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

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

(Stock Code: 1072)

2020 FIRST QUARTERLY REPORT

I. IMPORTANT NOTICE

1.1 The board of directors, the supervisory committee and the directors, supervisors and senior management of the Company warrant that the contents of this quarterly report are true, accurate and complete, and contain no false representation, misleading statements or material omission, and jointly and severally accept legal responsibility for this quarterly report.

1.2 All directors of the Company attended the meeting of the board of directors to consider this quarterly report.

1.3 Zou Lei, Chairman of the Company, Bai Yong, Chief Accountant, and Wang Chengmi, Person-in-Charge of Accounting Organization (Head of Accounting Department), have guaranteed the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

1.4 The Company's first quarterly report is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

Unit: yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of last year	Increase/decrease as at the end of the Reporting Period as compared with the end of last year *(%)*
Total assets	**88,269,889,024.85**	89,618,965,555.72	-1.51
Net asset attributable to shareholders of the Company	**29,862,384,594.29**	29,454,645,749.51	1.38

	From the beginning of the year to the end of the Reporting Period	From the beginning of last year to the end of the reporting period of last year	Increase/decrease as compared with the same period of last year *(%)*
Net cash flow generated from operating activities	**-739,297,921.44**	-4,150,389,876.95	N/A

	From the beginning of the year to the end of the Reporting Period	From the beginning of last year to the end of the reporting period of last year	Increase/decrease as compared with the same period of last year *(%)*
Total operating income	**8,190,097,788.76**	7,850,522,229.54	4.33
Operating income	**7,916,428,774.86**	7,585,169,520.38	4.37
Net profit attributable to shareholders of the Company	**395,858,487.41**	353,773,914.01	11.90
Net profit after deducting non-recurring gain or loss attributable to shareholders of the Company	**446,575,403.48**	382,119,179.48	16.87
Weighted average return on net assets *(%)*	**1.33**	1.23	Increased by 0.10 percentage point
Basic earnings per share *(RMB/share)*	**0.127**	0.114	11.40
Diluted earnings per share *(RMB/share)*	**0.127**	0.114	11.40

Non-recurring gain or loss items and amounts

☑ Applicable ☐ Not applicable

Unit: yuan Currency: RMB

Item	**Amount for the period**	Explanation
Gain or loss from disposal of non-current assets	**1,495,247.23**	
Government subsidies recorded in the income statement for the period (exclusive of government subsidies which are closely related to the normal business operations of the Company and entitled to fixed amount or quantity pursuant to the State's unified standard)	**21,700,933.47**	
Gain or loss from debt restructuring	**1,866.66**	
Gains or losses arising from fair value changes of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income on disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments other than the hedging business that is related to the normal business of the Company	**-69,677,167.53**	
Reversal of impairment provisions for receivables and contract assets subject to individual impairment test	**2,034,491.00**	
Other non-operating income and expenses other than the above items	**-13,014,366.27**	
Impact on non-controlling shareholders' interest (after tax)	**-2,022,813.75**	
Impact on income tax	**8,764,893.12**	
Total	**-50,716,916.07**	

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

Unit: share

Total number of shareholders	113,467

Particulars of shareholdings of top ten shareholders

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage *(%)*	Number of shares held subject to trading moratorium	Pledged or frozen status: Share status	Pledged or frozen status: Number	Nature of shareholder
Dongfang Electric Corporation	1,727,919,826	55.40%	753,903,063	Nil	0	State-owned legal person
HKSCC Nominees Limited	338,311,619	10.85%	0	Unknown	0	Overseas legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	49,648,500	1.59%	0	Unknown	0	State-owned legal person
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	22,645,600	0.73%	0	Unknown	0	State-owned legal person
Gao Dabing (高大兵)	15,811,422	0.51%	0	Unknown	0	Domestic natural person
China Construction Bank Corporation-Huaxia China Securities Sichuan SOE Reform ETF Securities Investment Fund (中國建設銀行股份有限公司-華夏中證四川國企改革交易型開放式指數證券投資基金)	11,723,372	0.38%	0	Unknown	0	Other
Ru Pengpeng (茹鵬鵬)	11,334,852	0.36%	0	Unknown	0	Domestic natural person
Huaxia Life Insurance Company Limited－Own funds (華夏人壽保險股份有限公司－自有資金)	10,073,783	0.32%	0	Unknown	0	Other

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage	Number of shares held subject to trading moratorium	Pledged or frozen status		Nature of shareholder
				Share status	Number	
		(%)				
Agricultural Bank of China Limited – CSI 500 Index ETF Securities Investment Fund (中國農業銀行股份有限公司–中證500交易型開放式指數證券投資基金)	9,757,259	0.31%	0	Unknown	0	Others
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program (博時基金–農業銀行–博時中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others
E Fund – Agricultural Bank – E Fund China Securities and Financial Asset Management Program (易方達基金–農業銀行–易方達中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program (大成基金–農業銀行–大成中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金–農業銀行–廣發中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Program (中歐基金–農業銀行–中歐中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金–農業銀行–南方中證金融資產管理計劃)	8,480,400	0.27%	0	Unknown	0	Others

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

Name of shareholder	Number of shares held not subject to trading moratorium	Class and number of shares: Class	Number
Dongfang Electric Corporation	974,016,763	RMB denominated ordinary shares	974,016,763
HKSCC Nominees Limited	338,311,619	Overseas listed foreign shares	338,311,619
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	49,648,500	RMB denominated ordinary shares	49,648,500
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	22,645,600	RMB denominated ordinary shares	22,645,600
Gao Dabing (高大兵)	15,811,422	RMB denominated ordinary shares	15,811,422
China Construction Bank Corporation-Huaxia China Securities Sichuan SOE Reform ETF Securities Investment Fund (中國建設銀行股份有限公司－華夏中證四川國企改革交易型開放式指數證券投資基金)	11,723,372	RMB denominated ordinary shares	11,723,372
Ru Pengpeng (茹鵬鵬)	11,334,852	RMB denominated ordinary shares	11,334,852
Huaxia Life Insurance Company Limited－Own funds (華夏人壽保險股份有限公司－自有資金)	10,073,783	RMB denominated ordinary shares	10,073,783
Agricultural Bank of China Limited – CSI 500 Index ETF Securities Investment Fund (中國農業銀行股份有限公司－中證500交易型開放式指數證券投資基金)	9,757,259	RMB denominated ordinary shares	9,757,259
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program (博時基金－農業銀行－博時中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400
E Fund – Agricultural Bank – E Fund China Securities and Financial Asset Management Program (易方達基金－農業銀行－易方達中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400

Name of shareholder	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Program (大成基金－農業銀行－大成中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金－農業銀行－廣發中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Program (中歐基金－農業銀行－中歐中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金－農業銀行－南方中證金融資產管理計劃)	8,480,400	RMB denominated ordinary shares	8,480,400

Explanation on the connected relationship or concerted actions among the aforesaid shareholders	The Company is not aware of any connected relationship or concerted actions among the top ten shareholders and top ten holders of tradable shares
Description of shareholders of preference shares with restoration of voting rights and their shareholdings	N/A

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

☐ Applicable ☑ Not applicable

III. SIGNIFICANT EVENTS

3.1 Production and operation of the Company in the first quarter

In the first quarter of 2020, the Company manufactured power generation equipment with capacity of 5,797.3MW, including 7 hydro-electric turbine generating units (1,911.8MW), 36 sets of steam turbine generators (3,638MW) and 100 wind power generation sets (247.5MW). In addition, the Company produced 5 power station boilers (1,970MW) and 17 power station steam turbines (1,738MW).

In the first quarter of 2020, the Company's new orders amounted to RMB11,880 million, representing an increase of 24.2% as compared with the same period of last year, including RMB2,155 million for export orders, which accounted for 18.1%. Among the new orders, 25.1% was attributable to high-efficiency clean energy equipment, 30.9% to renewable energy equipment, 15.3% to engineering and trade, 15.7% to modern manufacturing and service business and 12.9% to emerging growth business.

3.2 Particulars of material changes in major accounting items and financial indicators of the Company and the reasons thereof

☑ Applicable ☐ Not applicable

Unit: yuan Currency: RMB

Item	**Amount for the period**	Amount for the same period last year	Change *(%)*
Total operating income	**8,190,097,788.76**	7,850,522,229.54	4.33
Sales expenses	**138,612,869.06**	196,171,925.86	-29.34
General and administrative expenses	**532,867,155.35**	635,851,689.74	-16.20
Finance costs	**-57,602,545.07**	81,532,544.79	-170.65
Investment income	**54,266,341.49**	71,569,114.15	-24.18
Gain from change in fair value	**-72,072,161.30**	-45,928,813.54	N/A
Credit impairment loss (Loss is indicated by "-")	**-213,611,839.74**	-107,944,328.60	N/A
Net cash flow generated from operating activities	**-739,297,921.44**	-4,150,389,876.95	N/A
Net cash flow generated from investing activities	**-214,557,406.85**	228,083,427.98	-194.07
Net cash flow generated from financing activities	**-33,783,714.59**	-57,915,527.89	N/A

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

1. The total operating income for the current period recorded an increase of 4.33%, mainly due to a year-on-year increase in income from engineering and trade, modern manufacturing services and emerging growth industry.

2. The sales expenses for the current period recorded a decrease of 29.34%, mainly due to a year-on-year decrease in the quality retention money of products.

3. General and administrative expenses for the current period decreased by 16.2% as compared with the same period last year, mainly attributable to the year-on-year decrease in (major equipment) first set insurance premium.

4. The finance costs for the current period decreased as compared with the same period last year, mainly attributable to a year-on-year increase in foreign exchange gains recorded as affected by the fluctuations of Renminbi exchange.

5. The investment income for the current period recorded a decrease of 24.18%, mainly due to a year-on-year decrease in the profit of the enterprises in which the Company holds equity interests and gain on financial investments.

6. Gain on fair value changes for the period decreased as compared with the same period last year, mainly attributable to the decrease in market value of certain shares held.

7. Asset impairment losses of the Company for the period increased as compared with the same period last year, mainly due to a year-on-year increase in the provision for bad debt of accounts receivables based on aging.

8. The net cash flow generated from operating activities for the current period increased as compared with the same period last year, which was due to: first, the receivables for the current period represented a year-on-year increase; second, the cash inflow for the investment in the financial service by DEC Finance, a subsidiary of the Company, for the current period represented a year-on-year increase.

9. The net cash flows from investing activities for the current period decreased as compared with the same period last year, mainly due to a year-on-year increase in the outflow from investment of the wealth management products of DEC Finance, a subsidiary of the Company, during the current period.

10. The net cash flow from financing activities for the current period increased as compared with the same period last year, mainly attributable to a year-on-year decrease in repayment for the current period.

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

☐ Applicable ☑ Not applicable

3.4 Undertaking matters which have passed the deadline and not yet performed during the Reporting Period

☐ Applicable ☑ Not applicable

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

☐ Applicable ☑ Not applicable

Company name	**Dongfang Electric Corporation Limited**
Legal representative	**Zou Lei**
Date	28 April 2020

IV. APPENDICES

4.1 Financial statements

Consolidated Balance Sheet
31 March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	31 March 2020	31 December 2019
Current assets:		
Monetary fund	**29,701,274,297.57**	30,479,728,679.02
Balances with clearing companies	**–**	–
Funds for lending	**300,000,000.00**	469,762,000.00
Held-for-trading financial assets	**2,206,043,605.71**	1,606,664,199.35
Derivative financial assets	**–**	–
Notes receivable	**1,627,751,192.65**	1,518,715,778.12
Accounts receivable	**6,537,072,811.73**	6,215,286,948.87
Accounts receivable financing	**1,341,498,737.40**	1,816,408,795.25
Prepayments	**2,515,337,570.65**	2,467,333,662.69
Premiums receivable	**–**	–
Reinsurance accounts receivable	**–**	–
Deposits receivable from reinsurance treaty	**–**	–
Other receivables	**987,186,732.72**	989,033,924.05
Including: Interest receivable	**443,034,190.91**	416,416,397.66
Dividends receivable	**56,238,441.63**	37,002,845.36
Purchases of resold financial assets	**2,540,000,000.00**	2,490,000,000.00
Inventories	**12,406,629,386.78**	13,142,022,679.41
Contract assets	**7,806,789,270.29**	7,290,368,005.89
Assets held-for-sale	**–**	–
Non-current assets due within one year	**–**	–
Other current assets	**1,137,743,027.65**	913,567,655.40
Total current assets	**69,107,326,633.15**	69,398,892,328.05

Item	**31 March 2020**	31 December 2019
Non-current assets:		
Loans and advances granted	**1,025,152,847.76**	1,025,152,847.76
Debt investment	**3,224,260,135.75**	3,756,152,435.75
Other debt investment	**–**	–
Long-term receivables	**336,363,843.46**	390,738,271.80
Long-term equity investments	**1,749,425,654.89**	1,717,650,083.08
Investment in other equity instruments	**2,744,649.47**	4,889,859.48
Other non-current financial assets	**–**	–
Investment properties	**170,195,380.63**	175,495,834.49
Fixed assets	**5,118,893,547.62**	5,279,930,962.85
Construction in progress	**389,065,192.42**	382,771,135.73
Biological assets for production	**–**	–
Oil and gas assets	**–**	–
Right-of-use assets	**257,311,730.21**	291,388,386.25
Intangible assets	**1,620,031,540.56**	1,632,833,016.54
Development expenses	**–**	–
Goodwill	**–**	–
Long-term deferred expenditures	**50,778,277.17**	50,792,966.40
Deferred tax asset	**2,910,902,833.94**	2,892,961,105.86
Other non-current assets	**2,307,436,757.82**	2,619,316,321.68
Total non-current assets	**19,162,562,391.70**	20,220,073,227.67
Total assets	**88,269,889,024.85**	89,618,965,555.72

Item	**31 March 2020**	31 December 2019
Current liabilities:		
Short-term borrowings	**13,580,000.00**	13,850,000.00
Borrowings from central bank	**–**	–
Capital borrowed	**–**	–
Held-for-trading financial liabilities	**–**	–
Derivative financial liabilities	**–**	–
Notes payable	**3,598,120,927.88**	3,650,947,932.56
Accounts payable	**11,480,160,679.39**	11,833,812,175.96
Receipt in advance	**–**	28,000,000.00
Contract liabilities	**24,505,404,596.54**	25,873,464,019.06
Disposal of repurchased financial assets	**–**	–
Deposit taking and deposit in interbank market	**5,021,395,242.19**	4,999,411,987.90
Customer deposits for trading in securities	**–**	–
Amounts due to issuer for securities underwriting	**–**	–
Staff remuneration payable	**749,678,593.83**	780,900,223.52
Taxes payable	**156,140,349.43**	261,045,191.58
Other payables	**1,859,210,352.58**	1,770,776,404.82
Including: Interest payable	**20,558,834.19**	60,708,321.69
Dividends payable	**20,961,982.69**	23,554,076.18
Handling charges and commissions payable	**–**	–
Reinsurance accounts payable	**–**	–
Liabilities held-for-sale	**–**	–
Non-current liabilities due within one year	**151,931,043.22**	154,232,008.74
Other current liabilities	**82,180,611.33**	87,375,624.68
Total current liabilities	**47,617,802,396.39**	49,453,815,568.82

Item	**31 March 2020**	31 December 2019
Non-current liabilities:		
Insurance contract reserves	**–**	–
Long-term borrowings	**623,056,235.64**	627,019,323.12
Bonds payable	**–**	–
Including: Preferred shares	**–**	–
Perpetual capital securities	**–**	–
Lease liabilities	**155,535,920.85**	156,664,637.27
Long-term payables	**167,870,357.51**	9,600,357.51
Long-term staff remuneration payable	**788,632,025.43**	784,413,550.52
Estimated liabilities	**6,167,464,038.05**	6,280,380,090.91
Deferred income	**477,194,560.26**	470,607,566.07
Deferred tax liabilities	**37,432,742.46**	38,031,490.91
Other non-current liabilities	**–**	–
Total non-current liabilities	**8,417,185,880.20**	8,366,717,016.31
Total liabilities	**56,034,988,276.59**	57,820,532,585.13

Item	**31 March 2020**	31 December 2019
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	**3,118,792,130.00**	3,090,803,431.00
Other equity instruments	**–**	–
Including: Preferred shares	**–**	–
Perpetual capital securities	**–**	–
Capital reserves	**11,317,350,475.91**	11,345,339,174.91
Less: Treasury shares	**165,972,988.00**	165,972,988.00
Other comprehensive income	**-24,209,995.35**	-24,418,047.58
Special reserves	**87,775,053.23**	76,102,748.09
Surplus reserves	**907,174,974.45**	907,174,974.45
General risk reserves	**–**	–
Retained profit	**14,621,474,944.05**	14,225,616,456.64
Total owners' equity (or shareholders' equity) attributable to owners of the parent company	**29,862,384,594.29**	29,454,645,749.51
Non-controlling shareholders' equity	**2,372,516,153.97**	2,343,787,221.08
Total owners' equity (or shareholders' equity)	**32,234,900,748.26**	31,798,432,970.59
Total liabilities and owners' equity (or shareholders' equity)	**88,269,889,024.85**	89,618,965,555.72

Legal representative:	*Chief accountant:*	*Head of the accounting department:*
Zou Lei	**Bai Yong**	**Wang Chengmi**

Balance Sheet of the Parent Company
31 March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	**31 March 2020**	31 December 2019
Current assets:		
Monetary fund	**4,858,123,428.46**	5,497,247,223.57
Held-for-trading financial assets	**387,854,912.13**	457,532,079.66
Derivative financial assets	**–**	–
Notes receivable	**–**	–
Accounts receivable	**1,022,035,833.07**	1,065,723,447.18
Accounts receivable financing	**411,928,814.95**	460,847,729.38
Prepayments	**6,854,256,282.59**	7,662,350,525.48
Other receivables	**453,781,280.39**	413,450,619.18
Including: Interest receivable	**41,367,379.43**	28,462,251.79
Dividends receivable	**184,377,886.36**	165,142,290.09
Inventories	**83,772,492.79**	408,599,537.97
Contract assets	**2,994,582,715.83**	2,987,295,769.33
Assets held-for-sale	**–**	–
Non-current assets due within one year	**–**	–
Other current assets	**68,323,006.91**	57,081,460.02
Total current assets	**17,134,658,767.12**	19,010,128,391.77

Item	**31 March 2020**	31 December 2019
Non-current assets:		
Debt investment	**–**	–
Other debt investment	**–**	–
Long-term receivables	**–**	–
Long-term equity investments	**22,200,521,969.06**	22,169,345,668.35
Investment in other equity instruments	**–**	–
Other non-current financial assets	**–**	–
Investment properties	**10,927,116.93**	11,205,457.00
Fixed assets	**43,366,257.05**	46,156,980.72
Construction in progress	**338,748.12**	338,748.12
Biological assets for production	**–**	–
Oil and gas assets	**–**	–
Right-of-use assets	**168,521,591.59**	192,596,104.68
Intangible assets	**165,440,587.22**	171,794,017.86
Development expenses	**–**	–
Goodwill	**–**	–
Long-term deferred expenditures	**–**	–
Deferred tax asset	**261,137,769.36**	261,093,920.40
Other non-current assets	**541,120,367.56**	546,974,524.06
Total non-current assets	**23,391,374,406.89**	23,399,505,421.19
Total assets	**40,526,033,174.01**	42,409,633,812.96

Item	**31 March 2020**	31 December 2019
Current liabilities:		
Short-term borrowings	**–**	–
Held-for-trading financial liabilities	**–**	–
Derivative financial liabilities	**–**	–
Notes payable	**–**	–
Accounts payable	**4,724,365,310.44**	4,822,032,902.86
Receipt in advance	**–**	–
Contract liabilities	**9,630,461,043.51**	11,396,442,704.53
Staff remuneration payable	**24,180,898.19**	28,033,750.74
Taxes payable	**2,974,875.96**	4,749,221.09
Other payables	**864,768,174.51**	876,416,312.16
Including: Interest payable	**–**	–
Dividends payable	**–**	–
Liabilities held-for-sale	**–**	–
Non-current liabilities due within one year	**96,226,518.83**	96,226,518.83
Other current liabilities	**–**	–
Total current liabilities	**15,342,976,821.44**	17,223,901,410.21

Item	**31 March 2020**	31 December 2019
Non-current liabilities:		
Long-term borrowings	**–**	–
Bonds payable	**–**	–
Including: Preferred shares	**–**	–
Perpetual capital securities	**–**	–
Lease liabilities	**100,879,341.60**	100,879,341.60
Long-term payables	**–**	–
Long-term staff remuneration payable	**12,439,017.95**	12,439,017.95
Estimated liabilities	**571,534,263.13**	576,957,712.18
Deferred income	**18,484,944.13**	18,008,062.50
Deferred tax liabilities	**–**	–
Other non-current liabilities	**–**	–
Total non-current liabilities	**703,337,566.81**	708,284,134.23
Total liabilities	**16,046,314,388.25**	17,932,185,544.44

Item	**31 March 2020**	31 December 2019
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	**3,118,792,130.00**	3,090,803,431.00
Other equity instruments	**–**	–
Including: Preferred shares	**–**	–
Perpetual capital securities	**–**	–
Capital reserves	**13,162,300,241.34**	13,190,288,940.34
Less: Treasury shares	**165,972,988.00**	165,972,988.00
Other comprehensive income	**–**	–
Special reserves	**–**	–
Surplus reserves	**1,195,538,090.88**	1,195,538,090.88
Retained profit	**7,169,061,311.54**	7,166,790,794.30
Total owners' equity (or shareholders' equity)	**24,479,718,785.76**	24,477,448,268.52
Total liabilities and owners' equity (or shareholders' equity)	**40,526,033,174.01**	42,409,633,812.96

Legal representative:	*Chief accountant:*	*Head of the accounting department:*
Zou Lei	**Bai Yong**	**Wang Chengmi**

Consolidated Income Statement
January to March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Total operating income	**8,190,097,788.76**	7,850,522,229.54
Including: Operating income	**7,916,428,774.86**	7,585,169,520.38
Interest income	**273,081,969.57**	265,352,709.16
Premium earned	**–**	–
Fee and commission income	**587,044.33**	–
II. Total operating costs	**7,509,773,580.56**	7,365,349,823.80
Including: Operating costs	**6,541,953,458.67**	5,904,092,664.72
Interest expenses	**19,689,078.24**	19,649,481.30
Fee and commission expenses	**364,741.21**	334,646.42
Surrenders	**–**	–
Net claims	**–**	–
Net provision for insurance contract	**–**	–
Insurance policy holder dividends	**–**	–
Expenses for reinsurance accepted	**–**	–
Tax and levies	**40,377,387.33**	80,835,997.04
Sales expenses	**138,612,869.06**	196,171,925.86
General and administrative expenses	**532,867,155.35**	635,851,689.74
Research and development cost	**293,511,435.77**	446,880,873.93
Finance costs	**-57,602,545.07**	81,532,544.79
Including: Interest expenses	**8,300,128.35**	8,647,352.91
Interest income	**14,365,117.47**	28,098,555.16
Add: Other gains	**18,295,674.42**	14,674,491.18
Investment income (Loss is indicated by "-")	**54,266,341.49**	71,569,114.15
Including: Income from investments in associates and joint ventures	**39,027,165.44**	45,535,532.85
Derecognition gains on financial assets measured at amortised cost	**–**	–
Foreign exchange gains (Loss is indicated by "-")	**78,983.24**	164,720.13
Gains from net exposure hedges (Loss is indicated by "-")	**–**	–
Gains from changes in fair values (Loss is indicated by "-")	**-72,072,161.30**	-45,928,813.54

Item	First quarter of 2020	First quarter of 2019
Credit impairment loss (Loss is indicated by "-")	**-213,611,839.74**	-107,944,328.60
Impairment loss of assets (Loss is indicated by "-")	**290,098.48**	6,682,717.34
Gains from disposal of assets (Loss is indicated by "-")	**1,514,150.83**	1,062,914.87
III. Operating profit (Loss is indicated by "-")	**469,085,455.62**	425,453,221.27
Add: Non-operating income	**19,493,794.71**	13,214,067.15
Less: Non-operating expenses	**29,119,938.87**	10,036,660.39
IV. Total profit (Total loss is indicated by "-")	**459,459,311.46**	428,630,628.03
Less: Income tax expenses	**36,458,741.37**	60,435,800.51
V. Net profit (Net loss is indicated by "-")	**423,000,570.09**	368,194,827.52
(I) Classified by continuing operation		
1. Net profit from continuing operations (Net loss is indicated by "-")	**423,000,570.09**	368,194,827.52
2. Net profit from discontinued operations (Net loss is indicated by "-")	**–**	–
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (Net loss is indicated by "-")	**395,858,487.41**	353,773,914.01
2. Profit or loss attributable to non-controlling shareholders' interests (Net loss is indicated by "-")	**27,142,082.68**	14,420,913.51
VI. Other comprehensive income (net of tax)	**427,714.96**	-9,310,229.87
(I) Other comprehensive income attributable to owners of the parent company (net of tax)	**207,439.50**	-9,078,890.64
1. Other comprehensive income that will not be reclassified to profit or loss	**–**	–
(1) Changes arising from the re-measurement of defined benefit plans	**–**	–
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method	**–**	–
(3) Changes in fair value of investment in other equity instruments	**–**	–
(4) Changes in fair value of the Company's own credit risks	**–**	–

Item	First quarter of 2020	First quarter of 2019
2. Other comprehensive income that will be reclassified to profit or loss	**207,439.50**	-9,078,890.64
(1) Other comprehensive income which can be reclassified into profit or loss under equity method	**–**	–
(2) Changes in fair value of other debt investment	**–**	–
(3) The amount of financial assets reclassified into other comprehensive income	**–**	–
(4) Credit impairment provisions for other debt investment	**–**	–
(5) Reserves for cash flows hedges	**–**	–
(6) Exchange differences from translation of financial statements	**207,439.50**	-9,078,890.64
(7) Others	**–**	–
(II) Other comprehensive income attributable to non-controlling shareholders' equity (net of tax)	**220,275.46**	-231,339.23
VII. Total comprehensive income	**423,428,285.05**	358,884,597.65
(I) Total comprehensive income attributable to the owners of the parent company	**396,065,926.91**	344,695,023.37
(II) Total comprehensive income attributable to non-controlling shareholders' equity	**27,362,358.14**	14,189,574.28
VIII. Earnings per share:		
(I) Basic earnings per share *(RMB/share)*	**0.127**	0.114
(II) Diluted earnings per share *(RMB/share)*	**0.127**	0.114

For the business combination under common control during the period, the net profit achieved by the combined party before the combination is RMB0, and the net profit of prior period achieved by the combined party is RMB0.

Legal representative:	*Chief accountant:*	*Head of the accounting department:*
Zou Lei	**Bai Yong**	**Wang Chengmi**

Income Statement of the Parent Company

January to March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2020	First quarter of 2019
I. Operating income	**2,553,751,833.94**	3,186,320,828.40
Less: Cost of operations	**2,466,135,436.77**	2,986,635,843.74
Tax and levies	**3,657.14**	3,644,866.65
Selling expenses	**6,799,016.86**	5,393,348.80
General and administrative expenses	**48,528,480.79**	44,688,599.04
Research and development cost	**29,971,293.02**	25,894,801.63
Finance costs	**-43,929,743.06**	10,678,273.37
Including: Interest expenses	**–**	–
Interest income	**26,030,356.18**	25,460,602.89
Add: Other gains		
Investment income (Loss is indicated by "-")	**38,859,531.60**	44,598,788.85
Including: Gains from investment in associates and joint ventures	**38,427,281.60**	44,248,788.85
Derecognition gains on financial assets measured at amortised cost	**–**	–
Gains from net exposure hedges (Loss is indicated by "-")	**–**	–
Gains from changes in fair values (Loss is indicated by "-")	**-69,677,167.53**	-60,212,440.14
Credit impairment loss (Loss is indicated by "-")	**8,246,449.35**	2,838,417.83
Impairments loss of assets (Loss is indicated by "-")	**–**	–
Gains from disposal of assets (Loss is indicated by "-")	**–**	–
II. Operating profit (Loss is indicated by "-")	**23,672,505.84**	96,609,861.71
Add: Non-operating income	**991,662.44**	3,005,469.24
Less: Non-operating expenses	**22,437,500.00**	722,740.00
III. Total profit (Total loss is indicated by "-")	**2,226,668.28**	98,892,590.95
Less: Income tax expenses	**-43,848.96**	23,969,435.99

Item	First quarter of 2020	First quarter of 2019
IV. Net profit (Net loss is indicated by "-")	**2,270,517.24**	74,923,154.96
(I) Net profit from continuing operations (Net loss is indicated by "-")	**2,270,517.24**	74,923,154.96
(II) Net profit of discontinued operations (Net loss is indicated by "-")	**–**	–
V. Other comprehensive income, net of tax	**–**	–
(I) Other comprehensive income that will not be reclassified to profit or loss	**–**	–
(1) Changes arising from the re-measurement of defined benefit plans	**–**	–
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method	**–**	–
(3) Changes in fair value of investment in other equity instruments	**–**	–
(4) Changes in fair value of the Company's own credit risks	**–**	–
(II) Other comprehensive income that will be reclassified to profit or loss	**–**	–
(1) Other comprehensive income which can be reclassified into profit or loss under equity method	**–**	–
(2) Changes in fair value of other debt investment	**–**	–
(3) The amount of financial assets reclassified into other comprehensive income	**–**	–
(4) Credit impairment provisions for other debt investment	**–**	–
(5) Reserves for cash flows hedges	**–**	–
(6) Exchange differences from translation of financial statements	**–**	–
(7) Others	**–**	–
VI. Total comprehensive income	**2,270,517.24**	74,923,154.96
VII. Earnings per share:		
(I) Basic earnings per share *(RMB/Share)*	**–**	–
(II) Diluted earnings per share *(RMB/Share)*	**–**	–

Legal representative:	*Chief accountant:*	*Head of the accounting department:*
Zou Lei	**Bai Yong**	**Wang Chengmi**

Consolidated Cash Flow Statement

January to March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan Currency: RMB Audit type: Unaudited

Item		First quarter of 2020 (January-March)	First quarter of 2019 (January-March)
I.	**Cash flow generated from operating activities:**		
	Cash received from sale of goods and rendering of services	**5,639,896,599.04**	4,669,985,983.94
	Net increase in customer and interbank deposits	**-25,494,530.50**	276,813,981.05
	Net increase in borrowings from central bank	**–**	–
	Net increase in borrowings from other financial institutions	**173,319,201.72**	180,833,249.99
	Cash received from premiums under original insurance contract	**–**	–
	Net cash received from reinsurance business	**–**	–
	Net increase in deposits of policy holders and investment	**–**	–
	Cash from interests, fees and commissions	**169,110,943.08**	324,863,108.08
	Net increase in capital borrowed	**–**	–
	Net increase in repurchase business capital	**–**	–
	Net cash received from securities trading agency services	**–**	–
	Tax rebates received	**53,632,551.37**	32,341,468.84
	Other cash received from operating activities	**717,591,083.26**	2,282,387,015.10
	Sub-total of cash inflows from operating activities	**6,728,055,847.97**	7,767,224,807.00
	Cash paid for goods and services	**5,725,297,570.47**	4,762,012,986.08
	Net increase in customer loans and advance	**93,271,102.41**	250,104,349.01
	Net increase in deposits with central bank and interbank deposits	**56,999,234.83**	-287,777,015.59
	Cash paid for compensation payments under original insurance contract	**–**	–
	Net increase in funds for lending	**–**	–

Item		First quarter of 2020 (January-March)	First quarter of 2019 (January-March)
	Cash paid for interest, fees and commissions	**380,544.43**	337,554.07
	Cash paid for policy dividend	**–**	–
	Cash paid to and on behalf of employees	**785,171,444.92**	836,570,578.49
	Various taxes paid	**286,672,261.28**	545,694,543.40
	Other cash payments relating to operating activities	**519,561,611.07**	5,810,671,688.49
	Sub-total of cash outflows from operating activities	**7,467,353,769.41**	11,917,614,683.95
	Net cash flow from operating activities	**-739,297,921.44**	-4,150,389,876.95
II.	**Cash flow generated from investing activities:**		
	Cash received from disposal of investments	**1,102,785,343.65**	1,049,399,083.52
	Cash received from gains in investment	**11,456,602.60**	182,176,400.43
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**642,940.00**	4,380,573.03
	Net cash received from disposal of subsidiaries and other operating entities	**–**	–
	Other cash received relating to investing activities	**–**	–
	Sub-total of cash inflows from investing activities	**1,114,884,886.25**	1,235,956,056.98
	Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	**61,275,731.87**	47,902,909.84
	Cash paid for investment	**1,268,166,561.23**	959,969,719.16
	Net increase in pledged loans	**–**	–
	Net cash paid for acquiring subsidiaries and other operating entities	**–**	–
	Other cash paid relating to investing activities	**–**	–
	Sub-total of cash outflows from investing activities	**1,329,442,293.10**	1,007,872,629.00
	Net cash flow generated from investing activities	**-214,557,406.85**	228,083,427.98

Item	**First quarter of 2020 (January-March)**	First quarter of 2019 (January-March)
III. Cash flow generated from financing activities:		
Cash received from financing activities	**–**	–
Including: Cash received by subsidiaries from non-controlling shareholders' investment	**–**	–
Cash received from borrowings	**2,380,000.00**	2,650,000.00
Other cash received from financing-related activities		
Sub-total of cash inflows from financing activities	**2,380,000.00**	2,650,000.00
Cash for repayments of borrowings	**13,478,803.00**	50,077,187.44
Cash for dividend payment, profit distribution or interest payment	**22,684,911.59**	10,488,340.45
Including: Dividend and profit paid by subsidiaries to non-controlling shareholders	**–**	–
Other cash paid for financing-related activities	**–**	–
Sub-total of cash outflows from financing activities	**36,163,714.59**	60,565,527.89
Net cash flow generated from financing activities	**-33,783,714.59**	-57,915,527.89
IV. Effects of exchange rate fluctuation on cash and cash equivalents	**81,934,237.36**	-133,775,873.45
V. Net increase in cash and cash equivalents	**-905,704,805.52**	-4,113,997,850.31
Add: Balance of cash and cash equivalents at the beginning of the period	**28,472,369,654.85**	26,899,627,194.15
VI. Balance of cash and cash equivalents at the end of the period	**27,566,664,849.33**	22,785,629,343.84

Legal representative:
Zou Lei

Chief accountant:
Bai Yong

Head of the accounting department:
Wang Chengmi

Cash Flow Statement of the Parent Company

January to March 2020

Prepared by: Dongfang Electric Corporation Limited

Unit: yuan   Currency: RMB   Audit type: Unaudited

Item		First quarter of 2020 (January-March)	First quarter of 2019 (January-March)
I.	**Cash flow generated from operating activities:**		
	Cash received from sale of goods and rendering of services	**846,204,130.51**	974,762,292.55
	Tax rebates received	**–**	3,064,319.96
	Other cash received from operating related activities	**16,367,502.58**	115,453,963.92
	Sub-total of cash inflows from operating activities	**862,571,633.09**	1,093,280,576.43
	Cash paid for goods and services	**1,388,179,676.84**	2,168,476,632.28
	Cash paid to and on behalf of employees	**41,259,014.45**	41,090,257.20
	Various taxes paid	**8,739,073.01**	36,961,867.80
	Other cash payments relating to operating activities	**72,678,012.31**	224,687,013.93
	Sub-total of cash outflows from operating activities	**1,510,855,776.61**	2,471,215,771.21
	Net cash flow from operating activities	**-648,284,143.52**	-1,377,935,194.78
II.	**Cash flow generated from investing activities:**		
	Cash received from disposal of investments	**–**	–
	Cash received from gains in investment	**10,903,952.60**	–
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**–**	–
	Net cash received from disposal of subsidiaries and other operating entities	**–**	–
	Other cash received relating to investing activities	**–**	–
	Sub-total of cash inflows from investing activities	**10,903,952.60**	–
	Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	**345,584.00**	1,242,543.85
	Cash paid for investment	**16,600,000.00**	451,200,000.00
	Net cash paid for acquiring subsidiaries and other operating entities	**–**	–
	Other cash paid relating to investing activities	**–**	–
	Sub-total of cash outflows from investing activities	**16,945,584.00**	452,442,543.85
	Net cash flow generated from investing activities	**-6,041,631.40**	-452,442,543.85

Item	**First quarter of 2020 (January-March)**	First quarter of 2019 (January-March)
III. Cash flow generated from financing activities:		
Cash received from financing activities	**–**	–
Cash received from borrowings	**–**	–
Other cash received from financing-related activities	**–**	–
Sub-total of cash inflows from financing activities	**–**	–
Cash for repayments of borrowings	**–**	–
Cash for dividend payment, profit distribution or interest payment	**–**	–
Other cash paid for financing-related activities	**–**	–
Sub-total of cash outflows from financing activities	**–**	–
Net cash flow generated from financing activities	**–**	–
IV. Effects of exchange rate fluctuation on cash and cash equivalents	**15,201,979.81**	-29,993,726.51
V. Net increase in cash and cash equivalents	**-639,123,795.11**	-1,860,371,465.14
Add: Balance of cash and cash equivalents at the beginning of the period	**5,490,732,223.57**	8,033,458,852.09
VI. Balance of cash and cash equivalents at the end of the period	**4,851,608,428.46**	6,173,087,386.95

Legal representative:	*Chief accountant:*	*Head of the accounting department:*
Zou Lei	**Bai Yong**	**Wang Chengmi**

4.2 Adjustments to relevant items in financial statements at the beginning of the year upon the first adoption of new revenue standards and new lease standards since 2020

☐ Applicable ☑ Not applicable

4.3 Retrospective adjustments to comparative data of previous period by first adoption of new revenue standards and new lease standards since 2020

☐ Applicable ☑ Not applicable

4.4 Auditor's report

☐ Applicable ☑ Not applicable

By Order of the Board
Dongfang Electric Corporation Limited
Zou Lei
Chairman

Chengdu, Sichuan, the People's Republic of China
28 April 2020

As at the date of this announcement, the directors of the Company are as follows:

Directors: *Zou Lei, Yu Peigen, Huang Wei, Xu Peng and Bai Yong*

Independent non-executive directors: *Gu Dake, Xu Haihe and Liu Dengqing*