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中鋁國際工程股份有限公司

China Aluminum International Engineering Corporation Limited

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

(Stock Code: 2068)

ANNOUNCEMENT

THE QUARTERLY REPORT OF THE COMPANY FOR THE FIRST QUARTER ENDED 31 MARCH 2017

RESUMPTION OF TRADING

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as defined under the Listing Rules.

China Aluminum International Engineering Corporation Limited (the “**Company**”) had publicly issued medium-term notes and short-term financing bills in the inter-bank market of the People’s Republic of China (the “**PRC**”). Pursuant to the provisions of the Issuance and Registration Rules Relating to Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具發行註冊規則》) and the Rules on Information Disclosure for Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具信息披露規則》), the Company must disclose its quarterly report for the first quarter of 2017 in Shanghai Clearing House (website: <http://www.shclearing.com>) and other websites.

The operating results attached hereto are the unaudited quarterly report of the Company as at 31 March 2017 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which are disclosed in Shanghai Clearing House (website: <http://www.shclearing.com>) and other websites.

The announcement and the attached quarterly report were originally prepared in Chinese and published in both Chinese and English. In the case of any discrepancy, the Chinese text shall prevail over the English text.

CONSOLIDATED BALANCE SHEET

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Monetary assets	5,833,213,960.52	8,642,836,241.44
Notes receivables	631,717,900.42	715,472,644.79
Trade receivables	11,533,117,312.56	12,416,521,247.53
Prepayments	1,821,556,935.47	873,554,741.72
Interest receivables	20,445,788.46	660,772.49
Dividend receivable	1,728,377.42	1,728,377.42
Other receivables	3,281,042,750.79	2,785,969,703.20
Inventories	8,374,353,419.85	7,503,678,473.10
Non-current assets due within one year	1,581,443,355.72	1,735,017,315.24
Other current assets	432,620,621.45	182,971,987.51
Total current assets	33,511,240,422.66	34,858,411,504.44
Non-current assets:		
Available-for-sale financial assets	283,567,128.14	233,799,121.70
Held-to-maturity investments	919,403,609.80	–
Long-term receivables	3,309,150,321.68	3,277,747,838.35
Long-term equity investments	212,325,205.49	212,830,169.31
Investment properties	169,684,960.25	179,774,412.82
Original price of fixed assets	3,297,497,374.45	3,227,366,534.50
Less: accumulative depreciation	1,165,988,326.79	1,116,089,609.59
Net value of fixed assets	2,131,509,047.66	2,111,276,924.91
Less: provision for impairment of fixed assets	916,866.90	916,866.90
Net fixed assets	2,130,592,180.76	2,110,360,058.01

CONSOLIDATED BALANCE SHEET – Continued

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Construction-in-progress	406,902,120.60	289,358,056.77
Construction materials	512,313.40	512,313.40
Intangible assets	824,476,869.46	903,587,636.11
Development expenses	5,251,601.19	4,123,675.63
Goodwill	7,455,107.00	9,249,656.21
Long-term deferred expenses	27,580,689.98	47,568,842.90
Deferred income tax assets	429,010,089.75	424,159,486.57
Other non-current assets	21,146,001.16	21,145,701.16
Total non-current assets	8,747,058,198.66	7,714,216,968.94
Total assets	42,258,298,621.32	42,572,628,473.38
Current liabilities:		
Short-term borrowings	7,033,226,504.49	5,923,757,711.39
Notes payables	1,060,317,131.90	767,276,641.05
Trade payables	8,593,006,874.23	10,584,518,187.68
Advances received	2,637,190,087.06	2,076,819,725.67
Salary payable	231,935,609.41	266,357,156.16
Tax charge payable	378,108,225.79	509,252,261.39
Interest payable	38,122,668.23	13,781,529.49
Dividend payable	53,661,699.12	55,440,918.67
Other payables	1,555,851,216.75	1,475,914,921.16
Non-current liabilities due within one year	1,503,127,777.78	1,220,159,777.78
Other current liabilities	3,053,312,839.90	2,543,606,364.98
Total current liabilities	26,137,860,634.66	25,436,885,195.42

CONSOLIDATED BALANCE SHEET – Continued

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Non-current liabilities:		
Long-term loans	1,414,545,353.98	1,060,679,100.00
Debentures payable	919,552,499.99	919,552,499.99
Long-term staff remuneration payable	971,997,966.17	979,448,000.00
Accrued liabilities	21,949,171.97	21,949,171.97
Deferred income	85,263,704.64	85,792,508.27
Deferred income tax liabilities	8,455,362.11	51,747,754.03
Other non-current liabilities	208,657.43	–
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Total non-current liabilities	3,421,972,716.29	3,119,169,034.26
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Total liabilities	29,559,833,350.95	28,556,054,229.68
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Owner's equity:		
Share capital	2,663,160,000.00	2,663,160,000.00
Other equity instruments	1,900,231,259.09	1,402,731,259.09
Capital public reserve	711,200,466.47	711,200,466.47
Other comprehensive income	279,292,303.28	233,168,592.61
Reasonable reserve	90,144,479.11	10,699,080.20
Surplus public reserve	157,355,248.63	157,365,295.07
Retained profit	4,247,765,847.69	4,228,703,806.50
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Consolidated equity attributable to equity owners of the company	10,049,149,604.27	9,407,028,499.94
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Non-controlling interests	2,649,315,666.10	4,609,545,743.76
Total owner's equity	12,698,465,270.37	14,016,574,243.70
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Total liabilities and owner's equity	42,258,298,621.32	42,572,628,473.38
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CONSOLIDATED INCOME STATEMENT

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
1. Total revenue	<u>5,599,786,128.84</u>	<u>4,134,587,895.03</u>
2. Total operating costs	<u>5,541,681,543.74</u>	<u>4,017,819,125.93</u>
Including: Operating costs	5,162,658,166.28	3,755,563,470.08
Tax and surcharges	20,157,683.82	38,355,020.47
Selling expenses	22,696,616.88	17,975,013.13
Administration expenses	263,813,342.11	184,036,237.78
Finance costs	85,367,371.42	30,538,607.22
Asset impairment loss	-13,011,636.77	-8,649,222.75
Add: Investment gains	<u>7,788,884.46</u>	<u>2,992,380.95</u>
3. Operating profit	<u>65,893,469.56</u>	<u>119,761,150.05</u>
Add: Non-operating income	38,945,228.15	15,004,211.43
Less: Non-operating expenses	<u>2,027,498.92</u>	<u>2,443,364.46</u>
4. Total profits	<u>102,811,198.79</u>	<u>132,321,997.02</u>
Less: Income tax expenses	<u>20,208,249.92</u>	<u>25,912,779.50</u>
5. Net profits	<u>82,602,948.87</u>	<u>106,409,217.52</u>
Net profit attributable to equity owners of the company	19,062,041.19	103,712,154.68
Net profit attributable to non-controlling equity owners	<u>63,540,907.68</u>	<u>2,697,062.84</u>
6. Net other comprehensive income after taxes	<u>46,123,710.67</u>	<u>5,736,884.22</u>
7. Total comprehensive income	<u>128,726,659.54</u>	<u>112,146,101.74</u>
Total comprehensive income attributable to equity owners of the company	32,742,611.46	109,449,038.90
*Total comprehensive income attributable to non-controlling equity owners	<u>95,984,048.08</u>	<u>2,697,062.84</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	7,513,448,674.17	5,465,503,427.71
Tax refunds received	3,327,590.12	3,364,310.82
Cash received from other operating activities	2,007,532,050.23	886,940,341.98
Sub-total of cash inflow from operating activities	9,524,308,314.52	6,355,808,080.51
Cash paid for purchase of goods and engagement of labor services	7,754,939,181.99	5,826,701,546.69
Cash paid to and for employees	473,729,320.06	373,742,251.83
Payments of all types of taxes	225,216,206.40	142,478,424.74
Cash paid for other operating activities	2,038,298,565.55	932,445,760.47
Sub-total of cash outflow from operating activities	10,492,183,274.00	7,275,368,415.73
Net cash flow from operating activities	-967,874,959.48	-919,560,335.22
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	757,337,666.68	694,703,083.03
Cash received from investment gains	512,454,616.92	13,351,737.42
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	883,632.47	33,695.00
Cash generated from other investing activities	41,587,326.50	-
Sub-total of cash inflow from investing activities	1,312,263,242.57	708,088,515.45

CONSOLIDATED STATEMENT OF CASH FLOWS – Continued

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	253,170,064.08	120,367,604.73
Cash paid for investments	2,473,382,362.86	750,739,000.00
Net cash paid for acquisition of subsidiaries and other operational units	–	60,210,000.00
Cash paid for other investing activities	194,572,583.40	162,080,280.25
Sub-total of cash outflow from investing activities	<u>2,921,125,010.34</u>	<u>1,093,396,884.98</u>
Net cash flow from investing activities	<u>–1,608,861,767.77</u>	<u>–385,308,369.53</u>
3. Cash flow generated from financing activities:		
Cash received from investors	24,000,000.00	30,000,000.00
Cash received from obtaining borrowings	5,278,841,666.67	1,400,410,524.78
Cash received from other financing activities	100,500,000.00	415,834,546.05
Sub-total of cash inflow from financing activities	<u>5,403,341,666.67</u>	<u>1,846,245,070.83</u>
Cash paid for repayment of debt	5,214,036,389.43	1,785,491,047.69
Cash paid for distribution of dividends, profit or payment of interests	153,525,132.95	120,922,598.08
Cash paid for other financing activities	168,679,337.56	124,717,753.70
Sub-total of cash outflow from financing activities	<u>5,536,240,859.94</u>	<u>2,031,131,399.47</u>
Net cash flow from financing activities	<u>–132,899,193.27</u>	<u>–184,886,328.64</u>

CONSOLIDATED STATEMENT OF CASH FLOWS – Continued

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
4. Effect on cash and cash equivalents from change of exchange rates	<u>-25,767,803.17</u>	<u>-5,476,210.32</u>
5. Net increase in cash and cash equivalents	<u>-2,735,403,723.69</u>	<u>-1,495,231,243.71</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>7,714,217,976.66</u>	<u>4,981,838,047.55</u>
6. Balance of cash and cash equivalents at the end of the period	<u>4,978,814,252.97</u>	<u>3,486,606,803.84</u>

PARENT COMPANY BALANCE SHEET

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Monetary assets	2,473,157,091.79	1,779,179,838.17
Notes receivables	174,740,456.50	142,241,125.69
Trade receivables	1,838,981,759.02	1,922,806,393.24
Prepayments	605,298,752.48	130,656,014.86
Interest receivables	19,726,666.67	–
Dividend receivables	121,209,331.75	83,209,331.75
Other receivables	4,486,891,601.83	4,260,039,552.34
Inventories	843,506,617.72	498,799,859.14
Non-current assets due within one year	441,081,934.27	612,250,799.94
Other current assets	108,217,116.76	66,774,348.33
Total current assets	11,112,811,328.79	9,495,957,263.46
Non-current assets:		
Available-for-sale financial assets	255,594,468.14	214,826,461.70
Held-to-maturity investments	650,000,000.00	–
Long-term receivables	2,992,870,733.31	2,505,860,733.31
Long-term equity investments	3,249,693,101.84	3,249,693,101.84
Original price of fixed assets	175,517,526.55	175,404,228.51
Less: accumulative depreciation	94,440,122.98	93,403,836.14
Net value of fixed assets	81,077,403.57	82,000,392.37
Less: provision for impairment of fixed assets	–	–
Net fix assets	81,077,403.57	82,000,392.37
Construction-in-progress	2,610,427.02	–
Intangible assets	164,827,616.67	166,743,812.29
Long-term deferred expenses	177,501.81	264,397.31
Deferred income tax assets	9,056,946.44	3,200,387.58
Other non-current assets	300.00	–
Total non-current assets	7,405,908,498.80	6,222,589,286.40
Total assets	18,518,719,827.59	15,718,546,549.86

PARENT COMPANY BALANCE SHEET – Continued

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Current liabilities:		
Short-term borrowings	3,434,761,800.00	2,639,761,800.00
Trade payables	1,762,538,479.68	1,872,505,512.59
Advances received	1,635,828,993.17	1,294,261,198.84
Salary payable	5,777,342.06	6,620,072.68
Tax charge payable	3,349,293.00	6,569,679.53
Interest payable	28,648,742.22	3,902,254.61
Other payables	487,835,120.70	418,089,884.36
Non-current liabilities due within one year	919,427,777.78	919,427,777.78
Other current liabilities	3,053,312,839.90	2,543,606,364.98
Total current liabilities	11,331,480,388.51	9,704,744,545.37
Non-current liabilities:		
Long-term borrowings	651,216,253.98	–
Debentures payable	919,552,499.99	919,552,499.99
Long-term staff remuneration payable	7,991,000.00	7,991,000.00
Accrued liabilities	20,029,171.97	20,029,171.97
Deferred income tax liabilities	7,972,759.82	–
Other non-current liabilities	208,657.43	–
Total non-current liabilities	1,606,970,343.19	947,572,671.96
Total liabilities	12,938,450,731.70	10,652,317,217.33

PARENT COMPANY BALANCE SHEET – Continued

Unit of amount: RMB

Item	Closing balance of the period	Opening balance of the year
Owners' equity:		
Share capital	2,663,160,000.00	2,663,160,000.00
Other equity instruments	1,900,231,259.09	1,402,731,259.09
Capital public reserve	725,531,052.67	725,531,052.67
Other comprehensive income	22,171,841.35	10,180,035.87
Surplus public reserve	157,365,295.07	157,365,295.07
Retained profit	111,809,647.71	107,261,689.83
Total owner's equity	<u>5,580,269,095.89</u>	<u>5,066,229,332.53</u>
Total liabilities and owner's equity	<u>18,511,469,292.27</u>	<u>15,718,546,549.86</u>

PARENT COMPANY INCOME STATEMENT

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
1. Total operating revenue	<u>793,958,204.00</u>	<u>346,419,292.08</u>
2. Total operating costs	<u>832,724,908.11</u>	<u>274,285,996.37</u>
Including: Operating costs	736,435,281.74	264,134,290.59
Tax and surcharges	1,544,822.71	3,259,292.32
Selling expenses	6,600,295.07	3,938,807.75
Administration expenses	57,745,614.97	28,413,432.19
Finance costs	30,398,893.62	-25,453,226.48
Asset impairment loss	-	-6,600.00
Add: Investment gains	<u>43,151,558.96</u>	<u>67,460,821.92</u>
3. Operating profit	<u>4,384,854.85</u>	<u>139,594,117.63</u>
Add: Non-operating income	40,371.70	729,832.4
Less: Non-operating expenses	<u>15,835.55</u>	<u>301,644.17</u>
4. Total profits	<u>4,409,391.00</u>	<u>140,022,305.86</u>
Less: Income tax expenses	<u>-</u>	<u>3,577,117.83</u>
5. Net profits	<u>4,409,391.00</u>	<u>136,445,188.03</u>
6. Net other comprehensive income after taxes	<u>11,991,805.48</u>	<u>-</u>
7. Total comprehensive income	<u>16,401,196.48</u>	<u>136,445,188.03</u>

PARENT COMPANY STATEMENT OF CASH FLOWS

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	858,802,449.66	354,880,162.90
Tax refund received	1,297,393.16	–
Cash received from other operating activities	114,194,017.06	70,408,422.99
Sub-total of cash inflow from operating activities	974,293,859.88	425,288,585.89
Cash paid for purchase of goods and engagement of labor services	1,281,657,666.15	305,364,790.90
Cash paid to and for employees	71,709,759.43	39,029,389.46
Payments of all types of taxes	5,844,835.56	12,561,447.29
Cash paid for other operating activities	318,246,117.29	154,386,135.47
Sub-total of cash outflow from operating activities	1,677,458,378.43	511,341,763.12
Net cash flow from operating activities	–703,164,518.55	–86,053,177.23
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	1,536,805,638.89	1,653,971,332.80
Cash received from investment gains	560,088,277.17	126,527,056.94
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	–	–
Net cash inflow on disposal of subsidiaries and other operational units	–	–
Cash generated from other investing activities	9,560,580.56	–
Sub-total of cash inflow from investing activities	2,106,454,496.62	1,780,498,389.74

PARENT COMPANY INCOME STATEMENT – Continued

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	182,913.93	208,048.72
Cash paid for investments	2,967,670,000.00	1,976,461,000.00
Net cash paid for acquisition of subsidiaries and other operational units	–	44,853,939.00
Cash paid for other investing activities	247,434,958.33	10,000,000.00
Sub-total of cash outflow from investing activities	<u>3,215,287,872.26</u>	<u>2,031,522,987.72</u>
Net cash flow from investing activities	<u>–1,108,833,375.64</u>	<u>–251,024,597.98</u>
3. Cash flow generated from financing activities:		
Cash received from investors	–	–
Cash received from obtaining borrowings	4,761,150,000.00	600,000,000.00
Cash received from other financing activities	–	–
Sub-total of cash inflow from financing activities	<u>4,761,150,000.00</u>	<u>600,000,000.00</u>
Cash paid for repayment of debt	2,229,010,872.15	901,365,733.24
Cash paid for distribution of dividends, profit or payment of interests	22,702,843.06	16,276,937.51
Cash paid for other financing activities	–	–
Sub-total of cash outflow from financing activities	<u>2,251,713,715.21</u>	<u>917,642,670.75</u>
Net cash flow from financing activities	<u>2,509,436,284.79</u>	<u>–317,642,670.75</u>

PARENT COMPANY INCOME STATEMENT – Continued

Unit of amount: RMB

Item	Amount for the current period	Amount for the same period of last year
4. Effect on cash and cash equivalents from change of exchange rates	<u>-3,461,136.98</u>	<u>-4,412,324.95</u>
5. Net increase in cash and cash equivalents	<u>693,977,253.62</u>	<u>-659,132,770.91</u>
Add: Balance of cash and cash equivalents at the beginning of the period	<u>1,779,179,838.17</u>	<u>2,253,508,078.67</u>
6. Balance of cash and cash equivalents at the end of the period	<u>2,473,157,091.79</u>	<u>1,594,375,307.76</u>

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the H shares of the Company (the “**H Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) was halted with effect from 9:12 a.m. on 2 May 2017 (Tuesday), pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the H Shares with effect from 1:00 p.m. on 2 May 2017 (Tuesday).

By Order of the Board
China Aluminum International Engineering Corporation Limited
ZHAI Feng
Joint Company Secretary

Beijing, PRC, 2 May 2017

As at the date of this announcement, the non-executive Directors are Mr. WANG Jun and Mr. LI Yihua; the executive Directors are Mr. HE Zhihui and Mr. ZHANG Jian; and the independent non-executive Directors are Mr. SUN Chuanyao, Mr. CHEUNG Hung Kwong and Mr. FU Jun.