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彩虹集團電子股份有限公司

IRICO GROUP ELECTRONICS COMPANY LIMITED*

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

(Stock Code: 0438)

**OVERSEAS REGULATORY ANNOUNCEMENT
AND
PROFIT ALERT ANNOUNCEMENT**

This announcement is made by IRICO Group Electronics Company Limited* (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rule 13.09(2)(a) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**ANNOUNCEMENT ON PROJECTED LOSS RESULTS FOR THE YEAR OF
2012 AND WARNING OF DELISTING RISK OF IRICO DISPLAY DEVICES
CO., LTD.**

Pursuant to the Rules Governing the Disclosure of Information of A-Shares Listed Companies, IRICO Display Devices Co., Ltd., a subsidiary of IRICO Group Electronics Company Limited*, with its A shares listed on the Shanghai Stock Exchange, published the announcement entitled “Announcement on Projected Loss Results for the Year of 2012 and Delisting Risk Warning of IRICO Display Devices Co., Ltd.” on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) on 30 January 2013. The aforementioned announcement is set out below for reference only.

PROFIT ALERT

The board of directors of the Company hereby informs shareholders and potential investors of the Company that, according to the management accounts of the Group for the year ended 31 December 2012 which have not been audited or confirmed by the auditors of the Company, the Group is expected to record a significant loss attributable to owners of the Group for the year ended 31 December 2012, mainly due to the following reasons:

1. In 2012, the colour picture tube business of the Group continued to contract, the market competition within the solar photovoltaic glass industry and the luminous materials industry escalated, the prices of products remained low and the liquid crystal display glass substrate production line was still under construction or at the stage of trial production; and
2. Impairment and provisions were made against certain assets.

This estimated loss is based only on the preliminary management accounts of the Group, which have not been reviewed or confirmed by the auditors of the Company. The audited annual results of the Group for the year ended 31 December 2012 are expected to be published in March 2013.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
IRICO Group Electronics Company Limited*
Chu Xiaohang
Company Secretary

Shaanxi Province, the PRC
29 January 2013

As at the date of this announcement, the Board consists of Mr. Tao Kui and Mr. Zhang Junhua as executive directors, Mr. Guo Mengquan, Mr. Niu Xinan, Mr. Fu Jiuquan and Mr. Zhang Weichuan as non-executive directors, and Mr. Xu Xinzong, Mr. Feng Bing, Mr. Wang Jialu, Mr. Lv Hua and Mr. Zhong Pengrong as independent non-executive directors.

* *For identification purposes only*

**IRICO DISPLAY DEVICES CO., LTD. (THE “COMPANY”)
ANNOUNCEMENT ON THE PROJECTED LOSS RESULTS FOR
THE YEAR OF 2012 AND DELISTING RISK WARNING**

The board of directors and all directors of the Company warrant that there are no false representations, misleading statements or material omissions in this announcement, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

I. PROJECTED RESULTS FOR THE CURRENT PERIOD

(1) Projected period:

From 1 January 2012 to 31 December 2012.

(2) Projected results:

The finance department of the Company preliminarily estimates that the Company is expected to record a significant net loss attributable to shareholders of the Company for the year of 2012.

(3) The projected figures have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD IN THE PREVIOUS YEAR

(1) Net profit attributable to shareholders of the Company: RMB-517,713,940.31

(2) Earnings per share: RMB-0.703

III. REASONS FOR THE PROJECTED LOSS RESULTS FOR THE PERIOD

- (1) As the colour picture tubes industry continues to contract, which led the Company's colour picture tube business to incur loss, the Company had shut down all colour picture tube production lines as at the end of 2012.
- (2) The Company has made breakthroughs in its new industry project and one glass substrate production line has completed acceptance successfully and has been carried forward as a fixed asset. Nevertheless, the remaining production lines have not satisfied the condition of acceptance and carrying forward. No revenue was generated from the new industry project in the reporting period.
- (3) Provision for impairment was made in respect of relevant assets as at the end of 2012.

IV. OTHER RELEVANT EXPLANATIONS

- (1) The projected results have not been audited by the auditors. Specific and accurate financial figures shall be based on the audited 2012 annual report to be officially disclosed by the Company.
- (2) As the Company recorded a net loss attributable to the shareholders of the Company for the year 2011 and is expected to continue to record a net loss attributable to the shareholders of the Company for the year 2012 according to the preliminary estimates of the finance department, a "delisting risk alert" may be imposed on the shares of the Company after the annual report of the Company is disclosed. The board of directors of the Company advise investors to pay attention to the investment risks involved.

The board of directors of IRICO Display Devices Co., Ltd.

29 January 2013