

§ 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	21,710,970	21,050,726	3.14	
Shareholder's equity Attributable to the Equity Holders of the Company	12,185,585	11,981,142	1.71	
	Reporting period (2016 third quarter)	Change (%)	Beginning of year to end of reporting period	Change (%)
Revenue	6,418,622	28.97	17,229,358	1.55
Profit Attributable to the Equity Holders of the Company	389,036	-15.22	1,093,553	-29.01
Net Cash Generated From Operating Activities	-	-	2,073,738	993.21
Basic Earnings Per Share (RMB)	0.45	-15.22	1.27	-29.01
Diluted Earnings Per Share (RMB)	0.45	-15.22	1.27	-29.01
Weighted Average Return on Net Asset Ratio (%)	3.41	Down 0.95 percentage point	9.78	Down 4 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 17,687 shareholders as of September 30, 2016.				
Top ten shareholders					
Shareholder Name	Shareholder Type	Shareholding Percentage (%)	Shares as of September 30, 2016	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%	22,745,784		
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
BILL & MELINDA GATES FOUNDATION TRUST	Foreign legal person	0.72%	6,245,580	0	0
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497	Foreign legal person	0.68%	5,872,450	0	0
GAOLING FUND,L.P.	Foreign legal person	0.63%	5,439,086	0	0
E Fund New Silk-road Securities Investment Fund	Domestic non-state-owned legal person	0.63%	5,400,000	0	0
British Columbia Invest Company	Foreign legal person	0.61%	5,300,072	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	22,745,784		A share		
Shanghai Automotive Co., Ltd.	13,019,610		A share		
Central Huijin Investment Ltd.	7,186,600		A share		
BILL & MELINDA GATES FOUNDATION TRUST	6,245,580		A share		
JPMBSA RE FTIF TEMPLETON CHINA FUND GTI 5497	5,872,450		B share		
GAOLING FUND,L.P.	5,439,086		B share		
E Fund New Silk-road Securities Investment Fund	5,400,000		A share		
British Columbia Invest Company	5,300,072		A 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 2016, JMC sold 184,521 vehicles, including 71,634 JMC-brand trucks, 42,569 JMC-brand pickups, 16,638 SUVs, 48,060 Ford-brand commercial vehicles, and 5,620 Transit CKDs. Total sales volume decreased by 2.14% compared with the same period last year. Revenue and net profit during the reporting period were RMB 17,229 million and RMB 1,094 million, increase 1.55% and down 29.01% respectively compared with the same period last year.

Intangible assets at the end of the reporting period increased by RMB 82 million, or 195.89% from the end of 2015, primarily reflecting the capitalization of research and development spending.

Other non-current assets at the end of the reporting period increased by RMB 37 million, or 56.92% from the end of 2015, primarily reflecting the increase of JMCH capitalized expenditure deductible VAT input tax.

Distribution costs in the third quarter of 2016 increased by 125 million, up 38.26% from the same period last year, primarily reflecting the increase of marketing expenses due to the severe competition situation.

Administrative expenses in the third quarter of 2016 increased by 129 million, up 30.19% from the same period last year, primarily reflecting the increase of research and development spending.

Other income In the third quarter of 2016 decreased by RMB 26 million, down 34.44% from the same period last year, primarily reflecting the decrease of government subsidies in the current period.

Profit before income tax In the first three quarters of 2016 decreased by RMB 544 million, down 30.58% from the same period last year, primarily reflecting product price reduction and the marketing expense increase.

Income tax expense in the first three quarters of 2016 decreased by RMB 98 million, down 40.70% 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 2016 increased by RMB 2,306 million, up 993.21% from the same period last year, primarily reflecting the increase of cash generated from sales revenue and decrease of cash paid for purchase goods or accepting labor services.

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 2016 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

Date	Communication Method	Type of Object	Information Discussed and Materials offered
August 12, 2016	On-the-spot research	Institution	JMC Operating highlights
September 8, 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 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.

§ 4 Financial Statements

Jiangling Motors Corporation, Ltd.

Consolidated Balance Sheet

(All amounts in RMB thousands unless otherwise stated)

	30 September 2016*	31 December 2015
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment("PPE")	6,430,410	6,323,546
Lease prepayment	636,337	645,608
Intangible assets	123,402	41,705
Investments accounted for using the Equity method	35,547	40,993
Other non-current assets	101,196	64,487
Deferred income tax assets	477,244	473,933
	<u>7,804,136</u>	<u>7,590,272</u>
Current assets		
Financial assets at fair value through profit or loss	5,675	77
Inventories	2,031,434	1,730,930
Trade, other receivables and prepayments	2,429,407	2,793,770
Cash and cash equivalents	9,352,681	8,848,040
Assets classified as held for sale	87,637	87,637
	<u>13,906,834</u>	<u>13,460,454</u>
Total assets	<u>21,710,970</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	10,052,824	9,848,381
Total equity	<u>12,185,585</u>	<u>11,981,142</u>
LIABILITIES		
Non-current liabilities		
Borrowings	4,591	4,678
Deferred income tax liabilities	27,615	28,392
Retirement benefit obligations	48,529	52,273
Provisions for warranty and other liabilities	243,897	214,722
Other non-current liabilities	340	400
	<u>324,972</u>	<u>300,465</u>
Current liabilities		
Trade and other payables	9,140,589	8,708,829
Current income tax liabilities	49,827	50,305
Borrowings	437	425
Retirement benefits obligations	4,560	4,560
Other current liabilities	5,000	5,000
	<u>9,200,413</u>	<u>8,769,119</u>
Total liabilities	<u>9,525,385</u>	<u>9,069,584</u>
Total equity and liabilities	<u>21,710,970</u>	<u>21,050,726</u>

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated Income Statement

(All amounts in RMB thousands unless otherwise stated)

	2016.7.1- 2016.9.30*	2015.7.1- 2015.9.30*	2016.1.1- 2016.9.30*	2015.1.1- 2015.9.30*
Revenue	6,418,622	4,976,888	17,229,358	16,966,215
Sales tax	(185,384)	(150,855)	(505,843)	(522,026)
Cost of sales	(4,866,388)	(3,703,325)	(13,222,471)	(12,713,141)
Gross profit	1,366,850	1,122,708	3,501,044	3,731,048
Distribution costs	(451,753)	(326,753)	(1,209,756)	(961,423)
Administrative expenses	(554,365)	(425,798)	(1,499,123)	(1,485,437)
Impairment change of non-current assets	-	-	(1,347)	
Other income	50,039	76,323	275,895	274,921
Operating profit	410,771	446,480	1,066,713	1,559,109
Finance income	53,272	64,863	163,691	212,860
Finance costs	(2,298)	(1,614)	(3,065)	(2,091)
Finance income -net	50,974	63,249	160,626	210,769
Share of profit of investments accounted for using the equity method	3,251	2,778	8,277	10,085
Profit before income tax	464,996	512,507	1,235,616	1,779,963
Income tax expense	(75,960)	(53,641)	(142,063)	(239,565)
Profit for the period	389,036	458,866	1,093,553	1,540,398
Total comprehensive income for the period	389,036	458,866	1,093,553	1,540,398
Profit attributable to:				
Shareholders of the Company	389,036	458,866	1,093,553	1,540,398
Total comprehensive income attributable to:				
Shareholders of the Company	389,036	458,866	1,093,553	1,540,398
Earnings per share for profit attributable to the shareholders of the Company (expressed in RMB per share)				
- Basic and diluted	0.45	0.53	1.27	1.78

*: Unaudited financial indexes

Jiangling Motors Corporation, Ltd.
Consolidated cash flow statement

(All amounts in RMB thousands unless otherwise stated)

	2016.7.1-2015.9.30*	2016.1.1-2015.9.30*
Cash flows from operating activities		
Cash generated from operations	1,116,780	2,220,687
Interest paid	-	(320)
Income Tax paid	(30,596)	(146,629)
Net cash generated from operating activities	<u>1,086,184</u>	<u>2,073,738</u>
Cash flows from investing activities		
Purchase of PPE and Lease prepayment	(327,239)	(839,683)
Other cash paid relating to investment activities	-	(101)
Proceeds from disposal of PPE and Lease prepayment	9	2,620
Interest received	14,298	160,217
Dividends received	-	5,745
Other cash received from investing activities	1,177	1,554
Net cash used in investing activities	<u>(311,755)</u>	<u>(669,648)</u>
Cash flows from financing activities		
Repayments of borrowings	-	(212)
Dividends paid to the Company's shareholders	(890,199)	(897,770)
Other cash paid relating to financing activities	(1,467)	(1,467)
Net cash used in financing activities	<u>(891,666)</u>	<u>(899,449)</u>
Net (decrease)/increase in cash and cash equivalents	(117,237)	504,641
Cash and cash equivalents at beginning of period	9,469,918	8,848,040
Effects of exchange rate changes	-	-
Cash and cash equivalents at end of period	<u>9,352,681</u>	<u>9,352,681</u>

*: Unaudited financial indexes