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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**

**2018 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 2018 first quarterly report of CRRC Corporation Limited (the “**Company**” or “**CRRC**”, 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  
**CRRC Corporation Limited**  
**Liu Hualong**  
*Chairman*

Beijing, the PRC

26 April 2018

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

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## I. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”), the supervisory committee, the directors, supervisors and senior management of the Company shall 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.
- 1.2 The first quarterly report has been considered and approved by the thirty-fourth meeting of the first session of the Board of the Company. All directors of the Company attended the Board meeting to review the quarterly report.
- 1.3 The Chairman of the Company, Liu Hualong, the person in charge of accounting affairs, Zhan Yanjing, and the person responsible for the accounting department (head of the accounting department), Wang Jian, hereby warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4 The first quarterly report of the Company is unaudited.

## II. BASIC INFORMATION OF THE COMPANY

### 2.1 Major Financial Data

		<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<sup>Note</sup></b>		<b>Change as at the end of the reporting period as compared to the end of last year (%)</b>
		<b>After adjustment</b>	<b>Before adjustment</b>	
Total assets	372,388,316	375,351,744	375,170,887	-0.79
Net assets attributable to shareholders of the listed Company	122,742,053	121,739,448	121,558,591	0.82

	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of last year		Change as compared to the same period of last year (%)
		After adjustment	Before adjustment	
Net cash flow from operating activities	-9,389,000	-15,527,632	-15,528,557	—
	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of last year		Change as compared to the same period of last year (%)
		After adjustment	Before adjustment	
Revenue from operations	32,922,913	33,592,333	33,592,333	-1.99
Net profit attributable to shareholders of the listed Company	1,270,700	1,151,431	1,151,988	10.36
Net profit after non-recurring profit or loss attributable to shareholders of the listed Company	1,010,037	927,982	928,539	8.84
Return on weighted average net assets (%)	1.04	1.01	1.02	Increase by 0.03 percentage point
Basic earnings per share (RMB/share)	0.04	0.04	0.04	—
Diluted earnings per share (RMB/share)	0.04	0.04	0.04	—

Note: On 2 August 2017, Zhuzhou CRRC Times Electric Co., Ltd. (株洲中車時代電氣股份有限公司), a subsidiary of the Company, completed the acquisition of 100% equity interest of Shanghai CNR Yongdian Electronic Technology Co., Limited (上海北車永電電子科技有限公司), which is a company controlled by CRRC GROUP Co., Ltd. (中國中車集團有限公司), the controlling shareholder of the Company. The acquisition constitutes a business combination under same control, accordingly, the amounts for the beginning of the period and the same period of previous year have been restated according to the Accounting Standards for Business Enterprises.

## Non-recurring profit and loss items and amounts

✓ Applicable

Not applicable

*Unit: RMB'000*

*Currency: RMB*

<b>Item</b>	<b>Amount for the current period (July- September)</b>
Profit or loss on disposal of non-current assets	32,321
Contingence tax refund or exemption, or due to override approval or document without formal approval	—
Government subsidies recognized in current profit or loss (excluding those closely related to the Company's normal business operations and granted on an ongoing basis under the national policies with standard amount or quantity)	304,776
Profit or loss on fair value changes arising from holding of trading financial assets and trading financial liabilities, and investment gains on disposal of trading financial assets, trading financial liabilities and financial assets available for sale, other than effective hedging activities associated with normal business operation of the Company	-106,313
Other non-operating income and expenses excluding the items above	82,961
Other profit or loss items conforming with the definition of non-recurring profit or loss	—
Effect of minority shareholders' interests (after tax)	-16,536
Effect of income tax	<u>-36,546</u>
Total	<u>260,663</u>

## 2.2 Total number of shareholders, particulars of shareholdings of the top ten shareholders and of the top ten 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>	889,929
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## Particulars of shareholdings of the top ten shareholders

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares		Pledged or frozen Status of shares	Nature of shareholder
			held subject to trading moratorium	Number		
CRRG GROUP Co., Ltd. (中國 中車集團有限公司)	15,491,375,889	53.98	705,052,878	Nil	—	State-owned legal person
HKSCC NOMINEES LIMITED <sup>Note 2</sup>	4,360,695,108	15.19	—	Unknown	—	Foreign legal person
China Securities Finance Corporation Limited (中國 證券金融股份有限公司)	1,332,326,333	4.64	—	Unknown	—	State-owned legal person
CRRG Financial and Securities Investment Co., Ltd. (中車金證投資有限公司)	473,257,727	1.65	—	Nil	—	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	—	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	—	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)	180,171,000	0.63	—	Unknown	—	State-owned legal person
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)	180,171,000	0.63	—	Unknown	—	Unknown
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)	180,171,000	0.63	—	Unknown	—	Unknown

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares		Pledged or frozen Status of shares	Nature of shareholder
			held subject to trading moratorium	Number		
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)	180,171,000	0.63	—	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)	180,171,000	0.63	—	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)	180,171,000	0.63	—	Unknown	—	Unknown
China AMC - Agricultural Bank of China - China AMC 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)	180,171,000	0.63	—	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)	180,171,000	0.63	—	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)	180,171,000	0.63	—	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)	180,171,000	0.63	—	Unknown	—	Unknown

**Particulars of shareholdings of the top ten shareholders not subject to trading moratorium**

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class	Class and number of shares Number
CRRC GROUP Co., Ltd. (中國中車集團有限公司)	14,786,323,011	Ordinary shares denominated in RMB	14,786,323,011
HKSCC NOMINEES LIMITED <sup>Note 2</sup>	4,360,695,108	Overseas listed foreign invested shares	4,360,574,408
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	1,332,326,333	Ordinary shares denominated in RMB	1,332,326,333
CRRC Financial and Securities Investment Co., Ltd. (中車金證投資有限公司)	473,257,727	Ordinary shares denominated in RMB	473,257,727
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000



Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000
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)	180,171,000	Ordinary shares denominated in RMB	180,171,000

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class	Class and number of shares Number
China AMC - Agricultural Bank of China - China AMC 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)	180,171,000	Ordinary shares	180,171,000
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)	180,171,000	Ordinary shares	180,171,000
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)	180,171,000	Ordinary shares	180,171,000
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)	180,171,000	Ordinary shares	180,171,000

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares Class Number
Connections or parties acting in concert among the aforesaid shareholders	CRRC Financial and Securities Investment Co., Ltd.* (中車金証投資有限公司) is a wholly-owned subsidiary of CRRC GROUP Co., Ltd. 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 has 887,504 holders of A shares and 2,425 registered holders of H shares.

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

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

Applicable

Not applicable

### III. SIGNIFICANT EVENTS

#### 3.1 Particulars of and reasons for material changes in the major financial statement items and financial indicators of the Company

Applicable

Not applicable

1. Monetary assets decreased by 31.81% as compared with the beginning of the year, mainly because most payment was collected at the end of last year while payment for goods was made during the current period.
2. Financial assets at fair value through profit or loss increased by 198.58% as compared with the beginning of the year mainly due to the wealth management products purchased during the current period.
3. Notes receivable decreased by 48.86% as compared with the beginning of the year mainly due to the settlement of notes receivable due in the current period.
4. Deposits and amounts due to banks decreased by 40.17% as compared with the beginning of the year, mainly due to the decrease in deposits absorbed by subsidiary finance company during the reporting period.
5. Financial liabilities at fair value through profit or loss for the current period increased by 75.24% as compared with the beginning of the year, mainly due to the decrease in fair value of forward and swap contracts purchased resulted from a change in exchange rate and an increase in debt during the reporting period.
6. Taxes payables decreased by 52.00% as compared with the beginning of the year, mainly due to the payment of tax payable during the current period.
7. Non-current liabilities due within one year increased by 88.72% as compared with the beginning of the year, mainly due to convertible bonds with redemption time within one year reclassified to this item.
8. Debentures payable decreased by 39.77% as compared with the beginning of the year, mainly due to convertible bonds reclassified to non-current liabilities due within one year.
9. Other non-current liabilities decreased by 52.31% as compared with the beginning of the year, mainly due to derivatives of convertible bonds reclassified to non-current liabilities due within one year.

10. Other comprehensive income increased by 283.85% as compared with the deficit at the beginning of the year, mainly due to the change in fair value of financial assets and the change in translation difference of foreign currency statement.
11. Investment income decreased by 83.29% year-on-year, mainly due to the decrease in income from joint ventures and associates and in financial income during the current period.
12. Net cash outflow from operating activities decreased by RMB6,138,632,000 as compared with the same period of the previous year, mainly due to the increase in cash received from sales of commodities and provision of services during the reporting period as compared with the same period of the previous year.
13. Net cash flow from investing activities was a net outflow of RMB4,320,143,000 as compared with a net inflow of RMB4,933,848,000 in the same period of the previous year, mainly due to the decrease in cash recovered from investment during the reporting period.
14. Net cash flow from financing activities was a net outflow of RMB5,090,027,000 as compared with a net inflow of RMB5,555,855,000 in the same period of the previous year, mainly due to the fund raised from the non-public issuance of A shares during the same period of the previous year.

Operation income decreased by 1.99% as compared with the same period of the previous year. Railway equipment business, urban rail transit vehicle and urban infrastructure business, new industry business and modern service business accounted for 48.18%, 15.94%, 25.15%, and 10.73% of the operation income, respectively. Details are as follows:

Unit: RMB'000 Currency: RMB

Segment business	<b>Operation income</b>			
	<b>For the first quarter of 2018</b>	<b>For the same period of the previous year</b>	<b>Increase/ decrease</b>	<b>Increase/ decrease percentage</b>
Railway equipment	15,861,907	13,103,282	2,758,625	21.05%
Urban rail transit vehicle and urban infrastructure	5,249,193	5,504,175	-254,982	-4.63%
New industry	8,278,689	8,881,505	-602,816	-6.79%
Modern service	3,533,124	6,103,371	-2,570,247	-42.11%
<b>Total</b>	<b>32,922,913</b>	<b>33,592,333</b>	<b>-669,420</b>	<b>-1.99%</b>

Operation income from railway equipment business increased by 21.05% as compared with the same period of the previous year, mainly due to the year-on-year increase in the delivery of EMUs and locomotives. Among these, income from locomotive business was RMB2.155 billion, income from passenger carriage business was RMB253 million, income from EMU business was RMB11.171 billion, and income from freight wagon business was RMB2.283 billion.

Operation income from urban rail transit vehicle and urban infrastructure business decreased by 4.63% as compared with the same period of the previous year, mainly due to the year-on-year decrease in the number of urban rail transit vehicles delivered in the current period.

Operation income from new industry business decreased by 6.79% as compared with the same period of the previous year, mainly due to the decrease in income realized from the business of general accessories and new energy vehicles and other business during the current period.

Operation income from modern service business decreased by 42.11% as compared with the same period of the previous year, mainly due to the decrease in income resulted from reduced scale of logistics business during the current period.

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

Applicable                       Not applicable

### **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 of last year**

Applicable                       Not applicable

Company name	<b>CRRC Corporation Limited</b>
Legal representative	<b>Liu Hualong</b>
Date	26 April 2018

## IV. APPENDIX

### 4.1 Financial Statements

#### Consolidated Balance Sheet

31 March 2017

Prepared by: CRRC Corporation Limited

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

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year (Restated)</b>
<b>Current assets:</b>		
Monetary assets	<b>41,516,309</b>	60,886,392
Financial assets at fair value through profit or loss	<b>9,085,317</b>	3,042,859
Notes receivable	<b>13,844,784</b>	27,071,265
Accounts receivable	<b>84,754,986</b>	77,672,935
Prepayments	<b>12,637,372</b>	10,677,855
Interest receivable	<b>81,547</b>	54,849
Dividends receivable	<b>44,430</b>	41,680
Other receivables	<b>3,312,689</b>	3,252,933
Inventories	<b>69,689,191</b>	55,221,998
Held-to-sale assets	<b>52,443</b>	52,443
Non-current assets due within one year	<b>12,450,496</b>	12,405,187
Other current assets	<b><u>4,436,760</u></b>	<b><u>5,112,882</u></b>
Total current assets	<b><u>251,906,324</u></b>	<b><u>255,493,278</u></b>

**Item**

**Closing  
balance at  
the end of  
the period**

**Opening  
balance at  
the beginning  
of the year  
(Restated)**

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<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year (Restated)</b>
<b>Current liabilities:</b>		
Short-term borrowings	<b>27,965,560</b>	32,428,947
Deposits and amounts due to banks	<b>2,086,675</b>	3,487,822
Placements from banks and other financial institutions	<b>500,000</b>	—
Financial liabilities at fair value through profit or loss	<b>394,712</b>	225,240
Notes payable	<b>23,192,235</b>	23,291,689
Accounts payable	<b>103,539,097</b>	104,354,290
Advance from customers	<b>24,985,285</b>	20,290,418
Salaries payable	<b>2,020,112</b>	2,153,355
Tax payables	<b>1,622,511</b>	3,379,973
Interest payable	<b>287,738</b>	362,935
Dividends payable	<b>136,670</b>	207,055
Other payables	<b>8,076,276</b>	8,565,122
Non-current liabilities due within one year	<b>8,518,656</b>	4,513,956
Other current liabilities	<b><u>278,240</u></b>	<u>229,401</u>
Total current liabilities	<b><u>203,603,767</u></b>	<u>203,490,203</u>

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year (Restated)</b>
<b>Non-current liabilities:</b>	<b>4,380,971</b>	4,459,542
Long-term borrowings	<b>5,496,154</b>	9,125,940
Debentures payable	<b>288,151</b>	294,296
Long-term employee benefits payable	<b>3,639,974</b>	3,718,519
Special payables	<b>11,044</b>	11,196
Estimated liabilities	<b>5,371,829</b>	5,417,215
Deferred income	<b>5,698,623</b>	5,756,605
Deferred income tax liabilities	<b>174,353</b>	175,882
Other non-current liabilities	<b><u>406,389</u></b>	<u>852,086</u>
 Total non-current liabilities	 <b><u>25,467,488</u></b>	 <u>29,811,281</u>
 Total liabilities	 <b><u>229,071,255</u></b>	 <u>233,301,484</u>

<b>Item</b>	<b>Closing balance at the end of the period</b>	<b>Opening balance at the beginning of the year (Restated)</b>
<b>Owners' equity:</b>		
Share capital	<b>28,698,864</b>	28,698,864
Capital reserves	<b>40,636,666</b>	40,636,666
Other comprehensive income	<b>(362,543)</b>	(94,448)
Special reserves	<b>49,957</b>	49,957
Surplus reserves	<b>2,821,562</b>	2,821,562
Provision for ordinary risks	<b>551,265</b>	551,265
Undistributed profit	<b>50,346,282</b>	49,075,582
Total equity attributable to owners of the parent company	<b>122,742,053</b>	121,739,448
Minority interests	<b><u>20,575,008</u></b>	<u>20,310,812</u>
 Total owners' equity	 <b><u>143,317,061</u></b>	 <u>142,050,260</u>
 Total liabilities and owners' equity	 <b><u>372,388,316</u></b>	 <u>375,351,744</u>

*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 2018

Prepared by: CRRC Corporation Limited

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

<b>Item</b>	<b>Closing balance as at the end of the period</b>	<b>Opening balance as at the beginning of the year (Restated)</b>
<b>Current assets:</b>		
Monetary assets	<b>1,841,382</b>	18,731,214
Financial assets at fair value through profit and loss	<b>8,625,311</b>	2,579,060
Accounts receivable	<b>160,712</b>	186,998
Prepayments	<b>157,943</b>	149,231
Interest receivable	<b>477,786</b>	448,412
Dividends receivable	<b>717,400</b>	2,516,193
Other receivables	<b>30,141,407</b>	27,275,680
Non-current assets due within one year	<b>1,386,312</b>	1,254,352
Other current assets	<b>—</b>	<b>—</b>
Total current assets	<b><u>43,508,253</u></b>	<b><u>53,141,140</u></b>
<b>Non-current assets:</b>		
Long-term receivables	<b>8,090,711</b>	7,323,891
Long-term equity investments	<b>98,546,625</b>	98,470,615
Fixed assets	<b>21,700</b>	23,886
Construction-in-progress	<b>29,951</b>	29,951
Intangible assets	<b>103,303</b>	108,324
Total non-current assets	<b><u>106,792,290</u></b>	<b><u>105,956,667</u></b>
Total assets	<b><u>150,300,543</u></b>	<b><u>159,097,807</u></b>

<b>Item</b>	<b>Closing balance as at the end of the period</b>	<b>Opening balance as at the beginning of the year (Restated)</b>
<b>Current liabilities:</b>		
Short-term borrowings	17,742,359	23,925,236
Financial liabilities at fair value through profit and loss	394,631	181,755
Accounts payable	182,169	264,403
Advance from customers	188,185	179,715
Salaries payable	17,561	52,629
Tax payables	1,114	10,324
Interest payable	298,512	337,268
Other payables	18,769,143	21,917,575
Non-current liabilities due within one year	5,411,539	1,500,000
Total current liabilities	<u>43,005,213</u>	<u>48,368,905</u>
<b>Non-current liabilities:</b>		
Long-term borrowings	1,000,000	1,000,000
Debentures payable	5,496,154	9,125,940
Long-term employee benefits payable	4,830	4,830
Other non-current liabilities	—	511,756
Total non-current liabilities	<u>6,500,984</u>	<u>10,642,526</u>
Total liabilities	<u>49,506,197</u>	<u>59,011,431</u>
<b>Owners' equity:</b>		
Share capital	28,698,864	28,698,864
Capital reserves	62,801,939	62,801,939
Other comprehensive income	32,273	20,340
Surplus reserves	2,821,562	2,821,562
Undistributed profit	6,439,708	5,743,671
Total owners' equity	<u>100,794,346</u>	<u>100,086,376</u>
Total liabilities and owners' equity	<u>150,300,543</u>	<u>159,097,807</u>

*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 2018

Prepared by: CRRC Corporation Limited

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

Item	Amount for the current period	Amount for the corresponding period of last year (Restated)
<b>1. Total revenue from operations</b>	32,922,913	33,592,333
Including: Operating revenue	32,922,213	33,592,333
<b>2. Total costs from operations</b>	31,403,071	32,128,272
Including: Operating costs	25,440,878	26,175,385
Tax and surcharges	340,162	355,419
Selling expenses	1,166,107	1,076,258
Administration expenses	4,335,847	4,356,619
Finance costs	271,648	236,318
Impairment loss on assets	(151,571)	(71,727)
Add: Gains from changes in fair value (Loss denoted with “-”)	(67,177)	(52,338)
Investment income (Loss denoted with “-”)	25,915	155,115
Including: Income from investments in associates and joint ventures	65,051	82,344
Gains on disposal of assets (Loss denoted with “-”)	32,321	3,757
Other gains	123,575	—
<b>3. Operating profit (Loss denoted with “-”)</b>	1,634,476	1,570,595
Add: Non-operating income	335,665	391,163
Less: Non-operating expenses	10,912	29,614
<b>4. Total profit (Loss denoted with “-”)</b>	1,959,229	1,932,144
Less: Income tax expenses	424,901	434,441

Item	Amount for the current period	Amount for the corresponding period of last year (Restated)
<b>5. Net profit (Loss denoted with “-”)</b>	1,534,328	1,497,703
(1) Classification according to operation continuity		
1. Net profit from continuing operation (Net loss denoted with “-”)	1,534,328	1,497,703
2. Net profit from discontinued operation (Net loss denoted with “-”)	—	—
(2) Classification according to ownership		
I. Profit and loss attributable to minority interests	263,628	346,272
II. Net profit to shareholders of the parent company	1,270,700	1,151,431
<b>6. Other comprehensive income after tax, net</b>	(280,867)	175,724
Other comprehensive income after tax attributable to owners of the parent company, net	(268,095)	167,207
(1) Other comprehensive income that cannot be subsequently reclassified into profit or loss	(161,419)	120,298
1. Gains or losses from changes in fair value of financial assets measured at fair value that are included in other comprehensive income	(161,419)	120,298

<b>Item</b>	<b>Amount for the current period</b>	<b>Amount for the corresponding period of last year (Restated)</b>
(2) Other comprehensive income reclassified to profit and loss in the future	(106,676)	46,909
1. Share of other comprehensive income of investee that will be subsequently reclassified into profit or loss under equity		



## Income Statement of the Parent Company

January to March 2018

Prepared by: CRRC Corporation Limited

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

Item	Amount for the current period	Amount for the corresponding period of last year
<b>1. Total revenue from operations</b>		260,787
Less: Operating costs	—	242,604
Tax and surcharges	4,288	4,441
Selling expenses	—	4,790
Administration expenses	33,299	36,638
Finance costs	(244,238)	(12,885)
Asset impairment loss		
Add: Gains from changes in fair value (Loss denoted with “-”)	(68,271)	(60,865)
Investment income (Loss denoted with “-”)	554,617	66,607
Including: Income from investments in associates and joint ventures	—	48,246
<b>2. Operating profit (Loss denoted with “-”)</b>	692,997	(9,059)
Add: Non-operating income	3,040	1,433
Less: Non-operating expenses	—	—
<b>3. Total profit (Loss denoted with “-”)</b>	696,037	(7,626)
Less: Income tax expenses	—	—
<b>4. Net profit (Loss denoted with “-”)</b>	696,037	(7,626)
(1) Net profit from continuing operation (Net loss denoted with “-”)	696,037	(7,626)
(2) Net profit from discontinued operation (Net loss denoted with “-”)	—	—

<b>Item</b>	<b>Amount for the current period</b>	<b>Amount for the corresponding period of last year</b>
<b>5. Other comprehensive income after tax, net</b>	11,933	23,238
(1) Other comprehensive income reclassified to profit and loss in the future	11,933	23,238
1. Other comprehensive income classified to profit and loss in the future shared by investee accounted under equity method	11,933	18,237
2. Gain or loss on changes in fair value of financial assets available for sale	—	5,001
<b>6. Total comprehensive income</b>	707,970	15,612
<b>7. Earnings per share:</b>		
(1) Basic earnings per share (RMB/share)		
(2) 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 2018

Prepared by: CRRC Corporation Limited

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

<b>Item</b>	<b>Amount for the period</b>	<b>Amount for the corresponding period of last year (Restated)</b>
<b>1. Cash flow generated from operating activities:</b>		
Cash from sale of products and provision of services	44,948,329	33,740,219
Tax rebate received	340,273	333,296
Other cash from operating activities	792,651	665,364
Cash inflow from operating activities - subtotal	46,081,253	34,738,879
Cash paid for purchase of products and services	39,764,157	37,011,740
Net increase in loans and advances to customers	1,590,640	—
Cash paid to and for employees	6,585,887	6,239,721
Cash paid for various taxes	3,858,480	3,878,364
Cash paid for other operating activities	3,671,089	3,136,686
Cash outflow from operating activities - subtotal	55,470,253	50,266,511
Net cash flow generated from operating activities	(9,389,000)	(15,527,632)
<b>2. Cash flow generated from investment activities:</b>		
Cash from recovery of investments	6,512,338	15,602,255
Cash from investment income	121,697	117,766
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	24,839	8,536
Cash inflow from investment activities - subtotal	6,658,874	15,728,557

<b>Item</b>	<b>Amount for the period</b>	<b>Amount for the corresponding period of last year (Restated)</b>
Cash paid for acquisition and installation of fixed assets, intangible assets and other long-term assets	1,686,854	1,748,199
Cash paid for investments	9,292,163	9,046,510
Cash outflow from investment activities - subtotal	10,979,017	10,794,709
Net cash generated from investment activities	(4,320,143)	4,933,848
<b>3. Cash flow generated from financing activities:</b>	<b>33,589</b>	<b>12,058,122</b>
Cash received from investments	33,589	124,017
Including: Cash received by subsidiaries from investment by minority shareholders	2,570,459	13,015,421
Cash received from borrowings	—	6,895
Cash received from other financing activities	2,604,048	25,080,438
Cash inflow from financing activities - subtotal	7,283,118	19,055,669
Cash paid for repayment of indebtedness	395,373	381,810
Cash paid for distribution of dividends, profit or interest	13,708	36,074
Including: Dividends and profit distributed to minority shareholders by subsidiaries		
Cash paid for other financing activities	15,584	87,104
Cash outflow from financing activities - subtotal	7,694,075	19,524,583
Net cash flow generated from financing activities	(5,090,027)	5,555,855

<b>Item</b>	<b>Amount for the period</b>	<b>Amount for the corresponding period of last year (Restated)</b>
<b>4. Effects of changes in exchange rates on cash and cash equivalents</b>	(316,496)	(17,350)
<b>5. Net increase in cash and cash equivalents</b>	(19,115,666)	(5,055,279)
Add: Balance of cash and cash equivalents at the beginning of the period	47,689,649	28,015,388
<b>6. Balance of cash and cash equivalents at the end of the period</b>	28,573,983	22,960,109

*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 2018

Prepared by: CRRC Corporation Limited

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

Item	Amount for the current period	Amount for the corresponding period of last year
<b>1. Cash flow generated from operating activities:</b>		
Tax rebate received	40,100	66,934
Cash received from other operating activities	116,434	598,012
Cash inflow from operating activities - subtotal	156,534	664,946
Cash paid to and for employees	42,350	42,205
Cash paid for various taxes	24,352	20,405
Cash paid for other operating activities	145,947	255,945
Cash outflow from operating activities - subtotal	212,649	318,555
Net cash flow generated from operating activities	(56,115)	346,391
<b>2. Cash flow generated from investment activities:</b>		
Cash from recovery of investments	6,338,918	9,800,348
Cash from investment income	2,503,243	1,225,102
Cash inflow from investment activities - subtotal	8,842,161	11,025,450
Cash paid for investments	16,190,705	12,280,660
Cash outflow from investment activities - subtotal	16,190,705	12,280,660
Net cash generated from investment activities	(7,348,544)	(1,255,210)

Item	Amount for the current period	Amount for the corresponding period of last year
<b>3. Cash flow generated from financing activities:</b>		
Cash received from investments	—	11,934,105
Cash received from borrowings	6,670,000	11,100,000
Cash received from other financing activities	—	6,895
Cash inflow from financing activities - subtotal	6,670,000	23,041,000
Cash paid for repayment of indebtedness	15,795,103	26,063,705
Cash paid for distribution of dividends, profit or interest	353,294	370,286
Cash paid for other financing activities	—	62,945
Cash outflow from financing activities - subtotal	16,148,397	26,496,936
Net cash flow generated from financing activities	(9,478,397)	(3,455,936)
<b>4. Effects of changes in exchange rates on cash and cash equivalents</b>	(7,528)	545
<b>5. Net increase in cash and cash equivalents</b>	(16,890,584)	(4,364,210)
Add: Balance of cash and cash equivalents at the beginning of the period	17,729,651	5,381,156
<b>6. Balance of cash and cash equivalents at the end of the period</b>	839,067	1,016,946

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*Person-in-charge of  
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**Zhan Yanjing**

*Head of the accounting  
department:*

**Wang Jian**

#### 4.2 Audit report

Applicable

Not applicable