

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

中國國際海運集裝箱（集團）股份有限公司

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

(H Share Stock Code: 2039)

(A Share Stock Code: 000039)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2016 (SUMMARY OF THE 2016 ANNUAL REPORT)

1 IMPORTANT NOTICE

1.1 The Board of Directors (the “Board”) of China International Marine Containers (Group) Co., Ltd. (the “Company”) has reviewed the 2016 Annual Report of the Company and the 2016 Annual Report of the Company’s subsidiaries and has approved the 2016 Annual Report of the Company for publication and distribution to the shareholders of the Company.

1.2 The Board Meeting of the Company held on 2017.1.12 has reviewed and approved the 2016 Annual Report of the Company for publication and distribution to the shareholders of the Company.

1.3 The Company is a member of the China Accounting Standards Board (CASB) and has adopted the CASB standards. The Company is also a member of the PricewaterhouseCoopers network.

1.4  A diagram showing a sequence of nodes connected by arrows. The nodes contain various symbols and numbers, including 6, 1, 6, 7, 100, 7, 100, and 1. Some nodes also contain symbols like triangles and squares.

1.5

3 SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS PREPARED IN ACCORDANCE WITH CASBE

3.1 Retrospective Adjustment to or Restatement of the Accounting Data for Prior Years by the Company due to Change of Accounting Policies and Correction of Accounting Errors

Item	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
1. Retrospective adjustment to or restatement of the accounting data for prior years due to change of accounting policies																	
2. Retrospective adjustment to or restatement of the accounting data for prior years due to correction of accounting errors																	
3. Total																	

Unit: RMB thousand

Item	2016	2015	2014	2013	2012	2011	2010	2016	2015	2014	2013	2012	2011	2010	2016	2015	2014	2013	2012	2011	2010	2016	2015	2014	2013	2012	2011	2010	2016	2015	2014	2013	2012	2011	2010
1. Retrospective adjustment to or restatement of the accounting data for prior years due to change of accounting policies																																			
2. Retrospective adjustment to or restatement of the accounting data for prior years due to correction of accounting errors																																			
3. Total																																			

Item	As at the end of 2016	As at the end of 2015	As at the end of 2014	As at the end of 2013	As at the end of 2012	As at the end of 2011	As at the end of 2010	As at the end of 2016	As at the end of 2015	As at the end of 2014	As at the end of 2013	As at the end of 2012	As at the end of 2011	As at the end of 2010	As at the end of 2016	As at the end of 2015	As at the end of 2014	As at the end of 2013	As at the end of 2012	As at the end of 2011	As at the end of 2010	As at the end of 2016	As at the end of 2015	As at the end of 2014	As at the end of 2013	As at the end of 2012	As at the end of 2011	As at the end of 2010	As at the end of 2016	As at the end of 2015	As at the end of 2014	As at the end of 2013	As at the end of 2012	As at the end of 2011	As at the end of 2010
1. Retrospective adjustment to or restatement of the accounting data for prior years due to change of accounting policies																																			
2. Retrospective adjustment to or restatement of the accounting data for prior years due to correction of accounting errors																																			
3. Total																																			

3.2 Key Accounting Data of the Group for the Last Five Years

Unit: RMB thousand

Income Statement Items	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Revenue	51,111,652	47,111,111	45,111,111	43,111,111	41,111,111	39,111,111
Cost of sales	800,538	750,000	700,000	650,000	600,000	550,000
Operating profit	1,702,051	1,600,000	1,500,000	1,400,000	1,300,000	1,200,000
Finance income	967,068	900,000	850,000	800,000	750,000	700,000
Finance costs	734,983	700,000	650,000	600,000	550,000	500,000
Profit before income tax	539,660	500,000	450,000	400,000	350,000	300,000
Income tax	195,323	180,000	170,000	160,000	150,000	140,000
Profit for the year	511,420	480,000	430,000	380,000	330,000	280,000

Unit: RMB thousand

Assets and liabilities Items	2016	As at 31 December				
		2015	2014	2013	2012	2011
Assets	53,352,031	51,111,111	49,111,111	47,111,111	45,111,111	43,111,111
Property, plant and equipment	71,262,717	70,000,000	68,000,000	66,000,000	64,000,000	62,000,000
Intangible assets	124,614,748	120,000,000	115,000,000	110,000,000	105,000,000	100,000,000
Goodwill	46,249,215	45,000,000	44,000,000	43,000,000	42,000,000	41,000,000
Investments in subsidiaries	39,230,741	38,000,000	37,000,000	36,000,000	35,000,000	34,000,000
Investments in associates	85,479,956	84,000,000	83,000,000	82,000,000	81,000,000	80,000,000
Other investments	29,285,970	28,000,000	27,000,000	26,000,000	25,000,000	24,000,000
Financial assets	9,848,822	9,500,000	9,200,000	8,900,000	8,600,000	8,300,000
Other assets	39,134,792	38,000,000	37,000,000	36,000,000	35,000,000	34,000,000

Cash Flow Items	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Operating activities	2,341,619	(1,111,111)	1,234,567	987,654	876,543	765,432
Investing activities	(6,854,655)	(2,345,678)	(3,456,789)	(4,567,890)	(5,678,901)	(6,789,012)
Financing activities	7,511,046	(1,234,567)	(2,345,678)	(3,456,789)	(4,567,890)	(5,678,901)
		(%)	(%)	(%)	(%)	(%)

3.3 Key Financial Indicators of the Group for the Last Five Years

Key Financial Indicators	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Operating profit margin (%)	0.14	(0.12)	0.15	0.13	0.11	0.10
Net profit margin (%)	0.14	(0.11)	0.14	0.12	0.10	0.09
Return on assets (%)	0.79	(0.65)	0.82	0.75	0.68	0.62
Return on equity (%)	1%	(0.8%)	1.1%	1.0%	0.9%	0.8%
As at 31 December 2016	9.83	10.5	11.2	12.0	12.8	13.5
Current ratio	2%	1.8%	2.0%	2.2%	2.4%	2.6%

3.4 Non-recurring Profit or Loss Items of the Group for the Last Three Years

Unit: RMB thousand

Items	2016	2015	2014
Gain on disposal of subsidiaries	264,552	(1,111)	(2,111)
Gain on disposal of property, plant and equipment	497,336	1,111	1,111
Gain on disposal of investment properties	-	-	1,111
Gain on disposal of financial assets at fair value through profit or loss	399,704	1,111	(1,111)
Gain on disposal of available-for-sale financial assets	361,353	1,111	(1,111)
Gain on disposal of other financial assets	-	1,111	1,111
Gain on disposal of other non-current assets	139,625	(1,111)	1,111
Gain on disposal of other non-current financial assets	(1,362,915)	1,111	1,111
Gain on disposal of other non-current financial assets	(422,180)	(1,111)	(1,111)
Gain on disposal of other non-current financial assets	150,765	(1,111)	(1,111)
Total	28,240	1,111	1,111

4 SHAREHOLDINGS AND SHAREHOLDING STRUCTURE CHART

4.1 Number of Shareholders and Shareholdings

(Under the Hong Kong Listing Rules)

4.2 Shareholdings of the Top Ten Shareholders as at the End of the Reporting Period (Prepared According to the Relevant Provisions of Domestic Securities Regulatory Rules)

Shareholdings of the shareholders who hold above 5% or the top ten shareholders						
Name of shareholders	Nature of shareholders	Percentage of shareholding	Number of shares held at the end of the Reporting Period	Changes during the Reporting Period	Number of shares held with selling restrictions	Number of shares held without selling restrictions
HKSCC Nominees Limited (Note 1)	Investor	44.44%	1,651,313,071	119,771,771	0	1,651,313,071
China Merchants Group Limited (Note 2)	Investor	13.23%	511,148,429	0	0	511,148,429
China COSCO Shipping Corporation Limited	Investor	8.15%	311,148,429	31,148,429	0	311,148,429
Long Honour Investments Limited	Investor	7.11%	271,148,429	0	0	271,148,429
COSCO Container Industries Limited	Investor	6.12%	231,148,429	0	0	231,148,429
Hony Capital Management Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Broad Ride Limited	Investor	5.13%	191,148,429	0	0	191,148,429
China Merchants Group Limited	Investor	5.13%	191,148,429	0	0	191,148,429
COSCO Container Industries Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Hony Capital Management Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Broad Ride Limited	Investor	5.13%	191,148,429	0	0	191,148,429
China Merchants Group Limited	Investor	5.13%	191,148,429	0	0	191,148,429
COSCO Container Industries Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Hony Capital Management Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Broad Ride Limited	Investor	5.13%	191,148,429	0	0	191,148,429
China Merchants Group Limited	Investor	5.13%	191,148,429	0	0	191,148,429
COSCO Container Industries Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Hony Capital Management Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Broad Ride Limited	Investor	5.13%	191,148,429	0	0	191,148,429
China Merchants Group Limited	Investor	5.13%	191,148,429	0	0	191,148,429
COSCO Container Industries Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Hony Capital Management Limited	Investor	5.13%	191,148,429	0	0	191,148,429
Broad Ride Limited	Investor	5.13%	191,148,429	0	0	191,148,429

Note 1: As at 31 December 2016, HKSCC Nominees Limited was the registered holder of the 1,651,313,071 H shares, including (but not limited to) 730,557,217 H shares of the Company held by China Merchants Group Limited (“China Merchants Group”) through its subsidiaries, 25,322,106 H shares of the Company held by China COSCO Shipping Corporation Limited (“China COSCO Shipping”) through its subsidiary Long Honour Investments Limited (“Long Honour”), 155,420,437 H shares of the Company held by COSCO Container Industries Limited, and 215,203,846 H shares of the Company held by Hony Capital Management Limited through its subsidiary Broad Ride Limited.

Note 2: As at 31 December 2016, COSCO Container Industries Limited still held 432,171,843 A shares and 65,099,638 H shares which had not been deposited with HKSCC Nominees Limited.

4.3 Disclosure of Substantial Shareholders under the Securities and Futures Ordinance of Hong Kong

Name of shareholder	Nature of shareholding	Number of shares	Capacity	Percentage of such shares in the issued share capital of the same class (%)	Percentage of such shares in the total share capital (%)
China Merchants Group	Long position	730,557,217 (L)	Interest of corporation controlled by the substantial shareholder	4.4%	4.4%
China COSCO Shipping	Long position	432,171,843 (L)	Interest of corporation controlled by the substantial Shareholder	2.7%	2.7%
Hony Capital Management Limited	Long position	215,203,846 (L)	Interest of corporation controlled by the substantial shareholder and 143,048,050 H Shares were held in the capacity as person having security interest in shares.	1.3%	1.3%
China Merchants Group	Long position	730,557,217 (L)	Interest of corporation controlled by the substantial shareholder	4.4%	4.4%
China COSCO Shipping	Long position	432,171,843 (L)	Interest of corporation controlled by the substantial Shareholder	2.7%	2.7%
Hony Capital Management Limited	Long position	215,203,846 (L)	Interest of corporation controlled by the substantial shareholder and 143,048,050 H Shares were held in the capacity as person having security interest in shares.	1.3%	1.3%

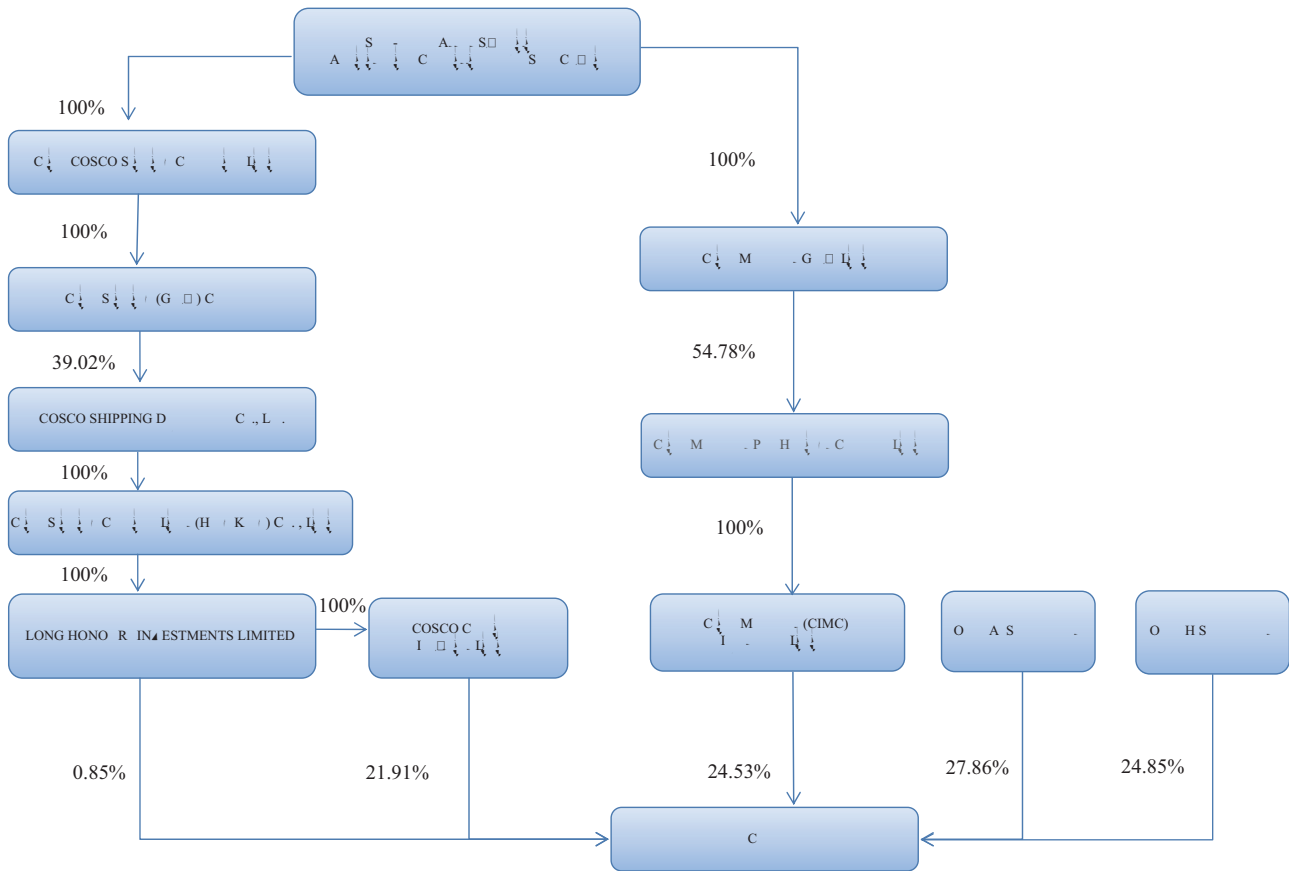
Note 1: China Merchants Group, through its subsidiary (including China Merchants Port Holdings Company Limited and China Merchants (CIMC) Investment Limited etc.), had an interest in the H shares of the Company, and all the 730,557,217 H shares (long position) were held in the capacity as interest of corporation controlled by the substantial shareholder.

Note 2: China COSCO Shipping, through its subsidiaries (including China Shipping (Group) Company (“China Shipping”), COSCO SHIPPING Development Co., Ltd. (“COSCO SHIPPING Development”), Long Honour and COSCO Container Industries Limited etc.), had an interest in the A Shares and H Shares of the Company, and 432,171,843 A Shares and 245,842,181 H Shares (long position) were held in the capacity as interest of corporation controlled by the substantial Shareholder.

Note 3: Hony Capital Management Limited, through subsidiaries including Broad Ride Limited, had an interest in the H shares of the Company, and 215,203,846 H shares (long position) were held in the capacity as interest of corporation controlled by the substantial shareholder and 143,048,050 H Shares were held in the capacity as person having security interest in shares.

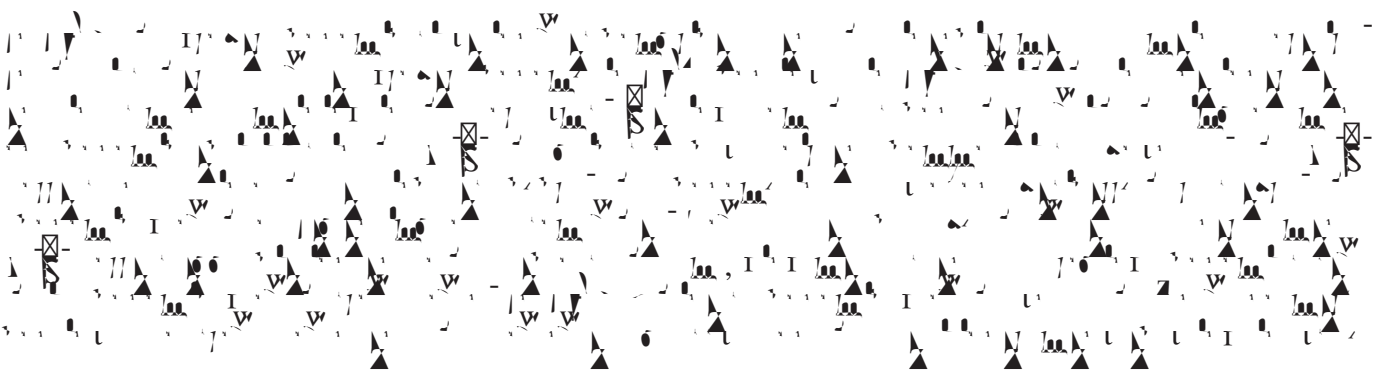
China Merchants Group	Long position	730,557,217 (L)	Interest of corporation controlled by the substantial shareholder	4.4%	4.4%
China COSCO Shipping	Long position	432,171,843 (L)	Interest of corporation controlled by the substantial Shareholder	2.7%	2.7%
Hony Capital Management Limited	Long position	215,203,846 (L)	Interest of corporation controlled by the substantial shareholder and 143,048,050 H Shares were held in the capacity as person having security interest in shares.	1.3%	1.3%

Chart of Shareholding Structure between the Company and the Substantial Shareholders as at the end of the Reporting Period



5 DIRECTORS' REPORT

5.1 Overview

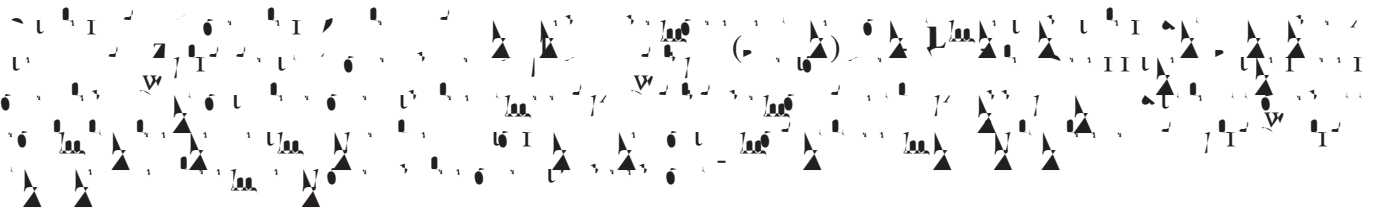


Operating income	1,140,676	(1,137,481)	(0.3%)
Operating expenses	(594,737)	(591,211)	(0.6%)
Operating profit	545,939	546,270	(0.06%)
Other income	1,096	1,096	(0.00%)
Other expenses	(1,096)	(1,096)	(0.00%)
Profit before income taxes	545,939	546,270	(0.06%)
Income taxes	(147,677)	(147,677)	(0.00%)
Profit after income taxes	398,262	398,593	(0.08%)
Minority interest	(1,681)	(1,681)	(0.00%)
Net income	396,581	396,912	(0.08%)
Other comprehensive income	(1,681)	(1,681)	(0.00%)
Other comprehensive expenses	(1,681)	(1,681)	(0.00%)
Other comprehensive income	(1,681)	(1,681)	(0.00%)
Net income attributable to SOE	396,581	396,912	(0.08%)
Net income attributable to non-SOE	(0)	(0)	(0.00%)
Other comprehensive income attributable to SOE	(1,681)	(1,681)	(0.00%)
Other comprehensive income attributable to non-SOE	(0)	(0)	(0.00%)
Net income attributable to the parent	396,581	396,912	(0.08%)
Other comprehensive income attributable to the parent	(1,681)	(1,681)	(0.00%)
Net income attributable to the parent after other comprehensive income	396,581	396,912	(0.08%)
Other comprehensive income attributable to the parent	(1,681)	(1,681)	(0.00%)
Net income attributable to the parent after other comprehensive income	396,581	396,912	(0.08%)

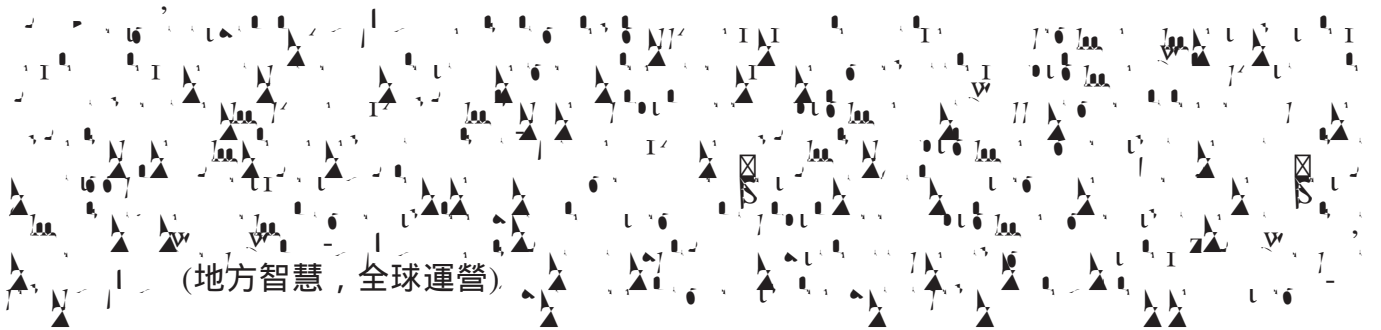
Consolidated Operating Results

Unit: RMB thousand

	2016	2015	Change (%)
Operating income	1,140,676	1,137,481	(0.3%)
Operating expenses	(594,737)	(591,211)	(0.6%)
Operating profit	545,939	546,270	(0.06%)
Other income	1,096	1,096	(0.00%)
Other expenses	(1,096)	(1,096)	(0.00%)
Profit before income taxes	545,939	546,270	(0.06%)
Income taxes	(147,677)	(147,677)	(0.00%)
Profit after income taxes	398,262	398,593	(0.08%)
Minority interest	(1,681)	(1,681)	(0.00%)
Net income	396,581	396,912	(0.08%)
Other comprehensive income	(1,681)	(1,681)	(0.00%)
Other comprehensive expenses	(1,681)	(1,681)	(0.00%)
Other comprehensive income	(1,681)	(1,681)	(0.00%)
Net income attributable to SOE	396,581	396,912	(0.08%)
Net income attributable to non-SOE	(0)	(0)	(0.00%)
Other comprehensive income attributable to SOE	(1,681)	(1,681)	(0.00%)
Other comprehensive income attributable to non-SOE	(0)	(0)	(0.00%)
Net income attributable to the parent	396,581	396,912	(0.08%)
Other comprehensive income attributable to the parent	(1,681)	(1,681)	(0.00%)
Net income attributable to the parent after other comprehensive income	396,581	396,912	(0.08%)
Other comprehensive income attributable to the parent	(1,681)	(1,681)	(0.00%)
Net income attributable to the parent after other comprehensive income	396,581	396,912	(0.08%)

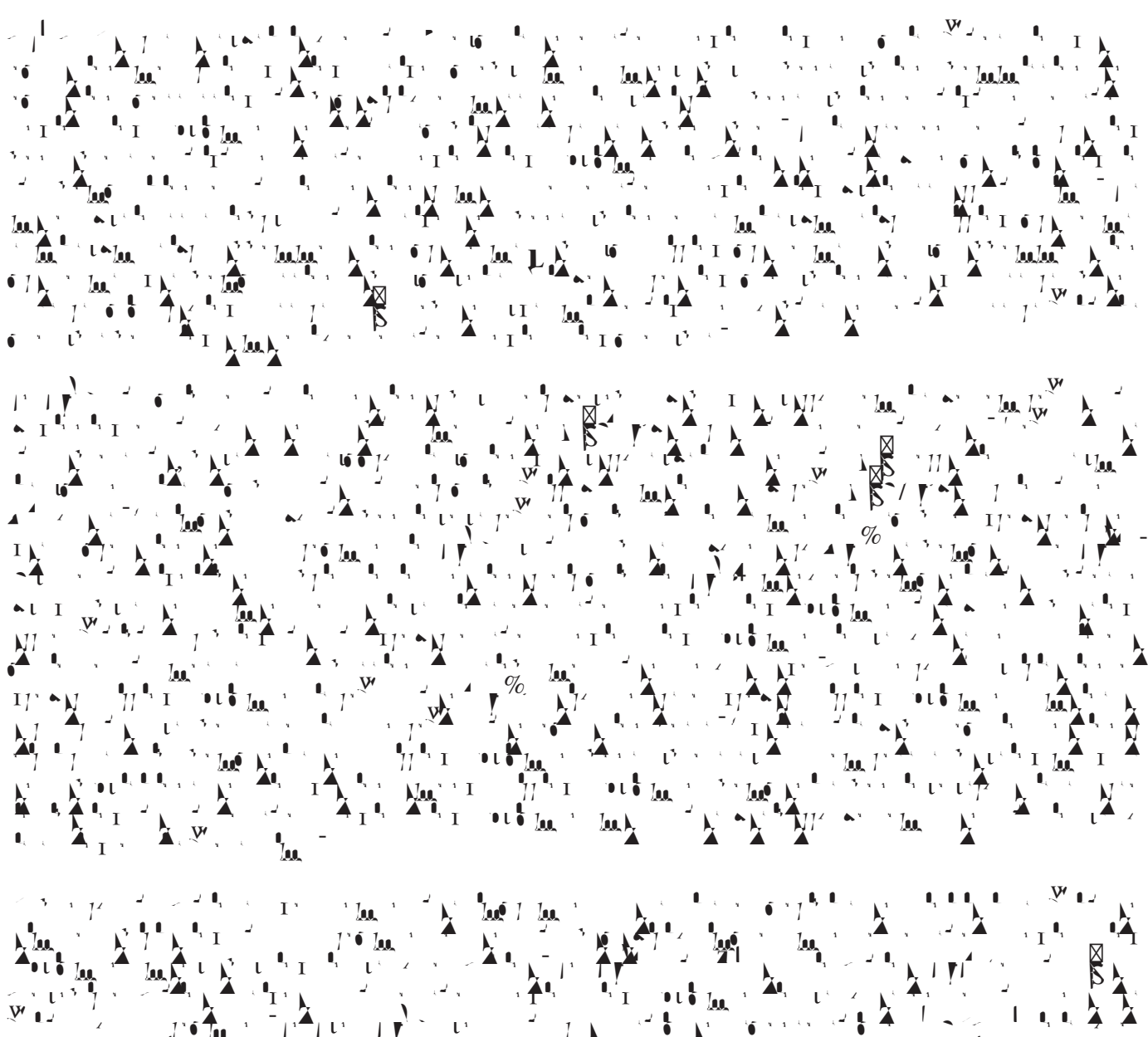


Energy, Chemical and Liquid Food Equipment Business

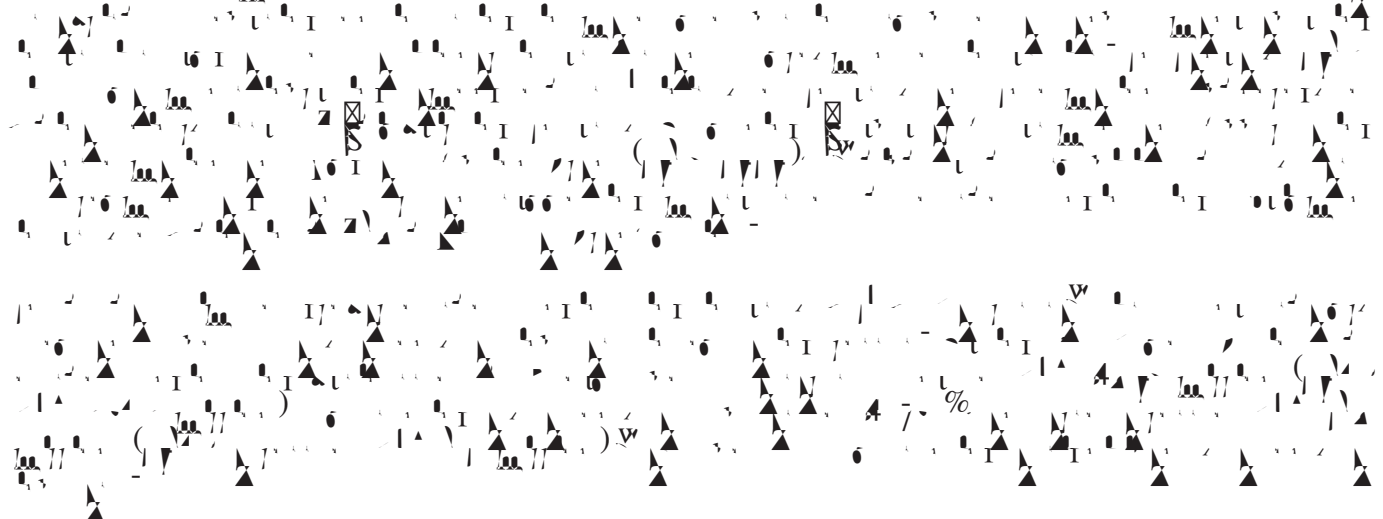


(地方智慧，全球運營)





(Advanced Manufacturing Industry Investment Fund)



(中海油能源發展股份有限公司)

(藍鯨號)

CIMC Offshore)

%

(中集海洋工程有限公司)

(中集前海融資租賃(深圳)有限公司)

CIMC Qianhai Leasing

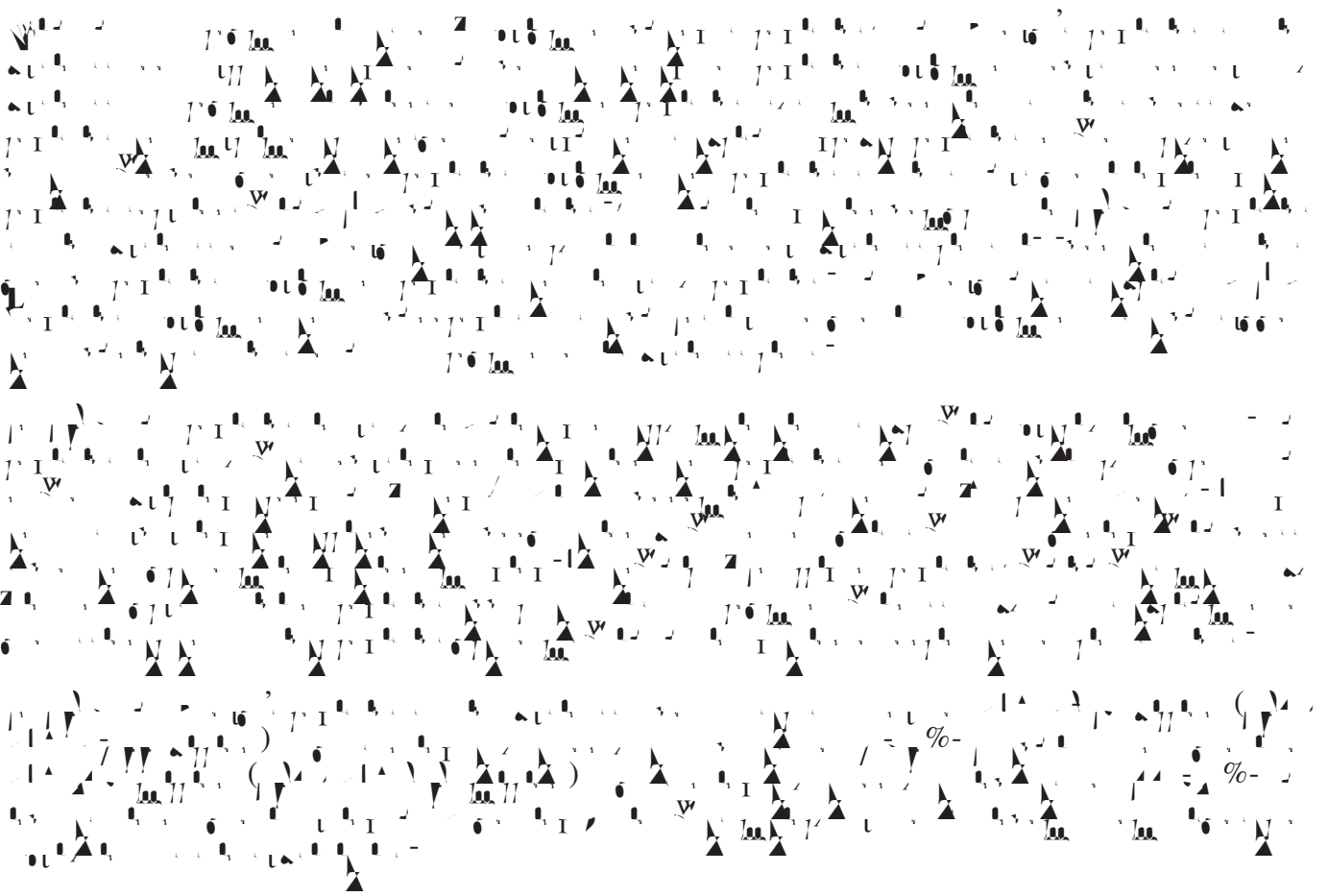
(天津永旺機械設備租賃有限公司)

Tianjin Yongwang)

圳紅樹林創業投資有限公司)

(深 #

Logistics Service Business



(振華物流)

(中世運)

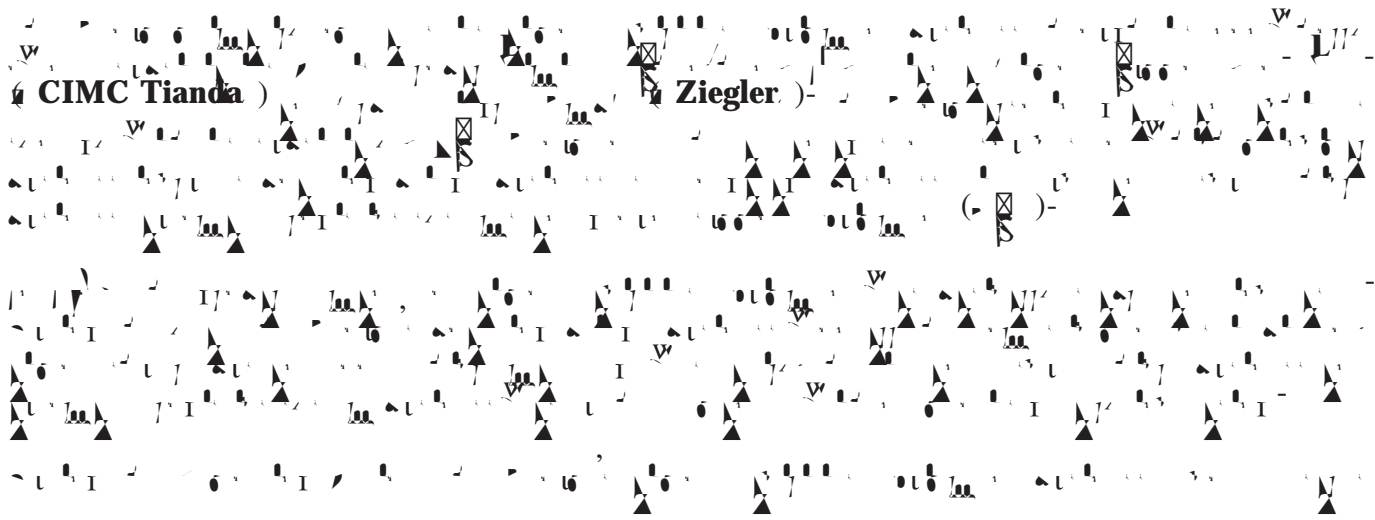
世鐵特貨(北京)國際物流有限公司
世運(北京)國際物流有限公司

Heavy Truck Business

U.S. heavy truck sales are expected to reach 1.2 million units in 1996, up from 1.1 million in 1995. The market is projected to grow at a steady pace through 2000, with sales reaching 1.5 million units. This growth is driven by a combination of factors, including a strong economy, a robust construction sector, and a steady demand for replacement vehicles. The heavy truck market is highly competitive, with major players like Freightliner, Kenworth, and International vying for market share. These companies are investing heavily in research and development to improve their vehicles' performance, fuel efficiency, and reliability. The trucking industry is also facing challenges, such as rising fuel costs and increasing regulatory requirements. However, the overall outlook for the heavy truck business remains positive, with significant growth opportunities in the coming years.



Airport Facilities Equipment Business



... (S) ...

Real Estate Development Business

... % ... (N) ... (I) ...


Other Businesses

Modular Building Business

(中集模塊化建築投資公司)

(箱式鋼結構集成模塊建築體系規程)

Multimodal Transport Business

(中集多式聯運發展有限公司)  CIMC

Multimodal Transport Company.)

5.3 Business Prospects of the Group in 2017

5.3.1 Macroeconomic Environment and Policies

The global economy is recovering from the 2008 financial crisis, but the recovery is uneven and fragile. The United States and Europe are showing signs of growth, while emerging markets are still facing challenges. China's economy is growing, but it is slowing down. The global trade environment is becoming more protectionist. In the United States, the Federal Reserve has raised interest rates, which may slow down economic growth. In Europe, the Eurozone is still facing challenges from the Greek debt crisis. In emerging markets, China's economic growth is slowing down, and there is a risk of a hard landing. The global trade environment is becoming more protectionist, with many countries imposing trade barriers. In the container manufacturing business, the demand for containers is expected to remain strong in 2017, driven by the growth of global trade. However, the competition is also increasing, and companies need to focus on improving their production efficiency and product quality.

5.3.2 Industry Development Trend and Market Outlook

In respect of the container manufacturing business,

The container manufacturing industry is expected to continue to grow in 2017, driven by the recovery of global trade. The demand for containers is expected to increase, particularly in the Asia-Pacific region. However, the industry is also facing challenges, such as increasing competition and rising raw material costs. Companies need to focus on improving their production efficiency and product quality to maintain their market position. In the road transportation vehicle business, the demand for vehicles is expected to remain strong in 2017, driven by the growth of the middle class in emerging markets. However, the industry is also facing challenges, such as increasing competition and rising raw material costs. Companies need to focus on improving their production efficiency and product quality to maintain their market position.

In respect of the road transportation vehicle business,

The road transportation vehicle industry is expected to continue to grow in 2017, driven by the recovery of global trade. The demand for vehicles is expected to increase, particularly in the Asia-Pacific region. However, the industry is also facing challenges, such as increasing competition and rising raw material costs. Companies need to focus on improving their production efficiency and product quality to maintain their market position. In the container manufacturing business, the demand for containers is expected to remain strong in 2017, driven by the growth of global trade. However, the competition is also increasing, and companies need to focus on improving their production efficiency and product quality.

In respect of the energy, chemical and liquid food equipment business,

(《能源發展「十三五」規劃》)

() (《中國天然氣發展報告()年》)

(國家能源局油氣司)

源與環境政策研究所)

(國土資源部油氣資源戰略研究中心)

(國務院發展研究中心資

In respect of the offshore engineering business,

In respect of the logistics services business,

In respect of the heavy truck business,

In respect of the airport facilities equipment business,

...

In respect of the real estate development business,

...

In respect of the financial business,

...

5.3.3 Overall Operation Targets and Initiatives for Main Business Segments

...

In respect of the logistics services business,

In respect of the heavy truck business,

In respect of the airport facilities equipment business,

In respect of the financial business

1. The company is a member of the Financial Markets Foundation for Children (FMFC) and is committed to the FMFC's mission to support the financial literacy and inclusion of children and young people. The company is a member of the FMFC's Financial Literacy and Inclusion (FLI) programme, which is a global initiative to improve the financial literacy and inclusion of children and young people. The company is committed to the FMFC's FLI programme and will continue to support it in the future.

2. The company is a member of the Financial Markets Foundation for Children (FMFC) and is committed to the FMFC's mission to support the financial literacy and inclusion of children and young people. The company is a member of the FMFC's Financial Literacy and Inclusion (FLI) programme, which is a global initiative to improve the financial literacy and inclusion of children and young people. The company is committed to the FMFC's FLI programme and will continue to support it in the future.

3. The company is a member of the Financial Markets Foundation for Children (FMFC) and is committed to the FMFC's mission to support the financial literacy and inclusion of children and young people. The company is a member of the FMFC's Financial Literacy and Inclusion (FLI) programme, which is a global initiative to improve the financial literacy and inclusion of children and young people. The company is committed to the FMFC's FLI programme and will continue to support it in the future.

Fluctuations of financial market and exchange risks

Fluctuations of financial market and exchange risks refer to the volatility in the value of assets and liabilities due to changes in market prices and exchange rates. These risks are primarily associated with the company's investments and financing activities. The company's financial statements are prepared in the reporting currency, and any fluctuations in the exchange rates of the reporting currency against the currencies of the assets and liabilities can result in fluctuations in the value of those assets and liabilities. The company's financial statements are prepared in the reporting currency, and any fluctuations in the exchange rates of the reporting currency against the currencies of the assets and liabilities can result in fluctuations in the value of those assets and liabilities.

Market competition risks

Market competition risks refer to the risks arising from the company's operations in a highly competitive market. The company's products and services are subject to intense competition from other companies in the industry. Changes in market conditions, such as the entry of new competitors or the development of new technologies, can result in a decline in the company's market share and profitability. The company's financial statements are prepared in the reporting currency, and any fluctuations in the exchange rates of the reporting currency against the currencies of the assets and liabilities can result in fluctuations in the value of those assets and liabilities.

Employment and environmental protection pressure and risks

Employment and environmental protection pressure and risks refer to the risks arising from the company's operations in a highly competitive market. The company's products and services are subject to intense competition from other companies in the industry. Changes in market conditions, such as the entry of new competitors or the development of new technologies, can result in a decline in the company's market share and profitability. The company's financial statements are prepared in the reporting currency, and any fluctuations in the exchange rates of the reporting currency against the currencies of the assets and liabilities can result in fluctuations in the value of those assets and liabilities.

6 MANAGEMENT DISCUSSION AND ANALYSIS (PREPARED ACCORDING TO THE RELEVANT REQUIREMENTS OF THE HONG KONG LISTING RULES)

6

Income Analysis by Segment and Region

6

Unit: RMB thousand

Segment	2016		2015	Change (%)
	Amount	Percentage in total revenue (%)		
Construction	11,066,999	21.65%	10,850,000	2.0%
Real Estate	14,694,682	28.75%	14,200,000	3.5%
Property Management	9,353,786	18.30%	9,100,000	2.8%
Other	4,305,630	8.42%	4,200,000	2.5%
Financial Services	3,213,229	6.29%	3,100,000	3.7%
Investment	7,129,456	13.95%	6,900,000	3.3%
Other	2,302,412	4.50%	2,200,000	4.6%
Other	723,090	1.41%	700,000	3.3%
Other	1,725,766	3.38%	1,600,000	7.8%
Other	2,219,576	4.34%	2,100,000	5.7%
Other	(5,622,974)	(10.99%)	(5,500,000)	2.2%
	<u>51,111,652</u>	<u>100.00%</u>	<u>49,950,000</u>	<u>2.3%</u>

Unit: RMB thousand

Region (by receivers)	2016		2015	
	Revenue	Percentage in total revenue (%)	Revenue	Percentage in total revenue (%)
China	23,563,045	46.10%	23,563,045	46.10%
North America	9,718,213	19.01%	9,718,213	19.01%
Europe	8,068,004	15.79%	8,068,004	15.79%
Asia	7,266,749	14.22%	7,266,749	14.22%
Other	2,495,641	4.88%	2,495,641	4.88%
	<u>51,111,652</u>	<u>100.00%</u>	<u>51,111,652</u>	<u>100.00%</u>

Cost of Sales and Gross Profit

Unit: RMB thousand

Segment	2016		2015	
	Cost of sales	Percentage in total cost of sales (%)	Cost of sales	Percentage in total cost of sales (%)
China	9,889,804	23.84%	9,889,804	23.84%
North America	11,930,401	28.76%	11,930,401	28.76%
Europe	7,578,594	18.27%	7,578,594	18.27%
Asia	3,867,815	9.32%	3,867,815	9.32%
Other	2,574,119	6.21%	2,574,119	6.21%
Cost of sales	6,350,562	15.31%	6,350,562	15.31%
Gross profit	1,012,075	2.44%	1,012,075	2.44%
Other	381,781	0.92%	381,781	0.92%
Other	1,693,072	4.08%	1,693,072	4.08%
Other	1,967,530	4.74%	1,967,530	4.74%
	<u>(5,763,736)</u>	<u>(13.89%)</u>	<u>(5,763,736)</u>	<u>(13.89%)</u>
	<u>41,482,017</u>	<u>100.00%</u>	<u>41,482,017</u>	<u>100.00%</u>

Unit: RMB thousand

Segment	2016		2015	
	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)
Software	1,177,195	10.64%	1,177,195	10.64%
Hardware	2,764,281	18.81%	2,764,281	18.81%
Services	1,775,192	18.98%	1,775,192	18.98%
Others	437,815	10.17%	437,815	10.17%
Government subsidies	639,110	19.89%	639,110	19.89%
Others	778,894	10.93%	778,894	10.93%
Government subsidies	1,290,337	56.04%	1,290,337	56.04%
Others	341,309	47.20%	341,309	47.20%
Government subsidies	32,694	1.89%	(32,694)	(-)%
Others	252,046	11.36%	252,046	11.36%
Government subsidies	140,762	-	(140,762)	-
	9,629,635	18.84%	9,629,635	18.84%

Software: 10.64% (2015: 10.64%)
Hardware: 18.81% (2015: 18.81%)
Services: 18.98% (2015: 18.98%)
Others: 10.17% (2015: 10.17%)
Government subsidies: 19.89% (2015: 19.89%)
Others: 10.93% (2015: 10.93%)
Government subsidies: 56.04% (2015: 56.04%)
Others: 47.20% (2015: 47.20%)
Government subsidies: 1.89% (2015: (-)%)
Others: 11.36% (2015: 11.36%)
Government subsidies: - (2015: -)
Total: 18.84% (2015: 18.84%)

Non-operating Income

Government subsidies: 1,290,337 (2015: 1,290,337)
Others: 341,309 (2015: 341,309)
Government subsidies: (32,694) (2015: (32,694))
Others: 252,046 (2015: 252,046)
Government subsidies: 140,762 (2015: (140,762))
Total: 2,150,766 (2015: 2,150,766)

Technology Development Costs

Government subsidies: 32,694 (2015: (32,694))
Others: 252,046 (2015: 252,046)
Government subsidies: (140,762) (2015: (140,762))
Total: 144,978 (2015: 144,978)

Selling and Distribution Expenses

Government subsidies: 32,694 (2015: (32,694))
Others: 252,046 (2015: 252,046)
Government subsidies: (140,762) (2015: (140,762))
Total: 144,978 (2015: 144,978)

General and Administrative Expenses

2016	2015	%
52,132,383	49,790,764	(-4.8%)

Financial Expenses

2016	2015	%
2,341,619	2,010,159	(16.5%)

Provisions for Asset Impairment

2016	2015	%
8,864,814	(6,854,655)	(129.7%)

Income Tax Expenses

2016	2015	%
(6,854,655)	64,307,817	(109.4%)

Profits Attributable to Minority Shareholders

2016	2015	%
56,796,771	7,511,046	(66.7%)

Cash Flows

2016	2015	%
3,079,544	3,079,544	100.0%

Unit: RMB thousand

Item	2016	2015	%
Operating activities	52,132,383	49,790,764	(-4.8%)
Investing activities	49,790,764	2,341,619	(95.3%)
Financing activities	2,341,619	2,010,159	(16.5%)
Change in cash and cash equivalents	2,010,159	8,864,814	(77.3%)
Change in cash and cash equivalents	8,864,814	(6,854,655)	(129.7%)
Change in cash and cash equivalents	(6,854,655)	64,307,817	(109.4%)
Change in cash and cash equivalents	64,307,817	56,796,771	(11.7%)
Change in cash and cash equivalents	56,796,771	7,511,046	(66.7%)
Change in cash and cash equivalents	7,511,046	3,079,544	(59.2%)
Change in cash and cash equivalents	3,079,544	3,079,544	100.0%

	2016	2015
Monetary funds	15,729,787	15,729,787
Accounts receivable	3,525,710	3,525,710
Prepaid expenses	-	-
Other receivables	27,023,222	27,023,222
Inventory	7,986,500	7,986,500
Other non-current assets	1,666,966	1,666,966
Total	55,932,185	55,932,185

Liquidity and Financial Resources

	2016	2015
Bank loans	15,729,787	15,729,787
Other borrowings	3,525,710	3,525,710
Accounts payable	-	-
Other payables	27,023,222	27,023,222
Other non-current liabilities	7,986,500	7,986,500
Total	55,932,185	55,932,185

Bank Loans and Other Borrowings

	2016	2015
Bank loans	15,729,787	15,729,787
Other borrowings	3,525,710	3,525,710
Total	19,255,497	19,255,497

Unit: RMB thousand

	31 December 2016	31 December 2015
Bank loans	15,729,787	15,729,787
Other borrowings	3,525,710	3,525,710
Accounts payable	-	-
Other payables	27,023,222	27,023,222
Other non-current liabilities	7,986,500	7,986,500
Total	55,932,185	55,932,185

	2016	2015	2014
1. Cash and cash equivalents	1,111,111	1,111,111	1,111,111
2. Accounts receivable	1,111,111	1,111,111	1,111,111
3. Inventory	1,111,111	1,111,111	1,111,111
4. Property, plant and equipment	1,111,111	1,111,111	1,111,111
5. Intangible assets	1,111,111	1,111,111	1,111,111
6. Other non-current assets	1,111,111	1,111,111	1,111,111
7. Accounts payable	1,111,111	1,111,111	1,111,111
8. Other current liabilities	1,111,111	1,111,111	1,111,111
9. Long-term debt	1,111,111	1,111,111	1,111,111
10. Other non-current liabilities	1,111,111	1,111,111	1,111,111
11. Total assets	11,111,111	11,111,111	11,111,111
12. Total liabilities	11,111,111	11,111,111	11,111,111
13. Total equity	11,111,111	11,111,111	11,111,111

Capital Structure

	2016	2015	2014
1. Cash and cash equivalents	1,111,111	1,111,111	1,111,111
2. Accounts receivable	1,111,111	1,111,111	1,111,111
3. Inventory	1,111,111	1,111,111	1,111,111
4. Property, plant and equipment	1,111,111	1,111,111	1,111,111
5. Intangible assets	1,111,111	1,111,111	1,111,111
6. Other non-current assets	1,111,111	1,111,111	1,111,111
7. Accounts payable	1,111,111	1,111,111	1,111,111
8. Other current liabilities	1,111,111	1,111,111	1,111,111
9. Long-term debt	1,111,111	1,111,111	1,111,111
10. Other non-current liabilities	1,111,111	1,111,111	1,111,111
11. Total assets	11,111,111	11,111,111	11,111,111
12. Total liabilities	11,111,111	11,111,111	11,111,111
13. Total equity	11,111,111	11,111,111	11,111,111

Material Changes in Assets and Liabilities

Unit: RMB thousand

	31 December 2016		31 December 2015 (Restated)			Reasons for the material changes
	Amount	% of total assets	Amount	% of total assets	% change	
1. Cash and cash equivalents	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in cash and cash equivalents.
2. Accounts receivable	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in accounts receivable.
3. Inventory	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in inventory.
4. Property, plant and equipment	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in property, plant and equipment.
5. Intangible assets	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in intangible assets.
6. Other non-current assets	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in other non-current assets.
7. Accounts payable	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in accounts payable.
8. Other current liabilities	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in other current liabilities.
9. Long-term debt	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in long-term debt.
10. Other non-current liabilities	1,111,111	10.0%	1,111,111	10.0%	0.0%	There were no material changes in other non-current liabilities.
11. Total assets	11,111,111	100.0%	11,111,111	100.0%	0.0%	There were no material changes in total assets.
12. Total liabilities	11,111,111	100.0%	11,111,111	100.0%	0.0%	There were no material changes in total liabilities.
13. Total equity	11,111,111	100.0%	11,111,111	100.0%	0.0%	There were no material changes in total equity.

Pledge of Assets

截至2016年12月31日，本公司及子公司为取得借款而抵押的资产如下：

Unit: RMB thousand

	2016	2015	2014	31 December 2016
房屋建筑物	987,257	206,753	(4,400)	987,257
土地使用权	8,164,729	(4,111)	(4,111)	8,164,729
机器设备	398,144	(1,100)	(1,100)	398,144
合计	9,756,883	(5,611)	(5,611)	9,756,883

截至2016年12月31日，本公司及子公司为取得借款而抵押的资产如下：

Significant Investments and Major Acquisitions and Sales Relating to Subsidiaries and Associated Companies

截至2016年12月31日，本公司及子公司无重大投资和收购及出售子公司及关联公司。

Unit: RMB thousand

Major investees

Company name	Main business	Equity interests of the investee held by the Company (%)	Investment made in the Reporting Period
上海浦东发展银行股份有限公司	银行业务	1.22%	1,414,100

Future Plans for Significant Investments, Expected Source of Funding, Capital Expenditure and Financing Plan

本公司未来计划进行重大投资、预期资金来源、资本支出和融资计划如下：

Contingent Liabilities

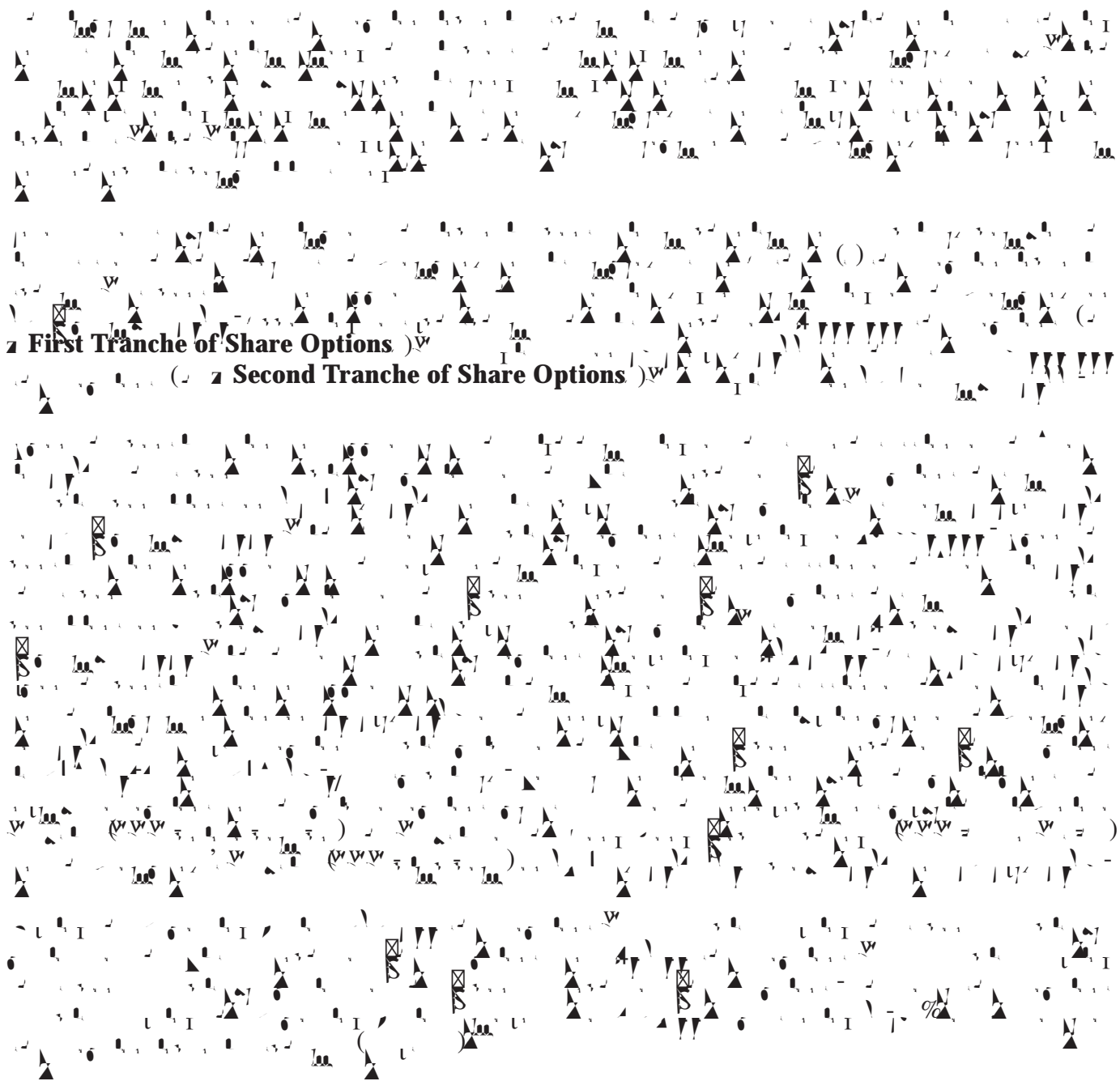
Use of Proceeds

Employees and Remuneration Policies

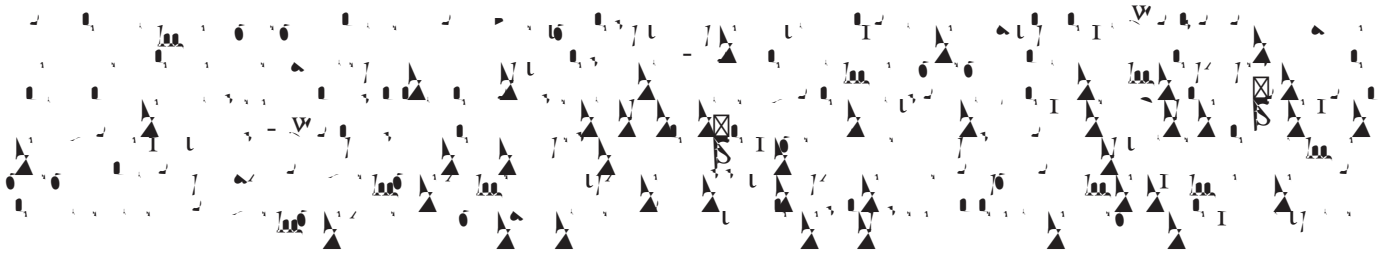
Employee Training Programme

Employee Pension Benefits

Share Option Incentive Scheme



Investment Properties



(**Non-public Issuance of A Shares**)

(**CSRC**)

(《中國證監會行政許可申請受理通知書》
號)

(《中國證監會行政許可項目審查反饋意見通知書》 (號))

Pteris

1. $\int_0^1 x^2 dx = \frac{1}{3}$

8 FINANCIAL REPORT

8.1 Explanation for Changes in Accounting Policies, Accounting Estimates or Calculation Method as Compared with those for Last Annual Report

Changes in critical accounting policies – the measurement of investment properties changes from cost mode to fair value mode:

			31 December 2016
			480,790
			2,200
			112,598
			3,383
			56,589
			128,633
			181,787
			2016
			11,392
			190
			75,792
			22,951
			25,299

8.2 Contents, Amounts Corrected, Reasons and Impact of Material Accounting Errors

8.3 Explanation of Changes in the Scope of Consolidation as Compared with those for Last Annual Report

[The content of this section is illegible due to extreme image distortion and noise.]

8.4 Statement of the Board and the Supervisory Committee on the “Non-Standard Auditing Report” issued by the Auditor

[The content of this section is illegible due to extreme image distortion and noise.]

8.5 Financial Statements Prepared in Accordance with CASBE

8.5.1 Consolidated Balance Sheet (audited)

Unit: RMB thousand

	Note	31 December 2016	2015	2014
Assets				
Current assets:				
Monetary funds		6,325,998	4,471,111	4,471,111
Accounts receivable		141,160	1,111,111	1,111,111
Prepaid expenses		1,536,191	1,111,111	1,111,111
Other receivables	4	11,526,075	1,111,111	1,111,111
Inventory		2,165,982	1,111,111	1,111,111
Other current assets		9,250	1,111,111	1,111,111
Financial assets		41,959	1,111,111	1,111,111
Investments		9,347,887	1,111,111	1,111,111
Other non-current assets		17,409,515	1,111,111	1,111,111
Intangible assets		203,847	1,111,111	1,111,111
Other non-current assets		3,941,689	1,111,111	1,111,111

8.5.1 Consolidated Balance Sheet (audited) (Continued)

Unit: RMB thousand

	Note	31 December 2016	2015	2014
Liabilities and shareholders' equity				
Current liabilities:				
Accounts payable		15,729,787	15,110,100	15,110,100
Notes payable		141,806	141,806	141,806
Accounts receivable		1,551,582	1,551,582	1,551,582
Other payables	5	10,160,951	10,160,951	10,160,951
Short-term borrowings		3,780,694	3,780,694	3,780,694
Other current liabilities		2,115,108	2,115,108	2,115,108
Contract liabilities		1,092,030	1,092,030	1,092,030
Other current liabilities		303,375	303,375	303,375
Other current liabilities		16,746	16,746	16,746
Other current liabilities		5,154,073	5,154,073	5,154,073
Other current liabilities		847,429	847,429	847,429
Other current liabilities		3,667,872	3,667,872	3,667,872
Other current liabilities		1,687,762	1,687,762	1,687,762
Total current liabilities		46,249,215	46,249,215	46,249,215
Non-current liabilities:				
Long-term borrowings		61,235	61,235	61,235
Notes payable		27,023,222	27,023,222	27,023,222
Accounts payable		7,986,500	7,986,500	7,986,500
Other payables		529,372	529,372	529,372
Other payables		9,704	9,704	9,704
Other payables		839,738	839,738	839,738
Other payables		657,414	657,414	657,414
Other payables		2,123,556	2,123,556	2,123,556
Total non-current liabilities		39,230,741	39,230,741	39,230,741
Total liabilities		85,479,956	85,479,956	85,479,956
Shareholders' equity:				
Capital		2,978,577	2,978,577	2,978,577
Reserves		2,049,035	2,049,035	2,049,035
Other equity		3,126,585	3,126,585	3,126,585
Other equity		357,341	357,341	357,341
Other equity		3,279,379	3,279,379	3,279,379
Other equity	6	17,495,053	17,495,053	17,495,053
Total equity attributable to shareholders and other equity holders of the Company		29,285,970	29,285,970	29,285,970
Minority interests		9,848,822	9,848,822	9,848,822
Total shareholders' equity		39,134,792	39,134,792	39,134,792
Total liabilities and shareholders' equity		124,614,748	124,614,748	124,614,748

8.5.2 Balance Sheet of the Company (audited)

Unit: RMB thousand

	31 December 2016	
Assets		
Current assets:		
Monetary funds	2,660,222	
Accounts receivable	4,755,818	
Prepaid expenses	13,131,416	
Other current assets	9,272	
Total current assets	20,556,728	
Non-current assets:		
Long-term equity investments	388,905	
Investment properties	9,375,276	
Fixed assets	102,372	
Intangible assets	844	
Other non-current assets	14,466	
	40,730	
	52,280	
Total non-current assets	9,974,873	
Total assets	30,531,601	

8.5.2 Balance Sheet of the Company (audited) (Continued)

Unit: RMB thousand

	31 December 2016	
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	2,710,000	
Notes payable	65	
Other payables	-	
Other current liabilities	205,760	
Contract liabilities	3,646	
Other non-current liabilities	75,755	
Other non-current liabilities	2,990,804	
Other non-current liabilities	79,104	
Other non-current liabilities	800,000	
Total current liabilities	6,865,134	
Non-current liabilities:		
Other non-current liabilities	3,296	
Other non-current liabilities	1,621,000	
Other non-current liabilities	7,986,500	
Other non-current liabilities	37,429	
Total non-current liabilities	9,648,225	
Total liabilities	16,513,359	
Shareholders' equity:		
Capital	2,978,577	
Reserves	2,049,035	
Other equity	3,287,149	
Other equity	43,754	
Other equity	3,279,379	
Other equity	2,380,348	
Total equity of shareholders and other equity holders	14,018,242	
Total liabilities and shareholders' equity	30,531,601	

8.5.3 Consolidated Income Statement (audited)

Unit: RMB thousand

Item	Note	2016	2015
I. Revenue			
Revenue from contracts with customers	7	51,111,652	41,482,017
Interest income	7	503,099	2,156,980
Dividend income		4,208,598	719,109
Other income	8	2,089,634	613,913
		234,410	
		87,266	
II. Operating profit		800,538	1,212,806
Operating profit from contracts with customers		451,565	
Operating profit from other contracts		311,293	
		187,013	
III. Total profit		1,702,051	967,068
	9	967,068	
IV. Net profit		734,983	
Net profit from contracts with customers		539,660	
Net profit from other contracts		195,323	
V. Other comprehensive income, net of tax		967,346	
Other comprehensive income from contracts with customers		871,818	
Other comprehensive income from other contracts		871,818	
		(104)	4,154
		477,398	390,370
		95,528	(2,114)
VI. Total comprehensive income		1,702,329	964,954
		1,411,478	290,851
VII. Earnings per share			
Basic earnings per share	10(1)	0.14	0.14
Diluted earnings per share	10(2)	0.14	0.14

8.5.4 Income Statement of the Company (audited)

Unit: RMB thousand

Item	2016	2015
I. Revenue	156,526	147,111
Revenue from contracts with customers	24,006	24,006
Revenue from contracts with customers	3,373	3,373
Revenue from contracts with customers	(285,476)	(285,476)
Revenue from contracts with customers	(353,608)	(353,608)
Revenue from contracts with customers	10,895	10,895
	<u>1,259,065</u>	<u>1,259,065</u>
II. Operating profit	2,038,191	1,991,791
Operating profit	33,173	33,173
Operating profit	<u>116</u>	<u>116</u>
Operating profit	79,573	79,573
Operating profit	<u>66</u>	<u>66</u>
III. Total profit	1,991,791	1,991,791
Total profit	164,168	164,168
IV. Net profit	1,827,623	1,827,623
V. Net amount of other comprehensive income, net of tax	-	-
VI. Total comprehensive income	1,827,623	1,827,623

8.5.5 Consolidated Cash Flow Statement (audited) (Continued)

Unit: RMB thousand

Item	2016	2015
III. Cash flows from financing activities:	1,768,906	1,768,906
Cash inflows from financing activities:	1,760,575	1,760,575
Proceeds from the issuance of equity	-	-
Proceeds from the issuance of debt	54,548,656	54,548,656
Proceeds from the issuance of bank loans	7,986,500	7,986,500
Proceeds from the issuance of other financial instruments	3,755	3,755
Sub-total of cash inflows from financing activities	64,307,817	64,307,817
Cash outflows from financing activities:	52,820,203	52,820,203
Repayment of principal of bank loans	3,228,079	3,228,079
Repayment of principal of other financial instruments	161,253	161,253
Repayment of interest of bank loans	748,489	748,489
Sub-total of cash outflows from financing activities	56,796,771	56,796,771
Net cash flows from financing activities	7,511,046	7,511,046
IV. Effect of foreign exchange rate changes on cash and cash equivalents	81,534	81,534
V. Net increase in cash and cash equivalents	3,079,544	3,079,544
	3,259,123	3,259,123
VI. Cash and cash equivalents at the end of the year	6,338,667	6,338,667

8.5.6 Cash Flow Statement of the Company (audited)

Unit: RMB thousand

Item	2016	2015
I. Cash flows from operating activities:		
Cash inflows from sales of goods and services	156,526	257,702
Cash inflows from other operating activities	257,702	156,526
Sub-total of cash inflows from operating activities	414,228	414,228
Cash outflows for purchase of property, plant and equipment	39,842	219,452
Cash outflows for purchase of intangible assets	219,452	16,698
Cash outflows for other operating activities	16,698	4,933,042
Sub-total of cash outflows from operating activities	5,209,034	4,933,042
Net cash flows from operating activities	(4,794,806)	(4,518,814)
II. Cash flows from investing activities:		
Cash inflows from disposal of property, plant and equipment	-	245,460
Cash inflows from disposal of intangible assets	245,460	3,037
Cash inflows from other investing activities	3,037	8,944
Sub-total of cash inflows from investing activities	257,441	257,441
Cash outflows for purchase of property, plant and equipment	41,191	77,991
Cash outflows for purchase of intangible assets	77,991	119,182
Sub-total of cash outflows from investing activities	119,182	197,173
Net cash flows from investing activities	138,259	60,268

8.5.6 Cash Flow Statement of the Company (audited) (Continued)

Unit: RMB thousand

Item	2016	2015
III. Cash flows from financing activities:		
Issuance of bank loans	8,176,000	10,194,360
Proceeds from issuance of bonds	7,986,500	1,237,800
Proceeds from issuance of capital	-	1,687,740
Proceeds from other financing activities	8,331	1,313,100
Sub-total of cash inflows from financing activities	16,170,831	14,433,000
Interest paid	9,319,881	10,194,360
Dividend paid	1,126,037	1,237,800
Payment of other financing activities	6,189	1,687,740
Sub-total of cash outflows from financing activities	10,452,107	13,129,900
Net cash flows from financing activities	5,718,724	1,303,100
IV. Effect of foreign exchange rate changes on cash and cash equivalents	428	1,400
V. Net increase/(decrease) in cash and cash equivalents	1,062,605	1,062,605
Cash and cash equivalents at the beginning of the year	652,865	1,715,470
VI. Cash and cash equivalents at the end of the year	1,715,470	2,778,075

8.5.7 Consolidated Statement of Changes in Shareholders' Equity (audited)

Unit: RMB thousand

Item	2016							
	Equity attributable to shareholders and other equity holders of the Company							
	Share capital instruments	Other equity instruments	Capital comprehensive surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Minority interest	Total shareholders' equity
	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,803,808	7,033,280	35,720,915
	-	-	-	-	-	-	-	-
	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,803,808	7,033,280	35,720,915
	-	119,792	-	-	-	419,868	193,323	734,983
	-	-	-	871,818	-	-	93,529	967,346
	-	119,792	-	871,818	-	419,868	290,851	1,702,329
	-	-	-	-	-	-	-	-
	757	-	7,574	-	-	-	3,330,875	8,331
	-	-	227,441	-	-	-	-	3,558,316
	-	-	-	-	-	-	29,565	29,565
	-	-	(22,239)	-	-	-	(726,250)	(748,489)
	-	-	903	-	-	-	8,087	9,000
	-	-	-	-	-	-	(7,762)	(7,762)
	-	-	1,692	-	-	-	2,063	3,755
	-	-	22,316	-	-	-	10,068	32,384
	-	-	-	-	-	-	-	-
	-	-	(300,000)	-	-	-	-	(300,000)
	-	-	7,035	-	-	-	-	7,035
	-	-	-	-	75,801	(75,801)	-	-
	-	-	-	-	(654,822)	(654,822)	(121,965)	(776,787)
	-	(103,800)	-	-	-	-	-	(103,800)
	2,978,577	2,049,035	3,126,565	357,341	3,279,379	17,493,053	9,846,822	39,134,792

Notes:

1. BASIS OF PREPARATION

The financial statements have been prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies in India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies in India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis.

The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies in India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies in India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis.

2. STATEMENT OF COMPLIANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The financial statements are prepared in accordance with the accounting standards for business enterprises issued by the Institute of Cost Accountants of India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis. The financial statements are prepared in accordance with the accounting standards for business enterprises issued by the Institute of Cost Accountants of India. The financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis.

3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are prepared in accordance with the accounting standards for consolidated financial statements issued by the Institute of Cost Accountants of India. The consolidated financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis. The consolidated financial statements are prepared in accordance with the accounting standards for consolidated financial statements issued by the Institute of Cost Accountants of India. The consolidated financial statements are prepared on the accrual basis of accounting and are prepared on the historical cost basis.

Due to the large number of items, the following table is presented in two parts. The first part shows the breakdown of the total number of items, and the second part shows the breakdown of the total value.

Category	Number of items	Value (RMB thousand)
Category 1	1,234,567	12,345,678
Category 2	2,345,678	23,456,789
Category 3	3,456,789	34,567,890
Category 4	4,567,890	45,678,901
Category 5	5,678,901	56,789,012
Category 6	6,789,012	67,890,123
Category 7	7,890,123	78,901,234
Category 8	8,901,234	89,012,345
Category 9	9,012,345	90,123,456
Category 10	10,123,456	101,234,567
Category 11	11,234,567	112,345,678
Category 12	12,345,678	123,456,789
Category 13	13,456,789	134,567,890
Category 14	14,567,890	145,678,901
Category 15	15,678,901	156,789,012
Category 16	16,789,012	167,890,123
Category 17	17,890,123	178,901,234
Category 18	18,901,234	189,012,345
Category 19	19,012,345	190,123,456
Category 20	20,123,456	201,234,567
Category 21	21,234,567	212,345,678
Category 22	22,345,678	223,456,789
Category 23	23,456,789	234,567,890
Category 24	24,567,890	245,678,901
Category 25	25,678,901	256,789,012
Category 26	26,789,012	267,890,123
Category 27	27,890,123	278,901,234
Category 28	28,901,234	289,012,345
Category 29	29,012,345	290,123,456
Category 30	30,123,456	301,234,567
Category 31	31,234,567	312,345,678
Category 32	32,345,678	323,456,789
Category 33	33,456,789	334,567,890
Category 34	34,567,890	345,678,901
Category 35	35,678,901	356,789,012
Category 36	36,789,012	367,890,123
Category 37	37,890,123	378,901,234
Category 38	38,901,234	389,012,345
Category 39	39,012,345	390,123,456
Category 40	40,123,456	401,234,567
Category 41	41,234,567	412,345,678
Category 42	42,345,678	423,456,789
Category 43	43,456,789	434,567,890
Category 44	44,567,890	445,678,901
Category 45	45,678,901	456,789,012
Category 46	46,789,012	467,890,123
Category 47	47,890,123	478,901,234
Category 48	48,901,234	489,012,345
Category 49	49,012,345	490,123,456
Category 50	50,123,456	501,234,567
Category 51	51,234,567	512,345,678
Category 52	52,345,678	523,456,789
Category 53	53,456,789	534,567,890
Category 54	54,567,890	545,678,901
Category 55	55,678,901	556,789,012
Category 56	56,789,012	567,890,123
Category 57	57,890,123	578,901,234
Category 58	58,901,234	589,012,345
Category 59	59,012,345	590,123,456
Category 60	60,123,456	601,234,567
Category 61	61,234,567	612,345,678
Category 62	62,345,678	623,456,789
Category 63	63,456,789	634,567,890
Category 64	64,567,890	645,678,901
Category 65	65,678,901	656,789,012
Category 66	66,789,012	667,890,123
Category 67	67,890,123	678,901,234
Category 68	68,901,234	689,012,345
Category 69	69,012,345	690,123,456
Category 70	70,123,456	701,234,567
Category 71	71,234,567	712,345,678
Category 72	72,345,678	723,456,789
Category 73	73,456,789	734,567,890
Category 74	74,567,890	745,678,901
Category 75	75,678,901	756,789,012
Category 76	76,789,012	767,890,123
Category 77	77,890,123	778,901,234
Category 78	78,901,234	789,012,345
Category 79	79,012,345	790,123,456
Category 80	80,123,456	801,234,567
Category 81	81,234,567	812,345,678
Category 82	82,345,678	823,456,789
Category 83	83,456,789	834,567,890
Category 84	84,567,890	845,678,901
Category 85	85,678,901	856,789,012
Category 86	86,789,012	867,890,123
Category 87	87,890,123	878,901,234
Category 88	88,901,234	889,012,345
Category 89	89,012,345	890,123,456
Category 90	90,123,456	901,234,567
Category 91	91,234,567	912,345,678
Category 92	92,345,678	923,456,789
Category 93	93,456,789	934,567,890
Category 94	94,567,890	945,678,901
Category 95	95,678,901	956,789,012
Category 96	96,789,012	967,890,123
Category 97	97,890,123	978,901,234
Category 98	98,901,234	989,012,345
Category 99	99,012,345	990,123,456
Category 100	100,123,456	1,001,234,567

4. ACCOUNTS RECEIVABLE

(1) Accounts receivable are analysed by customer categories as follows:

Unit: RMB thousand

Customer Category	31 December 2016	31 December 2015
Category 1	2,540,433	2,396,644
Category 2	2,396,644	3,220,025
Category 3	3,220,025	244,655
Category 4	244,655	1,255,195
Category 5	1,255,195	1,159,172
Category 6	1,159,172	769,250
Category 7	769,250	569,937
Category 8	569,937	-

(2) The ageing of accounts receivable is analysed as follows:

Unit: RMB thousand

1 year or less	(1,371,111)
1-2 years	(1,371,111)
2-3 years	(1,371,111)
3-4 years	(1,371,111)
4-5 years	(1,371,111)
Over 5 years	(1,371,111)

1 year or less	(1,371,111)
1-2 years	(1,371,111)
2-3 years	(1,371,111)
3-4 years	(1,371,111)
4-5 years	(1,371,111)
Over 5 years	(1,371,111)

11,526,075

31 December 2016	
10,329,997	
989,469	
548,922	
286,923	
<hr/>	
12,155,311	
(629,236)	
<hr/>	
11,526,075	
<hr/> <hr/>	

5. ACCOUNTS PAYABLE

(1) The accounts payable is as follows:

Unit: RMB thousand

1 year or less	8,303,845
1-2 years	461,925
2-3 years	259,029
3-4 years	658,048
4-5 years	150,029
Over 5 years	135,159
	129,178
	63,738

10,160,951

31 December 2016	
8,303,845	
461,925	
259,029	
658,048	
150,029	
135,159	
129,178	
63,738	
<hr/>	
10,160,951	
<hr/> <hr/>	

(2) The ageing of accounts payable is analysed as follows:

Unit: RMB thousand

1 year or less	(1,371,111)
1-2 years	(1,371,111)
2-3 years	(1,371,111)
3-4 years	(1,371,111)
4-5 years	(1,371,111)
Over 5 years	(1,371,111)

10,160,951

31 December 2016	
9,535,350	
414,188	
153,893	
57,520	
<hr/>	
10,160,951	
<hr/> <hr/>	

6. UNDISTRIBUTED PROFITS

Unit: RMB thousand

Note	2016	2015
	(1,117,000)	(1,117,000)
	17,805,808	17,805,808
	-	-
	17,805,808	17,805,808
	539,660	539,660
	(119,792)	(119,792)
	(75,801)	(75,801)
(1)	(654,822)	(654,822)
	<u>17,495,053</u>	<u>17,495,053</u>

(1) Dividends of ordinary shares declared during the year

Unit: RMB thousand

2016	2015
-	-
<u>654,822</u>	<u>654,822</u>

7. REVENUE AND COST OF SALES

Unit: RMB thousand

2016	2015
(1,117,000)	(1,117,000)
49,960,016	49,960,016
1,151,636	1,151,636
<u>51,111,652</u>	<u>51,111,652</u>
41,019,009	41,019,009
463,008	463,008
<u>41,482,017</u>	<u>41,482,017</u>

8. ASSET IMPAIRMENT LOSSES

Unit: RMB thousand

	2016	2015
Impairment losses on financial assets	1,403,702	1,411,414
Impairment losses on non-current assets	205,073	(2,774)
Impairment losses on current assets	174,954	7,324
Impairment losses on goodwill	100,725	7,147
Impairment losses on intangible assets	77,557	4,444
Impairment losses on property, plant and equipment	66,356	17,444
Impairment losses on investment properties	46,716	14,147
Impairment losses on long-term equity investments	8,310	1,447
Impairment losses on other non-current assets	5,936	1,447
Impairment losses on other current assets	305	1,447
	2,089,634	14,447

9. INCOME TAX EXPENSES

Unit: RMB thousand

	2016	2015
Income tax expense	985,708	985,708
Income tax credit	(18,640)	(18,640)
	967,068	967,068

Unit: RMB thousand

	2016	
		()
	1,702,051	▲▲▲▲
	340,144	▲▲▲▲
	(112,254)	()
	122,230	▲▲▲▲
	(1,958)	()
	(41,584)	()
	362,965	▲▲▲▲
	340,729	
	(38,008)	()
	-	
	(5,302)	()
	-	
	106	()
	967,068	()

The Company	2016	
	25%	%
	15-25%	%
	16.5-25%	%
	36%	%
	20%	%
	15-35%	%
	15.83-31.6%	%
	20%	%
	30%	%
	25.5%	%
	34%	%
	23.5%	%
	19%	%
	20%	%
	17%	%
	26.3%	%

10. EARNINGS PER SHARE

(1) Basic earnings per share

	2016	2015
Net income	(1,111)	(1,111)
Income tax expense	539,660	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	419,868	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	2,978,296	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	0.14	(119,792)
Income tax benefit	0.14	(119,792)
Income tax expense	<u>0.14</u>	<u>(119,792)</u>
Income tax benefit	<u>0.14</u>	<u>(119,792)</u>

(2) Diluted earnings per share

	2016	2015
Net income	(1,111)	(1,111)
Income tax expense	539,660	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	-	(119,792)
Income tax benefit	419,868	(119,792)
Income tax expense	(119,792)	(119,792)
Income tax expense	2,984,119	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	0.14	(119,792)
Income tax benefit	0.14	(119,792)
Income tax expense	<u>0.14</u>	<u>(119,792)</u>
Income tax benefit	<u>0.14</u>	<u>(119,792)</u>

Note

	2016	2015
Net income	(1,111)	(1,111)
Income tax expense	539,660	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	-	(119,792)
Income tax benefit	419,868	(119,792)
Income tax expense	(119,792)	(119,792)
Income tax expense	2,984,119	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	0.14	(119,792)
Income tax benefit	0.14	(119,792)
Income tax expense	<u>0.14</u>	<u>(119,792)</u>
Income tax benefit	<u>0.14</u>	<u>(119,792)</u>

(a)

	2016	2015
Net income	(1,111)	(1,111)
Income tax expense	539,660	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	-	(119,792)
Income tax benefit	419,868	(119,792)
Income tax expense	(119,792)	(119,792)
Income tax expense	2,984,119	(119,792)
Income tax benefit	(119,792)	(119,792)
Income tax expense	0.14	(119,792)
Income tax benefit	0.14	(119,792)
Income tax expense	<u>0.14</u>	<u>(119,792)</u>
Income tax benefit	<u>0.14</u>	<u>(119,792)</u>

(b)

12. CONTINGENCIES

(1) Contingent liabilities

The following table shows the contingent liabilities of the Company as at 31 December 2016 and 2015:

	2016	2015
Contingent liabilities	1,000,000	1,000,000

(2) Guarantees provided for external parties

The following table shows the guarantees provided for external parties of the Company as at 31 December 2016 and 2015:

	2016	2015
Guarantees provided for external parties	1,000,000	1,000,000

(3) Notes payable issued but not accounted for, outstanding letters of credit issued but undue and outstanding performance guarantees

The following table shows the notes payable issued but not accounted for, outstanding letters of credit issued but undue and outstanding performance guarantees of the Company as at 31 December 2016 and 2015:

	2016	2015
Notes payable issued but not accounted for, outstanding letters of credit issued but undue and outstanding performance guarantees	1,000,000	1,000,000

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

(青島冷箱)

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

(振華物流)

... (Zhenhua Logistics) ...

(4) Significant pending litigations

... (Zhenhua Logistics) ...

13. COMMITMENTS

Capital commitments

Unit: RMB thousand

	2016	
Capital commitments at the beginning of the year	108,730	
Capital commitments incurred during the year	129,423	
Capital commitments completed during the year	179,633	
	-	
	417,786	

Unit: RMB thousand

	31 December 2016	
	-	

14. NET CURRENT ASSETS

Unit: RMB thousand

	The Group	
	31 December 2016	
Net current assets at the beginning of the year	53,352,031	
Net current assets incurred during the year	46,249,215	
	7,102,816	
	7,102,816	
	The Company	
	31 December 2016	
	20,556,728	
	6,865,134	
	13,691,594	
	13,691,594	

15. TOTAL ASSETS LESS CURRENT LIABILITIES

Unit: RMB thousand

	The Group
31 December	2016
	124,614,748
	46,249,215
	<hr/>

9 REPURCHASE, SALE OR REDEMPTION OF SHARES

10 COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

(Model Code)

11 COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

12 AUDIT COMMITTEE

China International Marine Containers (Group) Co., Ltd.
WANG Hong
Chairman

As at the date of this announcement, the Board comprises Mr. WANG Hong (Chairman), Mr. WANG Yuhang (Vice chairman), Mr. WANG Zhixian and Mr. LIU Chong as non-executive directors; Mr. MAI Boliang as an executive director; and Mr. PAN Chengwei, Mr. PAN Zhengqi and Mr. WONG Kwai Huen, Albert as independent non-executive directors.