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**DONGFENG MOTOR GROUP COMPANY LIMITED\***

**東風汽車集團股份有限公司**

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

**(Stock Code: 489)**

## **VOLUNTARY ANNOUNCEMENT**

Dongfeng Motor Group Company Limited (the “Company”) has issued the debentures in the inter-bank debenture market. And the debentures are still outstanding. This announcement of financial information with the PRC Generally Accepted Accounting Principles was made by the company pursuant to disclosure regulations of the inter-bank market.

This overseas regulatory announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The board of directors of the Company (the “Board”) hereby announces the unaudited financial results of the Group for the six months ended 30 June 2016 prepared in accordance with the PRC Generally Accepted Accounting Principles (the “PRC GAAP”).

## CONSOLIDATED BALANCE SHEET

Assets	2015/12/31	2016/6/30
<b>Current Assets:</b>		
Cash at bank and on hand	35,565,976,412	36,517,627,593
Financial assets at fair value through profit or loss	-	17,727,600
Notes receivable	13,015,098,778	10,927,124,854
Accounts receivable	4,098,069,927	5,428,729,700
Advanced payments	4,496,078,564	5,619,445,707
Interests receivable	425,682,564	627,836,822
Dividends receivable	2,606,141,690	631,186,271
Other receivables	971,141,747	1,595,069,740
Inventories	8,665,263,944	8,514,772,900
Non-current assets within one year	9,884,932,153	11,683,457,685
Other current assets	2,005,967,180	2,651,243,153
<b>Total current assets</b>	<b>81,734,352,959</b>	<b>84,214,222,025</b>
<b>Non-Current Assets:</b>		
Loans and payments provided to borrowers	6,938,864,519	8,092,708,414
Available-for-sale financial assets	189,518,669	189,406,046
Long-term equity investments	49,872,208,917	54,040,958,198
Fixed assets	10,493,405,195	10,523,180,710
Construction in progress	2,435,741,670	2,793,914,300
Fixed assets pending for disposal	5,335,796	646,014
Intangible assets	2,673,603,287	3,201,814,922
Development costs capitalized	1,060,400,867	1,262,438,447
Long-term prepaid expenses	123,961,986	100,916,201
Deferred tax assets	1,802,827,974	1,754,306,950
Goodwill	1,792,482,068	1,792,482,068
Other non-current assets	1,844,873,093	1,868,961,261
<b>Total Non-Current Assets:</b>	<b>79,233,224,041</b>	<b>85,621,733,531</b>
<b>Total Assets</b>	<b>160,967,577,000</b>	<b>169,835,955,556</b>

**Liabilities and Equities**

	2015/12/31	2016/6/30
<b>Current Liabilities:</b>		
Short-term borrowings	1,736,399,000	2,480,686,406
Deposits and placements from other financial institutions	5,777,227,164	5,210,497,139
Placement from banks and other financial institutions	-	1,000,000,000
Liabilities from sales of financial assets with repurchase agreement	1,200,000,000	600,000,000
Short-term debenture payable	-	-
Notes payable	10,980,090,536	12,086,906,910
Accounts payable	19,510,993,400	22,078,999,779
Advances from customers	4,381,269,469	3,373,532,162
Employee benefits payable	1,443,188,168	1,161,232,452
Dividends payable	7,587,882	1,723,855,996
Interests payable	70,202,905	84,141,589
Taxes payable	608,752,250	309,046,816
Other payables	8,815,523,793	9,193,685,166
Provisions-current	1,156,923,981	1,138,386,624
Non-current liabilities within one year	1,329,577,493	123,284,210
Other current liabilities	1,619,445,039	1,591,767,376
<b>Total current liabilities</b>	<b>58,637,181,080</b>	<b>62,156,022,625</b>
<b>Non-Current Liabilities:</b>		
Long-term borrowings	4,024,438,808	3,631,077,500
Long-term accounts payable	-	234,418,495
Bonds payable	3,534,085,102	3,675,934,384
Payables for specific projects	58,650,000	58,650,000
Provisions -non current	578,099,950	636,566,434
Deferred income	542,504,474	882,405,647
Deferred tax liabilities	1,032,186,735	1,238,793,941
Long-term employee benefits payable	669,143,654	660,707,696
Other non-current liabilities	225,775,161	250,942,961
<b>Non-Current Liabilities:</b>	<b>10,664,883,884</b>	<b>11,269,497,058</b>
<b>Total Liabilities</b>	<b>69,302,064,964</b>	<b>73,425,519,683</b>

**Equities:**

Share Capital	8,616,120,000	8,616,120,000
Capital surplus	3,282,820,530	3,267,849,127
Surplus reserve	7,935,189,306	9,233,808,303
General risk reserve	257,012,747	257,012,747
Other comprehensive income	-906,134,904	-642,944,709
Retained earnings	65,646,634,934	69,383,652,123
Total equities attributable to equity owners of the company	84,831,642,613	90,115,497,591
Minority interests	6,833,869,423	6,294,938,282
<b>Total owners' equities</b>	<b>91,665,512,036</b>	<b>96,410,435,873</b>
<b>Total liabilities and owners' equities</b>	<b>160,967,577,000</b>	<b>169,835,955,556</b>

## CONSOLIDATED INCOME STATEMENT

**2016.1-2016.6**  
**( RMB )**

**Items**

<b>Operating Revenue:</b>	59,168,492,247
<b>Interest Income</b>	1,142,113,590
<b>Fees and commissions income</b>	9,835,027
Less :      Cost of sales	51,350,344,937
Interest costs	68,206,674
Taxes and surcharges	808,773,035
Selling expenses	3,857,604,608
Administrative expenses	3,460,468,012
Finance expenses-net	-8,189,859
Impairment losses	77,498,085
Add:       Investment income	7,036,662,067
<b>Operating profit</b>	7,742,397,439
Add :       Non-operating income	166,565,845
Less :       Non-operating expenses	10,149,669
<b>Total profit</b>	7,898,813,615
Less :       Income tax expenses	680,192,301
<b>Net profit</b>	7,218,621,314
Minority interests	459,761,125
Profit attributable to equity owners of the company	6,758,860,189
<b>Earnings per share</b>	
Basic earnings per share	0.78

## CONSOLIDATED CASH FLOW STATEMENT

2016.1-2016.6

(RMB)

Items	
<b>1. Cash flows from operating activities</b>	
Cash received from the sale of goods and the rendering of services	70,848,977,649
Cash received from government subsidies	485,500,437
Cash received from interests, fees, and commissions	134,303,588
Net increase in deposits and placements from other financial institutions	433,269,975
Increase in a mandatory reserve with the People's Bank of China	-30,317,949
Cash received relating to other operating activities	568,497,026
<b>Sub-total of operating cash inflows</b>	<u>72,440,230,727</u>
Cash paid for goods purchased and services received	56,966,169,774
Cash paid to and on behalf of employees	3,261,995,011
Payments of taxes and surcharges	2,783,624,375
Net increase in loans and advances	3,582,138,930
Cash paid for interests, fees and commissions	68,206,674
Cash paid relating to other operating activities	5,720,215,876
<b>Sub-total of operating cash outflows</b>	<u>72,382,350,640</u>
Net cash flows from operating activities	<u>57,880,087</u>
<b>2. Cash flows from investing activities</b>	
Net cash received from disposal of investments	112,622
Cash received from returns of investment income	5,002,749,853
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	29,725,366
Cash received relating to other investment activities	77,091,272
<b>Sub-total of investing cash inflows</b>	<u>5,109,679,113</u>
Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets	2,064,548,958
Investments in associates, joint ventures and acquisition of control in subsidiaries	1,232,713,093
Cash paid relating to other investment activities	1,088,579,253
<b>Sub-total of investing cash outflows</b>	<u>4,385,841,305</u>
Net cash flows from investing activities	<u>723,837,808</u>
<b>3. Cash flows from financing activities</b>	
Cash received from borrowing	3,724,873,442
Cash received relating to financing activities	91,866,250
<b>Sub-total of financing cash inflows</b>	<u>3,816,739,692</u>
Cash payments for borrowings repaid	3,583,150,844
Cash paid for distribution of dividends or profits and for interest expense	1,181,248,348
Cash payments for short -term or medium- term debentures	-
Cash paid relating to other financing activities	-
<b>Sub-total of financing cash outflows</b>	<u>4,764,399,192</u>
Net cash flows from financing activities	<u>-947,659,500</u>
<b>4. Effect of changes in exchange rate on cash</b>	29,013,533
<b>5. Net Increase in cash and cash equivalents</b>	-136,928,072
Add: Cash and cash equivalents at beginning of the period	<u>31,805,793,980</u>
<b>6. Cash and cash equivalents at end of the period</b>	31,668,865,908

## BALANCE SHEET

ASSETS	2015/12/31	2016/6/30
<b>Current assets :</b>		
Cash at bank and on hand	24,925,165,961	28,421,276,312
Notes receivable	1,634,437,182	1,159,437,343
Accounts receivable	573,780,732	764,198,477
Advanced payments	607,222,253	796,853,785
Dividends receivable	3,233,330,994	1,041,834,105
Other receivables	237,536,177	181,845,458
Inventories	1,125,810,445	873,087,864
Interest receivable	494,834,795	696,493,672
Non-Current Assets within one year	50,000,000	39,500,000
<b>Total current assets</b>	<b>32,882,118,539</b>	<b>33,974,527,016</b>
<b>Non-current Assets:</b>		
Available-for-sale financial assets	67,871,990	67,871,990
Long-term equity investments	52,481,749,046	55,213,269,965
Fixed assets	2,468,600,869	2,523,250,464
Construction in progress	753,427,861	761,141,342
Fixed assets pending for disposal	—	85,549
Intangible assets	532,235,168	496,819,571
Development costs capitalized	551,083,225	572,316,446
<b>Total non-current Assets</b>	<b>56,854,968,159</b>	<b>59,634,755,327</b>
<b>Total Assets</b>	<b>89,737,086,698</b>	<b>93,609,282,343</b>
<b>Liabilities and Equities</b>	<b>2015/12/31</b>	<b>2016/6/30</b>
<b>Current liabilities:</b>		
Short-term borrowings	1,000,000,000	1,000,000,000
Notes payable	714,410,000	980,360,000
Short-term debenture payable	—	—
Accounts payable	4,031,434,527	3,555,743,211
Advances from customers	995,655,495	561,932,293
Employee benefits payable	551,525,466	315,945,042
Dividends payable		1,723,224,000

Taxes payable	100,559,432	65,123,346
Other payables	1,164,048,459	1,042,674,987
Provisions-current	282,435,978	310,330,414
Non-current liabilities within one year	1,232,713,093	-
<b>Total current liabilities</b>	<b>10,072,782,450</b>	<b>9,555,333,293</b>
<b>Non-Current Liabilities:</b>		
Long-term borrowings	270,000,000	270,000,000
Long-term accounts payable	-	-
Payables for specific projects	56,600,000	56,600,000
Deferred income	58,945,388	58,945,388
Provisions-non current	176,169,109	199,306,946
<b>Total non-current liabilities</b>	<b>561,714,497</b>	<b>584,852,334</b>
<b>Total liabilities</b>	<b>10,634,496,947</b>	<b>10,140,185,627</b>
<b>Equities:</b>		
Share Capital	8,616,120,000	8,616,120,000
Capital surplus	1,367,329,015	1,367,329,015
Surplus reserve	6,976,071,982	8,153,836,874
Other comprehensive income	13,542,512	13,111,075
Retained earnings	62,129,526,242	65,318,699,752
Total equities attributable to owners of the company	79,102,589,751	83,469,096,716
Minority interests		
<b>Total owners' equities</b>	<b>79,102,589,751</b>	<b>83,469,096,716</b>
<b>Total liabilities and owners' equities</b>	<b>89,737,086,698</b>	<b>93,609,282,343</b>



## INCOME STATEMENT

Items	2016.1-2016.6 (RMB)
<b>Operating Revenue:</b>	5,448,264,536
Less : Cost of sales	4,684,231,432
Taxes and surcharges	245,411,019
Selling expenses	582,763,873
Administrative expenses	948,000,049
Finance expenses-net	-351,709,419
Impairment losses	25,249,133
Add: The profit or losses on the changes in fair value	-
Investment income	6,738,686,508
<b>Operating profit</b>	6,053,004,956
Add: Non-operating income	37,156,211
Less: Non-operating expenses	-1,238
<b>Total profit</b>	6,090,162,404
Less: Income tax expenses	-
<b>Net profit</b>	6,090,162,404

## CASH FLOW STATEMENT

**2016.1-2016.6**  
**(RMB)**

Items	
<b>1. Cash flows from operating activities</b>	
Cash received from the sale of goods and the rendering of services	6,056,978,151
Cash received from government subsidies	34,620,000
Cash received relating to other operating activities	247,120,567
<b>Sub-total of operating cash inflows</b>	6,338,718,719
Cash paid for goods purchased and services received	5,391,218,532
Cash paid to and on behalf of employees	761,167,972
Payments of taxes and surcharges	335,714,106
Cash paid relating to other operating activities	1,035,304,315
<b>Sub-total of operating cash outflows</b>	7,523,404,924
Net cash flows from operation activities	-1,184,686,206
<b>2. Cash flows from investing activities</b>	
Cash received from returns of investment income	6,289,366,666
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,238
Cash received for borrowings and interests from inter-companies	50,000,000
Cash received from other investment activities	730,625
<b>Sub-total of investing cash inflows</b>	6,340,098,529
Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets	254,164,978
Cash paid for investment	1,364,079,343
Cash paid relating to other investing activities	834,935,112
<b>Sub-total of investing cash outflows</b>	2,453,179,433
Net cash flows from investing activities	3,886,919,095
<b>3. Cash flows from financing activities</b>	
Cash received from selling the equity of associates	
Cash received from borrowings	1,000,000,000
<b>Sub-total of financing cash inflows</b>	1,000,000,000
Cash payments for borrowings repaid	1,000,000,000
Cash paid for distribution of dividends or profits and for interest expense	41,057,651
<b>Sub-total of financing cash outflows</b>	1,041,057,651
Net cash flows from financing activities	-41,057,651
<b>4. Effect of changes in exchange rate on cash</b>	-
<b>5. Net Increase in cash and cash equivalents</b>	2,661,175,239

Add: Cash and cash equivalents at beginning of the period	22,845,963,933
<b>6、Cash and cash equivalents at end of the period</b>	<b>25,507,139,172</b>

The Financial information in this announcement is prepared in accordance with the PRC GAAP and has not been audited. The Company prepares its financial statements disclosable under the Hong Kong Listing Rules in accordance with International Financial Reporting Standards (“IFRSs”).

By order of the Board of Directors  
Zhu Yanfeng  
Chairman

Wuhan, PRC, 30 August, 2016

*As at the date of this announcement, Mr. Zhu Yanfeng and Mr. Li Shaozhu are the executive directors of the Company, Mr. Tong Dongcheng, Mr. Ouyang Jie and Mr. Liu Weidong are the non-executive directors of the Company and Mr. Ma Zhigeng, Mr. Zhang Xiaotie, Mr. Cao Xinghe and Mr. Chen Yunfei are the independent non-executive directors of the Company.*

*\* For identification purposes only*