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# ZOOMLION 中联重科

**Zoomlion Heavy Industry Science and Technology Co., Ltd.\***

中联重科股份有限公司

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

**(Stock Code: 1157)**

## **FIRST QUARTERLY REPORT OF 2017**

### **SUMMARY**

The Board of Zoomlion Heavy Industry Science and Technology Co., Ltd.\* hereby announces the First Quarterly Report of 2017 of the Company. The financial data contained in the Report has been prepared in accordance with PRC GAAP and is unaudited.

This announcement is made in accordance with Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Zoomlion Heavy Industry Science and Technology Co., Ltd.\* (the “**Company**”) hereby announces the unaudited results of the Company for the three months ended 31 March 2017 (the “**First Quarterly Report of 2017**”, the “**Report**”). The financial data contained in the Report has been prepared in accordance with China Accounting Standards for Business Enterprises (“**PRC GAAP**”) and is unaudited. This announcement is made in accordance with Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The First Quarterly Report of 2017 is written in both Chinese and English. In the case of any discrepancies, the Chinese version of the Report shall prevail.

# **FIRST QUARTERLY REPORT OF 2017 OF ZOOMLION HEAVY INDUSTRY SCIENCE AND TECHNOLOGY CO., LTD.\***

## **1. IMPORTANT**

- 1.1 The Board, the Supervisory Board of the Company and its directors, supervisors and senior management warrant that there are no mis-representations, misleading statements or material omissions in the Report, and they shall, individually and jointly, accept full responsibility for the truthfulness, accuracy and completeness of the contents of the Report.
- 1.2 None of the directors, supervisors and senior management declared to be unable to confirm or held objection to the truthfulness, accuracy and completeness of the Report.
- 1.3 All members of the Board attended the Board meeting in person for the review of the Report.
- 1.4 The first quarterly financial statements of the Company are unaudited.
- 1.5 Dr. Zhan Chunxin, Chairman of the Board, Ms. Du Yigang, Vice-president, and Mr. Jiang Yuan, the person in charge of the accounting affairs, warrant the truthfulness, accuracy and completeness of the financial report contained in this report.

## 2. CORPORATE INFORMATION

### 2.1 Principal Financial Data and Indicators prepared in accordance with PRC GAAP

Unit: RMB

	The Reporting Period	Corresponding period of last year	Increase/decrease over corresponding period of last year
Operating income	5,274,912,307.44	3,023,695,826.80	74.45%
Net profit attributable to equity shareholders of the Company	84,568,429.35	-660,323,718.98	
Net profit after extraordinary gain and loss attributable to equity shareholders of the Company	66,117,177.59	-691,842,917.73	
Net cash flow from operating activities	100,127,256.61	-1,229,944,612.07	
Basic earnings per share	0.011	-0.09	
Diluted earnings per share	0.011	-0.09	
Weighted average return on net assets	0.23%	-1.67%	

	As at the end of the reporting period	As at the end of last year	Change in the end of the reporting period as compared with the end of last year
Total assets	94,175,172,622.55	89,141,023,453.16	5.65%
Net assets attributable to the equity shareholders of the Company	36,956,037,441.29	36,813,562,701.24	0.39%

Unit: RMB

Item	Amount for the period from the beginning of the year to the end of the reporting period	Description
Profit/loss from the disposal of non-current assets (including write-off of provision for asset impairment)	-692,819.20	
Government subsidies recorded under current profit and loss (excluding those closely related to the business of the Company and entitled to a fixed amount or fixed quantity under the standard of the State)	49,947,616.17	
Profit/loss from debt restructuring	-7,637,315.15	
Change in fair value of financial assets and liabilities held for trading and investment income from disposal of financial assets and liabilities held for trading and financial assets held for sale other than financial assets and liabilities held under hedging arrangement in relation to normal business	-32,551,307.77	
Non-operating income and expenses other than those set out above	18,784,948.00	
Less: Income tax effect	3,728,538.49	
Minority interests after tax	5,671,331.80	
Total	18,451,251.76	—

## 2.2 Total number of shareholders and top ten holders of shares not subject to sales restriction as at the end of the reporting period

Unit: Share

Total number of the shareholders as at the end of the Reporting Period

382,230

### Top ten shareholders

Name of shareholders	Nature of shareholders	Shareholding percentage	Number of shares held
HKSCC NOMINEES LIMITED	Overseas legal person	18.08%	1,385,714,163
State-owned Assets Supervision and Administration Commission of Hunan Provincial People's Government	State-owned legal person	16.35%	1,253,314,876
Changsha Hesheng Science and Technology Investment Co., Ltd.	Domestic non state-owned legal person	5.04%	386,517,443
China Securities Finance Co., Ltd.	State-owned legal person	3.01%	230,408,951
GOOD EXCEL GROUP LIMITED	Overseas legal person	2.20%	168,635,680
Real Smart International	Overseas legal person	2.20%	168,635,602
Changsha Yifang Science and Technology Investment Co., Ltd.	Domestic non state-owned legal person	2.05%	156,864,942
Central Huijin Asset Management Ltd.	State-owned legal person	1.51%	115,849,400
Hony Capital Fund I (Tianjin), L.P.	Domestic non state-owned legal person	0.84%	64,600,000
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.77%	59,277,654

### 3. Significant changes in major items of the financial statements and financial indicators and reasons (based on statements reported under PRC GAAP)

Unit: RMB

Item	Amount at the end of the reporting period	Amount at the beginning of the previous period	Percentage of changes	Reason of changes
Cash and cash equivalents	11,343,625,479.95	8,193,686,435.85	38.44%	Mainly attributable to the increase in borrowings
Financial assets at fair value through profit or loss	3,071,925.72	132,464,361.98	-97.68%	Mainly attributable to the effect of due settlement of forward foreign exchange
Short-term factoring borrowings	5,443,283.85	7,955,139.67	-31.58%	Mainly attributable to the repayment of factoring borrowings
Accrued payroll	106,385,958.29	242,252,108.77	-56.08%	Mainly attributable to the payment of payroll for the previous year
Interest payable	402,300,298.08	163,299,861.74	146.36%	Mainly attributable to the effect of United States Bonds and medium-term notes
Operating income	5,274,912,307.44	3,023,695,826.80	74.45%	Mainly attributable to the significant increase in sales of products such as construction machinery
Operation cost	3,871,607,399.67	2,224,634,875.91	74.03%	Mainly attributable to the increase in manufacturing and service costs resulting from the increase in sales
Taxes and surcharges	61,737,846.90	34,058,170.24	81.27%	Mainly attributable to the issue of the Provisions Concerning the Accounting Treatments on Value-Added Tax by the Ministry of Finance with changes in presentation of items
Gains from changes of fair value	-129,388,436.26	27,642,014.66		Mainly attributable to the effect of due settlement of forward foreign exchange
Income from investment	97,167,605.09	-40,044,309.10		Mainly attributable to the effect of due settlement of forward foreign exchange
Income tax expenses	6,082,995.59	-134,604,978.34		Mainly attributable to the increase in taxable profits
Net cash flow from operating activities	100,127,256.61	-1,229,944,612.07		Mainly attributable to the increase in operating receipts for the period
Net cash flow from investing activities	-371,733,644.70	338,622,000.65		Mainly attributable to the increase in external investment
Net cash flow from financing activities	3,330,703,186.25	-104,280,518.63		Mainly attributable to the increase in borrowings

## 4. APPENDIX

### 4.1 Consolidated Balance Sheet

Item	Unit: RMB	
	Balances at the end of the period	Balances at the beginning of the period
Current assets:		
Cash and cash equivalents	11,343,625,479.95	8,193,686,435.85
Balance with clearing companies		
Placements with other financial institutions		
Financial assets at fair value through profit or loss	3,071,925.72	132,464,361.98
Derivative financial assets		
Bill receivables	2,079,764,799.50	2,196,952,008.55
Account receivables	31,461,825,420.22	30,116,268,197.79
Prepayments	412,195,207.93	380,886,333.09
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contract		
Interest receivable		
Dividends receivable	13,175,136.50	13,175,136.50
Other receivables	1,136,099,699.93	1,183,065,589.56
Purchases of resold financial assets		
Inventories	13,452,399,537.38	12,770,071,738.40
Assets classified as held-for-sale		
Non-current assets due within one year	12,478,650,440.16	12,212,412,388.20
Other current assets	1,772,004,088.14	1,720,787,949.71
<b>Total current assets</b>	<b>74,152,811,735.43</b>	<b>68,919,770,139.63</b>

<b>Item</b>	<b>Balances at the end of the period</b>	<b>Balances at the beginning of the period</b>
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets	1,560,290,291.06	1,407,214,436.39
Held-to-maturity investments		
Long-term receivables	1,758,632,333.28	1,924,736,121.37
Long-term equity investment	620,108,360.80	603,541,355.32
Investment property	62,508,448.88	63,344,664.28
Fixed assets	7,308,907,846.75	7,450,928,916.00
Construction in progress	584,781,256.25	618,090,611.78
Construction materials		
Disposal of fixed assets		
Biological assets for production		
Oil and gas assets		
Intangible assets	4,756,453,642.43	4,792,939,192.11
Development expenses	91,640,708.14	90,387,882.72
Goodwill	2,127,751,945.13	2,116,469,682.98
Long-term deferred expenditures	15,989,612.62	15,655,883.11
Deferred income tax assets	1,134,510,762.93	1,137,182,883.41
Other non-current assets	785,678.85	761,684.06
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<b>Total non-current assets</b>	<b>20,022,360,887.12</b>	<b>20,221,253,313.53</b>
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<b>Total assets</b>	<b>94,175,172,622.55</b>	<b>89,141,023,453.16</b>
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<b>Item</b>	<b>Balances at the end of the period</b>	<b>Balances at the beginning of the period</b>
Current liabilities:		
Short-term borrowings	6,254,678,586.51	4,911,543,099.49
Short-term factoring borrowings	5,443,283.85	7,955,139.67
Borrowings from the Central Bank		
Deposit received and inter-bank deposit		
Capital borrowed		
Financial liabilities at fair value through profit or loss	4,830,533.09	4,816,433.19
Derivative financial liabilities		
Bills payable	7,177,719,063.69	5,601,280,448.13
Account payable	6,629,915,396.71	6,589,528,766.80
Advances from customers	882,851,193.53	774,173,048.88
Funds from disposal of repurchased financial assets		
Handling charges and commissions payable		
Accrued payroll	106,385,958.29	242,252,108.77
Taxes payable	309,910,441.82	399,305,416.57
Interest payable	402,300,298.08	163,299,861.74
Dividends payable		
Other payables	2,716,390,473.72	3,149,965,247.63
Reinsurance account payable		
Deposits for insurance contract		
Customer deposit for trading in securities		
Customer deposits for securities underwriting		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	3,918,316,686.65	3,228,362,989.52
Other current liabilities	1,917,673,982.55	1,826,727,608.93
<b>Total current liabilities</b>	<u><u>30,326,415,898.49</u></u>	<u><u>26,899,210,169.32</u></u>



Item	Balances at the end of the period	Balances at the beginning of the period
Non-current liabilities:		
Long-term borrowings	11,606,741,133.62	10,099,564,449.75
Bonds payable	12,965,085,317.24	12,984,960,758.76
Including: Preference shares		
Perpetual liabilities		
Long-term payables	210,638,416.96	233,975,102.42
Long-term accrued payroll		
Special payables		
Accrued liabilities		
Deferred income	325,382,177.88	325,995,540.38
Deferred income tax liabilities	515,116,573.30	537,127,627.25
Other non-current liabilities	265,229,298.58	265,229,298.58
<b>Total non-current liabilities</b>	<u>25,888,192,917.58</u>	<u>24,446,852,777.14</u>
<b>Total liabilities</b>	<u>56,214,608,816.07</u>	<u>51,346,062,946.46</u>
Owners' equity:		
Share capital	7,664,132,250.00	7,664,132,250.00
Other equity instruments		
Including: Preference shares		
Perpetual liabilities		
Capital reserve	12,686,699,165.31	12,694,071,174.64
Less: Treasury shares		
Other comprehensive income	-1,397,054,403.01	-1,461,618,676.39
Special reserves	15,714,629.69	15,000,583.04
Surplus reserve	2,938,418,834.57	2,938,418,834.57
General risk provisions		
Undistributed profit	15,048,126,964.73	14,963,558,535.38
<b>Total owner's equity attributable to the equity holders of the parent company</b>	<u>36,956,037,441.29</u>	<u>36,813,562,701.24</u>
Minority interests	1,004,526,365.19	981,397,805.46
<b>Total owners' equity</b>	<u>37,960,563,806.48</u>	<u>37,794,960,506.70</u>
<b>Total liabilities and owners' equity</b>	<u>94,175,172,622.55</u>	<u>89,141,023,453.16</u>

## 4.2 Balance Sheet of the Parent Company

Unit: RMB

Item	Balances at the end of the period	Balances at the beginning of the period
Current assets:		
Cash and cash equivalents	6,083,309,205.53	5,534,961,465.43
Financial assets at fair value through profit or loss	3,071,925.72	132,464,361.98
Derivative financial assets		
Bill receivables	1,788,687,553.37	1,785,820,584.37
Account receivables	34,425,394,076.13	33,349,432,623.11
Prepayments	867,289,220.59	866,994,431.56
Interest receivable		
Dividends receivable	218,415,669.70	218,415,669.70
Other receivables	7,195,771,752.81	4,689,423,163.56
Inventories	9,928,630,634.62	9,879,184,794.05
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	838,796,075.67	829,576,016.38
<b>Total current assets</b>	<u>61,349,366,114.14</u>	<u>57,286,273,110.14</u>
Non-current assets:		
Available-for-sale financial assets	233,089,748.16	232,881,244.56
Held-to-maturity investments		
Long-term receivables		
Long-term equity investment	16,585,537,156.56	16,582,719,399.98
Investment property		
Fixed assets	4,008,805,305.94	4,096,190,681.87
Construction in progress	353,854,710.61	372,633,615.29
Construction materials		
Disposal of fixed assets		
Biological assets for production		
Oil and gas assets		
Intangible assets	1,373,999,974.83	1,392,217,632.96
Development expenses	9,653,092.01	9,652,383.01
Goodwill		
Long-term deferred expenditures	7,396,473.55	7,627,975.01
Deferred income tax assets	515,671,774.56	525,861,456.38
Other non-current assets		
<b>Total non-current assets</b>	<u>23,088,008,236.22</u>	<u>23,219,784,389.06</u>
<b>Total assets</b>	<u>84,437,374,350.36</u>	<u>80,506,057,499.20</u>

<b>Item</b>	<b>Balances at the end of the period</b>	<b>Balances at the beginning of the period</b>
Current liabilities:		
Short-term borrowings	5,768,824,000.00	5,366,690,000.00
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable	6,067,032,169.22	4,494,308,852.11
Account payable	7,881,323,238.50	8,047,014,858.22
Advances from customers	871,612,822.92	640,941,728.89
Accrued payroll	10,017,327.58	80,033,652.80
Taxes payable	163,984,872.91	226,725,863.93
Interest payable	239,250,000.00	108,750,000.00
Dividends payable		
Other payables	3,933,307,406.19	4,253,398,434.11
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	1,100,641,541.00	381,454,828.00
Other current liabilities	1,324,857,023.23	1,263,664,240.35
	<u>27,360,850,401.55</u>	<u>24,862,982,458.41</u>
<b>Total current liabilities</b>		
Non-current liabilities:		
Long-term borrowings	9,772,911,934.00	8,292,340,472.00
Bonds payable	8,995,119,872.82	8,994,671,332.65
Including: Preference shares		
Perpetual liabilities		
Long-term payables		
Long-term accrued payroll		
Special payables		
Accrued liabilities		
Deferred income	200,182,137.60	200,265,262.60
Deferred income tax liabilities	715,089.96	20,092,079.86
Other non-current liabilities		
	<u>18,968,929,034.38</u>	<u>17,507,369,147.11</u>
<b>Total non-current liabilities</b>		
	<u>46,329,779,435.93</u>	<u>42,370,351,605.52</u>
<b>Total liabilities</b>		

<b>Item</b>	<b>Balances at the end of the period</b>	<b>Balances at the beginning of the period</b>
Owners' equity:		
Share capital	7,664,132,250.00	7,664,132,250.00
Other equity instruments		
Including: Preference shares		
Perpetual liabilities		
Capital reserve	14,562,774,117.38	14,562,774,117.38
Less: Treasury shares		
Other comprehensive income	1,408,452.09	1,231,224.03
Special reserves	484,000.00	484,000.00
Surplus reserve	2,937,419,589.05	2,937,419,589.05
Undistributed profit	12,941,376,505.91	12,969,664,713.22
	<u>38,107,594,914.43</u>	<u>38,135,705,893.68</u>
<b>Total owners' equity</b>		
	<u>84,437,374,350.36</u>	<u>80,506,057,499.20</u>
<b>Total liabilities and owners' equity</b>		

### 4.3 Consolidated Income Statement

Unit: RMB

Item	Amount during the reporting period	Amount during the previous period
I. Total operating income	5,274,912,307.44	3,023,695,826.80
Including: Operating income	5,274,912,307.44	3,023,695,826.80
Interest income		
Premium received		
Handling fee and commission income		
II. Total operation costs	5,195,703,129.74	3,865,412,911.88
Including: Operation cost	3,871,607,399.67	2,224,634,875.91
Interest expenses		
Handling fee and commission expenses		
Payment on surrenders		
Net compensation expenses		
Net provision drawn for insurance contract		
Policy dividend expenses		
Reinsurance expenses		
Taxes and surcharges	61,737,846.90	34,058,170.24
Selling expenses	409,200,297.53	540,214,341.32
Administrative expenses	407,825,876.33	497,184,606.72
Financial expenses	350,060,336.70	481,325,294.56
Losses on assets impairment	95,271,372.61	87,995,623.13
Add: Gains from changes of fair value (“-” refers to loss)	-129,388,436.26	27,642,014.66
Income from investment (“-” refers to loss)	97,167,605.09	-40,044,309.10
Including: Investment income from associates and joint ventures		
Exchange gains (“-” refers to loss)		
III. Operating profits (“-” refers to loss)	46,988,346.53	-854,119,379.52
Add: Non-operating profits	76,656,257.51	91,703,222.69
Including: Gain on disposal of non-current assets		
Less: Non-operating expenses	16,253,827.69	15,788,714.99
Including: Loss on disposal of non-current assets		
IV. Total profits (“-” refers to total loss)	107,390,776.35	-778,204,871.82
Less: Income tax expenses	6,082,995.59	-134,604,978.34
V. Net profits (“-” refers to net loss)	101,307,780.76	-643,599,893.48
Net profits attributable to owners of the parent company	84,568,429.35	-660,323,718.98
Net profits attributable to minority interests	16,739,351.41	16,723,825.50

Item	Amount during the reporting period	Amount during the previous period
VI. Net amount of other comprehensive income after tax	64,564,273.38	21,377,946.52
Net amount of other comprehensive income after tax attributable to owners of the parent company	64,564,273.38	21,377,946.52
(I) Other comprehensive income not to be reclassified into profit or loss subsequently		
1. Changes of net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of the investees which cannot be reclassified into profit or loss under equity method		
(II) Other comprehensive income to be reclassified into profit or loss subsequently	64,564,273.38	21,377,946.52
1. Share of other comprehensive income of the investees which can be reclassified into profit or loss under equity method subsequently		
2. Profit or loss from the change of fair value of available-for-sale financial assets	177,228.06	-1,286,978.17
3. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets		
4. Effective portion of profit or loss from cash flows hedges		
5. Exchange differences from translation of financial statements	64,387,045.32	22,664,924.69
6. Others		
Net amount of other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	165,872,054.14	-622,221,946.96
Total comprehensive income attributable to owners of the parent company	149,132,702.73	-638,945,772.46
Total comprehensive income attributable to minority shareholders	16,739,351.41	16,723,825.50
VIII. Earnings per share:		
(1) Basic earnings per share	0.011	-0.09
(2) Diluted earnings per share	0.011	-0.09

#### 4.4 Income Statement of the Parent Company

Item	Unit: RMB	
	Amount during the reporting period	Amount during the previous period
I. Operating income	3,403,358,839.73	1,628,149,810.92
Less: Operating cost	2,538,426,975.61	1,213,077,991.70
Taxes and surcharges	36,926,131.72	30,029,863.75
Selling expenses	255,836,176.07	374,267,641.84
Administrative expenses	238,252,288.90	305,712,313.53
Financial expenses	258,152,527.73	376,002,866.62
Losses on assets impairment	84,966,613.55	77,413,533.53
Add: Gains from changes of fair value (“-” refers to loss)	-129,388,436.26	-13,748,838.15
Income from investment (“-” refers to loss)	94,954,280.52	8,374,997.31
Including: Investment income from associates and joint ventures		
II. Operating profits (“-” refers to loss)	-43,636,029.59	-753,728,240.89
Add: Non-operating profits	18,489,088.52	13,269,578.24
Including: Gain on disposal of non-current assets		
Less: Non-operating expenses	12,359,849.86	12,023,345.59
Including: Loss on disposal of non-current assets		
III. Total profits (“-” refers to total loss)	-37,506,790.93	-752,482,008.24
Less: Income tax expense	-9,218,583.62	-118,216,410.26
IV. Net profits (“-” refers to net loss)	-28,288,207.31	-634,265,597.98
V. Net amount of other comprehensive income after tax	177,228.06	-1,286,978.17
(I) Other comprehensive income not to be reclassified into profit or loss subsequently		
1. Changes of net liabilities or net assets from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of the investees which cannot be reclassified into profit or loss under equity method		
(II) Other comprehensive income to be reclassified into profit or loss subsequently	177,228.06	-1,286,978.17
1. Share of other comprehensive income of the investees company which can be reclassified into profit or loss under equity method subsequently		
2. Profit or loss from the change of fair value of available-for-sale financial assets	177,228.06	-1,286,978.17
3. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets		
4. Effective portion of profit or loss from cash flows hedges		
5. Exchange differences from translation of financial statements		
6. Others		
VI. Total comprehensive income	-28,110,979.25	-635,552,576.15
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 4.5 Consolidated Cash Flow Statement

Item	Unit: RMB	
	Amount during the reporting period	Amount during the previous period
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	4,710,627,132.86	3,448,997,435.39
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in policy holder deposits and investments funds		
Net increase in the disposal of financial assets at fair value through profit or loss		
Cash received from interest, fees and commissions		
Net increase in capital borrowed		
Net increase in income from repurchase business		
Refunds of taxes received	48,871,496.80	85,456,364.29
Cash received relating to other operating activities	113,998,245.14	208,276,130.72
Sub-total of cash inflow from operating activities	4,873,496,874.80	3,742,729,930.40
Cash paid for purchasing goods and receiving services	3,149,367,038.85	2,921,911,504.41
Net increase in customer loans and advances to customers		
Net increase in deposit in central bank and due to banks and other financial institutions		
Cash paid for original insurance contract claimed		
Cash paid for interest, fees and commissions		
Cash paid for policy holder dividend		
Cash paid to and for employees	581,570,749.66	602,210,578.43
Cash paid for taxes and surcharges	341,771,840.08	213,182,044.68
Cash paid relating to other operating activities	700,659,989.60	1,235,370,414.95
Sub-total of cash outflow from operating activities	4,773,369,618.19	4,972,674,542.47
Net cash flow from operating activities	100,127,256.6	-1,229,944,612.07



Item	Amount during the reporting period	Amount during the previous period
II. Cash flow from investing activities:		
Cash received from disposal of investments		
Cash received from returns on investments	21,561,523.94	69,293.58
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,805,612.56	923,941.61
Net cash received from disposal of subsidiaries and other operating business		
Cash received relating to other investing activities		390,909,715.87
Sub-total of cash inflow from investing activities	23,367,136.50	391,902,951.06
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	143,791,003.44	53,280,950.41
Cash paid for investment	171,953,419.97	
Net increase in pledge loans		
Net cash received from subsidiaries and other operating business units	16,668,920.77	
Cash paid relating to other investing activities	62,687,437.02	
Sub-total of cash outflow from investing activities	395,100,781.20	53,280,950.41
Net cash flow from investing activities	-371,733,644.70	338,622,000.65
III. Cash flow generated from financing activities:		
Cash received from investment		
Including: Cash received by subsidiaries from the investment of minority shareholders		
Cash received from borrowings	4,174,356,062.07	10,109,378,744.70
Cash received from issuing bonds		
Cash received related to other financing activities		
Sub-total of cash inflow from financing activities	4,174,356,062.07	10,109,378,744.70
Cash paid for repaying debts	684,572,848.29	10,098,829,250.71
Cash paid for distributing dividends and profits and interest repayment	159,080,027.53	114,830,012.62
Including: Dividends and profits paid by subsidiaries to minority shareholders		
Cash paid related to other financing activities		
Sub-total of cash outflow from financing activities	843,652,875.82	10,213,659,263.33
Net cash flow generated from financing activities	3,330,703,186.25	-104,280,518.63
IV. Effect of foreign exchange rate changes to cash and cash equivalents	28,154,808.92	9,349,595.32
V. Net increase in cash and cash equivalents	3,087,251,607.08	-986,253,534.73
Add: Balance of cash and cash equivalents at beginning of period	6,574,662,778.31	11,486,750,848.39
VI. Balance of cash and cash equivalents at end of period	9,661,914,385.39	10,500,497,313.66

## 4.6 Cash Flow Statement of Parent Company

Item	Unit: RMB	
	Amount during the reporting period	Amount during the previous period
I. Cash flow from operating activities:		
Cash received from selling goods and providing services	2,939,386,426.05	2,746,297,954.39
Refunds of taxes received	30,149,379.94	28,295,018.25
Cash received relating to other operating activities	161,982,584.46	427,291,306.21
Sub-total of cash inflow from operating activities	3,131,518,390.45	3,201,884,278.85
Cash paid for purchasing goods and receiving services	1,543,291,469.40	1,436,335,764.13
Cash paid to and for employees	428,925,329.26	470,238,701.10
Cash paid for taxes and surcharges	224,496,163.50	115,402,878.52
Cash paid relating to other operating activities	2,826,828,218.13	5,693,835,746.25
Sub-total of cash outflow from operating activities	5,023,541,180.29	7,715,813,090.00
Net cash flow from operating activities	-1,892,022,789.84	-4,513,928,811.15
II. Cash flow from investing activities:		
Cash received from disposal of investments		
Cash received from returns on investments	21,561,523.94	69,293.58
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,579,525.80	625,883.33
Net cash received from disposal of subsidiaries and other operating business units		
Cash received relating to other investing activities		265,096,555.31
Sub-total of cash inflow from investing activities	23,141,049.74	265,791,732.22
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	13,311,138.73	23,388,906.56
Cash paid for investment	4,696,000.00	
Net cash paid for acquisition of subsidiaries and other operating business units		
Cash paid relating to other investing activities	113,722,949.87	
Sub-total of cash outflow investing activities	131,730,088.60	23,388,906.56
Net cash flow from investing activities	-108,589,038.86	242,402,825.66
III. Cash flow generated from financing activities:		
Cash received from investment		
Cash received from borrowings	4,139,000,000.00	10,878,732,108.38
Cash received from issuing bonds		
Cash received related to other financing activities		
Subtotal of cash inflow from financing activities	4,139,000,000.00	10,878,732,108.38
Cash paid for repaying debts	1,550,000,000.00	6,442,915,766.75
Cash paid for distributing dividends and profits and interest repayment	149,895,486.73	79,808,449.64
Cash paid related to other financing activities		
Sub-total of cash outflow from financing activities	1,699,895,486.73	6,522,724,216.39
Net cash flow generated from financing activities	2,439,104,513.27	4,356,007,891.99
IV. Effect of foreign exchange rate changes to cash and cash equivalents	-3,867,894.34	-4,974,064.62
V. Net increase in cash and cash equivalents	434,624,790.23	79,507,841.88
Add: Balance of cash and cash equivalents at beginning of period	4,676,917,358.00	6,309,775,143.79
VI. Balance of cash and cash equivalents at end of period	5,111,542,148.23	6,389,282,985.67

By Order of the Board  
**Zoomlion Heavy Industry Science and Technology Co., Ltd.\***  
**Zhan Chunxin**  
*Chairman*

Changsha, the PRC, 26 April 2017

*As at the date of this announcement, the executive director of the Company is Dr. Zhan Chunxin; the non-executive directors are Mr. Hu Xinbao and Mr. Zhao John Huan; and the independent non-executive directors are Mr. Zhao Songzheng, Mr. Lai Kin Keung, Ms. Liu Guiliang and Mr Yang Changbo.*

\* *For identification purpose only*