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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 THIRD
QUARTER ENDED SEPTEMBER 30, 2019

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 bonds in the domestic open market of the People's Republic of China (the “**PRC**”), and the bonds 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 third quarter at the website of Shanghai Clearing House (<http://www.shclearing.com>).

The operating results attached hereto are the unaudited operating results of the Company for the nine months ended September 30, 2019 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which have been disclosed at the website of 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 September 30, 2019	Balance at the beginning of the year January 1, 2019
Current assets:		
Monetary assets	53,397,798,101.09	36,210,056,900.62
Notes receivables and trade receivables	27,740,314,645.83	21,988,198,258.34
Prepayments	922,872,670.00	465,987,649.86
Other receivables	1,076,724,687.26	1,130,305,898.63
Inventories	20,720,105,455.22	18,962,575,379.45
Other current assets	3,543,192,458.45	3,002,271,761.95
Total current assets	107,401,008,017.85	81,759,395,848.85
Non-current assets:		
Long-term equity investments	15,744,172,362.46	16,185,647,154.49
Investment in other equity instruments	1,388,866,915.95	1,742,728,809.30
Fixed assets	35,073,014,054.16	34,639,898,718.87
Construction in progress	8,771,196,070.08	8,569,380,713.55
Intangible assets	12,821,664,442.71	13,240,323,129.68
Development expenditures	6,846,019,859.24	6,359,463,571.36
Goodwill	901,945,451.41	901,945,451.41
Long-term deferred expenses	284,530,131.15	368,296,986.20
Deferred income tax assets	7,997,207,042.43	7,925,601,213.28
Other non-current assets	414,769,001.92	341,425,580.01
Total non-current assets	90,243,385,331.51	90,274,711,328.15
Total assets	197,644,393,349.36	172,034,107,177.00

Unit: RMB Yuan

Liabilities	Balance at the end of the period September 30, 2019	Balance at the beginning of the year January 1, 2019
Current liabilities:		
Short-term borrowings	7,697,310,461.38	6,690,286,530.85
Notes payables and trade payables	51,839,915,454.46	38,632,932,989.41
Contract liabilities	486,136,764.83	234,224,678.66
Payroll payables	938,295,114.74	1,136,396,342.60
Tax payables	2,334,894,186.08	5,921,171,362.72
Other payables	34,663,251,666.26	23,543,259,537.13
Non-current liabilities due within one year	4,671,681,920.50	2,088,317,600.07
Other current liabilities	5,752,078,523.37	2,179,584,670.73
Total current liabilities	108,383,564,091.62	80,426,173,712.17
Non-current liabilities:		
Long-term borrowings	2,962,529,206.53	4,815,732,484.69
Bonds payables	9,593,509,079.56	10,091,549,336.58
Accrued liabilities	2,740,238,069.40	2,620,030,308.73
Deferred income	4,088,516,224.95	4,084,832,994.46
Deferred income tax liabilities	769,755,118.23	758,006,174.10
Total non-current liabilities	20,154,547,698.67	22,370,151,298.56
Total liabilities	128,538,111,790.29	102,796,325,010.73
Owners' equity (or shareholders' equity):		
Paid-in capital (share capital)	8,015,338,182.00	8,015,338,182.00
Other equity instruments	1,998,160,377.36	1,998,160,377.36
Capital reserves	18,886,492,701.33	18,886,492,701.33
Other comprehensive income	(344,070,682.35)	42,891,730.94
Surplus reserves	3,023,464,210.94	3,023,464,210.94
Unallocated profits	17,818,487,340.44	16,449,118,068.90
Total equity attributable to owners of the parent	49,397,872,129.72	48,415,465,271.47
* Minority interests	19,708,409,429.35	20,822,316,894.80
Total owners' equity	69,106,281,559.07	69,237,782,166.27
Total liabilities and owners' equity	197,644,393,349.36	172,034,107,177.00

CONSOLIDATED INCOME STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
I. Total operating income	138,029,983,782.68	120,257,636,848.54
II. Total operating costs	121,832,755,477.13	103,833,347,523.02
Including: Operating costs	101,196,752,605.63	83,544,587,812.25
Business tax and surcharges	7,167,636,998.39	7,554,125,548.12
Selling expense	9,677,105,478.19	9,225,382,451.65
Administrative expense	2,722,593,471.24	2,212,159,052.67
Financial expenses	125,127,540.69	486,544,212.64
Losses from changes in fair value	606,197,433.88	604,170,055.80
Impairment losses of assets	337,341,949.11	206,378,389.89
Add: Other gains	267,283,076.53	230,722,367.98
Investment gain	(363,423,590.19)	374,621,413.47
Including: gain from investment in associated companies and joint ventures	(363,423,590.19)	374,621,413.47
(Loss)/gain on disposal of assets	(53,686,654.26)	(11,099,630.11)
III. Operating profit	16,047,401,137.63	17,018,533,476.86
Add: Non-operating income	13,521,000.80	53,942,292.70
Less: Non-operating expenses	43,107,480.24	101,368,606.68
IV. Total profit	16,017,814,658.19	16,971,107,162.88
Less: Income tax expenses	5,278,364,170.56	5,414,270,462.24
V. Net profit	10,739,450,487.63	11,556,836,700.64
Net profit attributable to owners of the parent	3,004,283,526.12	3,805,885,618.19
* Minority interests	7,735,166,961.51	7,750,951,082.45
VI. Net amount of other comprehensive income/(loss) after tax	(416,036,840.25)	136,170,088.08
Net amount of other comprehensive income/(loss) after tax attributable to shareholders of the parent	(386,962,413.29)	8,385,268.23
Other comprehensive income not to be reclassified into profit or loss	(353,861,893.35)	(114,826,171.73)
Changes in fair value of investment in other equity instruments	(353,861,893.35)	(114,826,171.73)
Other comprehensive income/(loss) to be reclassified into profit or loss subsequently	(33,100,519.94)	123,211,439.96
Effective portion of profit or loss from cash flows hedges	(30,453,681.51)	122,946,685.53
Foreign currency translation differences	(2,646,838.43)	264,754.43
Net amount of other comprehensive income/(loss) after tax attributable to minority shareholders	(29,074,426.96)	127,784,819.85
VII. Total comprehensive income	10,323,413,647.38	11,693,006,788.72
Total comprehensive income attributable to shareholders of the parent	2,617,321,112.83	3,814,270,886.42
Total comprehensive income attributable to minority shareholders	7,706,092,534.55	7,878,735,902.30

CONSOLIDATED CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of labor services	157,074,207,422.08	141,947,007,176.24
Tax refunds received	1,618,968.42	1,585,566,309.10
Cash received relating to other operating activities	2,410,116,911.18	1,400,039,815.51
Sub-total of cash inflows from operating activities	159,485,943,301.68	144,932,613,300.85
Cash paid for purchase of goods and engagement of labor services	89,449,470,884.23	82,153,784,761.13
Cash paid to and on behalf of employees	3,702,988,982.68	3,608,805,764.38
Payments of all types of taxes	28,090,997,733.01	29,921,963,031.88
Cash paid relating to other operating activities	12,739,155,930.24	9,210,773,537.12
Sub-total of cash outflows from operating activities	133,982,613,530.16	124,895,327,094.51
Net cash flows from/(used in) operating activities	25,503,329,771.52	20,037,286,206.34
II. Cash flows from investing activities:		
Cash received from return of investment	-	-
Cash received from investment gain	371,256,733.00	22,100,202.45
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	60,648,595.95	1,179,937.40
Net cash received from disposal of subsidiaries and other operating units	78,667.00	5,409,509.75
Cash received relating to other investing activities	-	-
Sub-total of cash inflows from investing activities	431,983,995.95	28,689,649.60
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	6,031,437,711.52	4,573,903,853.32
Cash paid for investment	348,509,487.00	589,719,392.36
Net cash paid for acquisition of subsidiaries and other operating units	-	-
Cash paid relating to other investing activities	318,065,888.17	322,659,942.90
Sub-total of cash outflows from investing activities	6,698,013,086.69	5,486,283,188.58
Net cash flows from/(used in) investing activities	(6,266,029,090.74)	(5,457,593,538.98)

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
III. Cash flows from financing activities:		
Cash received from investors	–	4,647,974,425.87
Cash received from borrowings	13,806,498,253.48	18,820,065,403.58
Cash received relating to other financing activities	–	–
Sub-total of cash inflows from financing activities	13,806,498,253.48	23,468,039,829.45
Cash paid for repayment of debts	9,613,610,292.01	21,843,503,268.41
Cash paid for distribution of dividends, profits or payment of interests	6,466,055,627.74	8,180,431,862.94
Cash paid relating to other financing activities	28,723,833.01	10,553,941.94
Sub-total of cash outflows from financing activities	16,108,389,752.76	30,034,489,073.29
Net cash flows from/(used in) financing activities	(2,301,891,499.28)	(6,566,449,243.84)
IV. Effect of changes in exchange rate on cash and cash equivalents	(158,585.26)	58,626,963.83
V. Net increase in cash and cash equivalents	16,935,250,596.24	8,071,870,387.35
VI. Balance of cash and cash equivalents at the end of the period	52,325,133,894.39	44,896,776,250.64

BALANCE SHEET

Unit: RMB Yuan

Assets	Balance at the end of the period September 30, 2019	Balance at the beginning of the year January 1, 2019
Current assets:		
Monetary assets	4,785,698,942.77	1,255,232,208.57
Notes receivables and trade receivables	25,936,161,172.68	15,521,060,932.38
Prepayments	245,960,980.23	215,028,438.07
Other receivables	25,235,563,256.21	18,962,453,487.59
Inventories	3,067,749,514.62	2,042,874,425.05
Other current assets	1,927,117,677.53	1,556,927,747.93
Total current assets	61,198,251,544.04	39,553,577,239.59
Non-current assets:		
Long-term equity investments	26,271,716,507.63	25,825,123,050.80
Investment in other equity instruments	4,000,000.00	4,000,000.00
Fixed assets	5,087,780,208.72	5,379,531,933.32
Construction in progress	847,538,919.74	719,009,330.49
Intangible assets	4,552,370,913.61	4,973,660,729.53
Development expenditures	5,287,895,115.29	4,802,667,136.69
Long-term deferred expenses	11,152,164.62	9,582,620.13
Total non-current assets	42,062,453,829.61	41,713,574,800.96
Total assets	103,260,705,373.65	81,267,152,040.55

Unit: RMB Yuan

Liabilities	Balance at the end of the period September 30, 2019	Balance at the beginning of the year January 1, 2019
Current liabilities:		
Short-term borrowings	7,419,081,568.44	6,435,000,274.77
Notes payables and trade payables	24,260,017,000.10	12,405,596,419.70
Contract liabilities	131,565,042.11	941,750.22
Payroll payables	52,791,856.00	58,603,539.99
Tax payables	41,728,004.28	50,406,674.84
Other payables	6,161,375,663.74	5,303,986,431.83
Non-current liabilities due within one year	2,848,815,068.48	241,656,991.45
Other current liabilities	5,498,964,166.60	1,999,193,333.33
Total current liabilities	46,414,338,369.75	26,495,385,416.13
Non-current liabilities:		
Long-term borrowings	1,098,500,000.00	2,857,500,000.00
Bonds payables	5,795,575,696.54	6,294,597,252.08
Accrued liabilities	11,105,199.50	23,967,079.62
Deferred income	390,851,306.62	394,321,617.69
Total non-current liabilities	7,296,032,202.66	9,570,385,949.39
Total liabilities	53,710,370,572.41	36,065,771,365.52
Owners' equity (or shareholders' equity):		
Paid-in capital (share capital)	8,015,338,182.00	8,015,338,182.00
Other equity instruments	1,998,160,377.36	1,998,160,377.36
Capital reserves	21,646,302,116.96	21,646,302,116.96
Other comprehensive income	—	—
Surplus reserves	2,339,883,241.00	2,339,883,241.00
Unallocated profits	15,550,650,883.92	11,201,696,757.71
Total equity attributable to owners of the parent	49,550,334,801.24	45,201,380,675.03
* Minority interests	—	—
Total owners' equity	49,550,334,801.24	45,201,380,675.03
Total liabilities and owners' equity	103,260,705,373.65	81,267,152,040.55

INCOME STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
I. Total operating income	13,258,151,964.68	7,735,942,116.27
II. Total operating costs	16,986,217,537.44	11,143,094,291.02
Including: Operating costs	15,227,504,137.56	9,643,523,948.83
Business tax and surcharges	101,515,685.19	195,528,805.05
Selling expenses	540,370,524.36	65,772,351.22
Administrative expenses	703,120,493.58	596,740,383.60
Financial expenses	413,706,696.75	641,107,713.95
Impairment losses of assets	–	421,088.37
Add: Other gains	17,252,364.07	22,680,188.90
Investment gain	9,745,850,189.83	8,584,373,294.15
Including: gain from investments in associated companies and joint ventures	565,850,189.83	423,963,784.40
(Loss)/gain on disposal of assets	(21,438,782.53)	(11,100,202.55)
III. Operating profit/(loss)	6,013,598,198.61	5,188,801,105.75
Add: Non-operating income	10,934,042.56	1,618,948.48
Less: Non-operating expenses	40,663,860.38	3,689,596.98
IV. Total profit/(total loss)	5,983,868,380.79	5,186,730,457.25
Less: Income tax expenses	–	–
V. Net profit/(loss)	5,983,868,380.79	5,186,730,457.25
Net profit/(net loss) attributable to owners of the parent	5,983,868,380.79	5,186,730,457.25
* Minority interests	–	–
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) not to be reclassified into profit or loss subsequently	–	95,051,806.21
Changes in fair value of investment in other equity instruments	–	95,051,806.21
Other comprehensive income/(loss) that will be reclassified into profit or loss	–	(633,678,708.05)
Other comprehensive income to be reclassified into profit or loss under equity method	–	(633,678,708.05)
Net amount of other comprehensive income/(loss) after tax attributable to minority shareholders	–	–
VII. Total comprehensive income/(loss)	5,983,868,380.79	4,648,103,555.41
Total comprehensive income/(loss) attributable to shareholders of the parent	5,983,868,380.79	4,648,103,555.41
Total comprehensive income attributable to minority shareholders	–	–

CASH FLOWS STATEMENT

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of labor services	3,336,932,074.44	4,094,097,995.18
Tax refunds received	576,560.81	1,415,766,463.21
Cash received relating to other operating activities	115,977,045.68	171,639,206.72
Sub-total of cash inflows from operating activities	3,453,485,680.93	5,681,503,665.11
Cash paid for purchase of goods and engagement of labor services	5,114,027,497.13	4,261,174,023.66
Cash paid to and on behalf of employees	1,020,393,810.06	1,205,492,658.59
Payments of all types of taxes	185,183,448.55	303,223,776.34
Cash paid relating to other operating activities	422,958,999.85	1,621,592,882.56
Sub-total of cash outflows from operating activities	6,742,563,755.59	7,391,483,341.15
Net cash flows from/(used in) operating activities	(3,289,078,074.66)	(1,709,979,676.04)
II. Cash flows from investing activities:		
Cash received from return of investment	-	-
Cash received from investment gains	4,954,256,733.00	4,082,088,185.80
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	353,806,025.98	1,753,179,937.40
Net cash received from disposal of subsidiaries and other operating units	-	5,409,509.75
Cash received relating to other investing activities	-	-
Sub-total of cash inflows from investing activities	5,308,062,758.98	5,840,677,632.95
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,259,395,033.82	1,309,968,121.72
Cash paid for investment	245,063,415.00	525,001,808.00
Net cash paid for acquisition of subsidiaries and other operating units	-	-
Cash paid relating to other investing activities	5,178,109.18	46,871,609.39
Sub-total of cash outflows from investing activities	1,509,636,558.00	1,881,841,539.11
Net cash flows from/(used in) investing activities	3,798,426,200.98	3,958,836,093.84

Unit: RMB Yuan

Items	Accumulated amounts for January to September in 2019	Accumulated amounts for January to September in 2018
III. Cash flows from financing activities:		
Cash received from investors	–	4,647,974,425.87
Cash received from borrowings	13,600,000,000.00	18,674,261,281.01
Cash received relating to other financing activities	1,000,000,000.00	1,250,000,000.00
Sub-total of cash inflows from financing activities	14,600,000,000.00	24,572,235,706.88
Cash paid for repayment of debts	9,416,209,199.87	21,655,091,270.49
Cash paid for distribution of dividends or profits or payment of interests	2,133,960,582.57	1,609,235,054.93
Cash paid relating to other financing activities	28,723,833.01	5,144,432.19
Sub-total of cash outflows from financing activities	11,578,893,615.45	23,269,470,757.61
Net cash flows from/(used in) financing activities	3,021,106,384.55	1,302,764,949.27
IV. Effect of changes in exchange rate on cash and cash equivalents	12,223.33	79,167.91
V. Net increase in cash and cash equivalents	3,530,466,734.20	3,551,700,534.98
VI. Balance of cash and cash equivalents at the end of the period	4,365,628,065.69	4,018,236,378.20

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
Wang Jianhui
Secretary to the Board and Company Secretary

Beijing, the PRC, October 28, 2019

As at the date of this announcement, the Board comprises Mr. Xu Heyi, as Chairman of the Board and non-executive Director; Ms. Shang Yuanxian and Mr. Yan Xiaolei, as non-executive Directors; Mr. Chen Hongliang, as executive Director; Mr. Xie Wei, Mr. Qiu Yinfu, Mr. Hubertus Troska, Mr. Harald Emil Wilhelm, Mr. Jin Wei and Mr. Lei Hai, 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