

Share's name: Jiangling Motors
Jiangling B **Share's code:** 000550
200550 **No.:** 2015-049

Jiangling Motors Corporation, Ltd.

2015 Third Quarter Report

§ 1 Important Note

1.1 The Board of Directors and its members, the Supervisory Board and its members, and the senior executives are jointly and severally liable for the truthfulness, accuracy and completeness of the information disclosed in the report and confirm that the information disclosed herein does not contain false statements, misrepresentations or major omissions.

1.2 The Directors, Supervisors, and Senior Management undertake and have no objection to the truthfulness, accuracy and completeness of the contents of the Third Quarter Report.

1.3 All the Directors were present at the Board meeting.

1.4 The financial statements in this Quarterly Report are not audited.

1.5 Chairman Wang Xigao, President Yuan-Ching Chen, CFO Dennis Leu and Chief of Finance Department, Ding Ni, confirm that the financial statements in this Quarterly Report are truthful and complete.

1.6 All financial data in this Quarterly Report are prepared under International Financial Reporting Standards ('IFRS') unless otherwise specified.

§ 2 Brief Introduction

2.1 Main accounting data and financial indicators

Unit: RMB'000

	At the end of reporting period	At the end of the previous year	Change (%)	
Total Assets	18,664,056	19,496,528	-4.27	
Shareholder's equity Attributable to the Equity Holders of the Company	11,301,509	10,598,429	6.63	
	Reporting period (2015 third quarter)	Change (%)	Beginning of year to end of reporting period	Change (%)
Revenue	4,976,888	-14.50	16,966,215	-6.24
Profit Attributable to the Equity Holders of the Company	458,866	25.18	1,540,398	0.62
Net Cash Generated From Operating Activities	-	-	-232,166	-114.49
Basic Earnings Per Share (RMB)	0.53	25.18	1.78	0.62
Diluted Earnings Per Share (RMB)	0.53	25.18	1.78	0.62
Weighted Average Return on Net Asset Ratio (%)	4.36	Up 0.45 percentage point	13.78	Down 1.86 percentage points

2.2 Total number of shareholders and top ten shareholders at the end of reporting period

Total shareholders	JMC had 21,992 shareholders as of September 30, 2015.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares as of September 30, 2015	Shares with Trading Restriction	Shares due to mortgage or frozen
Jiangling Motor Holding Co., Ltd.	State-owned legal person	41.03%	354,176,000	0	0
Ford Motor Company	Foreign legal person	32.00%	276,228,394	0	0
Shanghai Automotive Co., Ltd.	State-owned Legal person	1.51%	13,019,610	0	0
Pingan Life Insurance Specific Client Asset Management Project-No.1	Domestic non-state-owned legal person	1.04%	9,012,285	0	0
Central Huijin Investment Ltd.	State	0.83%	7,186,600	0	0
GAOLING FUND,L.P.	Foreign legal person	0.78%	6,749,127	0	0
JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497	Foreign legal person	0.70%	6,026,850	0	0
TEMPLETON DRAGON FUND,INC.	Foreign legal person	0.57%	4,880,908	0	0
INVESCO FUNDS SICAV	Foreign legal person	0.51%	4,372,630	0	0
E Fund SSE50 Index Securities Investment Fund	Domestic non-state-owned legal person	0.47%	4,013,069	0	0
Top ten shareholders holding unlimited tradable shares					
Shareholder Name		Shares without Trading Restriction		Share Type	
Jiangling Motor Holding Co., Ltd.		354,176,000		A share	
Ford Motor Company		276,228,394		B share	
Shanghai Automotive Co., Ltd.		13,019,610		A share	
Pingan Life Insurance Specific Client Asset Management Project-No.1		9,012,285		A share	
Central Huijin Investment Ltd.		7,186,600		A share	
GAOLING FUND,L.P.		6,749,127		B share	
JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497		6,026,850		B share	
TEMPLETON DRAGON FUND,INC.		4,880,908		B share	

INVESCO FUNDS SICAV	4,372,630	B share
E Fund SSE50 Index Securities Investment Fund	4,013,069	A share
Notes on association among above-mentioned shareholders	None.	

2.3 Stock buy-back of top ten shareholders or top ten shareholders holding unlimited tradable shares in the reporting period

☐ Applicable ☐ √ Not Applicable

§ 3 Major Events

3.1 Causes and explanations of major changes of financial indicators compared with those of previous reporting period

☐ √ Applicable ☐ Not Applicable

By the end of 2015 third quarter, JMC sold 184,594 vehicles, including 80,092 JMC-brand trucks, 40,624 JMC-brand pickups, 15,000 Yusheng-brand SUVs and 48,878 Ford-brand commercial vehicles. Total sales volume decreased by 5% compared with the same period last year. Revenue and net profit during the reporting period were RMB 16,966 million and RMB 1,540 million, down 6.24% and up 0.62% respectively compared with the same period last year.

Current income tax liabilities at the end of the reporting period decreased by RMB 153 million, or 100% from the end of 2014, primarily reflecting the decrease of income tax payable.

Other income in the third quarter increased by 76 million, primarily reflecting the increase of government incentives in the current period.

3.2 Analysis of major events, their impacts and resolutions

☐ Applicable ☐ √ Not Applicable

3.3 Commitments of the Company or the shareholder holding 5% or more of the Company shares

☐ Applicable ☐ √ Not Applicable

3.4 Forecast on 2015 operating performance

Warning and explanations as to the situation that accumulated net profit during the period from year beginning to the end of next reporting period may be negative or, compared with the same period last year, may have a substantial change

☐ Applicable ☐ √ Not Applicable

3.5 Securities investments

☐ Applicable ☒ Not Applicable

3.6 Other listed company's equity held by the Company

☐ Applicable ☒ Not Applicable

3.7 Securities derivatives investment

☐ Applicable ☒ Not Applicable

3.8 External research and media interviews with the Company in the reporting period

☐ Applicable ☒ Not Applicable

Board of Directors

Jiangling Motors Corporation, Ltd.

October 27, 2015

Jiangling Motors Corporation, Ltd.

Consolidated Balance Sheet

(Prepared under International Financial Reporting Standards)

(All amounts in RMB thousands)

	30 September 2015*	31 December 2014
ASSETS		
Non-current assets		
Property, plant and equipment("PPE")	6,165,964	5,736,408
Lease prepayment	599,090	590,629
Intangible assets	32,517	32,173
Investments accounted for using the Equity method	37,032	26,948
Other non-current assets	45,471	34,493
Deferred income tax assets	406,769	440,730
	<u>7,286,843</u>	<u>6,861,381</u>
Current assets		
Inventories	1,796,885	1,658,707
Trade, other receivables and prepayments	2,569,892	2,006,162
Cash and cash equivalents	7,008,036	8,963,468
Restricted cash	2,400	6,810
	<u>11,377,213</u>	<u>12,635,147</u>
Total assets	<u>18,664,056</u>	<u>19,496,528</u>
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	863,214	863,214
Share premium	816,609	816,609
Other reserves	454,968	454,968
Retained earnings	9,166,718	8,463,638
	<u>11,301,509</u>	<u>10,598,429</u>
Non-controlling interests	-	-
Total equity	<u>11,301,509</u>	<u>10,598,429</u>
LIABILITIES		
Non-current liabilities		
Borrowings	4,790	4,808
Deferred income tax liabilities	28,649	29,458
Retirement benefit obligations	46,049	50,146
Provisions for warranty and other liabilities	191,845	226,503
Other non-current liabilities	420	480
	<u>271,753</u>	<u>311,395</u>
Current liabilities		
Financial liabilities at fair value through profit or loss	-	2,011
Trade and other payables	7,079,797	8,420,273
Current income tax liabilities	-	153,439
Borrowings	417	401
Retirement benefits obligations	5,580	5,580
Other current liabilities	5,000	5,000
	<u>7,090,794</u>	<u>8,586,704</u>
Total liabilities	<u>7,362,547</u>	<u>8,898,099</u>
Total equity and liabilities	<u>18,664,056</u>	<u>19,496,528</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.

Consolidated Income Statement

(Prepared under International Financial Reporting Standards)

(All amounts in RMB thousands)	2015.7.1- 2015.9.30*	2014.7.1- 2014.9.30*	2015.1.1- 2015.9.30*	2014.1.1- 2014.9.30*
Revenue	4,976,888	5,821,034	16,966,215	18,095,964
Sales tax	(150,855)	(177,880)	(522,026)	(617,707)
Cost of sales	(3,703,325)	(4,358,726)	(12,713,141)	(13,595,101)
Gross profit	1,122,708	1,284,428	3,731,048	3,883,156
Distribution costs	(326,753)	(402,098)	(961,423)	(1,247,075)
Administrative expenses	(425,798)	(526,998)	(1,485,437)	(1,348,761)
Other income	76,323	1,251	274,921	274,988
Operating profit	446,480	356,583	1,559,109	1,562,308
Finance income	64,863	61,495	212,860	186,812
Finance costs	(1,614)	(1,366)	(2,091)	(1,868)
Finance income -net	63,249	60,129	210,769	184,944
Share of profit of investments accounted for using the equity method	2,778	3,329	10,085	14,984
Profit before income tax	512,507	420,041	1,779,963	1,762,236
Income tax expense	(53,641)	(53,477)	(239,565)	(231,295)
Profit for the period	458,866	366,564	1,540,398	1,530,941
Total comprehensive income for the period	458,866	366,564	1,540,398	1,530,941
Profit attributable to:				
Equity holders of the Company	458,866	366,564	1,540,398	1,530,941
Non-controlling interests	-	-	-	-
	458,866	366,564	1,540,398	1,530,941
Total comprehensive income attributable to:				
Equity holders of the Company	458,866	366,564	1,540,398	1,530,941
Non-controlling interests	-	-	-	-
	458,866	366,564	1,540,398	1,530,941
Earnings per share for profit attributable to the equity holders of the Company (expressed in RMB per share)				
- Basic and diluted	0.53	0.42	1.78	1.77

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.

Consolidated cash flow statement

(Prepared under International Financial Reporting Standards)

(All amounts in RMB thousands)

	2015.7.1-2015.9.30*	2015.1.1-2015.9.30*
Cash flows from operating activities		
Cash generated from operations	(328,534)	192,404
Interest paid	-	(300)
Income Tax paid	(133,954)	(424,270)
Net cash generated from operating activities	(462,488)	(232,166)
Cash flows from investing activities		
Purchase of PPE	(439,181)	(1,121,073)
Other cash paid relating to investment activities	(111)	(6,367)
Proceeds from disposal of PPE	4	2,129
Interest received	43,169	228,121
Dividends received	-	15,657
Other cash received from investing activities	326	1,217
Net cash used in investing activities	(395,793)	(880,316)
Cash flows from financing activities		
Repayments of borrowings	-	(203)
Dividends paid to the Company's shareholders	(840,933)	(840,961)
Other cash paid relating to financing activities	(1,517)	(1,786)
Net cash used in financing activities	(842,450)	(842,950)
Net (decrease)/increase in cash and cash equivalents	(1,700,731)	(1,955,432)
Cash and cash equivalents at beginning of period	8,708,767	8,963,468
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	7,008,036	7,008,036

*: Unaudited financial indexes