

§ 2 Brief Introduction

2.1 Main accounting data and financial indicators

Unit: RMB'000

	2016 First Quarter	2015 First Quarter	Change (%)
Revenue	5,341,490	6,350,234	-15.89
Profit Attributable to the Equity Holders of the Company	413,564	574,050	-27.96
Net Cash Generated From Operating Activities	-142,756	-84,594	-68.75
Basic Earnings Per Share (RMB)	0.48	0.67	-27.96
Diluted Earnings Per Share (RMB)	0.48	0.67	-27.96
Weighted Average Return on Net Asset Ratio (%)	3.39	5.27	Down 1.88 percentage point
	March 31, 2016	December 31, 2015	Change (%)
Total Assets	20,354,510	21,050,726	-3.31
Shareholders' Equity Attributable to the Equity Holders of the Company	12,394,706	11,981,142	3.45

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

Total shareholders	21,700				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares at the End of 2016 First Quarter	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 ("Ford")	Foreign legal person	32	276,228,394	0	0
China Securities Corporation Limited	Other	2.64	22,745,784	0	0
Shanghai Automotive Co., Ltd.	State-owned legal person	1.51	13,019,610	0	0
E-fund New Silk-road Securities Investment Fund	Domestic non-state-owned legal person	0.89	7,700,000	0	0

Central Huijin Investment Ltd.	Other	0.83	7,186,600	0	0
Pingan Life Insurance Specific Client Asset Management Project-No.1	Domestic non-state-owned legal person	0.78	6,750,657	0	0
JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497	Foreign legal person	0.70	6,026,850	0	0
GAOLING FUND,L.P.	Foreign legal person	0.63	5,439,086	0	0
TEMPLETON DRAGON FUND,INC.	Foreign legal person	0.57	4,937,808	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 ("Ford")		276,228,394		B share	
China Securities Corporation Limited		22,745,784		A share	
Shanghai Automotive Co., Ltd.		13,019,610		A share	
E-fund New Silk-road Securities Investment Fund		7,700,000		A share	
Central Huijin Investment Ltd.		7,186,600		A share	
Pingan Life Insurance Specific Client Asset Management Project-No.1		6,750,657		A share	
JPMBLSA RE FTIF TEMPLETON CHINA FUND GTI 5497		6,026,850		B share	
GAOLING FUND,L.P.		5,439,086		B share	
TEMPLETON DRAGON FUND,INC.		4,937,808		B share	
Notes on association among above-mentioned shareholders		No			

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

Yes No

There was no Stock buy-back of top ten shareholders or top ten shareholders holding unlimited tradable shares in the reporting period.

2.4 Total number of shareholders holding preferred shares and top ten shareholders holding preferred shares at the end of 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

In the first quarter of 2016, JMC sold 60,273 vehicles, including 25,929 JMC-brand trucks, 12,536 JMC-brand pickups, 4,015 SUVs, 16,033 Ford-brand commercial vehicles and 1,760 Transit CKDs. Total sales volume decreased by 16% compared with the same period last year. Revenue and net profit during the reporting period were RMB 5,341 million and RMB 414 million, down 16% and down 28% respectively compared with the same period last year.

Other non - current assets in the first quarter of 2016 increased by RMB 30 million compared with the last year end, the change mainly reflect the increase of JMCH capitalized expenditure deductible VAT input tax.

Distribution costs in the first quarter of 2016 increased by RMB 112 million, up 33% compared with the same period last year, primarily reflecting the increase of promotion expenses due to the sever competition situation.

Profit before income tax in the first quarter of 2016 decreased by RMB 248 million, down 36% compared with the same period last year, mainly reflecting the decrease of the sales volume and the increase of the distribution costs.

Income tax expense in the first quarter of 2016 decreased by RMB 87 million, down 72% compared with the same period last year, mainly due to the decrease of the profit.

Net cash generated from operating activities decreased by RMB 58 Mils, down 69% from 2015, mainly due to the sales revenue decrease.

Net cash used in investing activities decreased by RMB 139 Mils, down 40% from 2015, mainly due to the decrease of capitalized expenditure.

3.2 Analysis of major events, their impacts and resolutions

Applicable √ Not Applicable

3.3 Commitments of the Company, the shareholder, the actual controlling party, the acquirer, the Director, the Supervisor, the senior executive or other related party of the Company

√ Applicable Not Applicable

Item	Promisor	Content of Commitments	Time	Term of Commitments	Implementation of commitments
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Share reform		None	None	None	N/A
Acquisition report or Statement of changes in equity		None	None	None	N/A
Asset restructuring		None	None	None	N/A
Initial Public Offering or re-funding		None	None	None	N/A
Other commitments	JMH	*	July 11, 2015	within 6 months since July 9, 2015	JMH exercised its commitments sincerely and did not breach the promise as of January 9, 2016.
Implementation in time or not	Yes				

* i. JMH will not reduce JMC shares by secondary market within six months since July 9, 2015; ii. JMH will exercise its duties as a major shareholder, concentrate on the quality of the listed company, push to establish a sound invest-return long-term mechanism and continue to improve the return level.

3.4 Forecast on 2016 first half-year 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 investment

Applicable Not Applicable

There was no securities investment in the reporting period.

3.6 Securities derivatives investment

Applicable Not Applicable

There was no securities derivatives investment in the reporting period.

3.7 External research and media interview to the Company in the reporting period

Date	Communication Method	Type of Object	Information Discussed and Materials offered
January 14, 2016	On-the-spot research	Institution	JMC Operating highlights
January 26, 2016	On-the-spot research	Institution	JMC Operating highlights
March 3, 2016	On-the-spot research	Institution	JMC Operating highlights
March 10, 2016	On-the-spot research	Institution	JMC Operating highlights

3.8. Outside guarantee in breach of laws & regulations

Applicable Not Applicable

There was no outside guarantee in breach of laws & regulations in the reporting period.

3.9 Non-operating funding in the Company occupied by controlling shareholder and its affiliates

Applicable Not Applicable

There was no non-operating funding in the Company occupied by controlling shareholder and its affiliates in the reporting period.

Board of Directors

Jiangling Motors Corporation, Ltd.

April 29, 2016

Appendix
Jiangling Motors Corporation, Ltd.
Consolidated Balance Sheet
March 31, 2016

(All amounts in RMB thousands unless otherwise stated)

	<u>31 March 2016*</u>	<u>31 December 2015</u>
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment ("PPE")	6,276,948	6,323,546
Lease prepayment	641,726	645,608
Intangible assets	38,917	41,705
Investments accounted for using the equity method	37,420	40,993
Other non-current assets	94,843	64,487
Deferred income tax assets	505,564	473,933
	<u>7,595,418</u>	<u>7,590,272</u>
Current assets		
Financial assets at fair value through profit or loss	-	77
Inventories	1,656,173	1,730,930
Trade, other receivables and prepayments	2,520,177	2,793,770
Cash and cash equivalents	8,495,931	8,848,040
Assets classified as held for sale	86,811	87,637
	<u>12,759,092</u>	<u>13,460,454</u>
Total assets	<u>20,354,510</u>	<u>21,050,726</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	452,938	452,938
Retained earnings	10,261,945	9,848,381
	<u>12,394,706</u>	<u>11,981,142</u>
Total equity	<u>12,394,706</u>	<u>11,981,142</u>
LIABILITIES		
Non-current liabilities		
Borrowings	4,654	4,678
Deferred income tax liabilities	28,135	28,392
Retirement benefit obligations	50,741	52,273
Provisions for warranty and other liabilities	215,826	214,722
Other non-current liabilities	380	400
	<u>299,736</u>	<u>300,465</u>
Current liabilities		
Financial liabilities at fair value through profit or loss	96	-
Trade and other payables	7,584,261	8,708,829
Current income tax liabilities	65,728	50,305
Borrowings	423	425
Retirement benefits obligations	4,560	4,560
Other current liabilities	5,000	5,000
	<u>7,660,068</u>	<u>8,769,119</u>
Total liabilities	<u>7,959,804</u>	<u>9,069,584</u>
Total equity and liabilities	<u>20,354,510</u>	<u>21,050,726</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated Income Statement
2016 First quarter

(All amounts in RMB thousands unless otherwise stated)

	<u>2016 first quarter*</u>	<u>2015 first quarter*</u>
	RMB'000	RMB'000
Revenue	5,341,490	6,350,234
Sales tax	(176,622)	(213,987)
Cost of sales	<u>(4,058,811)</u>	<u>(4,808,495)</u>
Gross profit	1,106,057	1,327,752
Distribution costs	(455,960)	(344,101)
Administrative expenses	(451,486)	(507,866)
Other income	<u>188,728</u>	<u>142,984</u>
Operating profit	387,339	618,769
Finance income	58,050	73,220
Finance costs	<u>(157)</u>	<u>(253)</u>
Finance income -net	57,893	72,967
Share of profit of investments accounted for using the equity method	<u>2,172</u>	<u>3,214</u>
Profit before income tax	447,404	694,950
Income tax expense	<u>(33,840)</u>	<u>(120,900)</u>
Profit for the period	413,564	574,050
Total comprehensive income for the period	413,564	574,050
Profit attribute to:		
Shareholders of the Company	<u>413,564</u>	<u>574,050</u>
Total comprehensive income attributable to:		
Shareholders of the Company	<u>413,564</u>	<u>574,050</u>
Earnings per share for profit attributable to the equity holders of the Company (expressed in RMB per share)		
- Basic and diluted	<u>0.48</u>	<u>0.67</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated cash flow statement
2016 First Quarter

(All amounts in RMB thousands unless otherwise stated)

	<u>2016 first quarter*</u>	<u>2015 first quarter*</u>
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	(92,169)	68,279
Interest paid	(282)	(260)
Income Tax paid	(50,305)	(152,613)
Net cash generated from operating activities	<u>(142,756)</u>	<u>(84,594)</u>
Cash flows from investing activities		
Purchase of PPE and lease prepayment	(276,560)	(459,697)
Other cash paid relating to investment activities	-	(6,044)
Proceeds from disposal of PPE and lease prepayment	1,518	1,675
Interest received	59,807	99,845
Dividends received	5,745	15,657
Other cash received from investing activities	137	3
Net cash used in investing activities	<u>(209,353)</u>	<u>(348,561)</u>
Cash flows from financing activities		
Net cash used in financing activities	-	-
Net decrease in cash and cash equivalents	(352,109)	(433,155)
Cash and cash equivalents at beginning of year	8,848,040	8,963,468
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	<u>8,495,931</u>	<u>8,530,313</u>