

§ 2 Brief Introduction

2.1 Main accounting data and financial indicators

Unit: RMB'000

	2017 First Quarter	2016 First Quarter	Change (%)
Revenue	8,155,676	5,341,490	52.69
Profit Attributable to the Equity Holders of the Company	228,608	413,564	-44.72
Net Cash Generated From Operating Activities	-879,487	-142,756	-516.08
Basic Earnings Per Share (RMB)	0.26	0.48	-44.72
Diluted Earnings Per Share (RMB)	0.26	0.48	-44.72
Weighted Average Return on Net Asset Ratio (%)	1.83	3.39	Down 1.56 percentage point
	March 31, 2017	December 31, 2016	Change (%)
Total Assets	24,421,300	24,493,789	-0.30
Shareholders' Equity Attributable to the Equity Holders of the Company	12,637,844	12,409,236	1.84

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

Total shareholders	JMC had 23,068 shareholders, including 17,933 A-share holders, and 5,135 B-share holders, as of March 31, 2017.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares at the End of 2017 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	Foreign legal person	32	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
TEMPLETON DRAGON FUND,INC.	Foreign legal person	0.57	4,916,708	0	0
Norges Bank	Foreign legal person	0.51	4,380,414	0	0
INVESCO FUNDS SICAV	Foreign legal person	0.51	4,372,630	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	
TEMPLETON DRAGON FUND,INC.		4,916,708		B share	
Norges Bank		4,380,414		A share	
INVESCO FUNDS SICAV		4,372,630		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 2017, JMC sold 79,553 vehicles in total, including 25,908 JMC-brand trucks, 277 JMC-brand light buses, 18,097 JMC-brand pickups, 20,398 SUVs, 13,133 Ford-brand commercial vehicles and 1,740 Transit CKDs. Total sales volume increased by 31.99% compared with the same period last year. Revenue and net profit during the reporting period were RMB 8,156 million and RMB 229 million, increase 52.69% and decrease 44.72% respectively compared with the same period last year.

Trade, other receivables and prepayments at the end of the reporting period increased by RMB 787 million, or 29.98% 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.

In the first quarter of 2017, compared with the same period last year, revenue increased by RMB 2,814 million, up 52.69%, cost of sales increased by RMB 2,406 million, up 59.28%, sales tax increased by RMB 116 million, up 65.87%, distribution expenses increase by 248 million, up 54.44%, primarily reflecting the increase of sales volume and the change of sales structure.

In the first quarter of 2017, other income decrease by RMB 142 million, down 75.36% from the same period last year, primarily reflecting the decrease of government grants.

In the first quarter of 2017, compared with the same period last year, operating profit decreased by RMB 190 million, down 49.07%, profit before income tax decreased by RMB 187 million, down 41.85%, primarily reflecting the change of sales structure and the decrease of government grants.

In the first quarter of 2017, net cash generated from operating activities decreased by RMB 737 million, down 516.08% from 2016, mainly due to cash paid for purchasing goods, accepting labor services and tax payments attributed to volume increase.

3.2 Analysis of major events, their impacts and resolutions

Applicable Not Applicable

3.3 Overdue commitment 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

There was no overdue commitment 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 in the reporting period.

3.4 Forecast on 2017 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
February 9, 2017	On-the-spot research	Institution	JMC Operating highlights
February 23, 2017	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.

Jiangling Motors Corporation, Ltd.
Consolidated Balance Sheet
March 31, 2017

(All amounts in RMB thousands unless otherwise stated)

	<u>31 March 2017*</u>	<u>31 December 2016</u>
ASSETS		
Non-current assets		
Property, plant and equipment	6,624,928	6,688,530
Lease prepayment	628,514	632,408
Intangible assets	153,090	158,160
Investments accounted for using the equity method	41,588	39,893
Other non-current assets	97,368	97,549
Deferred income tax assets	589,323	554,488
	<u>8,134,811</u>	<u>8,171,028</u>
Current assets		
Financial assets at fair value through profit or loss	3,652	8,539
Inventories	2,169,722	1,934,092
Trade, other receivables and prepayments	3,413,152	2,625,808
Cash and cash equivalents	10,612,326	11,666,222
Restricted cash	-	463
Assets classified as held for sale	87,637	87,637
	<u>16,286,489</u>	<u>16,322,761</u>
Total assets	<u>24,421,300</u>	<u>24,493,789</u>
EQUITY		
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	10,505,895	10,277,287
	<u>12,637,844</u>	<u>12,409,236</u>
Total equity	<u>12,637,844</u>	<u>12,409,236</u>
LIABILITIES		
Non-current liabilities		
Borrowings	4,518	4,543
Deferred income tax liabilities	27,192	27,383
Retirement benefit obligations	51,416	53,627
Provisions for warranty and other liabilities	143,724	130,987
Other non-current liabilities	300	320
	<u>227,150</u>	<u>216,860</u>
Current liabilities		
Trade and other payables	11,316,001	11,605,178
Current income tax liabilities	66,584	98,860
Borrowings	452	454
Retirement benefits obligations	4,561	4,561
Provisions for warranty and other liabilities	168,708	153,640
Other current liabilities	-	5,000
	<u>11,556,306</u>	<u>11,867,693</u>
Total liabilities	<u>11,783,456</u>	<u>12,084,553</u>
Total equity and liabilities	<u>24,421,300</u>	<u>24,493,789</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated Income Statement
2017 First quarter

(All amounts in RMB thousands unless otherwise stated)

	<u>2017 first quarter*</u>	<u>2016 first quarter*</u>
Revenue	8,155,676	5,341,490
Sales tax	(292,971)	(176,622)
Cost of sales	<u>(6,465,003)</u>	<u>(4,058,811)</u>
Gross profit	1,397,702	1,106,057
Distribution expenses	(704,191)	(455,960)
Administrative expenses	(542,735)	(451,486)
Other income	<u>46,501</u>	<u>188,728</u>
Operating profit	197,277	387,339
Finance income	62,173	58,050
Finance expenses	<u>(979)</u>	<u>(157)</u>
Finance income -net	61,194	57,893
Share of profit of investments accounted for using the equity method	<u>1,695</u>	<u>2,172</u>
Profit before income tax	260,166	447,404
Income tax expense	<u>(31,558)</u>	<u>(33,840)</u>
Profit for the period	228,608	413,564
Total comprehensive income for the period	228,608	413,564
Profit attribute to:		
Shareholders of the Company	<u>228,608</u>	<u>413,564</u>
Total comprehensive income attributable to:		
Shareholders of the Company	<u>228,608</u>	<u>413,564</u>
Earnings per share for profit attributable to the shareholders of the Company for the period (expressed in RMB per share)		
- Basic and diluted	<u>0.26</u>	<u>0.48</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated cash flow statement
2017 First Quarter

(All amounts in RMB thousands unless otherwise stated)

	<u>2017 first quarter*</u>	<u>2016 first quarter*</u>
Cash flows from operating activities		
Cash generated from operations	(780,507)	(92,169)
Interest paid	(120)	(282)
Income Tax paid	(98,860)	(50,305)
Net cash generated from operating activities	<u>(879,487)</u>	<u>(142,756)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment (PPE)	(205,503)	(276,560)
Other cash paid relating to investment activities	(2,479)	-
Proceeds from disposal of PPE	2	1,518
Interest received	36,735	59,807
Dividends received	-	5,745
Other cash received from investing activities	2,729	137
Net cash used in investing activities	<u>(168,516)</u>	<u>(209,353)</u>
Cash flows from financing activities		
Repayments of borrowings	(5,000)	-
Dividends paid to shareholders of the Company	(893)	-
Net cash used in financing activities	<u>(5,893)</u>	<u>-</u>
Net decrease in cash and cash equivalents	(1,053,896)	(352,109)
Cash and cash equivalents at beginning of year	11,666,222	8,848,040
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	<u>10,612,326</u>	<u>8,495,931</u>

*: Unaudited financial indexes