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中國北車股份有限公司  
**China CNR Corporation Limited**

*(a joint stock limited liability company incorporated in the People's Republic of China)*  
**(Stock Code: 6199)**

**2015 FIRST QUARTERLY REPORT**

This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The following is the first quarterly report for 2015 of China CNR Corporation Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”). The financial report therein is prepared in accordance with the PRC Accounting Standards for Business Enterprises and has not been audited.

By order of the Board  
**China CNR Corporation Limited**  
**Cui Dianguo**  
*Chairman*

Beijing, People's Republic of China  
29 April 2015

*As at the date of this announcement, the executive director of the Company is Mr. Xi Guohua; the non-executive directors of the Company are Mr. Cui Dianguo and Mr. Wan Jun; and the independent non-executive directors of the Company are Mr. Li Fenghua, Mr. Zhang Zhong, Ms. Shao Ying and Mr. Sun Patrick.*

## **I IMPORTANT NOTICE**

- 1.1 The Board of Directors and the Supervisory Committee of the Company, and its Directors, Supervisors and members of senior management shall warrant the quarterly report is true, accurate and complete and does not contain any false information, misleading statements or material omission, and severally and jointly accept full legal responsibility for this quarterly report.
- 1.2 This quarterly report has been considered and approved at the 41st meeting of the second session of the Board of the Company. All Directors of the Company attended the Board meeting. No objection was raised by any Director or Supervisor.
- 1.3 Cui Dianguo, legal representative of the Company, Gao Zhi, chief accountant of the Company, and Wang Jian, head of the accounting department (accounting officer) warrant the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.
- 1.4 The financial statements in this quarterly report of the Company have not been audited.

## II CHANGES IN MAJOR FINANCIAL INFORMATION AND SHAREHOLDERS OF THE COMPANY

### 2.1 Major financial information

Unit: '000      Currency: RMB

	<b>End of current reporting period</b>	<b>End of last year</b>	<b>Variance from end of last year (%)</b>
Total assets	141,474,521	149,152,280	-5.15
Net assets attributable to shareholders of the listed company	49,820,696	48,794,117	2.10
	<b>From the beginning of the year to the end of the reporting period</b>	<b>From the beginning of last year to the end of last reporting period</b>	<b>Increase/decrease over the corresponding period of last year (%)</b>
Net cash flow generated from operating activities	-2,415,238	-7,710,617	68.68
	<b>From the beginning of the year to the end of the reporting period</b>	<b>From the beginning of last year to the end of last reporting period</b>	<b>Increase/decrease over the corresponding period of last year (%)</b>
Revenue	17,430,703	14,687,828	18.67
Net profit attributable to shareholders of the listed company	1,007,532	876,237	14.98
Net profit attributable to shareholders of the listed company after deducting non-recurring items	973,537	816,413	19.25
Weighted average return on net assets (%)	2.04	2.29	decreased by 0.25%
Basic earnings per share (RMB/share)	0.08	0.08	0
Diluted earnings per share (RMB/share)	0.08	0.08	0

Non-recurring items and amounts

✓ Applicable

Not applicable

Unit: '000

Currency: RMB

Item	Amount for the current period
Government subsidies recognized in the profit or loss for the current period (excluding those closely related to the ordinary business of the Company and granted in fixed amount or fixed quota in conformity with national policies and standards)	36,296
Profit and loss of changes in fair value arising from holding of trading financial assets and trading financial liabilities, as well as investment gain realized from disposal of trading financial assets, trading financial liabilities and financial assets available for sale (other than valid hedging activities relating to ordinary business of the Company)	824
Write-back of provision for receivables subject to individual impairment test	122
Other non-operating income and expenses other than the above items	5,627
Effect of minority interests (after-tax)	-2,208
Effect of income tax	-6,666
Total	33,995

2.2 Total number of shareholders as at the end of the reporting period, particulars of shareholding of the top ten shareholders and particulars of the top ten holders of tradable shares (shares not subject to trading moratorium)

Unit: share(s)

Total number of shareholders <sup>Note 1</sup>				322,537		
Shareholding 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 subject to trading moratorium	Shares pledged or locked up		Nature of shareholder
				Status of shares	Number	
China Northern Locomotive & Rolling Stock Industry (Group) Corporation (中國北方機車車輛工業集團有限公司)	6,354,547,154	51.83	0	None	0	State-owned legal person
HKSCC NOMINEES LIMITED <sup>Note2</sup>	2,133,696,400	17.40	0	Unknown	—	Overseas legal person
Beijing CNR Investment Co., Ltd. (中國北車投資有限責任公司)	345,610,920	2.82	0	None	0	State-owned legal person
Account No. 3 of the National Council for Social Security Fund of the PRC (全國社會保障基金理事會轉持三戶)	108,287,655	0.88	0	Unknown	—	State-owned legal person
Sun Huigang (孫惠剛)	54,263,825	0.44	0	Unknown	—	Domestic natural person
China Construction Bank— Great Wall Brand Selective Stock Investment Fund (中國建設銀行—長城品牌優選股票型證券投資基金)	51,364,316	0.42	0	Unknown	—	Unknown
Central Bank of Malaysia (馬來西亞國家銀行)	44,303,093	0.36	0	Unknown	—	Overseas legal person
Hong Kong Securities Clearing Company Limited	30,087,882	0.25	0	Unknown	—	Overseas legal person
ICBC — SSE 50 Exchange Traded Open-Ended Index Securities Investment Fund (中國工商銀行-上證50交易型開放式指數證券投資基金)	26,516,464	0.22	0	Unknown	—	Unknown
Qian Weidong (錢衛東)	25,977,583	0.21	0	Unknown	—	Domestic natural person

Shareholding of the top ten shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Type and number of shares	
		Type	Number
China Northern Locomotive & Rolling Stock Industry (Group) Corporation (中國北方機車車輛工業集團有限公司)	6,354,547,154	RMB ordinary shares	6,354,547,154
HKSCC NOMINEES LIMITED <sup>Note2</sup>	2,133,696,400	Overseas listed foreign shares	2,133,696,400
Beijing CNR Investment Co., Ltd. (中國北車投資有限責任公司)	345,610,920	RMB ordinary shares	345,610,920
Account No. 3 of the National Council for Social Security Fund of the PRC (全國社會保障基金理事會轉持三戶)	108,287,655	RMB ordinary shares	108,287,655
Sun Huigang (孫惠剛)	54,263,825	RMB ordinary shares	54,263,825
China Construction Bank— Great Wall Brand Selective Stock Investment Fund (中國建設銀行—長城品牌優選股票型證券投資基金)	51,364,316	RMB ordinary shares	51,364,316
Central Bank of Malaysia (馬來西亞國家銀行)	44,303,093	RMB ordinary shares	44,303,093
Hong Kong Securities Clearing Company Limited	30,087,882	RMB ordinary shares	30,087,882
ICBC — SSE 50 Exchange Traded Open-Ended Index Securities Investment Fund (中國工商銀行-上證50交易型開放式指數證券投資基金)	26,516,464	RMB ordinary shares	26,516,464
Qian Weidong (錢衛東)	25,977,583	RMB ordinary shares	25,977,583

Shareholding of the top ten shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Type and number of shares	
		Type	Number
Explanation on connected relationship or parties acting in concert among the above shareholders	China Northern Locomotive & Rolling Stock Industry (Group) Corporation (中國北方機車車輛工業集團有限公司) (hereinafter referred to as “CNRG”) is the controlling shareholder of the Company. Beijing CNR Investment Co., Ltd. (中國北車投資有限責任公司) is a wholly-owned subsidiary and party acting in concert of the controlling shareholder of the Company. Save for the above, the Company is not aware of other connections or any parties acting in concert among the shareholders above.		

*Note 1:* 322,047 holders of A shares and 490 registered holders of H shares.

*Note 2:* HKSCC NOMINEES LIMITED held the Company’s H shares on behalf of certain shareholders of the Company.

2.3 Total number of preference shareholders as at the end of the reporting period, particulars of shareholding of the top ten preference shareholders and particulars of the top ten holders of shares not subject to trading moratorium

Applicable

Not applicable

### III SIGNIFICANT MATTERS

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

Applicable

Not applicable

(Note: the “Reporting Period” referred to in the analysis below represents January to March 2015.)

1. The Company’s cash and cash equivalent decreased by RMB13,106,257,000, or 42.9% as compared to the beginning of the year, mainly attributable to payment for goods and repayment of loans during the Reporting Period.
2. The Company’s other receivables increased by RMB347,593,000, or 36.3% as compared to the beginning of the year, mainly attributable to the increase in the receivables and payables such as estimated prepaid sales tax during the Reporting Period.
3. The Company’s short-term borrowings increased by RMB2,471,626,000, or 44.0% as compared to the beginning of the year, mainly attributable to the increase in the short-term bank loans as a result of settlement of short-term commercial paper due during the Reporting Period.
4. The Company’s tax payables decreased by RMB1,262,093,000, or 63.7% as compared to the beginning of the year, mainly attributable to payment for taxes during the Reporting Period.
5. The Company’s interest payables decreased by RMB454,124,000, or 63.0% as compared to the beginning of the year, mainly attributable to repayment of debts due during the Reporting Period.
6. The Company’s other current liabilities mainly consisted of short-term bonds payable. Other current liabilities decreased by RMB9,991,010,000, or 58.8% as compared to the beginning of the year, mainly attributable to repayment of short-term bonds due.
7. The Company’s long-term borrowings decreased by RMB551,904,000, or 57.6% as compared to the beginning of the year, mainly attributable to repayment of long-term bank borrowings as a result of adjustment of debt structure during the Reporting Period.

8. The Company's sales expenses increased by RMB241,709,000, or 91.9% on a year-on-year basis, mainly attributable to the year-on-year increase in sales service fees resulting from the increase in scale of operation during the Reporting Period.
9. The Company's financing costs decreased by RMB195,554,000, or 108.0% on a year-on-year basis, mainly attributable to the year-on-year decrease in the average interest-bearing liabilities and the increase in exchange gains during the Reporting Period.
10. The Company's income tax expenses increased by RMB89,031,000, or 42.1% on a year-on-year basis, mainly attributable to the increase in the taxable income during the Reporting Period.
11. The Company's net cash outflow from operating activities was RMB2,415,238,000, representing a decrease of RMB5,295,379,000 as compared to the corresponding period of the previous year, mainly because during the Reporting Period, the increase in cash received from sales of goods and rendering of service as compared to the previous year was higher than the increase in the cash expensed in purchase of goods and receipt of service as compared to the previous year.
12. The Company's net cash inflow from investment activities was RMB 1,746,597,000 and net cash outflow from investment activities for the corresponding period of the previous year was RMB1,867,791,000, mainly attributable to the increase in cash received from disposal of investments during the Reporting Period.
13. The Company's net cash outflow from financing activities was RMB9,236,636,000, and net inflow for the corresponding period of the previous year was RMB10,720,927,000, mainly attributable to the decrease in the requirements for additional capital during the Reporting Period as compared to the corresponding period of the previous year.



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

✓ Applicable

Not applicable

#### 1. Progress of implementation of share option scheme

On 20 January 2015, the Company convened the 38th meeting of the second session of the Board and the 25th meeting of the second session of the Supervisory Committee, during which the “Resolution in relation to the Termination of the Share Option Scheme adopted by China CNR Corporation Limited” (《關於終止<中國北車股份有限公司股票期權激勵計劃>的議案》) was considered and approved, approving that the share option scheme shall be terminated by the Company conditional upon the completion of the proposed merger of the Company with CSR CORPORATION LIMITED (hereinafter referred to as “CSR”). For details, please refer to the announcement dated 20 January 2015 and entitled “Announcement on the Termination of the Share Option Scheme adopted by China CNR Corporation Limited” (《中國北車股份有限公司關於終止<中國北車股份有限公司股票期權激勵計劃>的公告》) (Lin 2015-006) published by the Company on 21 January 2015 on the website of the Shanghai Stock Exchange (hereinafter referred to as the “SSE”), China Securities News, Shanghai Securities News, Securities Daily and Securities Times, as well as the relevant announcement published on the websites of the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange”) and the Company.

On 9 March 2015, the Company convened the 2015 first extraordinary general meeting, the 2015 first class meeting for holders of A shares and the 2015 first class meeting for holders of H shares, during which the “Resolution in relation to the Termination of the Share Option Scheme adopted by China CNR Corporation Limited” (《關於終止<中國北車股份有限公司股票期權激勵計劃>的議案》). For details, please refer to the announcement dated 10 March 2015 and entitled “Announcement on the 2015 First Extraordinary General Meeting, the 2015 First Class Meeting for Holders of A Shares and the 2015 First Class Meeting for Holders of H Shares of China CNR Corporation Limited and Resumption of Trading” (《中國北車股份有限公司關於2015年第一次臨時股東大會、2015年第一次A股類別股東會議、2015年第一次H股類別股東會議決議暨復牌公告》) (Lin 2015-016) published by the Company on 9 March 2015 on the website of SSE, China Securities News, Shanghai Securities News, Securities Daily and Securities Times, as well as the relevant announcement published on the websites of the Stock Exchange and the Company.

## 2. Progress of Reorganization of Material Asset

From 29 to 30 December 2014, the Company convened the 37th meeting of the second session of the Board and the 24th meeting of the second session of the Supervisory Committee, during which resolutions relating to the merger including the “Resolution Regarding the Proposal of Merger between China CNR Corporation Limited and CSR CORPORATION LIMITED” (《關於中國北車股份有限公司與中國南車股份有限公司合併方案的議案》), “Resolution Regarding the Signing of Merger Agreement with CSR CORPORATION LIMITED” (《關於與中國南車股份有限公司簽訂合併協議的議案》) and “Resolution Regarding the Merger Proposal on the Merger of CSR CORPORATION LIMITED and China CNR Corporation Limited” (《關於<中國南車股份有限公司、中國北車股份有限公司合併預案>的議案》) were considered and approved.

On 20 January 2015, the Company convened the 38th meeting of the second session of the Board and the 25th meeting of the second session of the Supervisory Committee, during which resolutions relating to the merger including the “Resolution Regarding the Proposed Merger Report (Draft) for CSR CORPORATION LIMITED and China CNR Corporation Limited and its Summary” (《關於<中國南車股份有限公司、中國北車股份有限公司合併報告書(草案)>及其摘要的議案》) were considered and approved.

On 9 March 2015, the Company convened the 2015 first extraordinary general meeting, the 2015 first class meeting for holders of A Shares and the 2015 first class meeting for holders of H Shares, during which resolutions relating to the merger were considered and approved. The merger has been approved by the State-owned Assets Supervision and Administration Commission of the State Council in principle, and has obtained all necessary overseas anti-trust approvals which are legally required to be obtained in the applicable jurisdiction prior to completion of the merger.

On 3 April 2015, after the review and vetting by the 25th working meeting of 2015 of the Listed Companies Merger and Reorganization Vetting Committee of the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”), the material asset reorganization matters relating to the merger of the Company and CSR were unconditionally approved. On the same day, the Company received the “Notice of Review Decision” (Shang Fan Long Shen Cha Han [2015] No.19) (《審查決定通知》(商反壟斷審查函[2015]第19號)) from the Anti-monopoly Bureau of the Ministry of Commerce, pursuant to which the merger between the Company and CSR has passed the anti-monopoly and concentration review of operator of Anti-monopoly Bureau of the Ministry of Commerce.

For details, please refer to the announcements entitled “Announcement on the Resolutions in the 37th Meeting of the Second Session of the Board of China CNR Corporation Limited” (《中國北車股份有限公司第二屆董事會第三十七次會議決議公告》) (Lin 2014-079), “Announcement on the Resolutions in the 24th Meeting of the Second Session of the Supervisory Committee of China CNR Corporation Limited” (《中國北車股份有限公司第二屆監事會第二十四次會議決議公告》) (Lin 2014-080), the “Merger Proposal on the Merger of CSR CORPORATION LIMITED and China CNR Corporation Limited” (《中國南車股份有限公司、中國北車股份有限公司合併預案》) and “Summary of the Merger Proposal on the Merger of CSR CORPORATION LIMITED and China CNR Corporation Limited” (《中國南車股份有限公司、中國北車股份有限公司合併預案摘要》) disclosed on 31 December 2014, the announcements entitled “Announcement on the Resolutions in the 38th Meeting of the Second Session of the Board of China CNR Corporation Limited” (《中國北車股份有限公司第二屆董事會第三十八次會議決議公告》) (Lin 2015-004), “Announcement on the Resolutions in the 25th Meeting of the Second Session of the Supervisory Committee of China CNR Corporation Limited” (《中國北車股份有限公司第二屆監事會第二十五次會議決議公告》) (Lin 2015-005), the “Draft Report for the Merger of CSR CORPORATION LIMITED and China CNR Corporation Limited” (《中國南車股份有限公司、中國北車股份有限公司合併報告書(草案)》) and the “Summary of the Draft Report for the Merger of CSR Corporation limited and China CNR Corporation Limited” (《中國南車股份有限公司、中國北車股份有限公司合併報告書(草案)摘要》) disclosed on 21 January 2015, the announcement entitled “Prompt Announcement on Dissenting Shareholders in the Merger of China CNR Corporation Limited” (《中國北車股份有限公司關於本次合併異議股東的提示公告》) (Lin 2015-010) disclosed on 6 February 2015, the announcement entitled “Announcement on the Indicative Timeline for Cash Option and Implementation of Share Exchange of the Dissenting A Shareholders of China CNR Corporation Limited” (《中國北車股份有限公司關於A股異議股東現金選擇權和換股實施示意性時間安排公告》) (Lin 2015-012) dated 17 February 2015, the announcement entitled “Announcement on the Approval of the Merger of China CNR Corporation Limited by the State-Owned

Assets Supervision and Administration Commission of the State Council” (《中國北車股份有限公司關於本次合併獲得國務院國有資產監督管理委員會批准的公告》) (Lin 2015-014) disclosed on 6 March 2015, the announcement entitled “Announcement on the 2015 First Extraordinary General Meeting, the 2015 First Class Meeting for Holders of A Shares and the 2015 First Class Meeting for Holders of H Shares of China CNR Corporation Limited and Resumption of Trading” (《中國北車股份有限公司關於2015年第一次臨時股東大會、2015年第一次A股類別股東會議、2015年第一次H股類別股東會議決議暨復牌公告》) (Lin 2015-016) and “Announcement on the Creditors in the Merger of China CNR Corporation Limited” (《中國北車股份有限公司關於本次合併的債權人公告》) disclosed on 10 March 2015 (Lin 2015-017), the announcement entitled “Announcement on the Clearance of Foreign Anti-monopoly Review of the Merger of China CNR Corporation Limited” (《中國北車股份有限公司關於本次合併通過境外反壟斷審查的公告》) disclosed on 11 March 2015 (Lin 2015-018), the announcement entitled “Announcement of China CNR Corporation Limited in relation to the Approval of the Company’s Material Asset Reorganization by the Merger and Reorganization Vetting Committee of the China Securities Regulatory Commission and Resumption of Trading” (《中國北車股份有限公司關於公司重大資產重組事項獲得中國證監會並購重組委審核通過暨公司股票復牌的公告》) (Lin 2015-028) and the announcement entitled “Announcement of China CNR Corporation Limited in relation to the Clearance by the Ministry of Commerce of the PRC of the Anti-trust Filing for the Merger” (《中國北車股份有限公司關於本次合併通過商務部反壟斷審查的公告》) (Lin 2015-029) disclosed on 7 April 2015, on the website of SSE, China Securities News, Shanghai Securities News, Securities Daily and Securities Times, as well as the relevant announcements published on the websites of the Stock Exchange and the Company.

3.3 The performance of the undertakings made by the Company and shareholder holding 5% or above of the shares

✓ Applicable

Not applicable

(1) Non-Competition Undertakings Made by CNRG, the Controlling Shareholder of the Company

To avoid any competition between the Company and CNRG, the controlling shareholder of the Company, the Company and CNRG entered into the “Non-Competition Agreement of China Northern Locomotive & Rolling Stock Industry (Group) Corporation and China CNR Corporation Limited” (the “Original Agreement”) in September 2008 in relation to the businesses of the parties. In order to guarantee the successful completion of issuance and listing of the Company’s H shares, after the consideration and approval of the 26th meeting of the second session of the Board and 2013 annual general meeting of the Company, the Company and CNRG entered into “Non-Competition Agreement of China Northern Locomotive & Rolling Stock Industry (Group) Corporation and China CNR Corporation Limited” (the “Non-Competition Agreement”) in April 2014 effective from the issuance and listing of H shares of the Company. For details, please refer to the announcement dated 11 March 2014 and entitled “Connection Transaction Announcement of China CNR Corporation Limited In Respect of Entering Into the ‘Non-Competition Agreement of China Northern Locomotive & Rolling Stock Industry (Group) Corporation and China CNR Corporation Limited’” (《中國北車股份有限公司關於簽署〈中國北方機車車輛工業集團公司與中國北車股份有限公司避免同業競爭協議〉的關聯交易公告》) (Lin 2014-012), which was published on the website of SSE, China Securities News, Shanghai Securities News, Securities Daily and Securities Times. The Non-Competition Agreement became effective from the date on which the H shares of the Company are listed on the Stock Exchange while the Original Agreement will lapse automatically on the effective date of the Non-Competition Agreement.

According to the provisions of the Non-Competition Agreement, the non-compete undertakings made by CNRG, the controlling shareholder of the Company, were as follows:

- 1) After incorporation of the Company and completion of reorganization, CNRG and its controlling enterprises will not, and will use their best endeavour to procure their investees not to, directly or indirectly, engage or participate in or assist to engage or participate in any businesses or activities that compete or may compete with the any existing and future core businesses of the Company and its controlling enterprises in any manner (including but not limited to investment, merger and acquisition, associated company, joint venture, contracting, lease operation, purchase of stocks or investment in listed companies) solely or jointly with other parties in the PRC and overseas;

- 2) After incorporation of the Company and completion of reorganization, CNRG and its controlling enterprises will not, and will use their best endeavour to procure their investees not to, support any other parties (other than the Company and its controlling enterprises) to engage in any businesses or activities that compete or may compete with any existing and future core businesses of the Company or its controlling enterprises in any manner in the PRC or overseas;
- 3) After incorporation of the Company and completion of reorganization, CNRG and its controlling enterprises will not, and will use their best endeavour to procure their investees not to, involve in any businesses or activities that compete or may compete with any existing and future core businesses of the Company or its controlling enterprises in any other manner;
- 4) CNRG or its controlling enterprises shall immediately notify the Company in writing once any new business opportunity that constitutes or may constitute direct or indirect competition with any core businesses of the Company is identified during the validity of the Non-Competition Agreement entered into between CNRG and the Company, and shall use its best endeavor to offer the pre-emptive right of such business opportunity to the Company or its controlling enterprises on reasonable and fair terms and conditions. CNRG or relevant controlling enterprises shall, under the same conditions, transfer the pre-emptive right of such new business opportunity to the Company or its relevant controlling enterprises. In addition, CNRG undertakes to use its best endeavor to procure its investees to comply with such undertaking;
- 5) If CNRG intends to transfer, sell, lease, license or otherwise transfer or permit to use any of its existing businesses which directly or indirectly compete with any core businesses of the Company or any other future new businesses which directly or indirectly compete or may compete with any core businesses of the Company to a third party during the validity of the Non-Competition Agreement entered into between CNRG and the Company, CNRG or its controlling enterprises shall notify the Company in writing in advance and the Company has the right to decide whether to acquire the aforesaid competitive business or interests. Before the Company makes the decision, CNRG or its controlling enterprises shall not make any notifications to the third party in relation to its intention to transfer, sell, lease, or permit to use its competitive business or interests; and



- 6) CNRG will actively improve, reorganize and properly operate its existing businesses and new competitive businesses which may be acquired in the future, with an aim to ultimately transfer its competitive businesses to the Company by granting preference and option and/or pre-emptive right and/or right of first refusal to the Company.

During the Reporting Period, CNRG has strictly complied with the Non-Competition Agreement entered with the Company, and CNRG and its controlling enterprises and its investees have not intervened in, directly or indirectly, any businesses or activities that compete or may compete with the principal businesses conducted by the Company or its controlling enterprises at present and in the future.

(2) Undertakings on building ownership issues

Pursuant to the “Regulatory Guideline No. 4 in relation to the Undertakings and Performance of the Listed Company’s Controller, Shareholder, Related Parties, Offerors and the Listed Company” issued by the CSRC and the requirements in the relevant notices issued by the Beijing Regulatory Bureau of the CSRC, the Company convened the 30th meeting of the second session of the Board on 24 June 2014 during which the Board considered and approved the “Resolution on the Change of Performance of Undertakings by Controlling Shareholder in relation to Buildings Without Building Ownership Certificates” (《關於變更控股股東履行尚未取得<房屋所有權証>的房屋相關承諾的議案》) and agreed to the change of performance of undertakings by the Company’s controlling shareholder, CNRG, in relation to buildings without building ownership certificates. This matter has been approved by the general meeting of the Company held on 28 October 2014 and related parties who have interests in this matter have abstained from voting on the matter at the general meeting.

For details, please refer to the announcement dated 24 June 2014 and entitled “Announcement of China CNR Corporation Limited In Respect of the Change of Performance of Undertakings by Controlling Shareholder in relation to Buildings Without Building Ownership Certificates” (《中國北車股份有限公司關於變更控股股東履行尚未取得<房屋所有權証>的房屋相關承諾的公告》) (Lin 2014-043) and the announcement dated 28 October 2014 entitled “Announcement on the Resolution of the 2014 First Extraordinary General Meeting of China CNR Corporation Limited (《中國北車股份有限公司2014年第一次臨時股東大會決議公告》) (Lin 2014-063) published by the Company on the website of the SSE, China Securities News, Shanghai Securities News, Securities Daily and Securities Times, as well as the relevant announcements published on the websites of the Stock Exchange and the Company.

- (3) Undertakings on the state-owned land use certificate without specifying the use term or termination date

The Company disclosed in its H share prospectus dated 12 May 2014 that the term or termination date of the land use right was not specified in the state-owned land use certificate for part of the authorized land acquired by the Company. CNRG has undertaken to compensate for the loss caused to the relevant wholly-owned subsidiaries of the Company as a result of not specifying the term or termination date of the land use right in the state-owned land use certificate for the authorized land.

During the Reporting Period, CNRG has complied with the above undertakings made by it and the relevant wholly-owned subsidiaries of the Company have not incurred losses as a result of not specifying the term or termination date of the land use right in the state-owned land use certificate for the authorized land.

- 3.4 Warning and explanation as to any expected loss to be recorded against the accumulated net profit from the beginning of the year to the end of the next reporting period or any material change as compared with those of the corresponding period last year

Applicable

Not applicable

Company name	<b>China CNR Corporation Limited</b>
Legal representative	Cui Dianguo
Date	29 April 2015



## IV APPENDICES

### 4.1 Financial statements

#### Consolidated balance sheet

31 March 2015

Prepared by: China CNR Corporation Limited

Unit: '000

Currency: RMB

Type of audit: Unaudited

Item	Closing balance as at the end of the reporting period	Opening balance as at the beginning of the year
<b>Current assets:</b>		
Cash and bank balances	17,477,947	30,584,204
Reserved deposits		
Loans to other banks		
Financial assets measured at fair value through profit or loss for the current period	5,579	4,381
Derivative financial assets		
Bills receivable	2,182,964	2,275,811
Accounts receivable	26,012,940	25,689,985
Prepayments	4,959,983	5,952,108
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance accounts receivable		
Interests receivable	45,368	51,835
Dividends receivable	11,889	11,889
Other receivables	1,305,366	957,773
Financial assets acquired for resale		
Inventories	34,934,133	29,003,568
Assets classified as held for sale		
Non-current assets due within one year	2,287,190	2,320,269
Other current assets	649,529	640,662
Total current assets	89,872,888	97,492,485

Item	Closing balance as at the end of the reporting period	Opening balance as at the beginning of the year
<b>Non-current assets:</b>		
Loans and advances granted		
Available-for-sale financial assets	139,919	117,451
Held-to-maturity investments		
Long-term receivables	5,842,072	6,228,672
Long-term equity investments	2,253,171	2,198,808
Investment properties	66,474	74,210
Fixed assets	24,425,992	24,658,450
Construction in progress	5,392,680	5,207,499
Construction materials	47,687	49,973
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	9,766,682	9,832,478
Development expenses		
Goodwill	13,557	13,557
Long-term deferred expenses	34,814	38,200
Deferred income tax assets	774,026	774,521
Other non-current assets	2,844,559	2,465,976
Total non-current assets	51,601,633	51,659,795
Total assets	141,474,521	149,152,280
<b>Current liabilities:</b>		
Short-term borrowings	8,086,073	5,614,447
Borrowings from central bank		
Deposits taking and interbank deposits		
Loans from other banks		
Financial liabilities measured at fair value through profit or loss for the current period	1,374	1,000
Derivative financial liabilities		
Bills payable	6,760,415	9,221,650
Accounts payables	37,487,481	33,965,949
Receipts in advance	13,282,213	12,768,924
Disposal of financial assets repurchased		
Fees and commissions payable		
Staff remuneration payable	765,462	953,482
Taxes payable	720,259	1,982,352
Interests payable	267,065	721,189
Dividends payable	142,778	150,521
Other payables	3,574,347	3,608,982
Reinsurance accounts payable		
Reserves for insurance contracts		
Securities dealing brokerage deposits		
Securities underwriting brokerage deposits		
Liabilities classified as held for sale		
Non-current liabilities due within one year	1,299,280	1,605,146
Accrued liabilities	760,004	748,357
Other current liabilities	6,997,882	16,988,892
Total current liabilities	80,144,633	88,330,891

Item	Closing balance as at the end of the reporting period	Opening balance as at the beginning of the year
<b>Non-current liabilities:</b>		
Long-term borrowings	407,053	958,957
Bonds payable	3,972,537	3,974,564
Including: preferred shares		
perpetual bonds		
Long-term payable	2,067	4,206
Long-term staff remuneration payable	2,203,362	2,200,014
Specific payables	92,750	92,965
Provisions		
Deferred income	2,923,464	2,940,640
Deferred income tax liabilities	88	336
Other non-current liabilities		0
Total non-current liabilities	9,601,321	10,171,682
Total liabilities	89,745,954	98,502,573
<b>Owners' equity</b>		
Share capital	12,259,780	12,259,780
Other equity instruments		
Including: preferred shares		
perpetual bonds		
Capital reserve	21,629,083	21,629,081
Less: treasury shares		
Other comprehensive income	-481,258	-500,301
Special reserve	49,958	49,957
Surplus reserve	665,659	665,660
General reserve	93,035	38,038
Retained earnings	15,604,439	14,651,902
Total equity attributable to the parent company's owners	49,820,696	48,794,117
Minority interests	1,907,871	1,855,590
Total owners' equity	51,728,567	50,649,707
Total liabilities and owners' equity	141,474,521	149,152,280

Legal representative:  
Cui Dianguo

Chief accountant:  
Gao Zhi

Head of the accounting department:  
Wang Jian

## Balance Sheet of the Parent Company

31 March 2015

Prepared by: China CNR Corporation Limited

Unit'000

Currency: RMB

Audit type: Unaudited

Item	Closing balance as at the end of the reporting period	Opening balance as at the beginning of the year
<b>Current assets:</b>		
Cash and bank balances	1,741,731	17,571,913
Financial assets measured at fair value through profit or loss for the current period		
Derivative financial assets		
Bills receivable		
Accounts receivables	10,417	10,378
Prepayments	6,578	2,000
Interests receivable	92,839	111,998
Dividends receivable	105,720	700,985
Other receivables	13,335	17,353
Inventories		
Assets classified as held for sale		
Non-current assets due within one year	3,630,200	5,018,568
Other current assets	8,113,145	7,016,279
Total current assets	13,713,965	30,449,474
<b>Non-current assets:</b>		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivable		
Long-term equity investments	37,300,715	32,505,190
Investment properties		
Fixed assets	16,814	18,348
Construction in progress	14,300	13,830
Construction materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	52,849	55,883
Development expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	25,257	25,257
Other non-current assets	8,532,900	9,504,010
Total non-current assets	45,942,835	42,122,518
Total assets	59,656,800	72,571,992

Item	Closing balance as at the end of the reporting period	Opening balance as at the beginning of the year
<b>Current liabilities:</b>		
Short-term borrowings	8,791,980	11,336,980
Financial liabilities measured at fair value through profit or loss for the current period		
Derivative financial liabilities		
Bills payable		
Accounts payable	10,184	10,184
Receipts in advance	21,584	21,584
Staff remuneration payable	21,070	20,103
Taxes payable	1,070	887
Interests payable	256,795	708,718
Dividends payable		
Other payables	268,830	223,107
Liabilities classified as held for sale		
Non-current liabilities due within one year	890,000	890,000
Other current liabilities	6,997,881	16,988,892
Total current liabilities	17,259,394	30,200,455
<b>Non-current liabilities:</b>		
Long-term borrowings	217,000	167,000
Bonds payable	3,972,537	3,974,564
Including: preferred shares		
perpetual bonds		
Long-term payables		
Long-term staff remuneration payable		
Specific payables		
Provisions		
Deferred income	835	2,705
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,190,372	4,144,269
Total liabilities	21,449,766	34,344,724
<b>Owners' equity:</b>		
Share capital	12,259,780	12,259,780
Other equity instruments		
Including: preferred shares		
perpetual bonds		
Capital reserve	24,147,482	24,147,482
Less: treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	656,774	656,774
Retained earnings	1,142,998	1,163,232
Total owners' equity	38,207,034	38,227,268
Total liabilities and owners' equity	59,656,800	72,571,992

Legal representative:  
Cui Dianguo

Chief accountant:  
Gao Zhi

Head of the accounting department:  
Wang Jian

## Consolidated Income Statement

*January to March 2015*

Prepared by: China CNR Corporation Limited

Unit'000

Currency: RMB

Audit type: Unaudited

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>I. Total operating income</b>	17,430,703	14,687,828
Including: Operating income	17,430,703	14,687,828
Interest income		
Insurance premium earned		
Charges and commission income		
<b>II. Total operating costs</b>	16,196,422	13,698,509
Including: Operating cost	13,727,405	11,621,446
Interest expenses		
Charges and commissions		
Refund of insurance premiums		
Net payments for insurance claims		
Net provision for insurance contracts		
Commissions on insurance policies		
Cession charges		
Business taxes and surcharges	74,733	117,793
Selling expenses	504,646	262,937
Administrative expenses	1,856,157	1,479,837
Finance costs	-14,421	181,133
Assets impairment losses	47,902	35,363
Add: Gains on changes in fair value (losses, expressed in negative figure)	824	-923
Gains on investment (losses, expressed in negative figure)	63,949	53,038
Including: Gains on investment in associates and joint ventures	57,957	50,394
Exchange gains (losses, expressed in negative figure)		
<b>III. Operating profits (losses, expressed in negative figure)</b>	1,299,054	1,041,434
Add: Non-operating income	54,528	78,435
Including: Gains on disposal of non-current assets	3,488	
Less: Non-operating expenses	12,605	8,007
Including: Loss on disposal of non-current assets	2,046	697
<b>IV. Total profit (loss, expressed in negative figure)</b>	1,340,977	1,111,862
Less: Income tax expenses	300,478	211,447
<b>V. Net profit (loss, expressed in negative figure)</b>	1,040,499	900,415
Net profit attributable to the owners of parent company	1,007,532	876,237
Minority interests	32,967	24,178

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>VI. Net other comprehensive income after tax</b>	19,044	-10,661
Net other comprehensive income after tax attributable to owners of the parent company	19,044	-10,661
(1) Other comprehensive income that can not be reclassified to profit and loss in subsequent periods		
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of investee that will be subsequently reclassified to profit and loss under equity method		
(2) Other comprehensive income that will be subsequently reclassified to profit and loss	19,044	-10,661
1. Share of other comprehensive income of investee that will be subsequently reclassified to profit and loss under equity method		
2. Gains and losses from changes in fair value of available-for-sale financial assets	19,120	-10,656
3. Gains and losses from held-to-maturity investment reclassified as available-for-sale financial assets		
4. Effective part of hedging gains and losses from cash flows		
5. Exchange differences from retranslation of financial statements	-76	-5
6. Others		
Net other comprehensive income after tax attributable to minority interests		
<b>VII. Total comprehensive income</b>	1,059,543	889,754
Total comprehensive income attributable to the owners of parent company	1,026,576	865,576
Total comprehensive income attributable to minority shareholders	32,967	24,178
<b>VIII. Earnings per share:</b>		
(1) Basic earnings per share (RMB/share)	0.08	0.08
(2) Diluted earnings per share (RMB/share)	0.08	0.08

Legal representative:  
Gui Dianguo

Chief accountant:  
Gao Zhi

Head of the accounting department:  
Wang Jian

**Income Statement of the Parent Company**  
*January to March 2015*

Prepared by: China CNR Corporation Limited

Unit'000

Currency: RMB

Audit type: Unaudited

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>I. Operating income</b>		
Less: Operating costs		
Business tax and surcharges	699	4,444
Selling expenses	8,935	
Administrative expenses	121,417	48,130
Finance costs	-121,101	-76,523
Assets impairment loss		
Add: Gain on changes in fair value (loss, expressed in negative figure)		
Gain on investment (loss, expressed in negative figure)	-10,185	27,343
Including: Gain on investment in associates and joint ventures	-10,185	-8,407
<b>II. Operating profit (loss, expressed in negative figure)</b>	-20,135	51,292
Add: Non-operating income		
Including: Gains on disposal of non-current assets		
Less: Non-operating expenses	99	
Including: Loss on disposal of non-current assets		
<b>III. Total profit (loss, expressed in negative figure)</b>	-20,234	51,292
Less: Income tax expenses		6,396
<b>IV. Net profit (loss, expressed in negative figure)</b>	-20,234	44,896
<b>V. Net other comprehensive income after tax</b>		
(1) Other comprehensive income that cannot be reclassified to profit and loss in subsequent periods		
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of investee that will be subsequently reclassified to profit and loss under equity method		
(2) Other comprehensive income that will be subsequently reclassified to profit and loss		
1. Share of other comprehensive income of investee that will be subsequently reclassified to profit and loss under equity method		
2. Gains and losses from changes in fair value of available-for-sale financial assets		
3. Gains and losses from held-to-maturity investment reclassified as available-for-sale financial assets		
4. Effective part of hedging gains and losses from cash flows		
5. Exchange differences from retranslation of financial statements		
6. Others		



Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>VI. Total comprehensive income</b>	-20,234	44,896
<b>VII. Earnings per share:</b>		
(1) Basic earnings per share (RMB/share)		
(2) Diluted earnings per share (RMB/share)		

Legal representative:  
Cui Dianguo

Chief accountant:  
Gao Zhi

Head of the accounting department:  
Wang Jian

## Consolidated Cash Flow Statement

*January to March 2015*

Prepared by: China CNR Corporation Limited

Unit'000

Currency: RMB

Audit type: Unaudited

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>I. Cash flow from operating activities:</b>		
Cash received from sale of goods and rendering of services	18,263,455	15,305,526
Net increase in deposits from customers and interbank deposits		
Net increase in borrowings from central bank		
Net increase in borrowings from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits and investment funds from policyholders		
Net increase in disposal of financial assets measured at fair value through profit or loss		
Cash from interest income, handling charges and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchased business funds		
Tax rebates received	121,126	206,882
Cash received from other operating activities	73,586	106,864
Sub-total of cash inflow from operating activities	18,458,167	15,619,272
Cash paid for purchase of goods and services	15,438,621	18,365,018
Net increase in loans and advances to customers		
Net increase in balances with central bank and other banks		
Cash paid for claim payment of original insurance contracts		
Cash paid for interests, charges and commissions		
Cash paid for dividend under insurance policies		
Cash paid to and on behalf of employees	2,576,125	2,344,663
Taxes paid	2,141,513	1,914,985
Cash paid for other operating activities	717,146	705,223
Sub-total of cash outflow from operating activities	20,873,405	23,329,889
Net cash flow from operating activities	-2,415,238	-7,710,617

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>II. Cash flow generated from investing activities:</b>		
Cash received from disposal of investments	4,012,457	303,091
Cash received from investment income	73,802	12,068
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,504	3,416
Net cash received from disposal of subsidiaries and other operating entities		
Cash received from other investing activities		
Sub-total of cash inflow from investing activities	4,091,763	318,575
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	883,266	1,101,273
Cash paid for investments	1,461,900	1,085,092
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other operating entities		
Cash paid for other investing activities		
Sub-total of cash outflow from investing activities	2,345,166	2,186,365
Net cash flow from investing activities	1,746,597	-1,867,790

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>III. Cash flow generated from financing activities:</b>		
Proceeds received from investments	15,840	21,298
Including: Cash received from minority shareholders' investments by subsidiaries		21,298
Cash received from borrowings	5,578,960	24,250,000
Cash received from issuance of bonds		16,000,000
Cash received from other financing activities		
Sub-total of cash inflow from financing activities	5,594,800	40,271,298
Cash paid for repayment of loans	14,146,489	29,065,985
Cash paid for dividends, profit distribution or interests	650,925	460,387
Including: Dividend and profit of minority shareholders paid by subsidiaries		
Cash paid for other financing activities	34,022	24,000
Sub-total of cash outflow from financing activities	14,831,436	29,550,372
Net cash flow from financing activities	-9,236,636	10,720,926
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	8,491	8,821
<b>V. Net increase in cash and cash equivalents</b>	-9,896,786	1,151,340
Add: Balance of cash and cash equivalents at the beginning of the reporting period	21,760,068	7,114,408
<b>VI. Balance of cash and cash equivalents at the end of the reporting period</b>	11,863,282	8,265,748

Legal representative:  
Cui Dianguo

Chief accountant:  
Gao Zhi

Head of the accounting department:  
Wang Jian

**Cash Flow Statement of the Parent Company**  
*January to March 2015*

Prepared by: China CNR Corporation Limited

Unit'000

Currency: RMB

Audit type: Unaudited

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>I. Cash Flows from operating activities:</b>		
Cash received from sale of goods and rendering of services		675,020
Tax rebates received		124,789
Cash received from other operating activities	4,551	2,233
Sub-total of cash inflow from operating activities	4,551	802,042
Cash paid for purchase of goods and services		370,689
Cash paid to and on behalf of employees	20,741	10,434
Taxes paid	15,820	11,134
Cash paid for other operating activities	26,767	9,262
Sub-total of cash outflow from operating activities	63,328	401,519
Net cash flow from operating activities	-58,777	400,523
<b>II. Cash flow generated from investing activities:</b>		
Cash received from disposal of investments	10,284,018	5,783,870
Cash received from investment income	894,336	450,189
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 entities		
Cash received from other investing activities		
Sub-total of cash inflow from investing activities	11,178,354	6,234,059
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	90	1,195
Cash paid for investments	11,911,798	9,582,440
Net cash paid for acquisition of subsidiaries and other operating entities		
Cash paid for other investing activities		
Sub-total of cash outflow from investing activities	11,911,888	9,583,635
Net cash flow from investing activities	-733,534	-3,349,576

Item	Amount for the reporting period	Amount for the last corresponding reporting period
<b>III. Cash flow generated from financing activities:</b>		
Proceeds received from investments		
Cash received from borrowings	4,920,000	22,975,000
Cash received from issuance of bonds		16,000,000
Cash received from other financing activities		
Sub-total of cash inflow from financing activities	4,920,000	38,975,000
Cash paid for repayment of loans	17,415,000	30,575,000
Cash paid for dividends, profit distribution or interests	741,275	452,042
Cash paid for other financing activities	33,740	24,000
Sub-total of cash outflow from financing activities	18,190,015	31,051,042
Net cash flow from financing activities	-13,270,015	7,923,958
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	6,422	-2,878
<b>V. Net increase in cash and cash equivalents</b>	-14,055,904	4,972,027
Add: Balance of cash and cash equivalents at the beginning of the reporting period	15,736,213	286,922
<b>VI. Balance of cash and cash equivalents at the end of the reporting period</b>	1,680,309	5,258,949

Legal representative: Cui Dianguo      Chief accountant: Gao Zhi      Head of the accounting department: Wang Jian