

§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	23,685,848	24,493,789	-3.30	
Shareholder's equity Attributable to the Equity Holders of the Company	12,526,207	12,409,236	0.94	
	Reporting period (2017 third quarter)	Change (%)	Beginning of year to end of reporting period	Change (%)
Revenue	6,768,706	5.45	22,435,182	30.21
Profit Attributable to the Equity Holders of the Company	90,628	-76.70	643,531	-41.15
Net Cash Generated From Operating Activities	-	-	-1,385,148	-166.79
Basic Earnings Per Share (RMB)	0.11	-76.70	0.75	-41.15
Diluted Earnings Per Share (RMB)	0.11	-76.70	0.75	-41.15
Weighted Average Return on Net Asset Ratio (%)	0.74	Down 2.67 percentage point	5.10	Down 4.68 percentage points

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

2.2.1 Total number of shareholders and top ten shareholders

Total shareholders	JMC had 28,117 shareholders as of September 30, 2017, including 22,845 A-share holders and 5,272 B-share holders.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares as of September 30, 2017	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
China Securities Corporation Limited	Other	2.64%	22,743,584	0	0
Shanghai Automotive Co., Ltd.	State-owned Legal person	1.51%	13,019,610	0	0
Central Huijin Investment Ltd.	State-owned Legal person	0.83%	7,186,600	0	0
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497	Foreign legal person	0.68%	5,848,450	0	0
GAOLING FUND,L.P.	Foreign legal person	0.63%	5,439,086	0	0
INVESCO FUNDS SICAV	Foreign legal person	0.58%	5,035,746	0	0
TEMPLETON DRAGON FUND,INC.	Foreign legal person	0.57%	4,887,508	0	0
TEMPLETON GBL INVSTMT TRST-TMPLTN EMGNG MKTS SMALL CAP FD	Foreign legal person	0.46%	3,948,718	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		
China Securities Corporation Limited	22,743,584		A share		
Shanghai Automotive Co., Ltd.	13,019,610		A share		
Central Huijin Investment Ltd.	7,186,600		A share		
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497	5,848,450		B share		
GAOLING FUND,L.P.	5,439,086		B share		
INVESCO FUNDS SICAV	5,035,746		B share		
TEMPLETON DRAGON FUND,INC.	4,887,508		B share		
TEMPLETON GBL INVSTMT TRST-TMPLTN EMGNG MKTS SMALL CAP FD	3,948,718		B share		

Notes on association among above-mentioned shareholders	None.
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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.

2.2.2 Total number of shareholders holding preferred shares and top ten shareholders holding preferred shares

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 three quarters of 2017, JMC sold 221,408 vehicles in total, up 19.99% compared with the same period last year; including 75,574 JMC-brand trucks, 49,570 JMC-brand pickups, 33,454 SUVs, 38,331 Ford-brand commercial vehicles, 20,179 JMC-brand light buses and 4,300 Transit CKDs. Revenue and net profit during the reporting period were RMB 22,435 million and RMB 644 million, increase 30.21% and decrease 41.15% respectively compared with the same period last year.

Trade, other receivables and prepayments at the end of the reporting period increased by RMB 1,301 million, or 49.56% from the end of 2016, primarily reflecting the increase of dealer credit to support peak season sales and production balance, and the material purchasing increase due to higher production.

Distribution costs in the third quarter of 2017 increased by 163 million, up 36.12% from the same period last year, primarily reflecting the increase of marketing expenses due to the severe competition situation.

Profit after income tax in the third quarter of 2017 decreased by RMB 298 million, down 76.70% from the same period last year, primarily reflecting change of sales structure and the marketing expense and research expenditure increase.

Distribution costs in the first three quarters of 2017 increased by RMB 676

million, up 55.92% from the same period last year, primarily reflecting the marketing and sales promotion expense increase.

Profit before income tax in the first three quarters of 2017 decreased by RMB 544 million, down 44.05% from the same period last year, primarily reflecting the marketing expense increase and change of sales structure.

Income tax expense in the first three quarters of 2017 decreased by RMB 94 million, down 66.31% from the same period last year, primarily reflecting the decrease of the profit.

Net cash generated from operating activities in the first three quarters of 2017 decreased by RMB 3,459 million, down 166.79% from the same period last year, primarily reflecting the increase of receivables and payments generated by the increase of sales volume.

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 the related party of the Company

Applicable Not Applicable

3.4 Forecast on 2017 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 during the reporting period.

3.6 Securities derivatives investment

Applicable Not Applicable

There was no securities derivatives investment during the reporting period.

3.7 External research and media interviews with the Company during the reporting period

Applicable Not Applicable

There was no external research or media interview with the Company during the reporting period.

3.8. Outside guarantee in breach of laws & regulations

Applicable Not Applicable

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

3.10 Corporation social responsibilities of one-to-one poverty alleviation

3.10.1 Summary of one-to-one poverty alleviation

According to arrangement of JMCG, the Company joined the one-to-one poverty alleviation in Qianmo Village, Daijiapu Township, Suichuan County, Jiangxi Province and Xianting Village, Songhu Town, Xinjian District, Nanchang City.

3.10.2 Status of one-to-one poverty alleviation by the listed company in the first three quarters

Item	Unit	Amount/Progress
I. Brief Introduction	—	—
including: 1. Funding	RMB ('000)	57.7
2. Sum converted from the materials	RMB ('000)	13.3
3. Persons get rid of poverty	Persons	20
II. Investments	—	—
1. Anti-poverty depending on industry development	—	—
2. Anti-poverty depending on employment transfer	—	—
3. Anti-poverty depending on relocation	—	—
4. Anti-poverty depending on education	—	—
5. Health Anti-poverty	—	—
6. Ecological protection anti-poverty	—	—
7. Miscellaneous provisions	—	—
8. Social anti-poverty	—	—
including: 8.1 Investments on cooperation between West China and East China	RMB ('000)	
8.2 Investments on one-to-one anti-poverty	RMB ('000)	71
8.3 Investments from anti-poverty charity fund	RMB ('000)	
9. Other	—	—
III. Awards	—	—

§4 Financial Statements

Jiangling Motors Corporation, Ltd.

Consolidated Balance Sheet

(All amounts in RMB thousands unless otherwise stated)

	30 September 2017*	31 December 2016
Assets		
Non-current assets		
Property, plant and equipment	6,595,626	6,688,530
Lease prepayment	620,728	632,408
Intangible assets	143,479	158,160
Investments accounted for using the equity method	45,271	39,893
Other non-current assets	115,987	97,549
Deferred income tax assets	582,138	554,488
	<hr/>	<hr/>
	8,103,229	8,171,028
Current assets		
Financial assets at fair value through profit or loss	-	8,539
Inventories	2,299,947	1,934,092
Trade, other receivables and prepayments	3,927,188	2,625,808
Cash and cash equivalents	9,262,071	11,666,222
Restricted Cash	-	463
Assets classified as held for sale	93,413	87,637
	<hr/>	<hr/>
	15,582,619	16,322,761
	<hr/>	<hr/>
Total assets	23,685,848	24,493,789
Equity and liabilities		
Equity attributable to shareholders of the Company		
Share capital	863,214	863,214
Share premium	816,609	816,609
Other reserves	452,126	452,126
Retained earnings	10,394,258	10,277,287
	<hr/>	<hr/>
Total equity	12,526,207	12,409,236

	30 September 2017*	31 December 2016
Liabilities		
Non-current liabilities		
Borrowings	4,129	4,543
Deferred income tax liabilities	26,791	27,383
Retirement benefit obligations	49,807	53,627
Provisions for warranty and other liabilities	159,426	130,987
Other non-current liabilities	260	320
	<hr/> 240,413	<hr/> 216,860
Current liabilities		
Financial liabilities at fair value through profit or loss	2,687	-
Trade and other payables	10,701,225	11,605,178
Current income tax liabilities	24,816	98,860
Borrowings	435	454
Retirement benefit obligations	4,561	4,561
Provisions for warranty and other liabilities	185,504	153,640
Other current liabilities	-	5,000
	<hr/> 10,919,228	<hr/> 11,867,693
Total liabilities	<hr/> 11,159,641	<hr/> 12,084,553
Total equity and liabilities	<hr/> 23,685,848	<hr/> 24,493,789

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated Income Statement

(All amounts in RMB thousands unless otherwise stated)

	2017.7.1- 2017.9.30*	2016.7.1- 2016.9.30*	2017.1.1- 2017.9.30*	2016.1.1- 2016.9.30*
Revenue	6,768,706	6,418,622	22,435,182	17,229,358
Sales tax	(190,741)	(197,070)	(735,363)	(525,325)
Cost of sales	(5,407,643)	(4,866,388)	(17,779,600)	(13,222,471)
Gross profit	1,170,322	1,355,164	3,920,219	3,481,562
Distribution expenses	(613,872)	(450,967)	(1,884,349)	(1,208,534)
Administrative expenses	(583,351)	(543,465)	(1,777,017)	(1,480,863)
Impairment charge of non-current assets	-	-	(3,347)	(1,347)
Other income	42,621	50,039	246,205	275,895
Operating profit	15,720	410,771	501,711	1,066,713
Finance income	60,293	53,272	188,196	163,691
Finance expenses	(1,897)	(2,298)	(3,900)	(3,065)
Finance income -net	58,396	50,974	184,296	160,626
Share of profit of investments accounted for using the equity method	1,931	3,251	5,378	8,277
Profit before income tax	76,047	464,996	691,385	1,235,616
Income tax expense	14,581	(75,960)	(47,854)	(142,063)
Profit for the period	90,628	389,036	643,531	1,093,553
Total comprehensive income for the period	90,628	389,036	643,531	1,093,553
Profit attributable to:				
Shareholders of the Company	90,628	389,036	643,531	1,093,553
Total comprehensive income attributable to:				
Shareholders of the Company	90,628	389,036	643,531	1,093,553
Earnings per share for profit attributable to the shareholders of the Company (expressed in RMB per share)				
- Basic and diluted	0.11	0.45	0.75	1.27

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated cash flow statement

(All amounts in RMB thousands unless otherwise stated)

	2017.1.1- 2017.9.30*	2016.1.1- 2016.9.30*
Cash flows from operating activities		
Cash generated from operations	(1,187,899)	2,220,687
Interest paid	(158)	(320)
Income Tax paid	(197,091)	(146,629)
Net cash generated from operating activities	<u>(1,385,148)</u>	<u>2,073,738</u>
Cash flows from investing activities		
Purchase of property, plant and equipment (PPE)	(635,675)	(839,683)
Other cash paid relating to investing activities	(5,878)	(101)
Proceeds from disposal of PPE	2,451	2,620
Interest received	144,405	160,217
Dividends received	-	5,745
Other cash received from investing activities	8,908	1,554
Net cash used in investing activities	<u>(485,789)</u>	<u>(669,648)</u>
Cash flows from financing activities		
Repayments of borrowings	(5,226)	(212)
Dividends paid to the Company's shareholders	(527,117)	(897,770)
Other cash paid relating to financing activities	(871)	(1,467)
Net cash used in financing activities	<u>(533,214)</u>	<u>(899,449)</u>
Net (decrease)/increase in cash and cash equivalents	(2,404,151)	504,641
Cash and cash equivalents at beginning of period	11,666,222	8,848,040
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	<u>9,262,071</u>	<u>9,352,681</u>

*: Unaudited financial indexes