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BYD COMPANY LIMITED

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

(Stock Code: 1211)

Website: <http://www.byd.com.cn>

2012 THIRD QUARTERLY REPORT

This announcement is published simultaneously in Mainland of People's Republic of China pursuant to the Rules Governing Listing of Stocks on Shenzhen Stock Exchange and in Hong Kong pursuant to the disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. IMPORTANT

The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm that this report does not contain any false information, misleading statements or material omissions, and collectively and individually accept responsibility for the truthfulness, accuracy and completeness of its contents.

There are no Directors, Supervisors or senior management who do not warrant or who dispute the truthfulness, accuracy and completeness of this quarterly report.

The full text and the main body of the Company's third quarterly report of 2012 have been considered and approved by the eighteenth Meeting of the Fourth Session of the Board of Directors of the Company held on 29 October 2012. Of the 6 Directors required to attend the Meeting, 6 Directors duly attended in person.

The financial statements contained in this third quarterly report are unaudited.

Mr. Wang Chuan-fu, the Chairman and President of the Company, Mr. Wu Jing-sheng, the Vice President, Chief Financial Officer and Secretary to the Board of the Company and Ms. Zhou Ya-lin, Head of Accounting Department hereby declare that they warrant the truthfulness and completeness of the financial statements contained in this third quarterly report.

Unless specified otherwise, the currency amounts in the full text and the main body of this quarterly report are denominated in Renminbi.

Definition

Term		Definition meaning
The Company or BYD	Means	BYD Company Limited
The Group	Means	BYD Company Limited and its subsidiaries
The Reporting Period	Means	From 1 July 2012 to 30 September 2012

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II. CORPORATE INFORMATION

(I) General Operating Status during the period

The Group is principally engaged in rechargeable battery and new energy business, handset components and assembly services, and in automobile business including traditional fuel-powered vehicles and new energy vehicles.

During the reporting period, according to the statistics from the China Association of Automobile Manufacturers, sales volume of automobiles in the PRC market in the third quarter reached 4,494,200 units, representing an increase of approximately 4.31% for the same quarter year-on-year. That remained a relatively slow increase rate. During the period, sales volume of passenger vehicles increased by 6.67% for the same quarter year-on-year, of which sport utility vehicles (“SUV”) increased by 23.73%, for the same quarter year-on-year and became the fastest growing market segments. During the reporting period, smart phones remained as the leading pointer for development in the handset industry, getting an increasing market share. Emerging leading smart phone manufacturers actively introduced new models of smart phones and tablets and promoted their market shares during the period. Other manufacturers also introduced new products one after another to meet the market demand. Facing the fierce market competition, traditional handset manufacturers have continually conducted strategic transitions and launched innovative smart phone products, with their businesses tending to stabilize. In the new energy industry, due to the trade sanctions imposed against the photovoltaic products of the PRC by some overseas markets which further impaired the operating environment of domestic photovoltaic manufacturers, the solar industry remained weak during the period.

During the reporting period, the Group sold a total of 77,004 vehicles, representing a decrease of approximately 18.09% for the same quarter year-on-year. In the reporting period, models of S6 and G6 continued to enjoy impressive sales, and L3 model kept an increase for the same quarter year-on-year, which was offset to a certain extent by the decrease in the sales of old models such as F3 and F0; the Group successfully launched “Speed”(速銳), the first model equipped with remote-control driving function in the world, in August 2012, drawing wide attention in the market, with sales successfully surmounting 6,000 units in September and is still on an upward trend, contributing new growth drive for the Group’s future automobile sales. The Group’s new energy automobile business has also made certain progress in the reporting period. With safe and reliable overall performance, model e6 was successfully selected in the “Central National Authorities’ New-energy Electric Official Cars Experimental and Demonstration Project” involving 11 experimental departments including the Government Offices Administration of the State Council, the Ministry of Science and Technology, the National Development and Reform Commission, the Ministry of Industry and Information Technology and the Ministry of Finance, and e6 pioneer were provided as official cars to serve various departments of central authorities, exceeding 50% of the total number of units tried in the project. In September 2012, the Group successfully won an order of 500 units of police cars from the Shenzhen government for its e6 model and began delivering, further demonstrating the Group’s leading position in electric automobile products and markets. In the reporting period, the Group also actively carried forward overseas promotions for electric automobiles, with its K9 electric buses and e6 electric automobiles successfully penetrating the Hong Kong market in September 2012 and October 2012, respectively. These models have begun test operation as buses and taxis, gradually starting the process of the electrification of city public transportation systems in overseas markets. The Group’s electric buses are under good operation in countries such as Netherlands, Hungary and Spain, which laid a solid foundation for developing the European markets for electric automobiles in future. As for the handset parts business, the sales income decreased, affected by the weak market demand and the decline in sales of our major customers. The Group continually expanded its smart terminals related businesses in the period, and new customers and new product orders have kept increasing, thus providing additional growth momentum to the Group. For the battery business, driven by the market demand for smart phones, the Group’s traditional battery business continually increased, while the performance of solar battery products was not satisfactory due to the impact of the weak market demand.

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During the Reporting Period, the Group realized sales revenue of approximately RMB10,527 million, representing a decrease of approximately 10.71% for the same quarter year-on-year; net profit attributable to equity holders of the parent was approximately RMB5 million, representing a decrease of approximately 94.04% for the same quarter year-on-year; basic earnings per share was RMB0.002 per share.

(II) Major Accounting Data and Financial Indicators

Retrospective adjustments to the financial statements for prior reporting periods

Yes No N/A

	30 September 2012	31 December 2011	Increase/decrease for the end of the Reporting Period compared with the end of previous year (%)	
Total Assets (RMB'000)	67,608,676	65,624,392	3.02%	
Owner's interests attributable to shareholders of listed company (RMB'000)	21,154,744	21,124,517	0.14%	
Share capital ('000 shares)	2,354,100	2,354,100	0%	
Net asset value per share attributable to shareholders of listed company (RMB/ share)	8.99	8.97	0.22%	
	Three months ended 30 September 2012	Increase/decrease compared with the same period of previous year (%)	Nine months ended 30 September 2012	Increase/decrease compared with the same period of previous year (%)
Total operating income (RMB'000)	10,526,928	-10.71%	33,108,940	-3.57%
Net profit attributable to shareholders of the listed company (RMB'000)	4,612	-94.04%	20,881	-94.08%
Net cash flow from operating activities (RMB'000)	—	—	3,033,811	-27.53%
Net cash flow per share from operating activities (RMB/Share)	—	—	1.29	-27.53%
Basic earnings per share (RMB/share)	0.002	-93.92%	0.0089	-94.19%
Diluted earnings per share (RMB/share)	N/A	N/A	N/A	N/A
Weighted average rate of return on net assets (%)	0.02%	decrease of 0.36 percentage point	0.1%	decrease of 1.73 percentage points
Weighted average rate of return on net assets after deducting extraordinary profit and loss (%)	-0.83%	decrease of 1.05 percentage points	-1.81%	decrease of 2.93 percentage points

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Deducting extraordinary profit and loss items and amounts

√ Applicable □ N/A

Item	Amount from the beginning of the year to the end of the reporting period (RMB'000)	Remarks
Gain or loss on disposal of non-current assets	-9,561	
Tax return/exemption with ultra vires approval/or no official approval		
Government subsidies taken into profit and loss of the period (closely related to business of the company, except for those subsidies enjoyed by certain amount or quantity according to national standards)	371,122	Mainly related to recognize subsidy for automobile and related products research and development activities, subsidy for Changsha's automobile basic research fund, award to energy-saving automobiles etc
Fund appropriation fees charged over non-financial enterprises taken into profit and loss for the period		
Profit arising from investment costs for acquisition of a subsidiary, an associate and a joint venture by the company being less than its share of fair value of identifiable net assets of the investee on acquisition		
Profit and loss of non-monetary asset swap		
Profit and loss on entrusting third party to invest or manage asset		
Provisions for impairment of assets due to force majeure such as natural disaster		
Profit and loss on debt restructuring		
Expenses of corporate reorganization, such as accommodation of employees and integration		
Profit and loss from the excess of the fair value of a transaction of unfair consideration		
Current net profit and loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the period to the date of merger		
Profit and loss from contingencies irrelevant to the normal operations of the company		
Other than effective hedging business related to the normal inter-company operating business, profit and loss from the change in the fair value of held-for-trading financial assets and trading financial liabilities, and investment gains from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets	13,314	Mainly related to the gain on investment in Xiangyu's (象嶼) shares
Write-back of the provision for impairment of accounts receivable that is individually tested for impairment		
Profit and loss from external entrusted loans		
Profit and loss from changes in fair value of investment properties using the fair value model for subsequent measurement		
Effect on current profit and loss of one-off adjustment thereto in accordance with laws and regulations on taxation and accounting, etc		
Income of entrustment fees from entrusted operations		
Other non-operating income and expenses other than the above items	48,439	
Other profit and loss items fall within the meaning of non-recurring profit and loss		
Impact on minority interest	-12,213	
Impact on income tax	-6,785	
Total	404,316	—

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(III) Table showing total number of shareholders and the shareholding of the top ten shareholders at the end of the reporting period

Total number of shareholders at the end of the reporting period	43,768 shareholders (of which 43,562 were holders of A shares and 206 were holders of H shares)		
The shareholding of the top ten holders of shares not subject to lock-up			
Name of Shareholders	Number of shares not subject to lock-up held at the end of the period	Class and number of shares	
		Class	Number
HKSCC NOMINEES LIMITED	566,843,951	Overseas listed foreign shares	566,843,951
MIDAMERICAN ENERGY HOLDINGS COMPANY	225,000,000	Overseas listed foreign shares	225,000,000
Xia Zuo-quan (Note 1)	31,244,265	RMB ordinary shares	31,244,265
Beghelli Asia Pacific Limited	15,519,617	RMB ordinary shares	15,519,617
Industrial Bank Co., Ltd.-Xingquan Global Vision Stock Type Securities Investment Funds (興全全球視野股票型證券投資基金)	15,017,306	RMB ordinary shares	15,017,306
Liu Wei-ping	12,355,380	RMB ordinary shares	12,355,380
Li Ke	11,884,500	RMB ordinary shares	11,884,500
Gu Wei-ni	11,720,000	RMB ordinary shares	11,720,000
Yang Long-zhong (Note 2)	11,251,435	RMB ordinary shares	11,251,435
Li Yong-guang	10,824,680	RMB ordinary shares	10,824,680
Description of shareholders	Gu Wei-nan, a director of Beghelli Asia Pacific Limited which is a shareholder of the Company, is the brother of Gu Wei-ni, a shareholder of the Company. Save for the above, the Company is not aware of any connected relationships among other shareholders nor aware of any parties acting in concert as defined in the Administrative Measures for Acquisitions by Listed Companies.		

Note 1: As of 28 September 2012, Mr. Xia Zuo-quan held 124,977,060 A shares of the Company in total, of which 93,732,795 shares were locked-up shares held by senior management and 31,244,265 shares were those not subject to lock-up.

Note 2: As of 28 September 2012, Mr. Yang Long-zhong held 70,295,740 A shares of the Company in total, of which 59,044,305 shares were locked-up shares held by senior management and 11,251,435 shares were those not subject to lock-up. On 27 September 2012, the Board of the Company received a written resignation report from Mr. Yang Long-zhong, the Vice President, details of which were disclosed in the Announcement on the Resignation of One of the Company's Senior Management (《關於公司高管辭職的公告》) published in China Securities Journal, Securities Times, Securities Daily, Shanghai Securities News and cninfo website (www.cninfo.com.cn) by the Company on 28 September 2012. According to the relevant requirements and the undertakings made by Mr. Yang Long-zhong, he shall not transfer the shares of the Company held by him within six months after the termination of his appointment, and the number of shares sold through listed transactions on stock exchanges within 12 months after six months upon his reported termination shall not exceed 50% of the total number of shares of the Company held by him. The Company has reported the termination of Mr. Yang's appointment pursuant to the relevant requirements, and since 8 October 2012, the entire equity interests held by Mr. Yang in the Company have become the locked-up shares held by senior management.

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III. SIGNIFICANT MATTERS

(I) Substantial changes in major accounting items and financial indicators of the Company and the reasons thereof

√ Applicable □ N/A

Balance Sheet

Unit: RMB'000

Item	30 September 2012	31 December 2011	Changes	Analysis of reason
Dividends receivable	0	7,875	-100.00%	Mainly due to the dividends received from its formal joint ventures
Non-current assets due within one year	16,000	32,500	-50.77%	Mainly due to the decrease in long-term receivables due within one year
Available-for-sale financial assets	2,695	15,192	-82.26%	Mainly due to partial sale of equity financial assets
Long-term receivables	8,500	17,500	-51.43%	Mainly due to the partial transfer of long-term receivables to long-term receivables due within one year
Construction materials	1,871,523	4,308,315	-56.56%	Mainly due to the construction materials purchased in previous period are used in construction in progress
Development costs	2,115,216	1,396,283	51.49%	Mainly due to the capitalisation of research and development costs incurred in the development stage of automobile projects
Long-term deferred expenditures	0	18,885	-100.00%	Mainly due to the transfer of contracting fees prepaid for the contracting of assets due within one year to prepayments
Notes payables	11,383,748	8,403,533	35.46%	Mainly due to the increase of transactions that are settled by way of notes with suppliers and the extension of maturity dates of notes payables
Interests payables	68,012	14,151	380.62%	Mainly due to the interest generated from debentures payable during the period
Provision	199,702	338,565	-41.02%	Mainly due to the decrease in accrued after-sales services charges
Non-current liabilities due within one year	2,995,500	1,330,700	125.11%	Mainly due to the transfer of long-term borrowings due within one year
Other current liabilities	838,610	451,378	85.79%	mainly due to the increase in accrued sales rebate
Long-term borrowings	4,088,591	6,084,992	-32.81%	Mainly due to part of long-term borrowings transferred into long-term borrowings due within one year
Debentures payable	3,966,410	994,255	298.93%	Mainly due to the issuance of 5-year bonds with a nominal amount of RMB3 billion

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Income Statement

Unit: RMB'000

Item	January - September 2012	January - September 2011	Compared with the same period last year	Analysis of reason
Business tax and surcharge	800,170	573,918	39.42%	Mainly due to the change in sales mix of automobile business and the increase in the provision for the consumption tax
Impairment losses of assets	276,863	171,158	61.76%	Mainly due to the increase in allowance provided for declined inventory price and the increase in provisions for bad debts of receivables
Investment gain/(loss)	-10,941	13,852	-178.98%	Mainly due to the loss from investments in associates and joint ventures
Non-operating income	458,454	271,859	68.64%	Mainly due to the increase in government subsidy
Non-operating expense	48,454	75,521	-35.84%	Mainly due to decrease in the loss from the disposal of fixed assets and the decrease in donation

Cash Flow Statement

Unit: RMB'000

Item	January - September 2012	January - September 2011	Compared with the same period last year	Analysis of reason
Cash received relating to other operating activities	400,807	164,101	144.24%	Mainly due to the increase in government subsidy received related to income
Refunds of taxes	1,867,367	1,100,892	69.62%	Mainly due to the increase in consumption tax and value-added tax
Net cash flow generated from investing activities	-3,033,955	-7,780,734	-61.01%	Mainly due to the decrease in expenditure for the purchase and construction of the fixed assets during the period
Net cash flows from financing activities	61,219	5,170,028	-98.82%	Mainly due to the decrease in cash received from capital raised and borrowings

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(II) Progress of significant events and analysis of their impacts and solutions

1. Statement of qualified opinion

Applicable N/A

2. Provision of any funds by the Company to the controlling shareholders or its connected parties or provide third-party guarantees in violation of stipulated procedures

Applicable N/A

3. Execution and performance of material contracts in day-to-day operations

Applicable N/A

4. Others

Applicable N/A

4.1 Material Litigations and Arbitrations

During the reporting period, the Company had no new material litigation or arbitration. The progresses of the material litigations and arbitrations as disclosed in the half-year report of 2012 during the reporting period are set forth below:

- (1) Action for infringement initiated by Shenzhen Futaihong Precision Industry Co., Ltd. and other companies against the Company and a number of its subsidiaries

On 30 January 2012, Shenzhen Futaihong Precision Industry Co., Ltd. and Hong Fu Jin Precision Industry (Shenzhen) Co., Ltd. as the plaintiffs filed a petition to the High Court of The Hong Kong Special Administrative Region (hereinafter referred to as the "High Court") for sending a request letter to Shenzhen Municipal Intermediate People's Court to copy the information in the mobile hard disc recorded in Shenzhen Municipal Intermediate People's Court. The defendant replied to the petition on 13 April 2012: the copies of the request letter shall not only be sent to Shenzhen Municipal Intermediate People's Court, but also be sent to the Supreme People's Court of the PRC, Shenzhen Bao'an People's Court and Shenzhen Longgang District People's Court, through which the request letter shall be sent Bao'an Branch of Shenzhen Police Station and Beijing Jiuzhou Shichu Judicial Identification Centre of Intellectual Property(北京九州世初知識產權司法鑒定中心)to request the said authorities or units to assist in obtaining or disclosing evidence information such as the principal's computer, the copies of the mobile hard discs and files in close relation to this case. Pursuant to the directive of the Hong Kong High Court, the hearing for the said petition of both parties, which has been originally scheduled to be conducted on 18 October 2012, will be postponed and the time will be separately determined but not earlier than 21 November 2012.

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- (2) Purchase and sales contract dispute between BYD Automobile Company Limited (hereinafter referred to as “BYD Automobile”) and Shanxi Limin Mechanical and Electrical Company Limited (hereinafter referred to as “Shanxi Limin”)

On 28 September 2012, the Shaanxi Provincial Higher People’s Court returned the final verdict to maintain Items 1, 2, 3 and 5 in the (2009) Xi Min San Chu Zi No.66 Civil Judgment of the Xi-an Municipal Intermediate People’s Court and change Item 4 in the (2009) Xi Min San Chu Zi No.66 Civil Judgment of the Xi-an Municipal Intermediate People’s Court to: BYD Company shall make payment for goods in the sum of RMB4,877,078.85 to Shanxi Limin. After the amounts paid by the two parties are offset against each other, Shanxi Limin shall compensate for the economic losses amounting to RMB14,840,300 incurred by BYD Company. For the first trial legal cost of RMB161,543 and counterclaim fee of RMB70,902, BYD Company shall bear RMB61,543 and Shanxi Limin shall bear RMB170,902. For the second trial legal cost of RMB231,760, BYD Company shall bear RMB 23,176 and Shanxi Limin shall bear RMB208,584.

- (3) Damage compensation dispute between Ingenico S.A. (hereinafter referred to as “Ingenico”) and the Company

On 25 May 2012, the Commercial Court of Nanterre conducted the last procedural hearing for the two parties. The court postponed its ruling on the procedural dispute of the case which should have been made on 9 October 2012. The specific time for ruling has not been determined.

- (4) Purchase and sales contract dispute between BYD (Shang Luo) Industrial Co., Ltd. (hereinafter referred to as “Shang Luo BYD”) and Solar Power Utility Holdings Limited (hereinafter referred to as “Hong Kong SPU Company”)

On 7 June 2012, Shang Luo BYD filed a petition to the High Court of the HKSAR (the “Hong Kong High Court”) for interim payment to request Hong Kong SPU Company to repay in advance 85% of the value of the silicon wafers amounting to US\$3,017,500. The Hong Kong High Court conducted a hearing in respect of the interim payment on 17 August 2012 and issued an oral order during the hearing: 1. Hong Kong SPU Company shall pay US\$1,700,000 to Shang Luo BYD within 28 days from the day when the order was made; 2. Hong Kong SPU Company shall bear all costs expensed by Shang Luo BYD in relation to the interim payment. Since Hong Kong SPU Company failed to fulfill the interim payment order within the deadline, Shang Luo BYD issued a STATUTORY DEMAND to Hong Kong SPU Company on 12 October 2012 to request Hong Kong SPU Company to pay to Shang Luo BYD an amount of US\$1,700,000 within 21 days from the delivery of the Statutory Demand. Otherwise Shang Luo BYD will file an application to the court for the liquidation of Hong Kong SPU Company.

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- (5) Purchase and sales contract dispute between BYD Europe B.V. (“BYD Europe”) and Upsolar Co., Ltd

Since Upsolar Co., Ltd refused to perform its obligation to make payment for goods on schedule under the “procurement contract”, “product order” and “supplementary agreement” entered into with BYD Europe and advocated without authorization the unilateral lifting of documents such as the “procurement contract” and the “supplement agreement” thereto, BYD Europe, as the applicant, initiated arbitration proceedings in the China International Economic and Trade Arbitration Commission Shanghai Branch to request a verdict requiring Upsolar Co., Ltd to bear and settle the remaining payment for goods of US\$1,698,640.16, payment for stocks of finished products of US\$1,548,981, payment for stocks of defective products of US\$135,608, default fine for delayed payment of US\$338,322.92, default fine for terminating the contracts without authorization of US\$1,691,614.58 in total, advance freight paid by the applicant of US\$64,000, stock preparation loss of US\$1,663,018, reasonable expenses totaling US\$100,000 incurred by the applicant in making its claim and all arbitration costs relating to the case. The China International Economic and Trade Arbitration Commission Shanghai Branch officially accepted the case on 6 April 2012. Upsolar Co., Ltd instituted an arbitration counterclaim in the arbitral court on 5 July 2012 to request a verdict requiring BYD Europe to return advance payments it made totaling US\$197,295.84 to it and reasonable expenses of US\$50,000 (amount determined on a temporary basis) incurred by it in making its claim. The arbitral tribunal conducted the first a non-public hearing of the case on 19 October 2012. The second hearing is scheduled to be conducted on 15 November 2012.

For other material litigations and arbitrations disclosed in the interim report of 2012 of the Company, there is no significant development during the reporting period.

4.2 During the reporting period, the establishment progress of the Company’s internal control system

During the third quarter of 2012, after reviewing the result of understanding internal control process of the pilot divisions, the Company initiated the implementation of internal control across divisions of IT Industry Group and Automobile Group. The Company prepared risk control matrixes for the relevant pilot divisions and identified certain internal control deficiencies of some divisions, including design deficiencies and operation deficiencies. The internal control implementation working group and each division communicated with each other to implement remediation measures for the deficiencies. As of the end of this reporting period, the Company completed the risk control matrixes and the summary of deficiencies reports for the pilot divisions, and intended to conduct internal control tests in October 2012.

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(III) Undertakings by the Company or shareholders with more than 5% of shareholding in the Company during or up to the reporting period

√ Applicable □ N/A

Item	Undertakers	Undertaking	Undertaking time	Undertaking period	Compliance
Share Reform undertaking	N/A	N/A	N/A	N/A	N/A
Undertakings made in the reports of acquisition or equity changes	N/A	N/A	N/A	N/A	N/A
Undertakings made upon asset swap	N/A	N/A	N/A	N/A	N/A
Undertakings made upon issuance of shares	<p>1. Wang Chuan-fu, Lu Xiang-yang, Xia Zuoquan, Guangzhou Youngy Investment & Management Group Co., Ltd. (Hereinafter referred to as "Guangzhou Youngy");</p> <p>2. Wang Chuan-fu, Lu Xiang-yang, Wang Chuan-fang, Wang Hai-tao, Wu Changhui, He Zhi-qj, Guangzhou Youngy, Guangzhou Xinhengtong Network Technology Co., Ltd., Hefei Xiaohan Commercial Trading Co., Ltd., other shareholders of non-overseas listed shares before the Company's initial public offering of A shares, Zhang Hui-bin, Lu Shou-guo, Lu Zi-han and Zhang Chang-hong;</p> <p>3. Wang Chuan-fu</p>	<p>1. In September 2009, the holders of A shares of over 5% shares of the company being Wang Chuan-fu, Lu Xiang-yang, Xia Zuo-quan and Guangzhou Youngy, signed the "Noncompetition Undertaking" and gave the Company their undertakings as follows:</p> <p>a. With effect from the date of the Letter of Undertaking, they will not engage in any manner, including but not limited to individually or in partnership with others, in businesses which are directly or indirectly the same as, similar to or in any aspect in competition with the businesses of BYD and its controlling subsidiaries.</p> <p>b. They will exert all possible efforts to prevent their other related enterprises from engaging in businesses which are the same as, similar to or in any aspect in competition with the businesses of BYD and its controlling subsidiaries. And they will not have direct or indirect investment holdings in companies, enterprises or other institutions or organizations that operate businesses which are the same as, similar to or in any aspect in competition with the businesses of BYD and its controlling subsidiaries.</p> <p>c. If the companies in which they participating hold direct or indirect operate businesses in competition with BYD and its controlling subsidiaries, they will, in their capacity as participating shareholders or enable the participating shareholders controlled by them to, exercise their veto right in respect of this matter. They will not reveal commercial secrets on the proprietary technologies, sales channels or customer information, etc. of BYD and its controlling subsidiaries to other companies, enterprises or other institutions or organizations that operate businesses which are the same as, similar to or in any aspect in competition with the businesses of BYD and its controlling subsidiaries.</p> <p>d. If they or other enterprises controlled by them in future are/is contemplating to engage in new businesses which may be in peer competition with BYD and its controlling subsidiaries, they will resolve the matter in consultation with BYD under the principle of giving the first right of refusal to BYD and its controlling subsidiaries.</p>			<p>For specific period, please see the column under "Undertaking"</p> <p>1. During the reporting period, the undertakers strictly performed the undertakings;</p> <p>2. during the reporting period, the undertakers strictly performed the undertakings;</p> <p>3. during the reporting period, no additional payment or payment of taxes, delayed payment charges or fines had occurred to the Company as a result of preferential tax treatment, social insurance or housing provident fund issues.</p>

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Item	Undertakers	Undertaking	Undertaking time	Undertaking period	Compliance
		<p>e. If they or other enterprises controlled by them receive(s) business opportunities which are in peer competition or possibly in peer competition with the primary businesses of BYD and its controlling subsidiaries, they undertake(s) to notify BYD of the aforesaid business opportunities, and if BYD and its controlling subsidiaries give an affirmation reply on its/their willingness to utilize such business opportunities, they and other enterprises controlled by them will abandon such business opportunities unconditionally to ensure the interests of BYD and all its shareholders and its controlling subsidiaries are not harmed. Non-reply or negative reply from BYD shall be deemed to be its abandonment of such business opportunities.</p> <p>f. After the issue and listing of A Shares by BYD, if circumstances of peer competition occurred between them and other enterprises controlled by them and BYD and its controlling subsidiaries, they will enable BYD to disclose the details on the nature of peer competition, the specific details of the relevant transactions involved in the peer competition and whether they have performed the undertaking to avoid peer competition in accordance with the information disclosure rules relating to peer competition and be subject to supervision by the investors.</p> <p>2.</p> <p>(1) The controlling shareholder and de facto controller of the Company, Wang Chuanfu, and the shareholders of the Company, Lu Xiangyang, Wang Chuan-fang, Wang Haitao, Wu Changhui, He Zhi-qi, GuangzhouYoungy and Guangzhou Xinhengtong Network Technology Co., Ltd. (廣州信衛通網絡技術有限公司), gave their undertakings that: Within 36 months from the listing date of the shares of the Company, they will not transfer their shares or entrust the shares held by them to be in custody of someone else, nor allow their shares to be repurchased by the Company. After the above lock-up period, in respect of Wang Chuan-fu, during his term of office as the director and senior management officer of the Company, and Lu Xiang-yang, during his term of office as a director of the Company, the number of shares may be transferred by them in each year shall not exceed 25% of the total transferable shares of the Company held by them, and they shall not transfer the shares of the Company held by them within six months after the termination of their appointments, and the number of shares sold through listed transactions at the stock exchange within 12 months after six months upon their reported termination shall not exceed 50% of the total number of shares of the Company held by them. In addition, Lu Xiang-yang gave a further undertaking that:</p>		N/A	N/A

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Item	Undertakers	Undertaking	Undertaking time	Undertaking period	Compliance
		<p>Within 36 months from the listing date of the shares of the Company, he shall not transfer or entrust to others for management the shares of the Company indirectly held by him through Guangzhou Youngy and shall not allow the Company to repurchase the shares indirectly held by him through Guangzhou Youngy. During his term of office as a director of the Company, the shareholding of Guangzhou Youngy to be transferred by him per year shall not exceed 25% of the total shareholding of Guangzhou Youngy held by him, and he will not transfer the shareholding of Guangzhou Youngy held by him within six months after the termination of his appointment. And Guangzhou Youngy gave a further undertaking that: During the reporting period while Lu Xiang-yang is controlling Guangzhou Youngy, the number of shares transferred by it per year shall not exceed 25% of the total number of shares of the Company held by it, and it will not transfer the shares of the Company held by it within six months after Lu Xiang-yang has ceased to control it.</p> <p>(2) The shareholder of the Company, Hefei Xiaohan Commercial Trading Co., Ltd. (合肥曉菡商貿有限責任公司), has given an undertaking that: Regarding the shares of the Company indirectly held by Lu Zi-han through it, within 36 months from the listing date of the shares of the Company, it will not transfer or entrust to others for management the shares held by it, and it will not allow the Company to repurchase the shares held by it. And within 12 months from the listing date of the shares of the Company, it will not transfer or entrust to others for management other shares of the Company held by it, nor allow the Company to repurchase the shares held by it.</p> <p>(3) Other shareholders of nonoverseas listed shares before the company's initial public offering of A shares have given the undertakings that: Within 12 months from the listing date of the shares of the Company, they will not transfer or entrust to others for management the shares held by them, and they will not allow the Company to repurchase the shares held by them. Among them, Xia Zuoquan, Yang Long-zhong, Wang Nian-qiang, Wu Jingsheng, Mao De-he, He Long and Xia Zhi-bing, being the directors and senior management officers of the Company, have given further undertakings that: after the expiry of the above lock-up period, the number of shares transferred per year during their term of office in the Company will not exceed 25% of the total transferable shares of the Company held by them, and they will not transfer the shares of the Company held by them within six months after termination of their appointments, and the number of shares sold through listed transactions at the stock exchange within 12 months after six months upon their reported termination will not exceed 50% of the total number of shares of the Company held by them. In addition, Guangzhou Jianjin Information Technology Co., Ltd. (廣州漸進信息科技有限公司) has made further undertakings that:</p>		N/A	N/A

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Item	Undertakers	Undertaking	Undertaking time	Undertaking period	Compliance
		<p>During the period while Zhang Hui-bin is controlling Guangzhou Jianjin Information Technology Co., Ltd., the number of shares transferred per year will not exceed 25% of the total number of shares of the Company held by it, and within six months after Zhang Hui-bin has ceased to control Guangzhou Jianjin Information Technology Co., Ltd., it will not transfer the shares of the Company held by it.</p> <p>(4) Zhang Hui-bin, a Supervisor of the Company, has made an undertaking that: The shareholding of Guangzhou Jianjin Information Technology Co., Ltd. held by him will not be transferred or entrusted to others for management within 12 months from the listing date of the shares of the Company, and he will not allow Guangzhou Jianjin Information Technology Co., Ltd. to repurchase the shareholding held by him. During his term of office as a supervisor of the Company, the shareholding of Guangzhou Jianjin Information Technology Co., Ltd. may be transferred by him per year will not exceed 25% of the total shareholding of Guangzhou Jianjin Information Technology Co., Ltd. held by him, and he will not transfer the shareholding of Guangzhou Jianjin Information Technology Co., Ltd. held by him within six months after the termination of his appointment.</p> <p>(5) Lu Shou-guo, Lu Zi-han and Zhang Chang-hong have given their undertakings in respect of the shares of the Company indirectly held by them through Guangzhou Xinhengtong Network Technology Co., Ltd., Hefei Xiaohan Commercial Trading Co., Ltd. and Guangzhou Youngy respectively that: Within 36 months from the listing date of the shares of the Company, they will not transfer or entrust to others for management the shares of the Company indirectly held by them through Guangzhou Xinhengtong Network Technology Co., Ltd., Hefei Xiaohan Commercial Trading Co., Ltd. and Guangzhou Youngy, and will not allow the Company to repurchase the shares indirectly held by them through Guangzhou Xinhengtong Network Technology Co., Ltd., Hefei Xiaohan Commercial Trading Co., Ltd. and Guangzhou Youngy.</p> <p>3. The controlling shareholder and de facto controlling person of the Company, Mr. Wang Chuan-fu, has made undertakings in respect of the issues on the Company's preferential tax treatment, social insurance and housing provident fund.</p>		N/A	N/A

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Item	Undertakers	Undertaking	Undertaking time	Undertaking period	Compliance
		<p>Undertaking: If the taxation authority confirms at any time that the preferential tax treatment for enterprise income tax in the Shenzhen Special Economic Zone enjoyed by the Company and its related subsidiaries (BYD Lithium Battery Co., Ltd., BYD Precision Manufacture Co., Ltd., Shenzhen BYD Auto Company Limited, BYD Electronic Component Co., Ltd., BYD Auto Sales Co., Ltd., Shenzhen BYD Battery Mould Co., Ltd., BYD Electronic Co., Ltd., Shenzhen BYD Technician School) are not legal and requests for additional payments on enterprise income tax, I shall be fully liable to the above additional payable amounts of tax and other charges for delayed payments or fines (if any), etc. and surrender the right to recourse against the Company and its subsidiaries, to indemnify the Company and its aforesaid subsidiaries from any losses arising therefrom.</p> <p>Undertaking: If the Company and its subsidiaries suffered any losses during the reporting period from January 1, 2008 to June 30, 2009 as a result of the inability to make timely and full payments of social insurance premiums for their employees, including but not limited to any delayed payment charges or fines imposed by the labour and social security authorities, social insurance authorities or other government authorities, and was required by employees to undertake any payment or compensation liabilities, such payments of delayed payment charges or fines or liabilities for payment and compensation shall be fully undertaken by me, and no consideration will be required to be paid by the Company and its subsidiaries, and the right to recourse against the Company and its subsidiaries will be surrendered, and the Company and its subsidiaries will be indemnified for any losses arising therefrom.</p> <p>Undertaking: If the Company and its subsidiaries suffered any losses during the reporting period from January 1, 2008 to December 31, 2010 as a result of the inability to make timely and full payments of housing provident fund for their employees, including but not limited to any delayed payment charges or fines imposed by the housing provident fund administration authorities or other government authorities, and was required by employees to undertake any payment or compensation liabilities, such payments of delayed payment charges or fines or liabilities for payment and compensation shall be fully undertaken by me, and no consideration will be required to be paid by the Company and its subsidiaries, and the right to recourse against the Company and its subsidiaries will be surrendered, and the Company and its subsidiaries will be indemnified for any losses arising therefrom.</p>		N/A	N/A
Other undertakings made to the Company's minority shareholders			N/A	N/A	N/A

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Whether undertakings performed in time	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Specific reasons for failure in performance and next plans	N/A
Whether undertakings made in relation to the resulting competition and related transactions	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Solution period of undertakings	N/A
Solutions	N/A
Performance of undertakings	The undertakings were strictly performed during the reporting period

(IV) Forecast on the results of operations for 2012

Forecasted results of operations for 2012: net profit attributable to shareholders of the listed company is positive but does not represent turning losses into gains

Net profit attributable to shareholders of the listed company is positive but does not represent turning losses into gains

Change (in percentage) of net profit attributable to shareholders of the listed company for 2012	-98%	to	-92%
Change (in range) of net profit attributable to shareholders of the listed company (RMB10,000) for 2012	2,769	to	11,077
Net profit attributable to shareholders of the listed company (RMB) for 2011	1,384,625,000		
Reasons for changes in results	Amid the uncertainty over the domestic macro-economic condition in 2012, the growth in market demand for automobiles in the PRC continued to be slow. The automobile business of the Group, despite its recovery benefitted by the launching of new vehicle models, remains exposed to great pressure from market competition. The performance of the Group's handset components and assembly services in 2012 is expected to decline as compared with that of the corresponding period in last year due to the impact of a slowdown in the growth of global market demand for handsets and a decrease in the share in some customer markets. Due to the consistently weak global solar market, the results of operation of the solar business recorded a significant decline compared with that of last year. With stronger effort towards market development and expansion and appropriate cost control measures for the solar business, losses in the second half of the year was narrowed, while the overall results of the Group is vulnerable to a relatively significant decline.		

(V) Other material matters requiring disclosure

- Investment in securities
 Applicable N/A
- Investment in derivatives
 Applicable N/A
- Position of the investment in derivatives during the end of the reporting period
 Applicable N/A

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4. Reception of investors and analysts, communications and press interviews during the reporting period

Date	Venue	Mode	Type of parties received	Parties received	Issues discussed and information provided
2012-07-06	Conference Room of the Company	On-site visit	Institutions	Toyo Securities and its customers	Company profile, development trends, industrial status, etc.
2012-07-09	Conference Room of the Company	On-site visit	Institutions	Hermes	Company profile, development trends, industrial status, etc.
2012-07-17	Conference Room of the Company	On-site visit	Institutions	Myriad Asset	Company profile, development trends, industrial status, etc.
2012-07-17	Conference Room of the Company	On-site visit	Institutions	Overlook \ Mitsubishi UFJ	Company profile, development trends, industrial status, etc.
2012-07-19	Conference Room of the Company	On-site visit	Institutions	Shanghai point Asset	Company profile, development trends, industrial status, etc.
2012-07-26	Conference Room of the Company	On-site visit	Institutions	CCB Principal Asset	Company profile, development trends, industrial status, etc.
2012-08-28	Hong Kong	Investor exchange	Institutions	Half-year results road show	Company profile, development trends, industrial status, etc.
2012-08-29	Hong Kong	Investor exchange	Institutions	Half-year results road show	Company profile, development trends, industrial status, etc.
2012-09-05	Conference Room of the Company	On-site visit	Institutions	China Investment Securities and its customers	Company profile, development trends, industrial status, etc.
2012-09-12	Conference Room of the Company	On-site visit	Institutions	Baillie Gifford	Company profile, development trends, industrial status, etc.

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Date	Venue	Mode	Type of parties received	Parties received	Issues discussed and information provided
2012-09-14	Conference Room of the Company	On-site visit	Institutions	ACQ	Company profile, development trends, industrial status, etc.
2012-09-14	Conference Room of the Company	On-site visit	Institutions	JP Morgan	Company profile, development trends, industrial status, etc.
2012-09-18	Conference Room of the Company	On-site visit	Institutions	First Capital Securities	Company profile, development trends, industrial status, etc.
2012-09-18	Conference Room of the Company	On-site visit	Institutions	Jl Asia	Company profile, development trends, industrial status, etc.
2012-09-24	Conference Room of the Company	On-site visit	Institutions	Daiwa Securities and its customers	Company profile, development trends, industrial status, etc.
2012-09-25	Conference Room of the Company	On-site visit	Institutions	Dongxing Securities	Company profile, development trends, industrial status, etc.
2012-09-25	Conference Room of the Company	On-site visit	Institutions	Trilogy Global Advisors	Company profile, development trends, industrial status, etc.
2012-09-25	Conference Room of the Company	On-site visit	Institutions	Moon Capital	Company profile, development trends, industrial status, etc.
2012-09-25	Conference Room of the Company	On-site visit	Institutions	AEGON-INDUSTRIAL Fund	Company profile, development trends, industrial status, etc.
2012-09-25	Conference Room of the Company	On-site visit	Institutions	Burgundy Asset	Company profile, development trends, industrial status, etc.
2012-09-26	Conference Room of the Company	On-site visit	Institutions	CCB Principal Asset	Company profile, development trends, industrial status, etc.
2012-09-26	Conference Room of the Company	Teleconferencing	Institutions	Silverhorn	Company profile, development trends, industrial status, etc.
2012-09-27	Conference Room of the Company	On-site visit	Institutions	Standard Chartered Bank and its customers	Company profile, development trends, industrial status, etc.

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5. Issue of corporate bonds

Whether the Company issued corporate bonds

Yes No

During the reporting period, the Company did not issue any corporate bonds.

As considered and passed at the fifth meeting of the fourth session of the Board of Directors held on 25 August 2011 and the first 2011 Extraordinary General Meeting held on 9 September 2011, the Company determined to issue corporate bonds of a total par value not exceeding RMB6 billion (inclusive) to the public in the PRC, which was approved according to the regulatory permit for securities [2011] No. 2081 by the China Securities Regulatory Commission on 23 December 2011. On 19 June 2012, the Company issued the first tranche of corporate bonds at par value in an aggregate amount of RMB3 billion (“current period bonds”), with the coupon rate at 5.25% for a term of 5 years, together with an option for the issuer to increase the coupon rate at the end of the third year and a sell-back option for investors.

With consent from the Shenzhen Stock Exchange under the document Shen Zheng Shang [2012] No. 222, the current period bonds were listed for dealing on the Shenzhen Stock Exchange on 16 July 2012. The current period bonds were referred to as “11 Yadi 01 (11亞迪01)” with the listed code of “112093”. Such bonds were only traded on the Shenzhen Stock Exchange, and shall not be listed or traded on other stock exchanges other than the Shenzhen Stock Exchange.

For further details, please refer to the “Offering Document for the Public Issue of Corporate Bonds 2011 (First Tranche)” disclosed or the cninfo website (<http://www.cninfo.com.cn>) on 15 June 2012 and the “Announcement on the Listing of Corporate Bonds 2011 (First Tranche)” made by the Company on 13 July 2012 in China Securities Journal, Shanghai Securities News, Securities Times and the cninfo website.

6. This quarterly report is prepared in both Chinese and English. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

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IV. APPENDICES

(I) Financial statements

Whether required to be consolidated:

Yes No N/A

Unless otherwise stated, amounts in the financial statements of financial reports are in RMB'000.

1. Consolidated Balance Sheet

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Closing balance	Opening balance
Current assets:		
Cash and cash equivalent	4,081,451	4,048,446
Balances with clearing companies		
Placements with banks and other financial institutions		
Held-for-trading financial assets		
Notes receivable	3,522,282	4,319,314
Accounts receivable	5,910,957	5,487,732
Prepayments	513,612	598,728
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Interests receivable		
Dividends receivable	—	7,875
Other receivable	316,149	334,063
Purchases of resold financial assets		
Inventories	7,282,044	6,595,797
Non-current assets due within one year	16,000	32,500
Other current assets		
Total current assets	21,642,495	21,424,455
Non-current assets:		
Entrusted loans and advances granted		
Available-for-sale financial assets	2,695	15,192
Held-to-maturity investments		
Long-term receivables	8,500	17,500
Long-term equity investments	740,639	571,976
Investment properties		
Fixed assets	24,580,324	21,532,825
Construction in progress	8,507,097	9,190,558
Construction materials	1,871,523	4,308,315
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	5,733,235	5,325,171
Development costs	2,115,216	1,396,283

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1. Consolidated Balance Sheet (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Closing balance	Opening balance
Goodwill	65,914	65,914
Long-term deferred expenditures	—	18,885
Deferred tax assets	657,472	586,479
Other non-current assets	1,683,566	1,170,839
Total non-current assets	45,966,181	44,199,937
Total assets	67,608,676	65,624,392
Current liabilities:		
Short-term borrowings	8,510,205	10,011,122
Borrowings from central bank		
Deposit taking and deposit in inter-bank market		
Placements from banks and other financial institutions		
Held-for-trading financial liabilities		
Notes payable	11,383,748	8,403,533
Accounts payable	6,418,190	8,832,401
Advances from customers	2,273,678	1,870,520
Disposal of repurchased financial assets		
Handling charges and commissions payable		
Staff remuneration payable	1,121,282	1,281,563
Taxes payable	-940,792	-802,188
Interests payable	68,012	14,151
Dividends payable	10,000	10,000
Other payable	1,451,748	1,629,189
Reinsurance accounts payable		
Deposits for insurance contracts		
Customer deposits for trading in securities		
Amounts due to issuer for securities underwriting		
Non-current liabilities due within one year	2,995,500	1,330,700
Provision	199,702	338,565
Other current liabilities	838,610	451,378
Total current liabilities	34,329,883	33,370,934

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1. Consolidated Balance Sheet (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	4,088,591	6,084,992
Debentures payable	3,966,410	994,255
Long-term payable		
Special payable		
Estimated Liabilities		
Deferred income tax liabilities		
Other non-current liabilities	1,132,055	1,194,075
Total non-current liabilities	9,187,056	8,273,322
Total liabilities	43,516,939	41,644,256
Owners' equity (shareholders' equity):		
Paid-up capital (or share capital)	2,354,100	2,354,100
Capital reserve	7,013,922	7,008,256
Less: Treasury stock		
Special reserve		
Surplus reserve	1,716,698	1,716,698
General risk provision		
Undistributed profit	10,186,432	10,169,160
Foreign currency translation difference	-116,408	-123,697
Total owners' equity attributable to the parent company	21,154,744	21,124,517
Non-controlling interests	2,936,993	2,855,619
Total owners' equity (or shareholder's equity)	24,091,737	23,980,136
Total liabilities and owners' equity (or shareholder's equity)	67,608,676	65,624,392

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

2. Balance Sheet of the parent company

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Closing balance	Opening balance
Current assets:		
Cash and cash equivalents	177,147	103,771
Held-for-trading financial assets		
Notes receivable	146,599	185,747
Accounts receivable	9,241,626	2,973,406
Prepayments	11,408	21,168
Interests receivable		
Dividends receivable		452,840
Other receivable	6,439,696	6,612,254
Inventories	516,738	424,586
Non-current assets due within one year		
Other current assets		
Total current assets	16,533,214	10,773,772
Non-current assets:		
Available-for-sale investments	2,695	8,470
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	6,976,889	6,010,656
Investment properties		
Fixed assets	1,383,430	1,419,255
Construction in progress	73,020	105,120
Construction materials	3,749	6,824
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	63,912	63,487
Development costs	1,272	1,272
Goodwill		
Long-term deferred expenditures		
Deferred tax assets		
Other non-current assets		
Total non-current assets	8,504,967	7,615,084
Total assets	25,038,181	18,388,856

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2. Balance Sheet of the parent company (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	3,501,481	2,013,708
Held-for-trading financial liabilities		
Notes payable	599,035	531,860
Accounts payable	3,934,520	2,447,623
Advances from customers	32,465	24,844
Staff remuneration payable	85,245	107,107
Taxes payable	-49,917	-24,049
Interests payable	44,852	—
Dividends payable		
Other payable	3,135,877	2,157,387
Non-current liabilities due within one year	1,450,000	538,200
Other current liabilities	27,345	34,630
Total current liabilities	12,760,903	7,831,310
Non-current liabilities:		
Long-term borrowings	1,836,150	2,916,935
Debentures payable	2,970,810	—
Long-term payable		
Special payable		
Provision		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,806,960	2,916,935
Total liabilities	17,567,863	10,748,245
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	2,354,100	2,354,100
Capital reserve	2,637,515	2,643,290
Less: Treasury stock		
Special reserve		
Surplus reserve	483,100	483,100
General risk provision		
Undistributed profit	1,995,603	2,160,121
Foreign currency translation difference		
Total owners' equity (or shareholders' equity)	7,470,318	7,640,611
Total liabilities and owners' equity (or shareholders' equity)	25,038,181	18,388,856

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

3. Consolidated income statement for the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Three months ended 30 September 2012	Three months ended 30 September 2011
I. Total revenue from operations	10,526,928	11,789,425
Including: Operating revenue	10,526,928	11,789,425
Interest income		
Premiums earned		
Income from fees and commissions		
II. Total cost of operations	10,577,292	11,704,123
Including: Cost of operations	9,195,135	9,899,712
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 surcharge	216,146	221,573
Selling expenses	297,958	377,054
Administrative expenses	695,537	884,327
Finance expenses	149,531	204,639
Impairment losses of assets	34,816	116,818
Add: Gains from changes in fair value (losses are represented by "-")		
Gains from investment (losses are represented by "-")	-11,651	17,429
Including: Gains from investment in associates and joint ventures	-11,651	17,429
Gains from exchange (losses are represented by "-")		
III. Operating profit (loss is represented by "-")	-73,666	102,731
Add: Non-operating income	200,817	70,641
Less: Non-operating expense	22,059	36,501
Including: Loss on disposal of non-current assets	-4,344	8,511

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3. Consolidated income statement during the reporting period (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Three months ended 30 September 2012	Three months ended 30 September 2011
IV. Total profit (total loss is represented by "-")	105,092	136,871
Less: Income tax	70,153	19,460
V. Net profit (net loss is represented by "-")	34,939	117,411
Including: Net profit realized by the acquired company before the acquisition		
Net profit attributable to the owners of the parent company	4,612	77,367
Non-controlling interests	30,327	40,044
VI. Earnings per share:	—	—
(I) Basic Earnings per share	0.002	0.0329
(II) Diluted Earnings per share	N/A	0.0329
VII. Other comprehensive income	40,426	-82,071
VIII. Total comprehensive income	75,365	35,340
Total comprehensive income attributable to owners of the parent company	30,187	21,456
Total comprehensive income attributable to Non-controlling interests	45,178	13,884

There has been business combination under common control during the period. The Net Profit realized by the acquired company before the acquisition is RMB nil.

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

4. Income statement of the parent company for the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Three months ended 30 September 2012	Three months ended 30 September 2011
I. Revenue from operations	4,626,530	1,390,739
Less: Cost of operations	4,537,092	1,311,054
Business tax and surcharge	3,710	4,760
Selling expenses	8,143	10,941
Administrative expenses	75,525	97,983
Finance expenses	86,572	41,645
Impairments loss of assets	2,398	1,313
Add: Gains from change in fair value (loss is represented by "-")		
Gains from investment (loss is represented by "-")	2,758	-93
Including: Gains from investment in associates and joint ventures	-202	-93
II. Operating profit (loss is represented by "-")	-84,152	-77,050
Add: Non-operating income	12,017	3,156
Less: Non-operating expense	9,636	2,914
Including: Loss from disposal of non-current assets	220	162
III. Total profit (total loss is represented by "-")	-81,771	-76,808
Less: Income tax expense		
IV. Net profit (net loss is represented by "-")	-81,771	-76,808
V. Earnings per share:	—	—
(I) Basic Earnings per share	-0.0347	-0.0326
(II) Diluted Earnings per share	N/A	-0.0326
VI. Other comprehensive income	-600	
VII. Total comprehensive income	-82,371	-76,808

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

5. Consolidated income statement from the beginning of the year to the end of the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
I. Total revenue from operations	33,108,940	34,334,089
Including: Revenue from operations	33,108,940	34,334,089
Interest income		
Premiums earned		
Income from fees and commissions		
II. Total cost of operations	33,232,622	33,917,483
Including: Cost of operations	28,241,703	28,891,672
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 surcharge	800,170	573,918
Selling expenses	1,089,612	1,224,320
Administrative expenses	2,284,822	2,491,180
Finance expenses	550,393	565,235
Impairments loss of assets	276,863	171,158
Add: Gains from change in fair value (loss is represented by "-")		
Gains from investment (loss is represented by "-")	-10,941	13,852
Including: Gains from investment in associates and joint ventures	-24,254	13,852
Gains from exchange (loss is represented by "-")		
III. Operating profit (loss is represented by "-")	-145,564	430,458
Add: Non-operating income	458,454	271,859
Less: Non-operating expense	48,454	75,521
Including: Loss from disposal of non-current assets	9,561	24,887

2012 THIRD QUARTERLY REPORT

5. Consolidated income statement from the beginning of the year to the end of the reporting period (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
IV. Total profit (total loss is represented by "-")	264,436	626,796
Less: Income tax expense	125,343	114,853
V. Net profit (net loss is represented by "-")	139,093	511,943
Including: Net profit realized by the acquired company before the acquisition		
Net profit attributable to the owners of the parent company	20,881	352,730
Minority interests	118,212	159,213
VI. Earnings per share:	—	—
(I) Basic Earnings per share	0.0089	0.1531
(II) Diluted Earnings per share	N/A	0.1531
VII. Other comprehensive income	-770	-89,887
VIII. Total comprehensive income	138,323	422,056
Total comprehensive income attributable to the owners of the parent company	15,674	291,978
Total comprehensive income attributable to minority interests	122,649	130,078

There has been business combination under common control from the beginning of the year to the end of the reporting period. The Net Profit realized by the acquired company before the acquisition is RMB nil.

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

6. Income statement of the parent company from the beginning of the year to the end of the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
I. Revenue from operations	16,281,429	3,877,579
Less: Cost of operations	15,980,427	3,555,968
Business tax and surcharge	16,624	7,334
Selling expenses	27,502	28,459
Administrative expenses	235,775	284,723
Finance expenses	200,979	125,235
Impairments loss of assets	4,287	5,970
Add: Gains from change in fair value (loss is represented by "-")		
Gains from investment (loss is represented by "-")	8,789	-1,259
Including: Gains from investment in associates and joint ventures	133	-1,259
II. Operating profit (loss is represented by "-")	-175,376	-131,369
Add: Non-operating income	24,767	13,294
Less: Non-operating expense	13,909	20,305
Including: Loss from disposal of non-current assets	1,586	1,094
III. Total profit (total loss is represented by "-")	-164,518	-138,380
Less: Income tax expense		
IV. Net profit (net loss is represented by "-")	-164,518	-138,380
V. Earnings per share:		
(I) Basic Earnings per share	-0.0699	-0.0601
(II) Diluted Earnings per share	N/A	-0.0601
VI. Other comprehensive income	-5,775	
VII. Total comprehensive income	-170,293	-138,380

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

7. Consolidated Cash Flow Statement from the beginning of the year to the end of the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering services	38,546,989	37,734,602
Net increase in customer and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in borrowings from 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 in disposal of held-for-trading financial assets		
Cash received from interest, fees and commissions		
Net increase in borrowings		
Net increase in income from repurchase business		
Refunds of taxes	479,786	655,917
Cash received relating to other operating activities	400,807	164,101
Sub-total of cash inflows from operating activities	39,427,582	38,554,620
Cash paid for goods and service	26,728,825	26,022,343
Net increase in customer loans and advances		
Net increase in deposit in the central bank and interbank deposits		
Cash paid for compensation payments under original insurance contract		
Cash paid for interests, fees and commissions		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	5,610,889	5,522,482
Tax payments	1,867,367	1,100,892
Cash paid relating to other operating activities	2,186,690	1,722,642
Sub-total of cash outflows from operating activities	36,393,771	34,368,359
Net cash flow from operating activities	3,033,811	4,186,261

2012 THIRD QUARTERLY REPORT

7. Consolidated Cash Flow Statement from the beginning of the year to the end of the reporting period (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
II. Cash flow generated from investing activities:		
Cash received from disposal of investments	89,100	
Cash received from gains in investment	7,875	13,129
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	83,668	57,715
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities	23,400	8,750
Sub-total of cash inflows from investing activities	204,043	79,594
Cash paid for purchase and construction of fixed assets, intangible assets and other long term assets	3,037,998	7,559,905
Cash paid for investment	200,000	265,538
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Cash paid relating to other investment activities		34,885
Sub-total of cash outflows from investing activities	3,237,998	7,860,328
Net cash flow generated from investing activities	-3,033,955	-7,780,734
III. Cash flow generated from financing activities:		
Proceeds received from financing activities		1,422,000
Including: Proceeds received by subsidiaries from minority shareholders' investment		
Cash received from borrowing	9,323,293	16,718,866
Cash received from issuing bonds	3,000,000	1,000,000
Cash received relating to other financing activities	46,525	
Sub-total of cash inflows from financing activities	12,369,818	19,140,866
Cash repayments of borrowings	11,359,449	13,203,102
Dividends paid, profit distributed or interest paid	917,352	689,773
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Cash paid relating to other financing activities	31,798	77,963
Sub-total of cash outflows from financing activities	12,308,599	13,970,838
Net cash flows from financing activities	61,219	5,170,028

2012 THIRD QUARTERLY REPORT

7. Consolidated Cash Flow Statement from the beginning of the year to the end of the reporting period (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
IV. Effects of Changes in Exchange Rate on Cash and Cash Equivalents	18,455	-40,060
V. Net Increase in Cash and Cash Equivalents	79,530	1,535,495
Add: Opening balance of cash and cash equivalents	3,737,386	1,978,735
VI. Closing balance of Cash and Cash Equivalents	3,816,916	3,514,230

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

2012 THIRD QUARTERLY REPORT

8. Cash flow statement of parent company from the beginning of the year to the end of the reporting period

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering services	13,651,605	4,707,426
Refunds of taxes	19,458	44,593
Cash received relating to other operating activities	1,104,928	83,271
Sub-total of cash inflows from operating activities	14,775,991	4,835,290
Cash paid for goods and service	16,848,440	3,047,754
Cash paid to and on behalf of employees	421,764	437,802
Cash paid for all types of taxes	80,159	51,118
Cash paid relating to other operating activities	841,341	3,440,654
Sub-total of cash outflows from operating activities	18,191,704	6,977,328
Net cash flow from operating activities	-3,415,713	-2,142,038
II. Cash flow generated from investing activities:		
Cash received from disposal of investments	3,960	
Cash received from gains in investment		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	6,343	9,367
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities		
Sub-total of cash inflows from investing activities	10,303	9,367
Cash paid for purchase and construction of fixed assets, intangible assets and other long term assets	36,904	75,832
Cash paid for investment	302,800	1,684,512
Net cash paid for acquiring subsidiaries and other operating entities		
Cash paid relating to other investment activities		
Sub-total of cash outflows from investing activities	339,704	1,760,344
Net cash flow generated from investing activities	-329,401	-1,750,977

2012 THIRD QUARTERLY REPORT

8. Cash flow statement of parent company from the beginning of the year to the end of the reporting period (continued)

Prepared by: BYD Company Limited

Unit: RMB'000

Item	Nine months ended 30 September 2012	Nine months ended 30 September 2011
III. Cash flow from financing activities:		
Cash received from capital injections		1,422,000
Cash received from borrowing	4,202,846	4,350,697
Cash received from issuing bonds	3,000,000	
Cash received relating to other financing activities		
Sub-total of cash inflows from financing activities	7,202,846	5,772,697
Cash repayments of borrowings	3,212,164	1,625,513
Dividends paid, profit distributed or interest paid	147,653	203,966
Cash paid relating to other financing activities	31,798	50,480
Sub-total of cash outflows from financing activities	3,391,615	1,879,959
Net cash flows from financing activities	3,811,231	3,892,738
IV. Effects of Changes in Foreign Exchange Rate on Cash and Cash Equivalents	7,259	
V. Net Increase in Cash and Cash Equivalents	73,376	-277
Add: Opening balance of Cash and cash equivalents	103,771	88,593
VI. Closing balance of cash and Cash Equivalents	177,147	88,316

Legal representative
of the Company:
Wang Chuan-fu

Person in charge
of Accounting:
Wu Jing-sheng

Head of Accounting
Department:
Zhou Ya-lin

(II) Audit report

Audit opinion: Unaudited

BYD Company Limited
Wang Chuan-fu
Chairman

Shenzhen, P.R.C., 29 October 2012

As at the date of this announcement, the Board of Directors of BYD Company Limited comprises Mr. Wang Chuan-fu being the executive Director, Mr. Lu Xiang-yang and Mr. Xia Zuo-quan being the non-executive Directors, and Ms. Li Dong, Mr. Wu Chang-qi and Mr. Li Lian-he being the independent non-executive Directors.