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東方電氣股份有限公司

Dongfang Electric Corporation Limited

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

(Stock Code: 1072)

2014 THIRD QUARTERLY REPORT

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the "**PRC**"), the quarterly report ("**Quarterly Report**") of Dongfang Electric Corporation Limited (the "**Company**") and its subsidiaries (together with the Company referred hereto as the "**Group**") for the third quarter in 2014 (the "**Reporting Period**") will be published in newspapers circulating in the PRC on 31 October 2014. The full text of the Quarterly Report is set out below pursuant to Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:

1. IMPORTANT NOTICE

- 1.1 The board of directors (the "**Board**"), the supervisory committee and the directors, supervisors and senior management of the Company shall warrant the truthfulness, accuracy and completeness of the contents of this quarterly report, and that it contains no false representation, misleading statements or material omission, and jointly and severally accept the legal responsibility.

1.2 In the event that any director failed to attend the board meeting, the names of each such director shall be indicated:

Name of absent director	Position of absent director	Reason for absence	Name of proxy
Wen Shugang	Director, President	On business trip	Si Zefu
Zhu Yuanchao	Director	On business trip	Si Zefu
Zhao Chunjun	Independent Director	On business trip	Yi Yanmeng
Peng Shaobing	Independent Director	On business trip	Yi Yanmeng

1.3 Si Zefu, Chairman of the Company, Gong Dan, Chief Accountant and Zeng Yi, Head of Finance Department warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

1.4 The third quarterly report of the Company is unaudited.

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

2.1 Principal financial data

	<i>Unit: RMB Currency: RMB</i>		
	As at the end of the Reporting Period	As at the end of last year	Increase/decrease as at the end of the Reporting Period as compared with the end of last year (%)
Total assets	85,146,094,440.09	77,836,703,054.12	9.39
Net asset attributable to shareholders of the Company	19,338,094,608.16	17,693,768,986.23	9.29

	From the beginning of the year to the end of the Reporting Period (January - September)	From the beginning of last year to the end of the Reporting Period last year (January- September)	Increase/ decrease as compared with the corresponding period of last year (%)
Net cash flow generated from operating activities	940,946,893.09	625,839,243.79	50.35
	From the beginning of the year to the end of the Reporting Period (January - September)	From the beginning of last year to the end of the Reporting Period last year (January - September)	Increase/ decrease as compared with the corresponding period of last year (%)
Operating income	28,473,542,683.95	30,388,282,935.57	-6.30
Net profit attributable to shareholders of the Company	1,089,353,709.13	1,888,492,079.27	-42.32
Net profit attributable to shareholders of the Company after deducing non-recurring profits or losses	1,038,845,764.19	1,838,422,711.86	-43.49
Weighted average return on net assets (%)	6.03	11.41	Decreased by 5.38 percentage points
Basic earnings per share (<i>RMB/share</i>)	0.54	0.94	-42.32
Diluted earnings per share (<i>RMB/share</i>)	0.54	0.94	-42.32

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

Unit: Share

Total number of shareholders 124,889

Particulars of the shareholding of top ten shareholders

Name of shareholders (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Shareholding percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen		Nature of shareholders
					Status of share	Number	
Dongfang Electric Corporation	0	1,002,457,252	50.03	0	Nil		State-owned legal person
HKSCC Nominees Limited	1,600	338,095,495	16.87	0	Unknown		Overseas legal person
Bank of Communications — Hua An Strategic Premium Stock Securities Investment Fund (交通銀行 — 華安 策略優選股票型證券投資基金)	13,266,422	13,266,422	0.66	0	Unknown		Unknown
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份 有限公司)	0	7,546,864	0.38	0	Unknown		State-owned legal person
Industrial and Commercial Bank of China — Hua An MSCI China A Share Enhanced Index Securities Investment Fund (中國工商銀行 — 華安MSCI中國A股指數增強型證券 投資基金)	4,514,072	4,514,072	0.23	0	Unknown		Unknown

Bank of China Limited — Stock Securities Investments Funds of Changsheng Electronic Information Industry (中國銀行股份有限公司 — 長盛電子信息產業股票型證券投資基金)	1,046,346	4,125,847	0.21	0	Unknown	Unknown
Investment Authority of the Government of Kuwait — Self-owned Funds (科威特政府投資局 — 自有資金)	3,698,183	3,698,183	0.18	0	Unknown	Unknown
Hou Zhijiang (侯智江)	3,591,317	3,591,317	0.18	0	Unknown	Domestic natural person
Bank of China Limited — Securities Investments Funds of Jia Shi Hu Shen 300 Trading and Open Index (中國銀行股份有限公司 — 嘉實滬深300交易型開放式指數證券投資基金)	-231,300	3,290,083	0.16	0	Unknown	Unknown
Ye Yajun (葉亞君)	2,800,000	2,800,000	0.14	0	Unknown	Domestic natural person

Statements 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 shares not subject to trading moratorium.

3. SIGNIFICANT EVENTS

3.1 Production and operation status in the first three quarters

From January to September 2014, the Company manufactured power generation equipments with capacity of 28,259MW, including 27 hydro-electric turbine generator sets (3,279.5MW), 56 steam turbine generators (24,305MW) and 379 wind power generation sets (674.5MW). In addition, the Company produced 45 power station boilers (17,235MW) and 68 power station steam turbines (24,001MW).

From January to September 2014, the Company's new orders amounted to RMB25.5 billion, including RMB1.06 billion for exports, which accounted for 4.2%. Among the new orders, 59% was attributable to high-efficiency clean energy, 22% to new energy, 7% to water energy and environmental protection, and 12% to engineering and service industry.

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

— *Analysis on changes in balance sheet during the reporting period*

Changes in composition of assets

Unit of amount: RMB

Items	Closing balance	Opening balance	Year-on-year increase/decrease (%)	Percentage of balance sheet items in total assets as at the end of the Reporting Period
				(%)
Monetary fund	15,777,808,156.42	12,131,648,112.18	30.05	18.53
Interests receivable	69,011,113.44	101,620,018.51	-32.09	0.08
Construction in progress	906,656,704.74	685,790,408.06	32.21	1.06
Debentures payable	3,161,603,347.16			3.71
Tax payables	-472,271,706.77	53,907,111.62	-976.08	-0.55
Non-current liabilities				
due within one year	16,320,000.00	86,320,000.00	-81.09	0.02
Long-term borrowings	215,010,000.00	39,400,000.00	445.71	0.25

Analysis on reasons for the changes

1. Monetary fund of the Company as at the end of the period increased by 30.05% as compared to the beginning of the period, mainly due to the issue of A share convertible bonds amounting to RMB4 billion.
2. Interests receivable of the Company as at the end of the period decreased by 32.09% as compared to the beginning of the period, mainly due to the decrease in the balance of time deposits.
3. Construction in progress of the Company as at the end of the period increased by 32.21% as compared to the beginning of the period, mainly due to the increase in the size of investment in fixed assets in the period.
4. Debentures payable of the Company as at the end of the period increased by RMB3.162 billion as compared to the beginning of the period, mainly due to the issue of A share convertible bonds amounting to RMB4 billion in the period.
5. Tax payables of the Company decreased by 976.08% as compared to the beginning of the period, mainly due to the large VAT input tax in the period.

— *Analysis on changes in items in income statement during the reporting period*

Changes in composition of expenses

Unit of amount: RMB

Items	Amount for the period	Amount for the corresponding period last year	Year-on-year increase/decrease (%)
Finance costs	-91,809,643.91	-29,780,468.31	208.29
Gain(loss-) on fair value changes	7,927,308.42	26,098,519.58	-69.63
Net profit attributable to shareholders of the Company	1,089,353,709.13	1,888,492,079.27	-42.32

Analysis on reasons for the changes

1. Finance costs of the Company in the period decreased by 208.29% as compared with the same period last year, mainly due to the continuous enhancement on fund collection and payment management which increased the interest income over the same period last year.
2. Gain on fair value changes of the Company in the period decreased by 69.63% as compared with the same period last year, mainly due to the year-on-year decrease in the balance of the US dollar forward contracts held by the Company.
3. Net profit attributable to shareholders of the Company of the Company in the period decreased by 42.32% as compared with the same period last year, mainly due to the year-on-year drop of gross profit margin in the period.

Principal operations by industry and by products

Unit of amount: RMB

Product	Operating revenue	Operating costs	Gross profit margin (%)	Year-on-year increase/decrease in operating revenue (%)	Year-on-year increase/decrease in operating costs (%)	Year-on-year increase/decrease in gross profit margin (percentage point)
Clean high efficiency power generation equipments	18,255,747,238.27	15,256,320,276.80	16.43	12.47	16.34	-2.78
New energy	2,967,834,950.26	2,581,182,140.57	13.03	-46.96	-44.13	-4.41
Water energy and environmental equipments	2,817,706,897.26	2,399,786,659.26	14.83	-11.48	-2.65	-7.73
Engineering and services	4,200,831,606.85	3,678,010,031.15	12.45	-18.13	-11.56	-6.50
Total	28,242,120,692.64	23,915,299,107.78	15.32	-6.30	-1.81	-3.87

Analysis on reasons for the changes

1. The Company maintained the momentum of steady development in the period, with revenue for the period from principal operations decreasing by 6.3% as compared with the same period last year.
2. During the period, the operating revenue from clean high-efficiency power generation equipments increased by 12.47% as compared with the same period last year, mainly due to a substantial increase of 294.68% in revenue from gas turbines. The gross profit margin of clean high-efficiency power generation equipments decreased by 2.78 percentage points as compared with the same period last year, mainly attributable to a general decline in the gross profit margin of thermal power and conventional island of nuclear power.
3. During the period, the revenue from the new energy segment decreased by 46.96% as compared with the same period last year, mainly due to the year-on-year decrease of 58.99% in revenue from the wind power business. Meanwhile, the gross profit margin of the new energy segment decreased by 4.41 percentage point over the same period last year, mainly due to the year-on-year decrease in the profit margin of wind power.
4. During the period, the revenue from water energy and environmental equipments decreased by 11.48% as compared with the same period last year, mainly due to the year-on-year decrease of 23.35% in hydropower in the period. Meanwhile, the gross profit margin of water energy and environmental equipments decreased by 7.73 percentage point, which mainly resulted from a year-on-year in the gross profit margin of hydropower.
5. During the period, the revenue of engineering and services decreased by 18.13% as compared with the same period last year, mainly due to the decreases of 25.67% in the engineering revenue of the period. The gross profit margin of engineering and services decreased by 6.5 percentage points, mainly due to the decrease in the gross profit margin of engineering and power station services in the period.

— *Analysis on changes in items in cash flow statement during the reporting period*

Changes in items in cash flow statement

Unit of amount: RMB

Item	Amount for the period	Amount for the corresponding period last year	Year-on- year increase/ decrease (%)
Net cash flow from operating activities	940,946,893.09	625,839,243.79	50.35
Net cash flow from investing activities	-409,719,991.99	-592,464,538.49	-30.84
Net cash flow from financing activities	3,132,251,822.37	994,820,526.23	214.86

Analysis on reasons for the changes:

1. Net cash inflow from operating activities increased by 50.35% as compared with the same period last year, mainly because the payments received by the Company for products sold increased by RMB2,258 million.
2. Net cash outflow from investing activities decreased by 30.84% as compared with the same period last year, mainly due to the recovery of RMB159 million from the disposal of shares of NMHD in the period.
3. Net cash inflow from financing activities increased by 214.86% as compared with the same period last year, mainly due to the issue of A share convertible bonds amounting to RMB4 billion in the period.

3.3 Impacts of the changes in accounting standards on the consolidated financial statements

On 13 March 2013, the Ministry of Finance issued the revised “Accounting Standards for Business Enterprises No. 2 — Long-term Equity Investment” under Cai Kuai [2014] No. 14 (財會[2014]14號), requiring the standard to be implemented by all enterprises adopting accounting standards for business enterprises from 1 July 2014. In accordance with the requirement of the revised standard of long-term equity investment, in preparing the opening balance in the financial statement for 2014, the company made adjustment to equity investment as at the end of 2013 which the Company has no control of joint control over or significant impacts on, accounting for RMB17.1 million under the item of “available-for-sale financial assets” into “long-term equity investment” instead. The adjustment has no impact on the total assets and profit and loss of the Company.

3.3.1 Impacts of the changes in standard of long-term equity investment on the consolidated financial statements (I)

Unit: Yuan Currency: RMB

Invested company	Basic information of transaction	Equity	31 December 2013		Equity
		attributable to shareholders of the Company as at 1 January 2013 (+/-)	Long-term equity investment (+/-)	Available-for-sale financial assets (+/-)	attributable to shareholders of the Company (+/-)
Guangdong Yudean Oil Shale Power Generation Co., Ltd. (廣東粵電油葉岩發電有限責任公司)			-8,500,000.00	8,500,000.00	
Beijing Huaqing Gas Turbine and Gasification Combined Cycle Engineering and Technology Company Limited (北京華清燃氣輪機與煤氣化聯合循環工程技術有限公司)			-5,500,000.00	5,500,000.00	

Sichuan Dongdian Real Estate Development Co., Ltd. (四川東電房地產開發有限公司)		-1,000,000.00	1,000,000.00
Guangdong DEC Power Plant Equipment Company (廣東東方電站成套設備公司)		-1,100,000.00	1,100,000.00
Southern Sichuan Expressway Co., Ltd. (四川省川南高等級公路開發股份有限公司)		-1,000,000.00	1,000,000.00
Total	—	<u>-17,100,000.00</u>	<u>17,100,000.00</u>

Dongfang Electric Corporation Limited

Legal representative: Si Zefu

30 October 2014

4. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet

30 September 2014

Prepared by: Dongfang Electric Corporation Limited

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	Closing balance	Opening balance
Current assets:		
Monetary fund	15,777,808,156.42	12,131,648,112.18
Balances with clearing companies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	34,535,670.56	26,608,362.14
Notes receivable	2,526,286,848.48	2,784,861,591.44
Accounts receivable	17,518,704,492.89	17,032,484,330.47
Prepayments	4,816,915,724.78	4,716,518,840.61
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Interests receivable	69,011,113.44	101,620,018.51
Dividends receivable	13,727,417.00	39,087.80
Other receivable	401,191,548.72	352,960,215.57
Purchases of resold financial assets		
Inventories	30,928,600,842.61	27,301,842,960.20
Non-current assets due within one year		
Other current assets	1,615,651.16	
Total current assets	72,088,397,466.06	64,448,583,518.92

Non-current assets:

Entrusted loans and advances granted		
Available-for-sale financial assets	245,998,102.59	306,816,665.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	938,166,201.60	784,129,880.78
Investment properties	71,099,340.32	72,798,574.45
Fixed assets	8,622,214,311.55	9,243,610,975.06
Construction in progress	906,656,704.74	685,790,408.06
Construction materials	113,464.96	113,464.96
Disposals of fixed assets	1,251,179.54	11,958.08
Biological assets for production		
Fuel assets		
Intangible assets	976,453,771.99	1,013,339,900.46
Development expenses		
Goodwill		
Long-term deferred expenditures	595,468.14	509,000.14
Deferred income tax asset	1,295,148,428.60	1,280,998,708.21
Other non-current assets		
Total non-current assets	13,057,696,974.03	13,388,119,535.20
Total assets	85,146,094,440.09	77,836,703,054.12

Current liabilities:

Short-term borrowings	2,864,461,700.61	3,453,072,066.14
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	5,543,518,724.12	4,865,094,372.76
Accounts payable	16,765,608,578.22	14,224,698,923.21
Payments received in advance	32,352,896,706.66	32,284,212,140.25
Disposal of repurchased financial assets		
Handling charges and commissions payable		
Staff remuneration payable	353,604,012.03	394,611,720.83
Taxes payable	-472,271,706.77	53,907,111.62
Interests payable		
Dividends payable	11,821,545.52	3,389,732.02
Other payable	1,980,475,558.14	1,805,192,953.82
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	16,320,000.00	86,320,000.00
Other current liabilities	52,886,941.36	79,943,075.58
Total current liabilities	59,469,322,059.89	57,250,442,096.23

Non-current liabilities:

Long-term borrowings	215,010,000.00	39,400,000.00
Debentures payable	3,161,603,347.16	
Long-term payable	685,252.84	685,252.84
Special payable	58,062,614.63	58,042,614.63
Estimated liabilities	1,293,272,703.71	1,392,616,607.65
Deferred income tax liabilities	1,414,491.14	1,838,036.52
Other non-current liabilities	686,938,834.38	500,287,825.52
Total non-current liabilities	5,416,987,243.86	1,992,870,337.16
Total liabilities	64,886,309,303.75	59,243,312,433.39

Owners' equity (shareholders' equity):

Paid-in capital (or share capital)

2019年12月31日

Consolidated Income Statement

Prepared by: Dongfang Electric Corporation Limited

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	Amount for	Amount for the	Amount from	Amount from
	the period (July–September)	previous period (July–September)	the beginning of the year to the end of the period (January–September)	the beginning of the previous to the end of the period (January–September)
I. Total revenue from operations	9,489,374,385.14	9,921,176,194.68	28,473,542,683.95	30,388,282,935.57
Including: Revenue from operations	9,489,374,385.14	9,921,176,194.68	28,473,542,683.95	30,388,282,935.57
Interest income				
Premiums earned				
Income from fees and commissions				
II. Total cost of operations	9,322,076,020.90	9,162,462,129.50	27,392,052,239.88	28,331,260,900.66
Including: Cost of operations	8,073,991,216.28	7,783,998,885.65	24,033,648,391.83	24,497,118,111.88
Interest expenses				
Fee and commission expenses				
Surrender payment				
Net expenditure for compensation payments				
Net provision for insurance contracts				
Expenditures for insurance policy dividend				
Reinsurance costs				
Business tax and surcharges	42,396,358.47	60,517,568.51	156,634,363.67	215,109,631.18
Selling expenses	184,540,474.78	159,965,815.62	497,149,087.97	591,654,165.57
Administrative expenses	800,862,295.01	807,995,142.40	2,251,118,225.66	2,366,119,622.61
Finance expenses	13,975,902.59	15,280,222.70	-91,809,643.91	-29,780,468.31
Impairments loss of assets	206,309,773.77	334,704,494.62	545,311,814.66	691,039,837.73
Add: Gains from change in fair value (loss is represented by “-”)	8,509,018.05	4,314,131.06	7,927,308.42	26,098,519.58
Gains from investment (loss is represented by “-”)	82,979,450.28	53,532,001.24	129,447,736.25	120,857,204.16

Including: Gains from investment in associates and joint ventures	75,684,035.47	42,532,001.24	119,691,501.24	107,978,197.16
Gains from exchange (loss is represented by “—”)				
III. Operating profit (loss is represented by “-”)	258,786,832.57	816,560,197.48	1,218,865,488.74	2,203,977,758.65
Add: Non-operating income	29,393,612.44	22,252,133.29	75,442,245.25	94,599,172.05
Less: Non-operating expenses	1,497,274.79	14,946,637.84	4,400,325.01	38,931,554.04
Including: Loss from disposal of non-current assets	-163,072.42	91,590.84	1,325,504.15	1,418,263.86
IV. Total profit (total loss is represented by “-”)	286,683,170.22	823,865,692.93	1,289,907,408.98	2,259,645,376.66
Less: Income tax expenses	26,891,603.69	106,069,231.29	161,348,948.43	329,774,983.67
V. Net profit (net loss is represented by “-”)	259,791,566.53	717,796,461.64	1,128,558,460.55	1,929,870,392.99
Net profit attributable to the owners of the Company	250,059,340.70	702,337,184.94	1,089,353,709.13	1,888,492,079.27
Minority interests	9,732,225.83	15,459,276.70	39,204,751.42	41,378,313.72
VI. Earnings per share:				
(I) Basic earnings per share	0.12	0.35	0.54	0.94
(II) Diluted earnings per share	0.12	0.35	0.54	0.94
VII. Other comprehensive income	73,447,788.40	-29,998,111.17	98,359,742.71	-123,965,676.34
VIII. Total comprehensive income	333,239,354.93	687,798,350.47	1,226,918,203.26	1,805,904,716.65
Total comprehensive income attributable to the owners of the Company	323,507,129.10	672,339,073.77	1,187,713,451.84	1,764,526,402.93
Total comprehensive income attributable to minority interests	9,732,225.83	15,459,276.70	39,204,751.42	41,378,313.72

Legal representative of the Company:
Si Zefu

Person in charge of accounting function:
Gong Dan

Head of the accounting department:
Zeng Yi

Consolidated Cash Flow Statement

January — September 2014

Prepared by: Dongfang Electric Corporation Limited

Unit: Yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of the period (January–September)	Amount from the beginning of the previous to the end of the period (January–September)
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	26,965,849,162.08	24,707,657,239.17
Net increase in customer and interbank deposits		
Net increase in borrowings from PBOC		
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		
Tax rebates	156,824,026.00	255,001,766.05
Other cash received from activities relating to operation	914,414,882.58	626,468,880.67
Sub-total of cash inflows from operating activities	28,037,088,070.66	25,589,127,885.89

Cash paid for goods and service	20,733,015,937.67	18,991,912,624.28
Net increase in customer loans and advances		
Net increase in deposit in PBOC 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	2,482,154,681.93	2,381,389,301.82
Tax payments	2,148,712,734.95	2,377,185,852.33
Other cash payments relating to operating activities	1,732,257,823.02	1,212,800,863.67
Sub-total of cash outflows from operating activities	27,096,141,177.57	24,963,288,642.10
Net cash flow from operating activities	940,946,893.09	625,839,243.79
II. Cash flow generated from investing activities:		
Cash received from disposal of investments	197,947,785.37	44,263.24
Cash received from gains in investment	27,830,147.02	13,383,907.87
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,362,863.86	5,508,340.38
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received from activities relating to investment		
Sub-total of cash inflows from investing activities	227,140,796.25	18,936,511.49

Cash paid for purchase and construction of fixed assets, intangible assets and other long term assets	569,860,788.24	578,401,049.98
Cash paid for investment	67,000,000.00	33,000,000.00
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid for activities relating to investment		
Sub-total of cash outflows from investing activities	636,860,788.24	611,401,049.98
Net cash flow generated from investing activities	-409,719,991.99	-592,464,538.49

III. Cash flow generated from financing activities:

Proceeds received from financing activities		
Including: Proceeds received by subsidiaries from minority shareholders' investment		
Cash received from borrowing	6,243,910,000.00	2,838,314,616.23
Cash received from issuing bonds		
Other cash received from activities relating to financing activities		
Sub-total of cash inflows from financing activities	6,243,910,000.00	2,838,314,616.23
Cash repayments of borrowings	2,640,891,896.98	1,512,893,985.22
Dividends paid, profit distributed or interest paid	463,836,280.65	330,600,104.78
Including: Dividend and profit paid by subsidiaries to minority shareholders	7,291,391.68	16,185,002.97
Other cash paid for activities relating to financing	6,930,000.00	
Sub-total of cash outflows from financing activities	3,111,658,177.63	1,843,494,090.00
Net cash flows from financing activities	3,132,251,822.37	994,820,526.23

IV. Effects of Changes in Exchange Rate on Cash and Cash Equivalents	-14,248,067.56	-56,683,469.57
V. Net Increase in Cash and Cash Equivalents	3,649,230,655.91	971,511,761.96
Add: Cash and cash equivalents at the beginning of the period	12,108,370,760.93	8,928,997,459.40
VI. Cash and Cash Equivalents at the End of the Period	15,757,601,416.84	9,900,509,221.36

*Legal representative of
the Company:*

Si Zefu

*Person in charge of
accounting function:*

Gong Dan

*Head of the accounting
department:*

Zeng Yi

By Order of the Board
Dongfang Electric Corporation Limited
Gong Dan
Company Secretary

Chengdu, Sichuan Province, the People's Republic of China
30 October 2014

As at the date of this announcement, the Directors of the Company are:

Directors:

*Si Zefu, Zhang Xiaolun, Wen Shugang,
Huang Wei, Zhu Yuanchao and Zhang Jilie*

Independent non-executive Directors:

Li Yanmeng, Zhao Chunjun and Peng Shaobing