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**中國中車股份有限公司**  
**CRRCL CORPORATION LIMITED**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 1766)**

**US\$600,000,000 Zero Coupon Convertible Bonds due 2021**

**Stock code: 5613**

**2017 FIRST QUARTERLY REPORT**

This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The 2017 first quarterly report of CRRCL Corporation Limited (the “**Company**” or “**CRRCL**”, together with its subsidiaries, the “**Group**”) is set out below. The financial report is prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and is unaudited.

By order of the Board  
**CRRCL Corporation Limited**  
**Liu Hualong**  
*Chairman*

Beijing, the PRC  
27 April 2017

*As at the date of this announcement, the executive directors of the Company are Mr. Liu Hualong and Mr. Xi Guohua; the non-executive director is Mr. Liu Zhiyong; and the independent non-executive directors are Mr. Li Guo'an, Mr. Zhang Zhong, Mr. Wu Zhuo, Mr. Sun Patrick and Mr. Chan Ka Keung, Peter.*

## 1. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”), the supervisory committee, the directors, supervisors and senior management of the Company warrant that the information stated in this quarterly report is true, accurate, complete and without any false representation, misleading statement or material omission, and assume several and joint liabilities in respect thereof.
- 1.2 The first quarterly report has been considered and approved by the twenty-second meeting of the first session of the Board of the Company. All the directors of the Company have attended the Board meeting considering and approving the quarterly report.
- 1.3 Liu Hualong, the chairman of the Company, Zhan Yanjing, the person-in-charge of accounting affairs, and Wang Jian, the person responsible for the accounting department (head of the accounting department), warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
- 1.4 The first quarterly report of the Company is unaudited.

## 2. GENERAL INFORMATION OF THE COMPANY

### 2.1 Major financial information

	<i>Unit: RMB'000</i>		<i>Currency: RMB</i>
	<b>As at the end of the reporting period</b>	<b>As at the end of last year</b>	<b>Change as at the end of the reporting period as compared to the end of last year (%)</b>
Total assets	344,176,454	338,310,612	1.73
Net assets attributable to shareholders of the listed Company	118,109,909	104,856,609	12.64

	<b>From the beginning of the year to the end of the reporting period</b>	<b>From the beginning of last year to the end of the reporting period of last year</b>	<b>Change as compared to the same period last year (%)</b>
Net cash flow from operating activities	-15,528,557	-4,630,285	—
	<b>From the beginning of the year to the end of the reporting period</b>	<b>From the beginning of last year to the end of the reporting period of last year</b>	<b>Change as compared to the same period last year (%)</b>
Revenue from operations	33,592,333	40,330,971	-16.71
Net profit attributable to shareholders of the Company	1,151,988	1,987,777	-42.05
Net profit after non-recurring profit or loss attributable to shareholders of the Company	928,539	1,712,941	-45.79
Return on weighted average net assets (%)	1.02	2.03	decreased by 1.01 percentage point
Basic earnings per share (RMB/share)	0.04	0.07	-42.86
Diluted earnings per share (RMB/share)	0.04	0.07	-42.86

**Non-recurring profit or loss items and amounts**

Applicable       Not applicable

*Unit: RMB'000    Currency: RMB*

<b>Item</b>	<b>Amount for the period</b>
Profit or loss on disposal of non-current assets	3,873
Government subsidies recognized in the current profit or loss (excluding those closely related to the Company's normal operating business and granted on an ongoing basis under the national policies with standard amount or quantity)	221,458
Profit or loss on changes in fair value arising from holding trading financial assets and trading financial liabilities except for valid straddle business relevant to normal operating business of the Company, as well as investment gain realized from disposal of trading financial assets, trading financial liabilities and financial assets available for sale	22,575
Other non-business income and expenses apart from items above	47,097
Effect on minority interest (after tax)	-37,191
Effect on income tax	<u>-34,363</u>
Total	<u>223,449</u>

## 2.2 Total number of shareholders, particulars of shareholdings of the top 10 shareholders and of the top 10 shareholders of tradable shares (or shareholders not subject to trading moratorium) as at the end of the reporting period

Unit: Share

Total number of shareholders <sup>Note 1</sup> 1,006,581

### Particulars of shareholdings of the top 10 shareholders

Name of shareholder (Full name)	Number of shares held at the end of the period	Percentage (%)	Number of shares subject to trading moratorium	Particulars of shares pledged or frozen		Nature of shareholder
				Status of shares	Number	
CRRC Group (中國中車集團公司)	15,491,375,889	53.98	705,052,878	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED <sup>Note 2</sup>	4,360,407,359	15.19	0	Unknown	—	Offshore legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	808,581,358	2.82	0	Unknown	—	State-owned legal person
CRRC Financial and Securities Investment Co., Ltd. (中車金證投資有限公司)	380,172,012	1.32	0	Nil	0	State-owned legal person
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	304,502,100	1.06	0	Unknown	—	State-owned legal person
Shanghai Xinghan Asset — Industrial Bank Co., Ltd. — China Industrial International Trust Limited (上海興瀚資產—興業銀行—興業國 際信託有限公司)	235,017,626	0.82	235,017,626	Unknown	—	Unknown
China Development Bank Capital Corporation Limited (國開金融有限責任公司)	176,263,219	0.61	176,263,219	Unknown	—	State-owned legal person
Bosera Funds — Agricultural Bank of China — Bosera China Securities and Financial Assets Management Plan (博時基金—農業銀行—博時中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
E Fund — Agricultural Bank of China — E Fund China Securities and Financial Assets Management Plan (易方達基金—農業銀行—易方達中 證金融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown

**Particulars of shareholdings of the top 10 shareholders**

Name of shareholder (Full name)	Number of shares held at the end of the period	Percentage (%)	Number of shares subject to trading moratorium	Particulars of shares pledged or frozen		Nature of shareholder
				Status of shares	Number	
Dacheng Fund — Agricultural Bank of China — Dacheng China Securities and Financial Assets Management Plan (大成基金—農業銀行—大成中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
Harvest Fund — Agricultural Bank of China — Harvest China Securities and Financial Assets Management Plan (嘉實基金—農業銀行—嘉實中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
GF Fund — Agricultural Bank of China — GF China Securities and Financial Assets Management Plan (廣發基金—農業銀行—廣發中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
Zhongou Asset — Agricultural Bank of China — Zhongou China Securities and Financial Assets Management Plan (中歐基金—農業銀行—中歐中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
ChinaAMC — Agricultural Bank of China — ChinaAMC China Securities and Financial Assets Management Plan (華夏基金—農業銀行—華夏中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
Yinhua Fund — Agricultural Bank of China — Yinhua China Securities and Financial Assets Management Plan (銀華基金—農業銀行—銀華中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
China Southern Asset Management — Agricultural Bank of China — China Southern Asset Management China Securities and Financial Assets Management Plan (南方基金—農業銀行—南方中證金 融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown
ICBCCS Fund — Agricultural Bank of China — ICBCCS China Securities and Financial Assets Management Plan (工銀瑞信基金—農業銀行—工銀瑞 信中證金融資產管理計劃)	125,366,000	0.44	0	Unknown	—	Unknown

## Particulars of shareholdings of the top 10 shareholders not subject to trading moratorium

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
CRRC Group (中國中車集團公司)	14,786,323,011	Ordinary shares denominated in RMB	14,786,323,011
HKSCC NOMINEES LIMITED <sup>Note 2</sup>	4,360,407,359	Overseas listed foreign shares	4,360,407,359
China Securities Finance (中國證券金融股份有限公司) Corporation Limited	808,581,358	Ordinary shares denominated in RMB	808,581,358
CRRC Financial and Securities Investment Co., Ltd. (中車金證投資 有限公司)	380,172,012	Ordinary shares denominated in RMB	380,172,012
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	304,502,100	Ordinary shares denominated in RMB	304,502,100
Bosera Funds — Agricultural Bank of China — Bosera China Securities and Financial Assets Management Plan (博時基金－農業銀行－博時中證金 融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
E Fund — Agricultural Bank of China — E Fund China Securities and Financial Assets Management Plan (易方達基金－農業銀行－易方達中證 金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
Dacheng Fund — Agricultural Bank of China — Dacheng China Securities and Financial Assets Management Plan (大成基金－農業銀行－大成中證金融 資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
Harvest Fund — Agricultural Bank of China — Harvest China Securities and Financial Assets Management Plan (嘉實基金－農業銀行－嘉實中證金融 資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
GF Fund — Agricultural Bank of China — GF China Securities and Financial Assets Management Plan (廣發基金－農業銀行－廣發中證金融 資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000

## Particulars of shareholdings of the top 10 shareholders not subject to trading moratorium

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Zhongou Asset- Agricultural Bank of China — Zhongou China Securities and Financial Assets Management Plan (中歐基金－農業銀行－中歐中證金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
ChinaAMC—Agricultural Bank of China — ChinaAMC China Securities and Financial Assets Management Plan (華夏基金－農業銀行－華夏中證金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
Yinhua Fund — Agricultural Bank of China — Yinhua China Securities and Financial Assets Management Plan (銀華基金－農業銀行－銀華中證金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
China Southern Asset Management - Agricultural Bank of China — China Southern Asset Management China Securities and Financial Assets Management Plan (南方基金－農業銀行－南方中證金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
ICBCCS Fund —Agricultural Bank of China — ICBCCS China Securities and Financial Assets Management Plan (工銀瑞信基金－農業銀行－工銀瑞信中證金融資產管理計劃)	125,366,000	Ordinary shares denominated in RMB	125,366,000
Connections or parties acting in concert among the aforesaid shareholders	CRRC Financial and Securities Investment Co., Ltd.* (中車金證投資有限公司) is a wholly-owned subsidiary of CRRC Group. Save for the above, the Company is not aware of any connections among the other shareholders above, nor aware of any parties acting in concert as defined in the Administrative Measures on Acquisitions by Listed Companies.		

*Note 1:* As at the end of the reporting period, the Company had 1,004,043 holders of A shares and 2,538 registered holders of H shares.

*Note 2:* H shares held by HKSCC NOMINEES LIMITED are held on behalf of its various clients.



**2.3 Total number of holders of preference shares, shareholdings of the top 10 holders of preference shares and top 10 holders of preference shares not subject to trading moratorium as at the end of the reporting period**

Applicable     Not applicable

**3. SIGNIFICANT EVENTS**

**3.1 Particulars of and reasons for material changes in major accounting items and financial indicators of the Company**

Applicable     Not applicable

1. Deposit taking and deposits in inter-bank market decreased by RMB1,138.102 million or 41.98% as compared with those at the beginning of the year, mainly due to the decrease of deposit taking by the Company's finance company during the reporting period.
2. Taxes payable decreased by RMB1,704.942 million or 51.96% as compared with those at the beginning of the year, mainly due to the payment of taxes payable by the Company during the reporting period.
3. Interest payable decreased by RMB120.352 million or 33.07% as compared with those at the beginning of the year, mainly due to the payment of part of the interest by the Company during the reporting period.
4. Non-current liabilities maturing in less than one year decreased by RMB3,280.901 million or 40.53% as compared with those at the beginning of the year, mainly due to the repayment of long-term borrowings and bonds payable due by the Company during the reporting period.
5. Other current liabilities decreased by RMB41.887 million or 75.75% as compared with those at the beginning of the year, mainly due to the decrease in the unamortized tax during the reporting period.
6. Long-term borrowings decreased by RMB1,615.555 million or 43.41% as compared with those at the beginning of the year, mainly due to the repayment of part of the long-term borrowings by the Company during the reporting period.

7. Capital reserves increased by RMB10,523.999 million or 34.89% as compared with those at the beginning of the year, mainly due to share premium from the non-public issuance of A shares of the Company during the reporting period.
8. Other comprehensive income increased by RMB167.207 million or 55.00% as compared with those at the beginning of the year, mainly due to the changes in fair value of financial assets of the Company during the reporting period.
9. Asset impairment loss decreased by RMB279.857 million or 134.46% as compared with those for the same period last year, mainly due to the recovery of some long-age accounts receivables by the Company during the reporting period that resulted in a decrease in the provision for bad debts.
10. Income tax expenses decreased by RMB197.649 million or 31.27% as compared with those for the same period last year, mainly due to the decrease in total profits and taxable incomes of the Company during the reporting period.
11. Net cash flow from operating activities amounted to a net cash outflow of RMB15,528.556 million, representing an increase of RMB10,898.271 million as compared with the same period last year, mainly due to the fact that the decrease in cash received from sale of goods and provision of services during the reporting period as compared with those for the same period last year was larger than the decrease in cash paid for purchase of goods and receipt of services during the reporting period as compared with those for the same period last year.
12. Net cash flow from investing activities amounted to a net cash inflow of RMB4,933.848 million, as compared with the net outflow of RMB10,768.547 million for the same period last year, mainly due to the increase of cash received from investments by the Company during the reporting period.
13. Net cash flow from financing activities recorded a net cash inflow of RMB5,555.855 million, representing a decrease of RMB1,017.204 million as compared with those for the same period last year, mainly due to the proceeds raised in the non-public issuance of A shares and the repayment of part of debts.

14. Revenue decreased by 16.71% as compared with those for the same period last year. The businesses of railway equipment, rapid transit vehicles and urban infrastructure, new industry and modern services accounted for 39.01%, 16.38%, 26.44% and 18.17%, respectively. The details are as follows:

Unit: '000 Currency: RMB

By business	Revenue			Percentage increase/ (decrease)
	For the first quarter of 2017	corresponding period of the previous year	Increase/ (decrease)	
Railway equipment	13,103,282	21,696,259	-8,592,977	-39.61%
Rapid transit vehicles and urban infrastructure	5,504,175	3,871,895	1,632,280	42.16%
New businesses	8,881,505	10,398,406	-1,516,901	-14.59%
Modern services	6,103,371	4,364,411	1,738,960	39.84%
Total	33,592,333	40,330,971	-6,738,638	-16.71%

Revenue from railway equipment businesses decreased by 39.61% as compared to the corresponding period of the previous year, mainly due to a period-on-period decrease in the deliveries of locomotive and passenger carriage during the period under the impact of production circle and orders in hand, among which, revenue from the locomotive business, the passenger carriage business, the MU business and the freight wagon business was RMB1.561 billion, RMB407 million, RMB7.202 billion and RMB3.933 billion, respectively.

Revenue from rapid transit vehicles and urban infrastructure businesses increased by 42.16% as compared to the corresponding period of the previous year, mainly due to a period-on-period increase in delivery of transit vehicles during the reporting period.

Revenue from new industry businesses decreased by 14.59% as compared to the corresponding period of the previous year, mainly due to a decrease in incomes from wind power equipment, new material and other businesses during the reporting period.

Revenue from modern services business increased by 39.84% as compared to the corresponding period of the previous year, mainly due to an increase in incomes from logistics business during the reporting period.

15. Net profit attributable to shareholders of the Company decreased by RMB836 million or 42.05% as compared to the corresponding period of last year, mainly due to a decrease in revenue from operations and a reduction in gross profit during the reporting period.

### **3.2 Analysis and explanations of the progress of significant events and their impacts and solutions**

Applicable       Not applicable

#### **1. *Non-public issuance of A Shares***

On 27 May 2016, the fourteenth meeting of the first session of the Board of the Company considered and approved the resolution regarding the Plan on Non-public Issuance of A Shares by CRRC Corporation Limited (《關於中國中車股份有限公司非公開發行A股股票預案的議案》) and non-public issuance related resolutions. The Company intended to issue not more than 1,385,681,291 A shares to raise funds in an amount of not more than RMB12 billion. On 7 June 2016, the State-owned Assets Supervision and Administration Commission of the State Council issued Reply on Issues in respect of Non-public Issuance of A Shares by CRRC Corporation Limited (Guozichanquan[2016]No.465) (《關於中國中車股份有限公司非公開發行A股股票有關問題的批復》 (國資產權[2016]465號)) and principally agreed the plan of this non-public issuance of A shares of the Company. On 16 June 2016, the Company held 2015 annual general meeting considering and approving the resolution regarding the Plan on Non-public Issuance of A Shares by CRRC Corporation Limited and non-public issuance related resolutions. On 5 August 2016, the Company adjusted the issue price and amount of non-public issuance of A shares upon completion of 2015 annual profit distribution plan. On 17 August 2016, the Company received the Notice Regarding CSRC's Feedback on Review of Items subject to Administrative Licensing (《中國證監會行政許可項目審查反饋意見通知書》 (No. 161634)) (hereinafter referred to as the "Feedback") from China Securities Regulatory Commission. On 2 September 2016, the Company disclosed its replies to the Feedback. On 9 November 2016, the Company's application for non-public issuance of A shares was approved by the Issuance Examination Commission of China Securities Regulatory Commission. On 30 December 2016, the Company's application for non-public issuance of A shares was approved by China Securities Regulatory Commission. On 17 January 2017, the Company completed registration and trusteeship procedures with Shanghai Branch of China Securities Depository and Clearing Corporation Limited for its A shares in non-public issuance. The period of trading moratorium is 36 months.

Please refer to announcements dated 27 May 2016, 13 June 2016, 16 June 2016, 5 August 2016, 17 August 2016, 2 September 2016, 9 November 2016, 30 December 2016 and 18 January 2017 published by the Company on the websites of the Shanghai Stock Exchange and the Hong Kong Stock Exchange for details.

**2. *Particulars of interbank debt financing instruments***

On 25 February 2014, the Company issued 2014 First Tranche of Interim Notes of China CNR Corporation Limited in a total amount of RMB2 billion, which were due and settled on 25 February 2017.

**3.3 Particulars of overdue and outstanding undertakings during the reporting period**

Applicable     Not applicable

**3.4 Warning and explanations as to a loss (if any) expected to be recorded against the accumulated net profits from the beginning of the year to the end of the next reporting period or material changes as compared with the same period last year**

Applicable     Not applicable

Company name	<b>CRRC CORPORATION LIMITED</b>
Legal representative	<b>Liu Hualong</b>
Date	27 April 2017

## 4. APPENDIX

### 4.1 Financial Statements

#### Consolidated Balance Sheet

31 March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB    Currency: RMB'000    Type of Audit: Unaudited

Item	Closing balance at the end of the period	Opening balance at the beginning of the year
<b>Current assets:</b>		
Cash and bank balances	35,174,514	45,594,983
Financial assets at fair value through profit or loss	734,555	731,916
Bills receivable	13,773,957	15,099,951
Accounts receivable	78,666,420	74,052,872
Prepayments	14,090,543	11,872,252
Interest receivable	43,460	25,975
Dividends receivable	80,343	39,649
Other receivables	5,368,971	4,420,452
Inventory	64,088,043	54,416,164
Non-current assets maturing in less than one year	8,281,204	8,166,808
Other current assets	5,172,531	6,168,258
Total current assets	225,474,541	220,589,280
<b>Non-current Assets:</b>		
Loans and advances granted	205,420	203,144
Available-for-sale financial assets	4,024,606	3,819,162
Investment held to maturity	964,771	966,970
Long-term receivables	11,562,406	11,012,361
Long-term equity investments	8,568,373	8,471,976
Investment properties	1,038,955	983,803
Fixed assets	56,572,564	56,938,838
Construction in progress	9,569,536	9,327,797
Project materials	83,984	79,400
Disposal of fixed assets	16,272	18,073

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year</b>
Intangible assets	17,736,627	17,551,660
Development expenditure	121,665	110,418
Goodwill	1,299,744	1,286,760
Long-term deferred expenses	189,372	192,487
Deferred income tax assets	2,977,868	3,009,338
Other non-current assets	3,769,750	3,749,145
Total non-current assets	118,701,913	117,721,332
Total assets	344,176,454	338,310,612
 <b>Current Liabilities:</b>		
Short-term borrowings	21,443,176	21,994,384
Deposit taking and deposits in inter-bank market	1,573,268	2,711,370
Loans from other banks and other financial institutions	500,000	—
Financial liabilities at fair value through profit or loss	8,426	16,983
Bills payable	18,755,018	19,797,275
Accounts payable	94,883,977	91,949,851
Receipts in advance	24,162,721	25,773,476
Staff remuneration payable	1,824,228	1,939,164
Taxes payable	1,576,247	3,281,189
Interest payable	243,551	363,903
Dividends payable	207,536	196,067
Other payables	7,810,290	8,053,333
Non-current liabilities maturing in less than one year	4,813,981	8,094,882
Other current liabilities	13,411	55,298
Total current liabilities	177,815,830	184,227,175
 <b>Non-current Liabilities:</b>		
Long-term borrowings	2,105,947	3,721,502
Bonds payable	10,753,753	10,749,910
Long-term payables	240,032	212,679
Long-term staff remuneration payables	3,535,616	3,516,307
Project payables	12,442	15,728
Anticipated liabilities	5,267,114	5,229,545

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year</b>
Deferred income	6,011,407	5,944,764
Deferred income tax liabilities	243,136	235,835
Other non-current liabilities	700,235	652,551
Total non-current liabilities	28,869,682	30,278,821
Total liabilities	206,685,512	214,505,996
<b>Equity of owners</b>		
Share capital	28,698,864	27,288,758
Capital reserves	40,691,623	30,167,624
Other consolidated income	-136,828	-304,035
Project reserves	49,957	49,957
Surplus reserve	2,273,807	2,273,807
General risk reserve	551,265	551,265
Undistributed profits	45,981,221	44,829,233
Total equity attributable to owners of the Parent Company	118,109,909	104,856,609
Minority interest	19,381,033	18,948,007
Total equity of owners	137,490,942	123,804,616
Total liabilities and equity of owners	344,176,454	338,310,612

Legal representative: **Liu Hualong**

Person-in-charge of accounting affairs: **Zhan Yanjing**

Head of the accounting department: **Wang Jian**



## Balance Sheet of the Parent Company

31 March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB    Currency: RMB'000    Type of Audit: Unaudited

Item	Closing balance at the end of the period	Opening balance at the beginning of the year
<b>Current assets:</b>		
Cash and bank balances	5,233,287	8,787,144
Financial assets at fair value through profit or loss	518,807	514,527
Bills receivable	2,000	2,000
Accounts receivable	134,810	48,440
Prepayments	180,010	180,010
Interest receivable	330,279	311,653
Dividends receivable	1,503,438	2,431,938
Other receivables	23,709,243	22,217,563
Non-current assets maturing in less than one year	1,471,590	1,791,858
Other current assets	1,108,360	1,105,378
Total current assets	34,191,824	37,390,511
<b>Non-current Assets:</b>		
Available-for-sale financial assets	426,618	422,163
Long-term receivables	11,208,361	10,789,421
Long-term equity investments	94,462,274	94,400,622
Fixed assets	28,020	30,420
Construction in progress	22,994	22,994
Intangible assets	107,790	112,282
Other non-current assets	524,000	524,000
Total non-current assets	106,780,057	106,301,902
Total assets	140,971,881	143,692,413
<b>Current Liabilities:</b>		
Short-term borrowings	9,725,000	12,036,980
Accounts payable	205,951	98,547
Receipts in advance	196,308	254,489
Staff remuneration payable	15,418	48,264

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year</b>
Taxes payable	1,779	6,388
Interest payable	237,429	343,029
Other payables	18,247,977	25,978,113
Non-current liabilities maturing in less than one year	500,000	3,249,597
Total current liabilities	29,129,862	42,015,407
<b>Non-current Liabilities:</b>		
Long-term borrowings	—	1,851,525
Bonds payable	10,753,753	10,749,910
Long-term staff remuneration payables	7,129	7,129
Other non-current liabilities	429,075	366,097
Total non-current liabilities	11,189,957	12,974,661
Total liabilities	40,319,819	54,990,068
<b>Equity of owners:</b>		
Share capital	28,698,864	27,288,758
Capital reserves	62,801,939	52,277,940
Other consolidated income	83,941	60,703
Surplus reserve	2,273,807	2,273,807
Undistributed profits	6,793,511	6,801,137
Total equity of owners	100,652,062	88,702,345
Total liabilities and equity of owners	140,971,881	143,692,413

Legal representative: **Liu Hualong**

Person-in-charge of accounting affairs: **Zhan Yanjing**

Head of the accounting department: **Wang Jian**

## Consolidated Income Statement

January to March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB'000    Currency: RMB    Type of Audit: Unaudited

Item	Amount for the current period	Amount for the previous period
<b>I. Total operating revenue</b>	33,592,333	40,330,971
Including: Revenue from operations	33,592,333	40,330,971
<b>II. Total operating cost</b>	32,126,685	37,757,504
Including: Operating cost	26,175,386	30,979,256
Tax and surcharge	355,419	269,837
Selling expenses	1,076,257	1,308,502
Administrative expenses	4,355,030	4,692,056
Finance costs	236,320	299,723
Asset impairment loss	-71,727	208,130
Add: Gains from changes in fair value (loss is represented by “-”)	-52,338	-46,705
Investment income (loss is represented by “-”)	155,115	188,242
Including: Gains from investment in associates and joint ventures	80,202	52,733

Item	Amount for the current period	Amount for the previous period
<b>III. Profit from operations (loss is represented by “-”)</b>	1,568,425	2,715,004
Add: Non-operating income	396,722	387,962
Including: Gains on disposal of non-current assets	8,219	4,706
Less: Non-operating expenses	31,420	21,599
Including: Loss on disposal of non-current assets	4,346	8,907
<b>IV. Total profit (total loss is represented by “-”)</b>	1,933,727	3,081,367
Less: Income tax expenses	434,441	632,090
<b>V. Net profit (net loss is represented by “-” )</b>	1,499,286	2,449,277
Net profit attributable to owners of the Parent Company	1,151,988	1,987,777
Profit or loss attributable to minority interest	347,298	461,500
<b>VI. Net other comprehensive income after tax</b>	175,724	-206,437
Net other comprehensive income after tax attributable to owners of the Parent Company	167,207	-209,084
(I) Other comprehensive income that will be subsequently reclassified to profit and loss	167,207	-209,084

Item	Amount for the current period	Amount for the previous period
1. Share of investee's other comprehensive income to be reclassified into profit or loss in subsequent periods under the equity method	18,237	—
2. Gains and losses from changes in fair value of available-for-sale financial assets	120,298	-213,500
3. Differences on translation of financial statements denominated in foreign currency	28,672	4,416
Net other comprehensive income after tax attributable to minority interest	8,517	2,647
<b>VII.Total comprehensive income</b>	<b>1,675,010</b>	<b>2,242,840</b>
Total comprehensive income attributable to owners of the Parent Company	1,319,195	1,778,693
Total comprehensive income attributable to minority interest	355,815	464,147
<b>VIII.Earnings per share</b>		
(I) Basic earnings per share (RMB/share)	0.04	0.07
(II) Diluted earnings per share (RMB/share)	0.04	0.07

Legal representative: **Liu Hualong**

Person-in-charge of accounting affairs: **Zhan Yanjing**

Head of the accounting department: **Wang Jian**

## Income Statement of the Parent Company

January to March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB'000    Currency: RMB    Type of Audit: Unaudited

Item	Amount for the current period	Amount for the previous period
<b>I. Revenue from operations</b>	260,787	9
Less: Operating cost	242,604	—
Tax and surcharge	4,441	4,733
Selling expenses	4,790	364
Administrative expenses	36,638	41,336
Finance costs	-12,885	-100,074
Add: Gains from changes in fair value (loss is represented by “-”)	-60,865	-46,657
Investment income (loss is represented by “-”)	66,607	59,895
Including: Gains from investments in associates and joint ventures	48,246	59,895
<b>II. Profit from operations (loss is represented by “-”)</b>	-9,059	66,888
Add: Non-operating income	1,433	—
Including: Gains on disposal of non-current assets	44	—
Less: Non-operating expenses	—	—
Including: Loss on disposal of non-current assets	—	—
<b>III. Total profit (total loss is represented by “-”)</b>	-7,626	66,888
Less: Income tax expenses	—	—
<b>IV. Net profit (net loss is represented by “-” )</b>	-7,626	66,888
<b>V. Net other comprehensive income after tax</b>	23,238	—
(I) Other comprehensive income that will be subsequently reclassified to profit and loss	23,238	—
1. Share of investee’s other comprehensive income to be reclassified into profit or loss in subsequent periods under the equity method	18,237	—

<b>Item</b>	<b>Amount for the current period</b>	<b>Amount for the previous period</b>
2. Profit or loss from changes in fair value of available-for-sale financial assets	5,001	—
<b>VI. Total comprehensive income</b>	<b>15,612</b>	<b>66,888</b>
<b>VII. Earnings per share</b>		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		

Legal representative: **Liu Hualong**

Person-in-charge of accounting affairs: **Zhan Yanjing**

Head of the accounting department: **Wang Jian**

## Consolidated Cash Flow Statement

January to March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB'000    Currency: RMB    Type of Audit: Unaudited

Item	Amount for the current period	Amount for the previous period
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and provision of services	33,740,219	45,241,859
Tax rebate received	333,296	561,300
Other cash from operating activities	662,660	1,667,475
Cash inflow from operating activities-subtotal	34,736,175	47,470,634
Cash paid for purchase of products and services	37,011,413	38,497,093
Cash paid to and for employees	6,238,575	5,642,931
Cash paid for various taxes	3,878,364	4,825,360
Cash paid for other operating activities	3,136,380	3,135,535
Cash outflow from operating activities - subtotal	50,264,732	52,100,919
Net cash flow generated from operating activities	-15,528,557	-4,630,285
<b>II. Cash flow generated from investment activities:</b>		
Cash from recovery of investments	15,602,255	4,364,696
Cash from investment income	117,766	18,008
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	8,536	47,701
Cash inflow from investment activities — subtotal	15,728,557	4,430,405
Cash paid for acquisition and construction of fixed assets, intangible assets and other long term assets	1,748,199	1,614,819
Cash paid for investments	9,046,510	13,583,469
Cash paid for other investment activities	—	664
Cash outflow from investment activities — subtotal	10,794,709	15,198,952
Net cash generated from investment activities	4,933,848	-10,768,547



Item	Amount for the current period	Amount for the previous period
<b>III. Cash flow generated from financing activities:</b>		
Cash received from investments	12,058,122	14,800
Including: Cash received by subsidiaries from investment by minority shareholders	124,017	14,800
Cash received from borrowings	13,015,421	14,705,884
Cash received from issuance of bonds	—	3,918,840
Cash received from other financing activities	6,895	—
Cash inflow from financing activities — subtotal	25,080,438	18,639,524
Cash paid for repayment of indebtedness	19,055,669	11,724,106
Cash paid for distribution of dividends, profit or interest	381,810	309,738
Including: Dividends and profit distributed to minority shareholders by subsidiaries	36,074	0
Cash paid for other financing activities	87,104	32,622
Cash outflow from financing activities — subtotal	19,524,583	12,066,466
Net cash flow generated from financing activities	5,555,855	6,573,058
<b>IV. Effects of changes in exchange rates on cash and cash equivalents</b>	-17,350	27,675
<b>V. Net increase in cash and cash equivalents</b>	-5,056,204	-8,798,099
Add: Balance of cash and cash equivalents at the beginning of the period	28,014,246	29,944,221
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	22,958,042	21,146,122

Legal representative: **Liu Hualong**

Person-in-charge of accounting affairs: **Zhan Yanjing**

Head of the accounting department: **Wang Jian**

## Cash Flow Statement of the Parent Company

January to March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB'000    Currency: RMB    Type of Audit: Unaudited

Item	Amount for the current period	Amount for the previous period
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and provision of services	—	—
Tax rebate received	66,934	8,075
Other cash received from activities related to operation	598,012	61,766
Sub-total of cash inflows from operating activities	664,946	69,841
Cash paid for goods purchased and service rendered	—	—
Cash paid to and on behalf of employees	42,205	73,151
Taxes paid	20,405	9,089
Other cash paid for activities relating to operation	255,945	61,334
Sub-total of cash outflows from operating activities	318,555	143,574
Net cash flow from operating activities	346,391	-73,733
<b>II. Cash flow from investment activities:</b>		
Cash received from disposal of investments	9,800,348	17,005,313
Cash received from gains in investments	1,225,102	1,441,349
Sub-total of cash inflows from investment activities	11,025,450	18,446,662
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	—	447
Cash paid for investment	12,280,660	16,570,700
Net cash paid to acquire subsidiaries and other operating entities	—	1,100,000

Item	Amount for the current period	Amount for the previous period
Sub-total of cash outflows from investment activities	12,280,660	17,671,147
Net cash flow from investment activities	-1,255,210	775,515
<b>III. Cash flow from financing activities:</b>		
Proceeds received from investments	11,934,105	—
Cash received from borrowings	11,100,000	17,664,000
Other cash received relating to financing activities	6,895	—
Sub-total of cash inflows from financing activities	23,041,000	17,664,000
Cash for repayment of debts	26,063,705	20,267,713
Cash paid for distribution of dividends and profits or interest repayment	370,286	375,643
Other cash paid relating to financing activities	62,945	81
Sub-total of cash outflows from financing activities	26,496,936	20,643,437
Net cash flow from financing activities	-3,455,936	-2,979,437
<b>IV. Effect on cash and cash equivalents due to changes in foreign exchange rates</b>	545	-342
<b>V. Net increase in cash and cash equivalents</b>	-4,364,210	-2,277,997
Add: Balance of cash and cash equivalents at the beginning of the period	5,381,156	5,669,504
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	1,016,946	3,391,507

Legal representative: **Liu Hualong**  
Person-in-charge of accounting affairs: **Zhan Yanjing**  
Head of the accounting department: **Wang Jian**

#### 4.2 Audit Report

Applicable     Not applicable