

Stock Code: 200725

Stock Name: BOE B

Announcement No. 2017-060

BOE TECHNOLOGY GROUP CO., LTD.

THIRD QUARTER REPORT 2017 (SHORT FORM)

Part I Important Statements

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

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

Mr. Wang Dongsheng, head of the Company, Mr. Chen Yanshun, President of the Executive Committee (CEO), Ms. Sun Yun, accounting head for this Report, and Ms. Yang Xiaoping, head of the accounting department (head of accounting) of the Company, hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

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

Part II Company Fundamentals

I Key Consolidated Operating Results

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

Yes No

Item	September 30, 2017	December 31, 2016	Change	
Total assets (RMB Yuan)	238,955,632,292.00	205,135,011,042.00	16.49%	
Equity attributable to owners of the parent (RMB Yuan)	83,724,702,000.00	78,699,988,493.00	6.38%	
Item	July-September 2017	YoY change	January-September 2017	YoY change
Net sales (RMB Yuan)	24,803,328,149.00	27.89%	69,408,356,144.00	51.41%
Net margin attributable to owners	2,173,061,620.00	230.68%	6,475,667,220.00	4,503.51%

of the parent (RMB Yuan)				
Net margin attributable to owners of the parent before exceptional gains and losses (RMB Yuan)	1,899,046,822.00	239.86%	5,916,890,931.00	-
Net cash from operating activities (RMB Yuan)	--	--	18,491,007,288.00	182.39%
Basic earnings per share (RMB Yuan/share)	0.062	226.32%	0.185	4,525.00%
Diluted earnings per share (RMB Yuan/share)	0.062	226.32%	0.185	4,525.00%
Weighted average return on equity (%)	2.66%	1.81%	7.96%	7.78%

Exceptional gains and losses:

Applicable Not applicable

Unit: RMB Yuan

Item	January-September 2017	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-52,833,590.00	N/A
Tax rebates, reductions or exemptions due to approval beyond authority or the lack of official approval documents	0.00	N/A
Government grants recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	612,352,020.00	N/A
Capital occupation charges on non-financial enterprises that recorded into current gains and losses	0.00	N/A
Gains due to that the investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the enjoyable fair value of the identifiable net assets of the investees when making the investments	0.00	N/A
Gain/loss on non-monetary asset swap	0.00	N/A
Gain/loss on entrusting others with investments or asset management	0.00	N/A
Asset impairment provisions due to acts of God such as natural disasters	0.00	N/A
Gain/loss on debt restructuring	0.00	N/A
Expenses for business reorganization, such as expenses for staffing, reorganization etc.	0.00	N/A
Gain/loss on the part over the fair value due to transactions with distinctly unfair prices	0.00	N/A
Current gains and losses of subsidies acquired from business combination under the same control as from period-begin to combination date	0.00	N/A
Gain/loss on contingent events irrelevant to the Company's normal business	0.00	N/A

Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable financial liabilities and financial assets available for sales, except for effective hedging related with normal businesses of the Company	58,259,670.00	N/A
Reversal of impairment provisions for the accounts receivable on which impairment tests were carried out separately	698,969.00	N/A
Gain/loss on external entrustment loans	0.00	N/A
Gain/loss on change of the fair value of investing real estate of which the subsequent measurement is carried out adopting the fair value method	0.00	N/A
Effect on current gains/losses when a one-off adjustment is made to current gains/losses according to requirements of taxation, accounting and other relevant laws and regulations	0.00	N/A
Custody fee income when entrusted with operation	0.00	N/A
Non-operating incomes and expenses other than the above	38,050,135.00	N/A
Other gain/loss items that meet the definition of an extraordinary gain/loss	0.00	N/A
Less: Income tax effects	73,358,157.00	N/A
Minority interests effects (after tax)	24,392,758.00	N/A
Total	558,776,289.00	--

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

Applicable Not applicable

No such cases in the Reporting Period.

II Total Number of Shareholders and Shareholdings of Top 10 Shareholders at Period-End

1. Numbers of Common Shareholders and Preference Shareholders with Resumed Voting Rights, and Shareholdings of Top 10 Shareholders

Unit: share

Total number of common shareholders at period-end		979,167 (A-shareholders: 941,875; B-shareholders: 37,292)					
Top 10 shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at period-end	Restricted shares held at period-end	Pledged or frozen shares		
					Status	Number	
Beijing State-owned Capital Management Center	State-owned Corporation	11.68%	4,063,333,333	0	N/A	0	

Chongqing Capital Photoelectricity Investment Co., Ltd.	State-owned Corporation	8.62%	3,000,000,000	0	N/A	0
Hefei Jianxiang Investment Co., Ltd.	State-owned Corporation	8.21%	2,857,142,857	0	N/A	0
Beijing Economic-Technological Investment & Development Corp.	State-owned Corporation	3.57%	1,241,423,641	0	N/A	0
Beijing BOE Investment & Development Co., Ltd.	State-owned Corporation	2.36%	822,092,180	0	N/A	0
National Social Security Fund Portfolio 108	Other	1.58%	550,038,713	0	N/A	0
Hong Kong Securities Clearing Company Ltd.	Foreign corporation	0.88%	305,284,592	0	N/A	0
Beijing Electronics Holdings Co., Ltd.	Nation	0.79%	273,735,583	0	N/A	0
Central Huijin Investment Ltd.	State-owned Corporation	0.71%	248,305,300	0	N/A	0
National Social Security Fund Portfolio 101	Other	0.64%	223,371,500	0	N/A	0

Top 10 non-restricted shareholders

Name of shareholder	Non-restricted shares held at period-end	Type of stock	
		Type	Number
Beijing State-owned Capital Management Center	4,063,333,333	RMB ordinary shares	4,063,333,333
Chongqing Capital Photoelectricity Investment Co., Ltd.	3,000,000,000	RMB ordinary shares	3,000,000,000
Hefei Jianxiang Investment Co., Ltd.	2,857,142,857	RMB ordinary shares	2,857,142,857
Beijing Economic-Technological Investment & Development Corp.	1,241,423,641	RMB ordinary shares	1,241,423,641
Beijing BOE Investment & Development Co., Ltd.	822,092,180	RMB ordinary shares	822,092,180

National Social Security Fund Portfolio 108	550,038,713	RMB ordinary shares	550,038,713
Hong Kong Securities Clearing Company Ltd.	305,284,592	RMB ordinary shares	305,284,592
Beijing Electronics Holdings Co., Ltd.	273,735,583	RMB ordinary shares	273,735,583
Central Huijin Investment Ltd.	248,305,300	RMB ordinary shares	248,305,300
National Social Security Fund Portfolio 101	223,371,500	RMB ordinary shares	223,371,500
Related or acting-in-concert parties among shareholders above	<p>1. Beijing State-owned Capital Operation and Management Center held 100% equities of Beijing Electronics Holdings Co., Ltd.</p> <p>2. Beijing Electronics Holdings Co., Ltd. held 66.25% equities of Beijing BOE Investment & Development Co., Ltd. and was its controlling shareholder.</p> <p>3. After the non-public issuing of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Capital Photoelectricity Investment Co., Ltd., by entering into Implementation Protocol of Voting Right respectively, agreed to maintain all of the shares held by them respectively unanimous with Beijing BOE Investment & Development Co., Ltd. when executing the voting rights of the shareholders.</p> <p>4. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over 70% of the shares directly held by it to Beijing Electronics Holdings Co., Ltd. for management through Stock Management Protocol, and Beijing Electronics Holdings Co., Ltd. gained the incidental shareholders' rights except for disposing right and usufruct of the shares, of which the rest 30% voting right maintained unanimous with Beijing Electronics Holdings Co., Ltd. through the agreement according to Implementation Protocol of Voting Right.</p> <p>5. Except for relationship among the above shareholders, the Company is not aware of whether the other top ten shareholders exist associated relationship or not, or they are persons acting in concert or not.</p>		
Top 10 common shareholders conducting securities margin trading (if any)	N/A		

Indicate by tick mark whether any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company conducted any promissory repo during the Reporting Period.

Yea No

No such cases in the Reporting Period.

2. Total Number of Preference Shareholders and Shareholdings of Top 10 of Them at Period-End

Applicable Not applicable

Part III Significant Events

I Changes in Key Consolidated Financial Statement Items and Reasons for Such Changes

√ Applicable □ Not applicable

Unit: RMB Yuan

Item	September 30, 2017/January-September 2017	December 31, 2016/January-September 2016	Change	Main reason for change
Other current assets	15,032,948,154	5,691,200,226	164%	Increased investments in wealth management products
Long-term equity investments	2,353,204,156	1,356,111,395	74%	Increased investments in associates
Construction in progress	49,719,431,282	33,008,248,720	51%	Higher expenditure on construction and equipment purchases
Short-term borrowings	1,678,999,556	4,916,965,507	-66%	Partial repayment of bank loans in the current period
Non-current liabilities due within one year	11,361,177,187	3,684,236,935	208%	Reclassification of long-term borrowings in the current period
Long-term accounts payable	2,399,693,429	1,261,446,565	90%	Increased finance leases
Net sales	69,408,356,144	45,841,905,735	51%	A larger business size and a positive industry outlook
Selling expense	1,988,692,991	1,172,795,371	70%	Increased sales activities
Income tax expense	1,353,027,097	120,127,244	1026%	Substantial increase in earnings
Net cash from operating activities	18,491,007,288	6,548,148,538	182%	Increase in earnings
Net cash from investing activities	-47,711,823,118	-17,914,918,712	165%	Higher expenditure on construction and equipment purchases
Net cash from financing activities	27,057,943,017	11,139,226,214	143%	Specialized borrowings for new construction projects

II Progress, Influence and Solutions Associated with Significant Events

√ Applicable □ Not applicable

1. On Jul.15, 2016, BOE disclosed Plan on Repurchasing Part of BOE's Public Share, which was passed in 3th extraordinary general meeting in 2016. On Sep. 20, 2016, BOE implemented the plan for the first time. The plan is expired on August 18, 2017 (expired date of repurchase period). BOE has repurchased 88,692,299 A-shares (max. price: RMB Yuan2.92/share, min. price: RMB

Yuan2.36/share, total payment: RMB Yuan226,525,285.07 (commission and other fixed charged included)), and 265,976,681 B-shares (max. price: HKD3.45/share, min. price: HKD2.12/share, total payment: HKD799,996,931.17 (commission and other fixed charged included)). For more details, see Announcement No. 2017-046 on Consummation of Partial Repurchase of Public Shares disclosed by the Company on August 22, 2017.

2. The Company disclosed the Announcement on 2016 Annual Profit Distribution on July 8, 2017. The profit distribution plan had been considered and approved at the 2016 Annual Meeting of Shareholders on June 9, 2017. For the year 2016, the Company would distribute a cash dividend of RMB Yuan0.3 per 10 shares (cash dividends for B-shareholders would be paid in HKD as per the central parity rate between RMB Yuan and HKD declared by the People's Bank of China on the first working day after the profit distribution resolution was made by the Company's meeting of shareholders), without bonus shares or shares converted from capital reserve.

3. BOE Technology (HK) Limited, one of the Company's wholly-owned subsidiaries, filed a lawsuit before the Beijing High People's Court over a disputed sales contract against LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd., LeTV Holdings (Beijing) Co., Ltd., Le Sai Mobile Technology (Beijing) Co., Ltd. and Mr. Jia Yueting for approximately USD41.84 million in total. The court has issued the Case Acceptance Notice and the Civil Ruling for property preservation respectively on July 6, 2017 and July 31, 2017. The Company has made a bad-debt provision for the amount claimed as per the accounting standards. Currently, the court is going through the property preservation procedure and the case is awaiting the court's trial. Therefore, its effects on the Company are uncertain.

Announcement of significant event	Disclosure date	Disclosure website
Announcement on Signing Investment Framework Agreement	08/11/2017	http://www.cninfo.com.cn
Announcement on Receipt of Government Subsidy by Subsidiary	09/29/2017	http://www.cninfo.com.cn

III Commitments that the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company and Other Commitment Makers, Failed to Fulfill on Time during Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

IV Forecast of 2017 Annual Operating Results

Warning of a possible loss on or a significant year-over-year change in cumulative net margin during the period the beginning of the current year through the end of the next reporting period, as well as the reasons:

Applicable Not applicable

V Securities Investments

√ Applicable □ Not applicable

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Opening book value	Profit/loss on fair value changes in this Reporting Period	Cumulative fair value changes charged to equity	Purchased in this Reporting Period	Sold in this Reporting Period	Profit/loss in this Reporting Period	Closing book value	Accounting title	Source of investment funds
Domestic/overseas stock	HK00903	TPV Technology	134,658,158.00	Fair value method	28,763,373.00	0.00	726,746.00	0.00	0.00	792,019.00	28,770,053.00	Available-for-sale financial asset	Subscription
Domestic/overseas stock	SH600658	Electronic Zone	90,160,428.00	Fair value method	129,715,503.00	0.00	61,731,579.00	0.00	0.00	0.00	108,407,203.00	Available-for-sale financial asset	Share swap
Domestic/overseas stock	HK01963	Bank of Chongqing	120,084,375.00	Fair value method	148,067,614.00	0.00	16,043,393.00	0.00	0.00	7,331,745.00	136,127,768.00	Available-for-sale financial asset	Subscription
Domestic/overseas stock	HK06066	China Securities	70,041,364.00	Fair value method	69,367,469.00	0.00	-388,957.00	0.00	0.00	2,049,750.00	69,652,407.00	Available-for-sale financial asset	Subscription
Domestic/overseas stock	HK01518	New century medical treatment	142,474,623.00	Fair value method	0.00	0.00	19,544,318.00	142,474,623.00	0.00	0.00	162,018,941.00	Available-for-sale financial asset	Subscription
Funds	Naught	BlackRock GF World Healthscience A2 USD	4,004,297.00	Fair value method	5,974,163.00	0.00	2,215,690.00	0.00	0.00	0.00	6,219,988.00	Available-for-sale financial asset	Subscription
Other securities investments held at the period-end			0.00	--	0.00	0.00	0.00	0.00	0.00	0.00	0.00	--	--
Total			561,423,245.00	--	381,888,122.00	0.00	99,872,769.00	142,474,623.00	0.00	10,173,514.00	511,196,360.00	--	--
Disclosure date of the announcement about			Naught										

the board's consent for the securities investment	
Disclosure date of the announcement about the general meeting's consent for the securities investment (if any)	Naught

VI Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

VII Visits Paid to the Company for Purposes of Research, Communication, Interview, etc. during Reporting Period

√ Applicable □ Not applicable

Date of visit	Way of visit	Type of visitor	About
07/03/2017	By one-on-one meeting	Institution	Main discussion: 1. The performance of the Company and industry conditions 2. Operating situation of the Company 3. Technological and product innovations 4. The future development strategy of the Company See www.cninfo.com.cn for details
07/06/2017	By one-on-one meeting	Institution	
07/07/2017	By phone	Institution	
07/07/2017	By phone	Institution	
07/11/2017	By one-on-one meeting	Institution	
07/11/2017	By one-on-one meeting	Institution	
07/12/2017	By one-on-one meeting	Institution	
07/13/2017	By one-on-one meeting	Institution	
08/21/2017	By one-on-one meeting	Institution	
08/29/2017	By one-on-one meeting	Institution	
08/31/2017	By phone	Institution	
09/05/2017	By one-on-one meeting	Institution	
09/11/2017	By one-on-one meeting	Institution	
09/15/2017	By phone	Institution	
09/18/2017	By one-on-one meeting	Institution	
09/19/2017	By phone	Institution	
09/20/2017	By one-on-one meeting	Institution	
09/20/2017	By phone	Institution	
09/21/2017	By one-on-one meeting	Institution	
09/22/2017	By one-on-one meeting	Institution	
09/25/2017	By one-on-one meeting	Institution	
09/28/2017	By one-on-one meeting	Institution	
09/29/2017	By one-on-one meeting	Institution	

VIII Irregularities Arising from Provision of Guarantees for Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company's Funds by Its Controlling Shareholder or Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

X Targeted Measures Taken to Help People Lift Themselves out of Poverty

The Company did not take such measures in the third quarter of the year and has no such plans for now.

Board Chairman (signature): _____
Wang Dongsheng

Date of the Board's approval of this Report: October 27, 2017