377,776,633.79
Net cash flow generated from financing activities	-1,356,736,068.58	-1,015,776,432.67

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
IV. Effects of exchange rate fluctuation on cash and cash equivalents	143,796,331.93	37,075,678.64
V. Net increase in cash and cash equivalents	3,939,378,881.90	-1,396,344,030.12
Add: Cash and cash equivalents at the beginning of the period	21,066,533,111.81	17,802,441,129.06
VI. Cash and cash equivalents at the end of the period	25,005,911,993.71	16,406,097,098.94

Legal representative:
Zou Lei

Chief accountant:
Gong Dan

Head of the accounting department:
Chen Dong

Cash Flow Statement of the Parent Company
January to September 2016

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	Amounts from the beginning of this year to the end of the reporting period (January to September)	Amounts from the beginning of last year to the end of the reporting period (January to September)
I. Cash flow generated from operating activities:		
Cash received from sale of goods and rendering of services	11,897,554,011.95	10,787,522,256.31
Received tax rebates	93,472,678.14	397,943,320.31
Other cash received from operating activities	260,036,129.80	113,348,553.33
Sub-total of cash inflows from operating activities	12,251,062,819.89	11,298,814,129.95
Cash paid for goods and services	10,025,784,026.77	11,772,295,766.62
Cash paid to and on behalf of employees	109,806,698.89	102,881,963.68
Various taxes paid	182,789,684.58	123,390,606.67
Other cash payments relating to operating activities	263,231,141.95	340,702,821.91
Sub-total of cash outflows from operating activities	10,581,611,552.19	12,339,271,158.88
Net cash flow from operating activities	1,669,451,267.70	-1,040,457,028.93
II. Cash flow generated from investing activities:		
Cash received from disposal of investments	460,000,000.00	1,640,741,834.25
Cash received from gains in investment	155,152,360.99	411,435,902.41
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,700.00	
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities		
Sub-total of cash inflows from investing activities	615,154,060.99	2,052,177,736.66
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	811,304.00	3,071,956.51
Cash paid for investment	500,716,755.66	2,021,279,830.30
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investing activities		
Sub-total of cash outflows from investing activities	501,528,059.66	2,024,351,786.81
Net cash flow generated from investing activities	113,626,001.33	27,825,949.85

