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北京汽车
BAIC MOTOR

北京汽車股份有限公司

BAIC MOTOR CORPORATION LIMITED*

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

(Stock Code: 1958)

ANNOUNCEMENT
THE OPERATING RESULTS OF THE COMPANY FOR THE FIRST
QUARTER ENDED MARCH 31, 2018

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 “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

BAIC Motor Corporation Limited (the “**Company**”, and its subsidiaries, collectively the “**Group**”) issued the mid-term notes and ultra short-term debentures in the inter-bank debt market of the People’s Republic of China (the “**PRC**”), and the mid-term notes and ultra short-term debentures are within the period of existence. Pursuant to the relevant laws and regulations of the PRC, the Company must disclose its operating results for the first quarter on the website of the Shanghai Clearing House (<http://www.shclearing.com>).

The operating results attached hereto are the unaudited operating results of the Group for the three months ended March 31, 2018 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which have been disclosed on the website of the Shanghai Clearing House (<http://www.shclearing.com>).

The announcement and the attached operating results 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: RMB Yuan

Assets	Balance at the end of the period March 31, 2018	Balance at the beginning of the year January 1, 2018
Current assets:		
Monetary assets	41,374,188,372.95	37,369,979,006.21
Notes receivables	5,427,375,874.41	8,261,070,885.56
Trade receivables	14,688,373,456.23	11,621,042,784.79
Prepayments	793,131,558.98	563,409,666.14
Interest receivables	-	-
Dividend receivables	-	-
Other receivables	406,588,939.90	681,281,008.74
Inventories	15,625,385,630.55	16,875,871,007.76
Non-current assets due within one year	-	-
Other current assets	3,751,695,107.79	3,421,247,761.85
Total current assets	82,066,738,940.81	78,793,902,121.05
Non-current assets:		
Available-for-sale financial assets	2,355,238,708.05	2,355,238,708.05
Held-to-maturity investments	-	-
Long-term receivables	-	-
Long-term equity investments	15,187,479,167.51	14,706,907,954.32
Investment properties	-	-
Net fixed assets	35,927,425,812.62	35,716,163,975.52
Construction in progress	6,709,430,479.76	6,653,755,651.60
Construction materials	-	-
Disposal of fixed assets	-	-
Productive biological assets	-	-
Oil and gas assets	-	-
Intangible assets	14,558,714,706.06	15,090,610,950.66
Development expenditures	5,535,844,975.78	5,208,812,658.40
Goodwill	901,945,451.41	901,945,451.41
Long-term deferred expenses	467,257,838.04	492,996,743.81
Deferred income tax assets	7,035,536,141.41	7,035,787,852.63
Other non-current assets	267,839,713.12	446,852,908.30
Total non-current assets	88,946,712,993.76	88,609,072,854.70
Total assets	171,013,451,934.57	167,402,974,975.75

Unit: RMB Yuan

Liabilities	Balance at the end of the period March 31, 2018	Balance at the beginning of the year January 1, 2018
Current liabilities:		
Short-term borrowings	15,889,031,875.78	15,716,262,995.66
Notes payables	8,282,717,717.24	9,621,507,567.43
Trade payables	25,187,966,050.80	25,937,573,879.26
Advance receipts	654,836,857.33	405,369,134.95
Payroll payables	547,611,203.92	1,054,840,432.60
Tax payables	4,310,812,725.93	5,584,973,543.65
Interest payables	310,592,185.10	287,519,552.15
Dividend payables	–	2,706,338,125.00
Other payables	22,546,276,741.19	20,838,507,984.71
Non-current liabilities due within one year	2,546,815,145.20	2,603,694,104.09
Other current liabilities	2,473,916,390.95	2,304,266,985.84
Total current liabilities	82,750,576,893.44	87,060,854,305.34
Non-current liabilities:		
Long-term borrowings	4,697,443,445.06	3,077,269,308.41
Bonds payables	10,090,115,680.62	10,089,690,466.85
Long-term payables	–	–
Specific payables	–	–
Accrued liabilities	2,745,506,268.37	2,498,714,384.22
Deferred income	4,199,430,854.77	4,157,716,452.75
Deferred income tax liabilities	876,201,884.43	877,806,607.55
Total non-current liabilities	22,608,698,133.25	20,701,197,219.78
Total liabilities	105,359,275,026.69	107,762,051,525.12
Owners' equity (or shareholders' equity):		
Paid-in capital (share capital)	7,595,338,182.00	7,595,338,182.00
Other equity instruments	1,998,600,000.00	–
Capital reserves	16,653,423,727.87	16,653,423,727.87
Other comprehensive income	521,608,030.49	548,348,510.60
Surplus reserves	2,691,880,089.95	2,691,880,089.95
Unallocated profits	14,942,439,416.60	13,347,043,331.57
Total equity attributable to owners of the parent	44,403,289,446.91	40,836,033,841.99
*Minority interests	21,250,887,460.97	18,804,889,608.64
Total owners' equity	65,654,176,907.88	59,640,923,450.63
Total liabilities and owners' equity	171,013,451,934.57	167,402,974,975.75

CONSOLIDATED INCOME STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
I. Total operating income	39,805,881,671.10	36,418,469,549.92
II. Total operating costs	34,148,089,623.69	31,869,950,114.14
Including: Operating costs	27,276,816,402.73	25,210,575,053.03
Business tax and surcharge	2,715,592,505.65	2,355,339,257.58
Selling expense	3,146,662,490.91	3,582,463,485.95
Administrative expense	707,861,745.69	570,727,556.99
Financial expenses	271,569,824.70	150,844,760.59
Impairment losses of assets	29,586,654.01	—
Add: Gain/(loss) on changes in fair value of assets	(239,957,085.29)	(259,434,576.08)
Investment gain	280,571,213.19	403,550,387.54
Including: gain from investment in associated companies and joint ventures	280,571,213.19	403,550,387.54
Gain on disposal of assets	572.44	1,489,417.79
Other gains	75,059,114.41	37,080,634.06
III. Operating profit	5,773,465,862.16	4,731,205,299.09
Add: Non-operating income	2,994,857.45	1,785,965.21
Less: Non-operating expenses	22,094,516.99	22,463,310.26
IV. Total profit	5,754,366,202.62	4,710,527,954.04
Less: Income tax expenses	1,684,089,409.01	1,356,284,727.20
V. Net profit	4,070,276,793.61	3,354,243,226.84
Net profit attributable to owners of the parent	1,595,396,085.03	1,357,672,319.77
*Minority interests	2,474,880,708.58	1,996,570,907.07
VI. Net amount of other comprehensive income/ (loss) after tax	(55,623,336.36)	193,757,664.35
Net amount of other comprehensive income/(loss) after tax attributable to shareholders of the parent	(26,740,480.11)	98,816,408.82
Other comprehensive income/(loss) to be reclassified into profit or loss subsequently	(26,740,480.11)	98,816,408.82
Effective portion of profit or loss from cash flows hedges	(27,061,295.00)	98,851,414.45
Gains or losses from changes in fair value of available-for-sale financial assets	—	—
Foreign currency translation differences	320,814.89	(35,005.63)
Net amount of other comprehensive income/(loss) after tax attributable to minority shareholders	(28,882,856.25)	94,941,255.53
VII. Total comprehensive income	4,014,653,457.25	3,548,000,891.19
Total comprehensive income attributable to shareholders of the parent	1,568,655,604.92	1,456,488,728.59
Total comprehensive income attributable to minority shareholders	2,445,997,852.33	2,091,512,162.60

CONSOLIDATED CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
I. Cash flows from operating activities:	–	–
Cash received from sales of goods and provision of labor services	45,693,011,864.94	41,127,301,419.75
Tax refunds received		
Cash received relating to other operating activities	170,278,963.82	274,693,240.60
Sub-total of cash inflows from operating activities	45,863,290,828.76	41,401,994,660.35
Cash paid for purchase of goods and engagement of labor services	25,348,318,559.57	21,983,802,523.86
Cash paid to and on behalf of employees	1,331,748,628.80	1,370,778,640.88
Payments of all types of taxes	10,716,175,964.52	8,186,633,746.22
Cash paid relating to other operating activities	3,254,661,806.50	3,181,038,213.35
Sub-total of cash outflows from operating activities	40,650,904,959.39	34,722,253,124.31
Net cash flows from operating activities	5,212,385,869.37	6,679,741,536.04
II. Cash flows from investing activities:		
Cash received from return of investment	–	–
Cash received from investment gains	–	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	–	171,500.00
Net cash received from disposal of subsidiaries and other operating units	–	–
Cash received relating to other investing activities	–	–
Sub-total of cash inflows from investing activities	–	171,500.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,932,294,312.26	1,624,978,531.25
Cash paid for investment	–	44,998,071.33
Net cash paid for acquisition of subsidiaries and other operating units	–	–
Cash paid relating to other investing activities	–	–
Sub-total of cash outflows from investing activities	1,932,294,312.26	1,669,976,602.58
Net cash flows used in investing activities	(1,932,294,312.26)	(1,669,805,102.58)

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
III. Cash flows from financing activities:		
Cash received from investors	1,998,600,000.00	–
Cash received from borrowings	9,056,853,999.73	5,135,228,006.88
Cash received relating to other financing activities	121,632,341.05	85,559,304.68
Sub-total of cash inflows from financing activities	11,177,086,340.78	5,220,787,311.56
Cash paid for repayment of debts	7,565,127,090.85	5,595,500,000.00
Cash paid for distribution of dividends, profits or payment of interests	2,997,632,603.09	513,747,453.58
Cash paid relating to other financing activities	3,001,200.00	40,042,158.07
Sub-total of cash outflows from financing activities	10,565,760,893.94	6,149,289,611.65
Net cash flows from/(used in) financing activities	611,325,446.84	(928,502,300.09)
IV. Effect of changes in exchange rate on cash and cash equivalents	(46,514,777.04)	(7,359,462.69)
V. Net increase in cash and cash equivalents	3,844,902,226.91	4,074,074,670.68
VI. Balance of cash and cash equivalents at the end of the period	40,669,808,090.20	40,137,983,195.88

BALANCE SHEET

Unit: RMB Yuan

	Balance at the end of the period March 31, 2018	Balance at the beginning of the year January 1, 2018
Assets		
Current assets:		
Monetary assets	2,548,119,062.74	661,991,325.61
Financial assets at fair value through profit or loss	—	—
Notes receivables	747,174,844.89	1,379,568,210.18
Trade receivables	12,795,389,210.71	13,093,452,056.05
Prepayments	300,025,766.05	112,235,778.72
Interest receivables	—	—
Dividend receivables	—	—
Other receivables	15,175,885,435.64	12,926,838,192.65
Inventories	982,779,408.50	738,495,150.66
Non-current assets due within one year	—	—
Other current assets	2,536,125,721.21	2,414,188,021.95
Total current assets	35,085,499,449.74	31,326,768,735.82
Non-current assets:		
Available-for-sale financial assets	4,000,000.00	2,355,238,708.05
Held-to-maturity investments	—	—
Long-term receivables	—	—
Long-term equity investments	24,758,391,079.63	23,700,048,492.68
Investment properties	—	—
Net fixed assets	8,735,187,838.03	8,898,754,405.26
Construction in progress	1,719,592,485.21	1,631,400,724.24
Construction materials	—	—
Disposal of fixed assets	—	—
Productive biological assets	—	—
Oil and gas assets	—	—
Intangible assets	6,707,013,245.42	7,144,919,618.62
Development expenditures	4,234,800,835.73	3,975,275,084.56
Goodwill	—	—
Long-term deferred expenses	5,907,373.49	7,195,482.94
Deferred income tax assets	—	—
Other non-current assets	881,700.00	7,841,735.04
Total non-current assets	46,165,774,557.51	47,720,674,251.39
Total assets	81,251,274,007.25	79,047,442,987.21

Unit: RMB Yuan

Liabilities	Balance at the end of the period March 31, 2018	Balance at the beginning of the year January 1, 2018
Current liabilities:		
Short-term borrowings	15,686,023,598.55	15,483,113,290.76
Financial liabilities at fair value through profit or loss	—	—
Notes payables	4,983,419,482.80	6,142,862,178.49
Trade payables	4,328,965,829.29	3,902,494,255.38
Advance receipts	942,192.02	1,017,408.98
Payroll payables	40,857,742.44	67,200,031.12
Tax payables	33,980,763.51	34,639,629.09
Interest payables	283,742,818.46	212,705,673.41
Dividend payables	—	—
Other payables	4,583,992,160.93	4,423,899,251.85
Non-current liabilities due within one year	745,493,664.90	759,298,095.45
Other current liabilities	1,999,895,513.63	1,999,307,777.78
Total current liabilities	32,687,313,766.53	33,026,537,592.31
Non-current liabilities:		
Long-term borrowings	2,657,500,000.00	1,058,500,000.00
Bonds payables	6,294,125,056.93	6,293,978,254.56
Long-term payables	—	—
Specific payables	—	—
Accrued liabilities	41,844,050.93	38,278,681.60
Deferred income tax liabilities	—	95,051,806.21
Deferred income	397,498,371.52	400,032,475.21
Total non-current liabilities	9,390,967,479.38	7,885,841,217.58
Total liabilities	42,078,281,245.91	40,912,378,809.89
Owners' equity (or shareholders' equity):		
Paid-in capital (share capital)	7,595,338,182.00	7,595,338,182.00
Other equity instruments	1,998,600,000.00	—
Capital reserves	19,413,232,852.48	19,413,232,852.48
Other comprehensive income	—	538,626,901.84
Surplus reserves	2,008,299,120.01	2,008,299,120.01
Unallocated profits	8,157,522,606.85	8,579,567,120.99
Total equity attributable to owners of the parent	39,172,992,761.34	38,135,064,177.32
*Minority interests	—	—
Total owners' equity	39,172,992,761.34	38,135,064,177.32
Total liabilities and owners' equity	81,251,274,007.25	79,047,442,987.21

INCOME STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
I. Total operating income	2,380,785,365.82	4,066,394,321.88
II. Total operating costs	3,478,883,175.86	4,875,385,381.81
Including: Operating costs	2,959,188,244.12	4,313,944,664.62
Tax and surcharges	100,369,365.17	115,994,516.13
Selling expenses	11,258,229.49	79,340,045.83
Administrative expenses	180,326,733.02	196,468,635.31
Financial expenses	227,231,804.06	169,637,519.92
Impairment losses of assets	508,800.00	—
Add: Gain on changes in fair value	—	—
Investment gain	671,131,814.29	3,113,913,224.11
Including: gain from investments in associated companies and joint ventures	132,504,912.45	53,913,224.11
Other gains	5,809,654.78	10,028,934.91
III. Operating profit/(loss)	(421,156,340.97)	2,314,951,099.09
Add: Non-operating income	552,517.59	2,013,802.58
Less: Non-operating expenses	1,440,690.76	641,340.39
IV. Total profit/(total loss)	(422,044,514.14)	2,316,323,561.28
Less: Income tax expenses	—	—
V. Net profit/(loss)	(422,044,514.14)	2,316,323,561.28
Net profit attributable to owners of the parent	(422,044,514.14)	2,316,323,561.28
*Minority interests	—	—

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
VI. Net amount of other comprehensive income/ (loss) after tax	(538,626,901.84)	–
Net amount of other comprehensive income/(loss) after tax attributable to shareholders of the parent	(538,626,901.84)	–
Other comprehensive income/(loss) to be reclassified into profit or loss subsequently	(538,626,901.84)	–
Effective portion of profit or loss from cash flows hedges	–	–
Gains or losses from changes in fair value of available-for-sale financial assets	(538,626,901.84)	–
Foreign currency translation differences	–	–
Net amount of other comprehensive income/(loss) after tax attributable to minority shareholders	–	–
VII. Total comprehensive income/(loss)	(960,671,415.98)	2,316,323,561.28
Total comprehensive income attributable to shareholders of the parent	(960,671,415.98)	2,316,323,561.28
Total comprehensive income attributable to minority shareholders	–	–

CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of labor services	1,905,384,638.00	199,944,462.54
Tax refunds received	—	—
Cash received relating to other operating activities	721,951,234.42	2,149,092,603.22
Sub-total of cash inflows from operating activities	2,627,335,872.42	2,349,037,065.76
Cash paid for purchase of goods and engagement of labor services	2,506,294,763.95	764,827,885.86
Cash paid to and on behalf of employees	495,432,633.54	597,602,032.65
Payments of all types of taxes	101,464,524.67	132,339,925.83
Cash paid relating to other operating activities	539,666,561.84	218,526,203.44
Sub-total of cash outflows from operating activities	3,642,858,484.00	1,713,296,047.78
Net cash flows from operating activities	(1,015,522,611.58)	635,741,017.98
II. Cash flows from investing activities:		
Cash received from return of investment		—
Cash received from investment gain	—	272,966,808.51
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	—
Net cash received from disposal of subsidiaries and other operating units	—	—
Cash received relating to other investing activities	—	—
Sub-total of cash inflows from investing activities	—	272,966,808.51
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	375,371,866.83	379,354,235.05
Cash paid for investment	—	—
Net cash paid for acquisition of subsidiaries and other operating units	—	—
Cash paid relating to other investing activities	—	—
Sub-total of cash outflows from investing activities	375,371,866.83	379,354,235.05
Net cash flows used in investing activities	(375,371,866.83)	(106,387,426.54)

Unit: RMB Yuan

Items	Accumulated amounts for January to March in 2018	Accumulated amounts for January to March in 2017
III. Cash flows from financing activities:		
Cash received from investors	1,998,600,000.00	—
Cash received from borrowings	8,986,808,799.37	4,200,000,000.00
Cash received relating to other financing activities	—	—
Sub-total of cash inflows from financing activities	10,985,408,799.37	4,200,000,000.00
Cash paid for repayment of debts	7,502,493,315.59	4,160,000,000.00
Cash paid for distribution of dividends or profits or payment of interests	202,266,601.04	194,826,129.17
Cash paid relating to other financing activities	3,001,170.00	39,966,665.12
Sub-total of cash outflows from financing activities	7,707,761,086.63	4,394,792,794.29
Net cash flows from/(used in) financing activities	3,277,647,712.74	(194,792,794.29)
IV. Effect of changes in exchange rate on cash and cash equivalents	(625,497.20)	(1,306.11)
V. Net increase in cash and cash equivalents	1,886,127,737.13	334,559,491.04
VI. Balance of cash at the end of the period	2,352,663,580.35	886,541,835.16

Note: the financial information contained in this operating results update is prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and has not been audited.

By order of the Board
BAIC Motor Corporation Limited
Gu Xin
Secretary to the Board and Company Secretary

Beijing, the PRC, 29 April 2018

As at the date of this announcement, the Board comprises Mr. Xu Heyi, as Chairman of the Board and non-executive Director; Mr. Zhang Xiyong and Mr. Zhang Jianyong, as non-executive Directors; Mr. Chen Hongliang, as executive Director; Mr. Qiu Yinfu, Mr. Hubertus Troska, Mr. Bodo Uebber, Mr. Guo Xianpeng, Ms. Wang Jing and Mr. Zhu Baocheng, as non-executive Directors; and Mr. Ge Songlin, Mr. Wong Lung Tak Patrick, Mr. Bao Robert Xiaochen, Mr. Zhao Fuquan and Mr. Liu Kaixiang, as independent non-executive Directors.

* *For identification purpose only*