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中國中車股份有限公司
CRRC 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 of The Stock Exchange of Hong Kong Limited (the **Hong Kong Stock Exchange**) and the indicative arrangements under Part XIV A of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The 2017 financial results of CRRC Corporation Limited (the **Company** or **CRRC**, together with its subsidiaries, the **Group**) is set out below. The financial results are audited in accordance with the Accounting Standards for Business Enterprises of the PRC and is audited.

By order of the Board
CRRC 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 executive director, the director, the independent director and the management of the Company warrant that they have faithfully and honestly performed their duties, accurately and truthfully reported the company's financial and operating performance, and that there are no material changes in the company's financial position.
- 1.2 The financial statements have been considered and approved by the independent director of the Board of the Company. All the directors of the Company have approved the Board's decision to approve the financial statements.
- 1.3 Li Hong, the chairman of the Company, Zhang Yajing, the executive director in charge of accounting affairs, and Wang Jia, the executive director in charge of accounting department (head of the accounting department), warrant the truthfulness, accuracy and completeness of the financial statements.
- 1.4 The financial statements of the Company are true and correct.

2. GENERAL INFORMATION OF THE COMPANY

2.1 Major financial information

	<i>Unit: RMB'000</i>		<i>Currency: RMB</i>
	As at the end of the reporting period	As at the end of last year	Change as at the end of the reporting period as compared to the end of last year (%)
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

	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 last year (%)
Net cash flow from operating activities	-15,528,557	-4,630,285	

	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 last year (%)
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 attributable to shareholders of the Company	928,539	1,712,941	-45.79
			decreased by 1.01
Return on weighted average equity (%)	1.02	2.03	decrease of 1.01
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

Item	Amount for the period
Profit from disposal of subsidiaries	3,873
Government subsidies received in the current period (excluding the subsidies received in the current period from the government of Guangdong Province)	221,458
Profit from changes in fair value of financial assets and liabilities and from the disposal of financial assets and liabilities (including the disposal of financial assets and liabilities and the disposal of financial assets and liabilities)	22,575
Other income	47,097
Effect of exchange rate changes (after tax)	-37,191
Effect of tax	<u>-34,363</u>
Total	<u><u>223,449</u></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: ^{N e 1} 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 Status of shares	Number	Nature of shareholder
CRRC Group (中國中車集團公司)	15,491,375,889	53.98	705,052,878	Nil	0	Share-owned legal entity
HKSCC NOMINEES LIMITED ^{N e 2}	4,360,407,359	15.19	0	Un-owned		Offshore legal entity
China Securities Finance Company Limited (中國證券金融股份有限公司)	808,581,358	2.82	0	Un-owned		Share-owned legal entity
CRRC Financial Securities Investment Company, Ltd. (中車金證投資有限公司)	380,172,012	1.32	0	Nil	0	Share-owned legal entity
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	304,502,100	1.06	0	Un-owned		Share-owned legal entity
Shanghai Xingha Asset International Bank Co., Ltd. - China International Investment Company 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	Un-owned		Un-owned
China Development Bank Capital Company Limited (國開金融有限責任公司)	176,263,219	0.61	176,263,219	Un-owned		Share-owned legal entity
Bohai Fund Agricultural Bank of China - Bohai Securities and Financial Asset Management Company (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	Un-owned		Un-owned
East Fund Agricultural Bank of China - East Fund Securities and Financial Asset Management Company (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	Un-owned		Un-owned

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	
Dache g F d Ag-ic i r a i Ba f Chi a Dache g Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
Ha e F d Ag-ic i r a i Ba f Chi a Ha e Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
GF F d Ag-ic i r a i Ba f Chi a GF Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
Zh g , A e Ag-ic i r a i Ba f Chi a Zh g , Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
Chi aAMC Ag-ic i r a i Ba f Chi a Chi aAMC Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
Yi h a F d Ag-ic i r a i Ba f Chi a Yi h a Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
Chi a S , he A e Ma ag e Ag-ic i r a i Ba f Chi a Chi a S , he A e Ma ag e Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w
ICBCCS F d Ag-ic i r a i Ba f Chi a ICBCCS Chi a Sec i i e a d Fi a cia A e Ma ag e P a (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	U	w	U w

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 share denominated in RMB	14,786,323,011
HKSCC NOMINEES LIMITED ^{N e 2}	4,360,407,359	Ordinary share denominated in RMB	4,360,407,359
China Securities Finance (中國證券金融股份有限公司) Centralized Limited	808,581,358	Ordinary share 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 share denominated in RMB	380,172,012
Central Huiji Asset Management Ltd. (中央匯金資產管理有限責任公司)	304,502,100	Ordinary share denominated in RMB	304,502,100
Boson Fund Agricultural Bank of China Boson China Securities and Financial Asset 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 share denominated in RMB	125,366,000
Er Fund Agricultural Bank of China Er Fund China Securities and Financial Asset 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 share denominated in RMB	125,366,000
Dacheng Fund Agricultural Bank of China Dacheng China Securities and Financial Asset 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 share denominated in RMB	125,366,000
Harvest Fund Agricultural Bank of China Harvest China Securities and Financial Asset 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 share denominated in RMB	125,366,000
GF Fund Agricultural Bank of China GF China Securities and Financial Asset 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 share 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
Zhōng Ōu Jījīn - Nóngyè Yínháng - Zhōng Ōu Zhōngzhèng Jīnróng Zīchǎn Guǎnlǐ Jìhuà (中歐基金－農業銀行－中歐中證金融資產管理計劃)	125,366,000	Q-dian-sha-he de jiaed i RMB	125,366,000
Chiānhà AMC Nóngyè Yínháng - Huàxiā Zhōngzhèng Jīnróng Zīchǎn Guǎnlǐ Jìhuà (華夏基金－農業銀行－華夏中證金融資產管理計劃)	125,366,000	Q-dian-sha-he de jiaed i RMB	125,366,000
Yìhuá Fúróng Nóngyè Yínháng - Yìhuá Zhōngzhèng Jīnróng Zīchǎn Guǎnlǐ Jìhuà (銀華基金－農業銀行－銀華中證金融資產管理計劃)	125,366,000	Q-dian-sha-he de jiaed i RMB	125,366,000
Chiānnán Jījīn - Nóngyè Yínháng - Nánfāng Zhōngzhèng Jīnróng Zīchǎn Guǎnlǐ Jìhuà (南方基金－農業銀行－南方中證金融資產管理計劃)	125,366,000	Q-dian-sha-he de jiaed i RMB	125,366,000
ICBCCS Fúróng Nóngyè Yínháng - Gōngyìnrúoxìn Jījīn - Nóngyè Yínháng - Gōngyìnrúoxìn Zhōngzhèng Jīnróng Zīchǎn Guǎnlǐ Jìhuà (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	Q-dian-sha-he de jiaed i RMB	125,366,000
Cheong Chee Hai Cecilia Cheong		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. She has held the shares of the Company as a beneficial shareholder, and she has held the shares of the Company as a beneficial shareholder.	

Note 1: As at the end of the reporting period, the Company had 1,004,043 shares 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 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. Depreciation and amortization expense decreased by RMB1,138.102 million, or 41.98% as compared with the same period of the previous year, mainly due to the decrease of depreciation and amortization expense of the fixed assets.
2. Taxable income decreased by RMB1,704.942 million, or 51.96% as compared with the same period of the previous year, mainly due to the decrease of taxable income of the fixed assets.
3. Interest expense decreased by RMB120.352 million, or 33.07% as compared with the same period of the previous year, mainly due to the decrease of interest expense of the fixed assets.
4. Non-current liabilities increased by RMB3,280.901 million, or 40.53% as compared with the same period of the previous year, mainly due to the increase of long-term borrowings and other liabilities.
5. Other non-current liabilities decreased by RMB41.887 million, or 75.75% as compared with the same period of the previous year, mainly due to the decrease of interest expense of the fixed assets.
6. Long-term borrowings decreased by RMB1,615.555 million, or 43.41% as compared with the same period of the previous year, mainly due to the decrease of long-term borrowings of the fixed assets.

7. Ca i a i e e e i c e a e d b RMB10,523.999, i i i 34.89% a c a e d w i h h e a h e b e g i i g f h e e a a i d e h a e e i f h e b i c i a c e f A h a e f h e C a d i g h e e i g e i d .
8. O h e c e h e i e i c e a e d b RMB167.207, i i i 55.00% a c a e d w i h h e a h e b e g i i g f h e e a a i d e h e c h a g e i f a i a f f i a c i a e f h e C a d i g h e e i g e i d .
9. A e i a i e i d e c e a e d b RMB279.857, i i i 134.46% a c a e d w i h h e f h e a e e i d i a e a a i d e h e e c e f e i g a g e a c c e c e i a b l e b h e C a d i g h e e i g e i d h a e i e d i a d e c e a e i h e i i f b a d d e b .
10. I c e a e e e d e c e a e d b RMB197.649, i i i 31.27% a c a e d w i h h e f h e a e e i d i a e a a i d e h e d e c e a e i a i f i a d a a b l e i c e f h e C a d i g h e e i g e i d .
11. N e c a h f i w f e a i g a c i i e a e d a e c a h i f i w f RMB15,528.556, i i i e e e i g a i c e a e f RMB10,898.271, i i i a c a e d w i h h e a e e i d i a e a a i d e h e f a c h a h e d e c e a e i c a h e c e i e d f a e f g d a d e i i f e i c e d i g h e e i g e i d a c a e d w i h h e f h e a e e i d i a e a a i a g e h a h e d e c e a e i c a h a i d f a c h a e f g d a d e c e i f e i c e d i g h e e i g e i d a c a e d w i h h e f h e a e e i d i a e a .
12. N e c a h f i w f i e i g a c i i e a e d a e c a h i f i w f RMB4,933.848, i i i a c a e d w i h h e e i f i w f RMB10,768.547, i i i f h e a e e i d i a e a a i d e h e i c e a e f c a h e c e i e d f i e e b h e C a d i g h e e i g e i d .
13. N e c a h f i w f i a c i g a c i i e e c e d e d a e c a h i f i w f RMB5,555.855, i i i e e e i g a d e c e a e f RMB1,017.204, i i i a c a e d w i h h e f h e a e e i d i a e a a i d e h e e c e d a i e d i h e b i c i a c e f A h a e a d h e e a e f a f d e b .

14. Revenue decreased by 16.71% as compared with the same period last year. The revenue from air cargo, air mail, express and other services, express, express and other services accounted for 39.01%, 16.38%, 26.44% and 18.17%, respectively. The details are as follows:

Unit: '000 Chinese Yuan

By business	Revenue		Increase/ (decrease)	Percentage increase/ (decrease)
	For the first quarter of 2017	For the corresponding period of the previous year		
Railway	13,103,282	21,696,259	-8,592,977	-39.61%
Air cargo	5,504,175	3,871,895	1,632,280	42.16%
Express	8,881,505	10,398,406	-1,516,901	-14.59%
Other 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 cargo decreased by 39.61% as compared with the corresponding period of last year, mainly due to the decline in the demand for express mail and express cargo. The revenue from air cargo increased by 42.16% as compared with the corresponding period of last year, mainly due to the increase in the demand for express mail and express cargo. The revenue from express decreased by 14.59% as compared with the corresponding period of last year, mainly due to the decline in the demand for express mail and express cargo. The revenue from other services increased by 39.84% as compared with the corresponding period of last year, mainly due to the increase in the demand for express mail and express cargo.

Revenue from express mail and other services increased by 39.84% as compared with the corresponding period of last year, mainly due to the increase in the demand for express mail and express cargo.

Revenue from express mail decreased by 14.59% as compared with the corresponding period of last year, mainly due to the decline in the demand for express mail and express cargo.

Revenue from other services increased by 39.84% as compared with the corresponding period of last year, mainly due to the increase in the demand for express mail and express cargo.

Please refer to the announcements issued on 27 March 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, in relation to the Company's new issue of the Shanghai Stock Exchange and the Hong Kong Stock Exchange respectively.

2. *Particulars of interbank debt financing instruments*

On 25 February 2014, the Company issued 2014 Financial Transferable Inflation-Indexed China CNR Corporate Limited Interest Rate Swap of RMB2 billion which was ended 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 **CRRC CORPORATION LIMITED**
Legal representative name **Liu Hualong**
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
Current assets:		
Cash and bank balances	35,174,514	45,594,983
Financial assets held for sale		
Financial assets	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 classified as held for sale		
Other non-current assets	8,281,204	8,166,808
Other non-current assets	5,172,531	6,168,258
Total current assets	225,474,541	220,589,280
Non-current Assets:		
Land and depreciable intangible assets	205,420	203,144
Available-for-sale financial assets	4,024,606	3,819,162
Interest held	964,771	966,970
Long-term receivables	11,562,406	11,012,361
Long-term investments	8,568,373	8,471,976
Interest receivable	1,038,955	983,803
Fixed assets	56,572,564	56,938,838
Construction in progress	9,569,536	9,327,797
Prepaid expenses	83,984	79,400
Deferred tax assets	16,272	18,073

Item	Closing balance at the end of the period	Opening balance at the beginning of the year
Intangible assets	17,736,627	17,551,660
Deferred income taxes	121,665	110,418
Goodwill	1,299,744	1,286,760
Long-term deferred income	189,372	192,487
Deferred income taxes	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
Current Liabilities:		
Short-term borrowings	21,443,176	21,994,384
Deferred income taxes liability	1,573,268	2,711,370
Long-term debt	500,000	
Financial liabilities	8,426	16,983
Billable	18,755,018	19,797,275
Accounts payable	94,883,977	91,949,851
Receivables	24,162,721	25,773,476
Deferred revenue	1,824,228	1,939,164
Taxes payable	1,576,247	3,281,189
Income taxes payable	243,551	363,903
Dividends payable	207,536	196,067
Other payable	7,810,290	8,053,333
Non-current liabilities	4,813,981	8,094,882
Other current liabilities	13,411	55,298
Total current liabilities	177,815,830	184,227,175
Non-current Liabilities:		
Long-term borrowings	2,105,947	3,721,502
Deferred	10,753,753	10,749,910
Long-term	240,032	212,679
Long-term deferred	3,535,616	3,516,307
Prepaid	12,442	15,728
Accrued liabilities	5,267,114	5,229,545

Item	Closing balance at the end of the period	Opening balance at the beginning of the year
Deferred income	6,011,407	5,944,764
Deferred income liability	243,136	235,835
Other non-current liability	700,235	652,551
Total non-current liability	28,869,682	30,278,821
Total liability	206,685,512	214,505,996
Equity of owners		
Share capital	28,698,864	27,288,758
Capital reserve	40,691,623	30,167,624
Other consolidated income	-136,828	-304,035
Project reserve	49,957	49,957
Surplus reserve	2,273,807	2,273,807
General reserve	551,265	551,265
Undistributed profit	45,981,221	44,829,233
Total identifiable intangible assets of the Parent Company	118,109,909	104,856,609
Minority interest	19,381,033	18,948,007
Total intangible assets	137,490,942	123,804,616
Total liability and intangible assets	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
Current assets:		
Cash and bank balance	5,233,287	8,787,144
Financial assets held for sale	518,807	514,527
Bill receivable	2,000	2,000
Account receivable	134,810	48,440
Prepayment	180,010	180,010
Interest receivable	330,279	311,653
Dividend receivable	1,503,438	2,431,938
Other receivable	23,709,243	22,217,563
Non-current receivable arising from contracts with customers	1,471,590	1,791,858
Other non-current receivable	1,108,360	1,105,378
Trade receivable	34,191,824	37,390,511
Non-current Assets:		
Available-for-sale financial assets	426,618	422,163
Long-term receivable	11,208,361	10,789,421
Long-term equity investment	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
Trade non-current assets	106,780,057	106,301,902
Trade assets	140,971,881	143,692,413
Current Liabilities:		
Share-based payment	9,725,000	12,036,980
Account payable	205,951	98,547
Receivable advance	196,308	254,489
Deferred revenue payable	15,418	48,264

Item	Closing balance at the end of the period	Opening balance at the beginning of the year
Trade payable	1,779	6,388
Interest payable	237,429	343,029
Other payable	18,247,977	25,978,113
Non-current liabilities arising from lease	500,000	3,249,597
Total current liabilities	29,129,862	42,015,407
Non-current Liabilities:		
Long-term borrowings		1,851,525
Bond payable	10,753,753	10,749,910
Long-term deferred tax liability	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
Equity of owners:		
Share capital	28,698,864	27,288,758
Capital reserve	62,801,939	52,277,940
Other comprehensive income	83,941	60,703
Surplus reserve	2,273,807	2,273,807
Undistributed profit	6,793,511	6,801,137
Total derivative financial instruments	100,652,062	88,702,345
Total liabilities and derivative financial instruments	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 - 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
I. Total operating revenue	33,592,333	40,330,971
Included: Revenue		
Operating	33,592,333	40,330,971
II. Total operating cost	32,126,685	37,757,504
Included: Operating	26,175,386	30,979,256
Transportation	355,419	269,837
Selling expense	1,076,257	1,308,502
Administrative expense	4,355,030	4,692,056
Finance	236,320	299,723
Asset impairment	-71,727	208,130
Add: Gain from change in fair value (included in net assets)	-52,338	-46,705
Included in net assets (included in net assets)	155,115	188,242
Included: Gain from impairment of financial assets		
Impairment	80,202	52,733

Item	Amount for the current period	Amount for the previous period
III. Profit from operations (loss is represented by “-”)	1,568,425	2,715,004
Add: Non-recurring income	396,722	387,962
Income tax: Gain	8,219	4,706
Income tax: Loss	31,420	21,599
	4,346	8,907
IV. Total profit (total loss is represented by “-”)	1,933,727	3,081,367
Less: Income tax expense	434,441	632,090
V. Net profit (net loss is represented by “-”)	1,499,286	2,449,277
Net profit attributable to owners of the Parent Company	1,151,988	1,987,777
Profit attributable to minority interest	347,298	461,500
VI. Net other comprehensive income after tax	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 attributable to owners of the Parent Company	167,207	-209,084

Item	Amount for the current period	Amount for the previous period
1. Share fee increase classified as financial liability	18,237	
2. Gain and loss change in fair value of available-for-sale financial assets	120,298	-213,500
3. Difference in exchange rate of financial assets denominated in foreign currency	28,672	4,416
Net share fee increase after available-for-sale	8,517	2,647
VII.Total comprehensive income	1,675,010	2,242,840
Total comprehensive income attributable to the Parent Company	1,319,195	1,778,693
Total comprehensive income attributable to subsidiary	355,815	464,147
VIII.Earnings per share		
(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 – March 2017

Prepared by: CRRC Corporation Limited

Unit: RMB'000 Currency: RMB Transfer: Unaudited

Item	Amount for the current period	Amount for the previous period
I. Revenue from operations	260,787	9
Less: Operating	242,604	
Transport charge	4,441	4,733
Selling expense	4,790	364
Administrative expense	36,638	41,336
Finance	-12,885	-100,074
Add: Gain from change in fair value (including reclassified financial assets)	-60,865	-46,657
Investment income (including reclassified financial assets)	66,607	59,895
Income: Gain from investment in associates and joint ventures	48,246	59,895
II. Profit from operations (loss is represented by “-”)	-9,059	66,888
Add: Non-operating income	1,433	
Income: Gain from disposal of non-current assets	44	
Less: Non-operating expense		
Income: Loss from disposal of non-current assets		
III. Total profit (total loss is represented by “-”)	-7,626	66,888
Less: Income tax expense		
IV. Net profit (net loss is represented by “-”)	-7,626	66,888
V. Net other comprehensive income after tax	23,238	
(I) Other comprehensive income that will be reclassified to profit or loss	23,238	
1. Shareholders' other comprehensive income reclassified to profit or loss in the period thereafter	18,237	

Item	Amount for the current period	Amount for the previous period
2. Profit or loss change in fair value of available-for-sale financial assets	5,001	
VI. Total comprehensive income	15,612	66,888
VII. Earnings per share		
(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 – March 2017

Prepared by: CRRC Capital Limited

Unit: RMB'000 Currency: RMB Table of A/di: Unaudited

Item	Amount for the current period	Amount for the previous period
I. Cash flow from operating activities:		
Cash received from sale of goods and 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 flow from operating activities - total	34,736,175	47,470,634
Cash paid for purchase of fixed assets	37,011,413	38,497,093
Cash paid for depreciation	6,238,575	5,642,931
Cash paid for salaries	3,878,364	4,825,360
Cash paid for other operating activities	3,136,380	3,135,535
Cash flow from operating activities - total	50,264,732	52,100,919
Net cash flow generated from operating activities	-15,528,557	-4,630,285
II. Cash flow generated from investment activities:		
Cash from disposal of fixed assets	15,602,255	4,364,696
Cash from disposal of intangible assets	117,766	18,008
Net cash received from disposal of fixed assets, intangible assets and long-term equity	8,536	47,701
Cash flow from investment activities - total	15,728,557	4,430,405
Cash paid for acquisition of fixed assets, intangible assets and long-term equity	1,748,199	1,614,819
Cash paid for interest	9,046,510	13,583,469
Cash paid for other investment activities	664	664
Cash flow from investment activities - total	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
III. Cash flow generated from financing activities:		
Cash received from issuance of bank deposits	12,058,122	14,800
Indirect: Cash received from bank deposits	124,017	14,800
Cash received from bank deposits	13,015,421	14,705,884
Cash received from issuance of bank deposits		3,918,840
Cash received from financing activities	6,895	
Cash flow from financing activities	25,080,438	18,639,524
Cash paid for acquisition of debt	19,055,669	11,724,106
Cash paid for acquisition of debt	381,810	309,738
Indirect: Debt acquisition	36,074	0
Cash paid for acquisition of debt	87,104	32,622
Cash flow from financing activities	19,524,583	12,066,466
Net cash flow generated from financing activities	5,555,855	6,573,058
IV. Effects of changes in exchange rates on cash and cash equivalents	-17,350	27,675
V. Net increase in cash and cash equivalents	-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
VI. Balance of cash and cash equivalents at the end of the period	22,958,042	21,146,122

Legal representative: **Liu Hualong**

Permitted change of account affairs: **Zhan Yanjing**

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

Cash Flow Statement of the Parent Company

January - 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
I. Cash flow from operating activities:		
Cash received from sale of goods and services		
Trade receivable	66,934	8,075
Other cash received from operating activities	598,012	61,766
Subsidy for cash flow from operating activities	664,946	69,841
Cash paid for goods purchased and services rendered		
Cash paid on behalf of employees	42,205	73,151
Tax paid	20,405	9,089
Other cash paid for operating activities	255,945	61,334
Subsidy for cash flow from operating activities	318,555	143,574
Net cash flow from operating activities	346,391	-73,733
II. Cash flow from investment activities:		
Cash received from disposal of investments	9,800,348	17,005,313
Cash received from gain in investments	1,225,102	1,441,349
Subsidy for cash flow 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 investments	12,280,660	16,570,700
Net cash paid for investment activities		1,100,000

Item	Amount for the current period	Amount for the previous period
Sub- a i f ca h , f i w f i i e e a c i i e Ne ca h f i w f i e e	12,280,660	17,671,147