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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)

INSIDE INFORMATION

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 nine months ended 30 September 2016 prepared in accordance with the PRC Generally Accepted Accounting Principles (the “PRC GAAP”).

CONSOLIDATED BALANCE SHEET

| Assets | 2015/12/31 | 2016/9/30 |
|---|------------------------|------------------------|
| Current Assets: | | |
| Cash at bank and on hand | 35,565,976,412 | 34,006,476,406 |
| Financial assets at fair value through profit or loss | - | 24,900,800 |
| Notes receivable | 13,015,098,778 | 11,236,655,514 |
| Accounts receivable | 4,098,069,927 | 6,029,516,589 |
| Advanced payments | 4,496,078,564 | 6,148,335,073 |
| Interests receivable | 425,682,564 | 70,146,999 |
| Dividends receivable | 2,606,141,690 | 253,192 |
| Other receivables | 971,141,747 | 1,451,329,889 |
| Inventories | 8,665,263,944 | 8,679,880,074 |
| Non-current assets within one year | 9,884,932,153 | 11,660,907,685 |
| Other current assets | 2,005,967,180 | 3,573,878,892 |
| Total current assets | 81,734,352,959 | 82,882,281,113 |
| Non-Current Assets: | | |
| Loans and payments provided to borrowers | 6,938,864,519 | 9,451,101,788 |
| Available-for-sale financial assets | 189,518,669 | 210,204,454 |
| Long-term equity investments | 49,872,208,917 | 57,217,257,865 |
| Fixed assets | 10,493,405,195 | 10,964,869,071 |
| Construction in progress | 2,435,741,670 | 3,050,964,060 |
| Fixed assets pending for disposal | 5,335,796 | 2,539,833 |
| Intangible assets | 2,673,603,287 | 3,141,389,781 |
| Development costs capitalized | 1,060,400,867 | 1,462,987,427 |
| Long-term prepaid expenses | 123,961,986 | 113,490,194 |
| Deferred tax assets | 1,802,827,974 | 1,911,592,090 |
| Goodwill | 1,792,482,068 | 1,792,482,068 |
| Other non-current assets | 1,844,873,093 | 1,849,849,226 |
| Total Non-Current Assets: | 79,233,224,041 | 91,168,727,857 |
| Total Assets | 160,967,577,000 | 174,051,008,970 |

| Liabilities and Equities | 2015/12/31 | 2016/9/30 |
|--|-----------------------|-----------------------|
| Current Liabilities: | | |
| Short-term borrowings | 1,736,399,000 | 1,957,983,200 |
| Deposits and placements from other financial institutions | 5,777,227,164 | 5,436,740,216 |
| Placement from banks and other financial institutions | - | - |
| Liabilities from sales of financial assets with repurchase agreement | 1,200,000,000 | 1,100,000,000 |
| Short-term debenture payable | | |
| Notes payable | 10,980,090,536 | 15,334,461,104 |
| Accounts payable | 19,510,993,400 | 20,627,985,644 |
| Advances from customers | 4,381,269,469 | 3,661,813,157 |
| Employee benefits payable | 1,443,188,168 | 1,308,834,741 |
| Dividends payable | 7,587,882 | 631,996 |
| Interests payable | 70,202,905 | 408,322,469 |
| Taxes payable | 608,752,250 | 598,396,839 |
| Other payables | 8,815,523,793 | 9,086,972,219 |
| Provisions-current | 1,156,923,981 | 935,990,194 |
| Non-current liabilities within one year | 1,329,577,493 | 350,165,157 |
| Other current liabilities | 1,619,445,039 | 1,886,247,840 |
| Total current liabilities | 58,637,181,080 | 62,694,544,776 |
| Non-Current Liabilities: | | |
| Long-term borrowings | 4,024,438,808 | 3,676,295,462 |
| Long-term accounts payable | - | 212,975,238 |
| Bonds payable | 3,534,085,102 | 3,733,531,161 |
| Payables for specific projects | 58,650,000 | 58,275,000 |
| Provisions -non current | 578,099,950 | 686,682,413 |
| Deferred income | 542,504,474 | 901,372,095 |
| Deferred tax liabilities | 1,032,186,735 | 1,235,770,403 |
| Long-term employee benefits payable | 669,143,654 | 640,167,760 |
| Other non-current liabilities | 225,775,161 | 250,942,961 |
| Non-Current Liabilities: | 10,664,883,884 | 11,396,012,493 |
| Total Liabilities | 69,302,064,964 | 74,090,557,269 |

Equities:

| | | |
|---|-----------------|-----------------|
| Share Capital | 8,616,120,000 | 8,616,120,000 |
| Capital surplus | 3,282,820,530 | 2,613,071,725 |
| Surplus reserve | 7,935,189,306 | 9,627,210,823 |
| General risk reserve | 257,012,747 | 462,251,182 |
| Other comprehensive income | -906,134,904 | -743,227,902 |
| Retained earnings | 65,646,634,934 | 72,784,943,891 |
| Total equities attributable to equity owners of the company | 84,831,642,613 | 93,360,369,719 |
| Minority interests | 6,833,869,423 | 6,600,081,982 |
| Total owners' equities | 91,665,512,036 | 99,960,451,701 |
| Total liabilities and owners' equities | 160,967,577,000 | 174,051,008,970 |

CONSOLIDATED INCOME STATEMENT

| Items | 2016.1-2016.9 (RMB) |
|---|------------------------|
| Operating Revenue: | 85,689,450,302 |
| Interest Income | 1,778,456,485 |
| Fees and commissions income | 14,617,924 |
| Less : Cost of sales | 73,769,174,063 |
| Interest costs | 114,368,114 |
| Taxes and surcharges | 1,128,161,069 |
| Selling expenses | 6,152,393,124 |
| Administrative expenses | 5,069,127,382 |
| Finance expenses-net | -70,515,124 |
| Impairment losses | 222,918,573 |
| Add: Investment income | 10,327,610,421 |
| Operating profit | 11,424,507,929 |
| Add : Non-operating income | 290,793,172 |
| Less : Non-operating expenses | 23,704,589 |
| Total profit | 11,691,596,512 |
| Less : Income tax expenses | 1,055,637,605 |
| Net profit | 10,635,958,907 |
| Minority interests | 721,226,099 |
| Profit attributable to equity owners of the company | 9,914,732,808 |
| Earnings per share | |
| Basic earnings per share | 1.15 |

CONSOLIDATED CASH FLOW STATEMENT

2016.1-2016.9

(RMB)

| Items | |
|---|-----------------|
| 1. Cash flows from operating activities | |
| Cash received from the sale of goods and the rendering of services | 97,582,956,054 |
| Cash received from government subsidies | 485,500,437 |
| Cash received from interests, fees, and commissions | 192,408,865 |
| Net increase in deposits and placements from other financial institutions | (340,486,948) |
| Increase in a mandatory reserve with the People's Bank of China | |
| Cash received relating to other operating activities | 833,065,298 |
| Sub-total of operating cash inflows | 98,753,443,706 |
| Cash paid for goods purchased and services received | 80,910,869,301 |
| Cash paid to and on behalf of employees | 4,082,753,916 |
| Payments of taxes and surcharges | 3,804,456,201 |
| Net increase in loans and advances | 3,788,212,801 |
| Cash paid for interests, fees and commissions | 96,141,182 |
| Cash paid relating to other operating activities | 8,531,342,612 |
| Sub-total of operating cash outflows | 101,213,776,013 |
| Net cash flows from operating activities | (2,460,332,307) |
| 2. Cash flows from investing activities | |
| Net cash received from disposal of investments | 112,622 |
| Cash received from returns of investment income | 5,615,173,964 |
| 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 | 122,091,272 |
| Sub-total of investing cash inflows | 5,767,103,224 |
| Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets | 2,449,277,271 |
| Investments in associates, joint ventures and acquisition of control in subsidiaries | 1,232,713,093 |
| Cash paid relating to other investment activities | 22,668,148 |
| Sub-total of investing cash outflows | 3,704,658,512 |
| Net cash flows from investing activities | 2,062,444,712 |
| 3. Cash flows from financing activities | |
| Cash received from borrowing | 3,991,740,457 |
| Cash received relating to financing activities | 144,066,828 |
| Sub-total of financing cash inflows | 4,135,807,285 |
| Cash payments for borrowings repaid | 4,118,299,603 |
| Cash paid for distribution of dividends or profits and for interest expense | 2,938,506,452 |
| Cash payments for short -term or medium- term debentures | |
| Cash paid relating to other financing activities | |
| Sub-total of financing cash outflows | 7,056,806,055 |
| Net cash flows from financing activities | (2,920,998,770) |
| 4. Effect of changes in exchange rate on cash | (6,272,252) |
| 5. Net Increase in cash and cash equivalents | (3,325,158,617) |
| Add: Cash and cash equivalents at beginning of the period | 31,805,793,980 |
| 6. Cash and cash equivalents at end of the period | 28,480,635,363 |

BALANCE SHEET

| ASSETS | 2015/12/31 | 2016/9/30 |
|-------------------------------------|-----------------------|-----------------------|
| Current assets : | | |
| Cash at bank and on hand | 24,925,165,961 | 26,162,731,017 |
| Notes receivable | 1,634,437,182 | 1,479,958,900 |
| Accounts receivable | 573,780,732 | 1,417,903,109 |
| Advanced payments | 607,222,253 | 565,569,020 |
| Dividends receivable | 3,233,330,994 | 1,041,834,105 |
| Other receivables | 237,536,177 | 1,013,057,563 |
| Inventories | 1,125,810,445 | 665,238,808 |
| Interest receivable | 494,834,795 | - |
| Non-Current Assets within one year | 50,000,000 | 213,500,000 |
| Total current assets | 32,882,118,539 | 32,559,792,522 |
| Non-current Assets: | | |
| Available-for-sale financial assets | 67,871,990 | 67,871,990 |
| Long-term equity investments | 52,481,749,046 | 57,298,629,634 |
| Fixed assets | 2,468,600,869 | 2,471,364,786 |
| Construction in progress | 753,427,861 | 818,046,880 |
| Fixed assets pending for disposal | | 1,652,048 |
| Intangible assets | 532,235,168 | 479,203,009 |
| Development costs capitalized | 551,083,225 | 603,583,225 |
| Total non-current Assets | 56,854,968,159 | 61,740,351,572 |
| Total Assets | 89,737,086,698 | 94,300,144,094 |
| Liabilities and Equities | 2015/12/31 | 2016/9/30 |
| Current liabilities: | | |
| Short-term borrowings | 1,000,000,000 | 700,000,000 |
| Notes payable | 714,410,000 | 967,140,000 |
| Short-term debenture payable | | |
| Accounts payable | 4,031,434,527 | 3,377,126,982 |
| Advances from customers | 995,655,495 | 661,173,356 |
| Employee benefits payable | 551,525,466 | 330,232,408 |
| Dividends payable | | - |

| | | |
|--|-----------------------|-----------------------|
| Taxes payable | 100,559,432 | 168,536,309 |
| Other payables | 1,164,048,459 | 1,403,120,866 |
| Provisions-current | 282,435,978 | 115,330,414 |
| Non-current liabilities within one year | 1,232,713,093 | 195,000,000 |
| Total current liabilities | 10,072,782,450 | 7,917,660,335 |
| Non-Current Liabilities: | | |
| 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 | 88,945,388 |
| Provisions–non current | 176,169,109 | 222,463,076 |
| Total non-current liabilities | 561,714,497 | 638,008,464 |
| Total liabilities | 10,634,496,947 | 8,555,668,799 |
| Equities: | | |
| 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 | 13,973,940 |
| Retained earnings | 62,129,526,242 | 67,593,215,466 |
| Total equities attributable to owners of the company | 79,102,589,751 | 85,744,475,295 |
| Minority interests | | |
| Total owners' equities | 79,102,589,751 | 85,744,475,295 |
| Total liabilities and owners' equities | 89,737,086,698 | 94,300,144,094 |

INCOME STATEMENT

| Items | 2016.1-2016.9 (RMB) |
|--|------------------------|
| Operating Revenue: | 8,404,105,846 |
| Less : Cost of sales | 7,370,745,654 |
| Taxes and surcharges | 368,520,928 |
| Selling expenses | 894,774,517 |
| Administrative expenses | 1,390,443,122 |
| Finance expenses-net | -535,000,462 |
| Impairment losses | 22,360,814 |
| Add: The profit or losses on the changes in fair value | - |
| Investment income | 9,437,487,065 |
| Operating profit | 8,329,748,339 |
| Add: Non-operating income | 37,251,740 |
| Less: Non-operating expenses | 2,321,962 |
| Total profit | 8,364,678,116 |
| Less: Income tax expenses | - |
| Net profit | 8,364,678,116 |

CASH FLOW STATEMENT

2016.1-2016.9(RMB)

| Items | |
|---|------------------------------|
| 1. Cash flows from operating activities | |
| Cash received from the sale of goods and the rendering of services | 8,833,344,031 |
| Cash received from government subsidies | 34,620,000 |
| Cash received relating to other operating activities | 456,391,550 |
| Sub-total of operating cash inflows | <u>9,324,355,581</u> |
| Cash paid for goods purchased and services received | 8,181,535,984 |
| Cash paid to and on behalf of employees | 918,499,756 |
| Payments of taxes and surcharges | 508,547,012 |
| Cash paid relating to other operating activities | 1,876,872,833 |
| Sub-total of operating cash outflows | <u>11,485,455,585</u> |
| Net cash flows from operation activities | <u>-2,161,100,004</u> |
| 2. Cash flows from investing activities | |
| Cash received from returns of investment income | 6,901,790,777 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 5,545 |
| Cash received for borrowings and interests from inter-companies | 50,000,000 |
| Cash received from other investment activities | 382,306,192 |
| Sub-total of investing cash inflows | <u>7,334,102,514</u> |
| Cash paid on acquisition and construction of fixed assets, intangible assets and other long-term assets | 375,376,668 |
| Cash paid for investment | 1,538,079,343 |
| Cash paid relating to other investing activities | 834,935,112 |
| Sub-total of investing cash outflows | <u>2,748,391,123</u> |
| Net cash flows from investing activities | <u>4,585,711,391</u> |
| 3. Cash flows from financing activities | |
| Cash received from selling the equity of associates | |
| Cash received from borrowings | 1,000,000,000 |
| Sub-total of financing cash inflows | <u>1,000,000,000</u> |
| Cash payments for borrowings repaid | 1,300,000,000 |
| Cash paid for distribution of dividends or profits and for interest expense | 1,721,981,443 |
| Sub-total of financing cash outflows | <u>3,021,981,443</u> |
| Net cash flows from financing activities | <u>-2,021,981,443</u> |
| 4. Effect of changes in exchange rate on cash | <u>-</u> |
| 5. Net Increase in cash and cash equivalents | <u>402,629,944</u> |
| Add: Cash and cash equivalents at beginning of the period | 22,845,963,933 |
| 6. Cash and cash equivalents at end of the period | <u><u>23,248,593,877</u></u> |

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, 28 October, 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*