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中國南車股份有限公司
CSR CORPORATION LIMITED

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

(Stock code:1766)

2013 THIRD QUARTERLY REPORT

This announcement is made by CSR Corporation Limited (the “**Company**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The third quarterly report ended 30 September 2013 of the Company is set out below.

The contents of this report are consistent with the announcement published on the Shanghai Stock Exchange, which is published simultaneously in the overseas and domestic markets.

By order of the Board
CSR Corporation Limited
Zheng Changhong
Chairman

Beijing, the PRC
25 October 2013

As at the date of this announcement, the executive directors of the Company are Mr. Zheng Changhong, Mr. Liu Hualong and Mr. Chen Dayang; and the independent non-executive directors of the Company are Mr. Zhao Jibin, Mr. Yang Yuzhong, Mr. Chen Yongkuan, Mr. Dai Deming and Mr. Tsoi, David.

1 IMPORTANT NOTICE

1.1 The board of directors (the “**Board**”), the supervisory committee, the directors, supervisors and senior management of the Company warrant that the information stated in this quarterly report is true, accurate and complete and contains no false representation, misleading statement or material omission, and assume several and joint liabilities.

1.2 All directors of the Company attended the Board meeting and reviewed the quarterly report.

1.3 Chairman of the Company	Zheng Changhong
Person-in-charge of accounting affairs	Zhan Yanjing
Person responsible for the accounting department (head of the accounting department)	Liu Jiang

Zheng Changhong, the Chairman of the Company, Zhan Yanjing, the person-in-charge of accounting affairs, and Liu Jiang, the person responsible for the accounting department (head of the accounting department), warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

1.4 The financial statements in the third quarterly report of the Company are unaudited.

2 MAJOR FINANCIAL DATA AND CHANGES OF SHAREHOLDERS

2.1 Major financial data

Unit: RMB'000 Currency: RMB

	As at the end of the reporting period	As at the end of last year	Change as at the end of the reporting period as compared to the end of last year (%)
Total assets	116,379,435	105,217,301	10.61
Net assets attributable to shareholders of the Company	34,295,513	32,755,427	4.70

	From the beginning of the year to the end of the reporting period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Change as compared to the same period last year (%)
Net cash flow from operating activities	-5,407,620	-6,135,522	N/A
	From the beginning of the year to the end of the reporting period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Change as compared to the same period last year (%)
Revenue from operations	56,520,220	63,522,925	-11.02
Net profits attributable to shareholders of the Company	2,510,322	2,852,436	-11.99
Net profits after non-recurring profit or loss attributable to shareholders of the Company	2,243,979	2,615,920	-14.22
Return on net assets (weighted average) (%)	7.49	10.55	Decreased by 3.06 percentage points
Basic earnings per share (RMB/share)	0.18	0.21	-14.29
Diluted earnings per share (RMB/share)	0.18	0.21	-14.29

Deducting non-recurring profit or loss items and amounts:

	<i>Unit: RMB'000</i>	<i>Currency: RMB</i>
Item	Amount for the period (July to September)	Amount from the beginning of the year to the end of the reporting period (January to September)
Profit or loss on disposal of non-current assets	90	-769
Government subsidies recognized in current profit or loss(excluding those closely related to the Company's normal operations and granted on an ongoing basis under the State's policies according to certain standard amount or quantity)	33,658	225,307
Capital occupation fee charged from non-financial enterprises recognized in current profit or loss	12	12
Profit or loss from debt restructuring	-49	-49
Profit or loss of changes in fair value arising from holding of trading financial assets and trading financial liabilities except for valid straddle business relevant to normal business of the Company, as well as investment gain realized from disposal of trading financial assets, trading financial liabilities and financial assets available for sale	0	61,000
Other non-operating income and expenses than items above	-49,243	-4,077
Other profit or loss items within the definition of non-recurring profit or loss	32,882	32,882
Effect on income tax	-2,378	-47,146
Effect on minority interests (after tax)	-410	-817
Total	14,562	266,343

2.2 Total number of shareholders, particulars of the top ten shareholders and of the top ten shareholders not subject to trading moratorium as at the end of the reporting period

Unit: Share

Total number of shareholders 276,594
(274,033 holders of A shares;
and 2,561 holders of H shares)

Particulars of the top ten shareholders

Name of shareholder	Nature of shareholder	Percentage of shareholding (%)	Total number of shares held	Number of shares	
				subject to trading moratorium	Number of shares pledged or frozen
CSR Group (中國南車集團公司)	State-owned legal person	56.48	7,796,321,142	1,362,103,700	Nil
HKSCC NOMINEES LIMITED	Overseas legal person	14.61	2,016,924,839		Unknown
Account No. 2 of the National Council for Social Security Fund (全國社會保障基金理事會轉持二戶)	State-owned legal person	2.74	378,475,300	300,000,000	Unknown
China Construction Bank — Great Wall Brand Selective Stock Investment Fund (中國建設銀行 — 長城品牌優選股票型證券投資基金)	Other	0.92	127,000,000		Unknown
CSR Capital Company (中國南車集團投資管理公司)	State-owned legal person	0.67	93,085,715		Nil
Anhui Investment Group Holdings Co., Ltd. (安徽省投資集團控股有限公司)	State-owned legal person	0.50	69,506,700		Unknown

Name of shareholder	Nature of shareholder	Percentage of shareholding (%)	Total number of shares held	Number of shares	
				subject to trading moratorium	Number of shares pledged or frozen
China Railway Materials Company Limited (中國鐵路物資股份有限公司)	State-owned legal person	0.49	67,264,500		Unknown
China National Machinery Industry Corporation (中國機械工業集團有限公司)	State-owned legal person	0.46	63,830,000		Unknown
New China Life Insurance Company Limited — Dividend — Group Dividend — 018L — FH001Shanghai (新華人壽保險股份有限公司 — 分紅 — 團體分紅 — 018L — FH001滬)	Other	0.43	59,599,445		Unknown
Agricultural Bank of China — Dacheng Innovation Growth Mixed Securities Investment Fund (中國農業銀行 — 大成創新成長混合型證券投資基金)	Other	0.42	57,702,948		Unknown

Particulars of the top ten shareholders of tradable shares not subject to trading moratorium

Name of shareholder (full name)	Number of tradable shares not subject to trading moratorium held as at the end of the period	Class of shares
CSR Group (中國南車集團公司)	6,434,217,442	Ordinary shares denominated in RMB
HKSCC NOMINEES LIMITED	2,016,924,839	Overseas listed foreign shares
China Construction Bank — Great Wall Brand Selective Stock Investment Fund (中國建設銀行 — 長城品牌優選股票型證券投資基金)	127,000,000	Ordinary shares denominated in RMB
CSR Capital Company (中國南車集團投資管理公司)	93,085,715	Ordinary shares denominated in RMB

Name of shareholder (full name)	Number of tradable shares not subject to trading moratorium held as at the end of the period	Class of shares
Account No. 2 of the National Council for Social Security Fund (全國社會保障基金理事會轉持二戶)	78,475,300	Ordinary shares denominated in RMB
Anhui Investment Group Holdings Co., Ltd. (安徽省投資集團控股有限公司)	69,506,700	Ordinary shares denominated in RMB
China Railway Materials Company Limited (中國鐵路物資股份有限公司)	67,264,500	Ordinary shares denominated in RMB
China National Machinery Industry Corporation (中國機械工業集團有限公司)	63,830,000	Ordinary shares denominated in RMB
New China Life Insurance Company Limited — Dividend — Group Dividend — 018L — FH001Shanghai (新華人壽保險股份有限公司 — 分紅 — 團體分紅 — 018L — FH001滬)	59,599,445	Ordinary shares denominated in RMB
Agricultural Bank of China — Dacheng Innovation Growth Mixed Securities Investment Fund (中國農業銀行 — 大成創新成長混合型證券投資基金)	57,702,948	Ordinary shares denominated in RMB
Connections or parties acting in concert among the aforesaid shareholders	CSR Capital Company is a wholly-owned subsidiary of CSR Group. Save for the above, the Company is not aware of any connections among the other shareholders above, nor aware of any parties acting in concert as defined in the Administrative Measures on Acquisitions by Listed Companies.	

Note: H shares held by HKSCC NOMINEES LIMITED are held on behalf of its various clients.

3 SIGNIFICANT EVENTS

3.1 Particulars of and reasons for material changes in major accounting items and financial indicators of the Company

Applicable Not applicable

(Note: “reporting period” in the analysis below refers to January to September.)

1. Financial assets held-for-trading increased by RMB3.761 million or 39.22% as compared with those at the beginning of the year, mainly due to the increase in the fair value of financial assets held-for-trading of the Company.
2. Inventories increased by RMB7,612.488 million or 40.56% as compared with those at the beginning of the year, mainly due to the increase in the work in progress and the purchase of raw materials by the Company.
3. Other current assets decreased by RMB353.496 million or 31.31% as compared with those at the beginning of the year, mainly due to the decrease in taxes overpaid reclassified to other current assets.
4. Available-for-sale financial assets increased by RMB157.151 million or 31.84% as compared with those at the beginning of the year, mainly due to the increase in fair value of the financial assets available-for-sale held by the Company.
5. Long-term receivables increased by RMB1,110.83 million or 116.92% as compared with those at the beginning of the year, mainly due to the increase in financial leasing receivables of the Company.
6. Construction in progress increased by RMB1,061.183 million or 35.32% as compared with those at the beginning of the year, mainly due to the increase in fixed assets newly purchased or built but not yet ready for intended use.
7. Short-term borrowings increased by RMB2,787.458 million or 62.12% as compared with those at the beginning of the year, mainly due to the increase in short-term borrowings for replenishment of working capital.
8. Bills payable decreased by RMB4,526.385 million or 34.96% as compared with those at the beginning of the year, mainly due to the payment of the bills payable due by the Company.

9. Taxes payable decreased by RMB700.778 million or 54.96% as compared with those at the beginning of the year, mainly due to the payment of tax payable for the reporting period and the decrease in the revenue of the Company.
10. Non-current liabilities due within one year decreased by RMB2,547.311 million or 85.30% as compared with those at the beginning of the year, mainly due to the repayment of bonds payable due by the Company.
11. Other current liabilities increased by RMB3,500 million or 175.00% as compared with those at the beginning of the year, mainly due to the new issue of ultra short-term debentures of the Company to satisfy the capital requirement of the Company.
12. Deferred income tax liabilities increased by RMB40.149 million or 88.38% as compared with those at the beginning of the year, mainly due to the increase in fair value of available-for-sale financial assets held by the Company.
13. Other non-current liabilities increased by RMB1,158.242 million or 47.99% as compared with those at the beginning of the year, mainly due to the increase in government subsidies recognized as deferred income.
14. Revenue decreased by RMB7,002.705 million or 11.02% as compared with the same period last year, particulars of which are set out below:

Category	January to September 2013		January to September 2012		As compared with the same period last year	
	Amount (RMB'000)	Percentage	Amount (RMB'000)	Percentage	Increase (RMB'000)	Growth rate
Locomotives	12,045,516	21.31%	9,041,797	14.23%	3,003,719	33.22%
Passenger carriages	3,080,921	5.45%	5,865,611	9.23%	-2,784,690	-47.47%
Freight wagons	6,061,181	10.72%	8,693,514	13.69%	-2,632,333	-30.28%
MUs	7,736,927	13.69%	18,029,729	28.38%	-10,292,802	-57.09%
Rapid transit vehicles	4,965,869	8.79%	4,638,761	7.30%	327,108	7.05%
New businesses	9,304,030	16.46%	7,554,046	11.89%	1,749,984	23.17%
Others	13,325,776	23.58%	9,699,468	15.27%	3,626,308	37.39%
Total	56,520,220	100.00%	63,522,925	100.00%	-7,002,705	-11.02%

From January to September 2013, revenue from locomotives products increased by 33.22% as compared with the same period last year, mainly due to the increase in products purchased by major clients and the adjustments to structure. Revenue from passenger carriages decreased by 47.47% as compared with the same period last year, mainly attributable to the drop in delivery of passenger carriages products. Revenue from freight wagons decreased by 30.28% as compared with the same period last year, mainly attributable to the decrease in delivery of freight wagons products. Revenue from MUs products decreased by 57.09% as compared with the same period last year, mainly attributable to the decrease in delivery of MUs products. Revenue from rapid transit vehicles increased by 7.05% as compared with the same period last year, mainly attributable to the increase in sales of accessories of rapid transit vehicles. Revenue from new businesses increased by 23.17% as compared with the same period last year, mainly attributable to the increase in orders as a result of the Company's new businesses expansion. Revenue from others increased by 37.39% as compared with the same period last year, mainly attributable to the increased revenue generated from others following the Company's expansion in operation scale and the increase in business volume, as well as the significant impact brought by the Company's expansion into the modern logistics and other diversified industries.

15. Gains from changes in fair value increased by RMB40.871 million as compared with the same period last year, mainly due to the increase in fair value of the financial assets held-for-trading of the Company.
16. Investment income increased by RMB215.957 million or 100.03% as compared with the same period last year, mainly due to the increase in the investment income from the associates and joint ventures recognised by the Company.
17. Non-operating expense decreased by RMB7.296 million or 24.46% as compared with the same period last year, mainly due to the decrease in loss from disposal of non-current assets.
18. The deficit of net cash flow from operating activities decreased by RMB727.902 million as compared with that for the same period last year, mainly due to the Company's strengthened management of the recovery of accounts receivable which made the cash inflow from operating activities larger than that in the same period last year.
19. The deficit of net cash flow from investment activities increased by RMB354.671 million as compared with that for the same period last year, mainly due to the increase of cash payment in purchase of fixed assets, intangible assets and investment in long-term equity.
20. Net cash flow from financing activities increased by RMB8,510.751 million as compared with that for the same period last year, mainly due to the increase in short-term loans, ultra short-term debentures and corporate bonds.

3.2 Analysis and explanations of the progress of significant events and their impacts and solutions

Applicable Not applicable

1. *Increase of shareholding by substantial shareholder*

On 29 August 2012, CSRG, via the trading system of the Shanghai Stock Exchange, increased its shareholding in the Company by 471,000 shares and proposes to continue to increase its shareholding in the Company, either in its own name or through parties acting in concert with it, within the next 12 months from that day by up to an aggregated number not exceeding 2% of the total issued share capital of the Company (including those shares purchased in the initial increase of shareholding).

As at 28 August 2013, this round of CSRG's increase of shareholding has been completed. Via the trading system of the Shanghai Stock Exchange, CSRG increased its shareholding in the Company by an aggregate amount of 8,503,157 shares. CSRG directly and indirectly held 7,889,406,857 shares of the Company, representing approximately 57.16% of the total share capital of the Company.

2. *Implementation of the share option scheme*

For details in relation to the implementation of the share option scheme and the impact thereof, please refer to the 2013 interim report of the Company. During the reporting period, there was no other progress pertaining to this matter.

3. *Issuance and repayment of the Company's ultra short-term debentures*

On 6 December 2012, the Company issued ultra short-term debentures with a term of 270 days in the PRC inter bank market, with an issue amount of RMB2 billion. The interest rate was 4.38% and the maturity date was 3 September 2013, which had been repaid upon maturity. On 25 January 2013, the Company issued ultra short-term debentures with a term of 180 days in the PRC inter bank market, with an issue amount of RMB1 billion. The interest rate was 4% and the maturity date was 27 July 2013, which had been repaid upon maturity. On 31 January 2013, the Company issued ultra short-term debentures with a term of 90 days in the PRC inter bank market, with an issue amount of RMB2 billion. The interest rate was 3.9% and the maturity date was 2 May 2013, which had been repaid upon maturity. On 5 July 2013, the Company issued ultra short-term debentures with a term of 90 days in the PRC inter bank market, with an issue amount of RMB1.5 billion. The interest rate was 4.5% and the maturity date was 6 October 2013. On 13 August 2013, the Company issued ultra short-term debentures with a term of 90 days in the PRC inter bank market, with an issue amount of RMB2 billion. The interest rate was 4.54% and the maturity date was 12 November 2013. On 4 September 2013, the Company issued ultra short-term debentures with a term of 180 days in the PRC inter bank market, with an issue amount of RMB2 billion. The interest rate was 4.8% and the maturity date was 4 March 2014.

3.3 Performances of the undertakings given by the Company and its shareholders holding more than 5% of the share capital

Applicable Not applicable

- (I) The non-competition undertakings are as follows: 1) CSRG undertakes that CSRG will not and will, through legal procedures, procure its wholly-owned and non-wholly-owned subsidiaries not to engage in any businesses which might directly compete with the Company's current operating businesses; 2) Subject to the aforesaid undertaking 1), should CSRG (including its wholly-owned and non-wholly-owned subsidiaries or other associates) operate any products or provide any services that might be in competition with the principal products or services of the Company in the future, CSRG has agreed to grant the Company pre-emptive rights to acquire the assets or its entire equity interest in such subsidiaries related to such products or services from CSRG; 3) Subject to the aforesaid undertaking 1), CSRG may develop advanced and lucrative projects in the future which fall within the Company's business scope, but it should preferentially transfer any achievements on such projects to the Company for its own operation under the same terms of transfer; 4) CSRG should indemnify the Company for its actual losses arising from the failure in fulfilling undertakings 1) to 3). During the reporting period, CSRG, the Company's controlling shareholder, fully performed its undertakings as stated above.
- (II) The undertaking with regard to the restructuring of South Huiton is as follows: CSRG will carry out restructuring in CSRG's equity interest and relevant assets in South Huiton, which includes but not limited to CSRG's proposed acquisition of South Huiton's assets in relation to the freight wagon businesses. CSRG will transfer the above-mentioned assets in relation to the freight wagon businesses acquired from South Huiton to the Company within three months from the date of CSRG's acquisition of such assets. The transfer price will be determined through negotiation based on the result of assets valuation. Necessary approval procedures for such assets transfer will be complied with as required by both domestic and overseas regulatory bodies. During the reporting period, CSRG, the Company's controlling shareholder, complied with its foregoing undertakings.

On 29 January 2011, the Company published the Announcement on CSR Group's Undertaking Regarding South Huiton, stating that it received from CSRG, its substantial shareholder, the Letter on the Undertaking Regarding the Reorganization of South Huiton. Relevant details are as follows: 1. CSRG designates the Company as its sole platform for its ultimate integration of businesses including research and development, manufacturing, sale, refurbishment and leasing of locomotives, passenger carriages, freight wagons, MUs, rapid transit vehicles and key components as well as other businesses that utilise proprietary rolling stock technologies; and 2. CSRG plans to, in five years or so, dispose of its equity interest in South Huiton by way of merger and acquisition of assets and/or reorganisation and/or other means, and CSRG may transfer the acquired assets which relate to the freight wagons business to the Company after acquiring the relevant assets of South Huiton.

On 26 December 2012, South Huiton announced that CSGR was planning on restructuring of major assets of South Huiton. Due to the uncertainties of relevant matters, the trading of the shares of South Huiton commenced suspension from 9:30 am on 26 December 2012. On 18 March 2013, South Huiton announced resumption of trading due to the fact that the counterparty of the major restructuring transaction and the stakeholders involved in the restructuring of assets to be acquired cannot reach an agreement within the specified time in compliance with the relevant rules. Please refer to the announcement of South Huiton published on the website of Shenzhen Stock Exchange on 18 March 2013 for the details of termination of restructuring and resumption of trading.

(III) Undertaking on building ownership problems: The Company has not yet obtained property ownership certificates for 114 properties with a total gross floor area of approximately 73,585.58 m² out of the properties held, mainly because they have not been granted property ownership certificates by the local government authorities due to the implementation of the “Leaving the City and Entering the Suburb” policy in Shijiazhuang and the changes in urban planning in Chengdu area. In respect of the urban planning in those cities, Shijiazhuang Administration of Urban and Rural Planning (石家莊市城鄉規劃局) has issued the Explanation on the Area Planning of CSRG Shijiazhuang Rolling Stock Works and pointed out that it would, due to urban planning, not accept any applications for the planning permit in respect of any properties without property ownership certificates. In respect of those properties in Chengdu, Chengdu Administration of Urban Planning (成都市規劃管理局) has issued the Explanation on the Road Planning in the Area of CSRG Chengdu Locomotive & Rolling Stock Works and pointed out that two municipal roads planned would run through the land of the area of the works based on the need of future urban development. Application of property ownership certificates for the properties was temporarily on hold according to the request of the local governments. Apart from the above two subsidiaries which were unable to obtain the property ownership certificates due to objective reasons, all the remaining properties have obtained property ownership certificates. For details about relocation of Shijiazhuang Company, please refer to relevant announcements of the Company dated 6 August 2011 and 17 March 2012 and published on the websites of the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively. During the reporting period, CSRG, the controlling shareholder of the Company, complied with the foregoing undertakings.

(IV) Other undertakings:

(1) CSRG undertook to voluntarily subject the 6,422,914,285 shares subject to trading moratorium it holds in the Company, which were released from such trading moratorium on 18 August 2011, to a lock-up period for another three years (i.e. from 18 August 2011 to 17 August 2014) commencing from 18 August 2011. During the lock-up period, such shares held by CSRG shall not be sold or transferred through the Shanghai Stock Exchange.

- (2) During the non-public issue of shares by the Company in 2012, CSRG undertook that the 1,362,103,700 shares of the Company subscribed by CSRG would not be transferred within 36 months from the completion date of such issue.
- (3) On 29 August 2012, CSRG increased its shareholding in the Company by 471,000 shares and proposed to continue to increase its shareholding in the Company, either in its own name or through parties acting in concert with it, via the trading system of the Shanghai Stock Exchange within the next 12 months up to an aggregated increase not exceeding 2% of the total issued shares of the Company (including the increased shareholding of the shares). CSRG undertook that it would not decrease its shareholding in the Company during the implementation period of the plan on further increase of shareholding and within the statutory period. As at 28 August 2013, this round of shareholding increase of CSRG has been completed. During the implementation period of the plan on further increase of shareholding, CSRG and its parties acting in concert have performed relevant undertakings and did not decrease the shareholdings in the Company.

During the reporting period, CSRG, the controlling shareholder of the Company, complied with the foregoing undertakings.

3.4 Warning and explanations as to a loss (if any) expected to be recorded against the accumulated net profits from the beginning of the year to the end of the next reporting period or material changes as compared with the same period last year

Applicable Not applicable

CSR Corporation Limited
Legal representative: Zheng Changhong
25 October 2013

IV APPENDIX

4.1 Consolidated Balance Sheet

30 September 2013

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	12,851,459	15,044,694
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets held-for-trading	13,350	9,589
Bills receivable	3,534,642	3,735,597
Accounts receivable	31,331,170	26,618,776
Funds paid in advance	3,796,551	5,055,270
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Interests receivable		
Dividends receivable	11,249	261,249
Other receivables	1,682,724	1,478,938
Purchases of resold financial assets		
Inventories	26,382,724	18,770,236
Non-current assets due within one year	122,389	158,069
Other current assets	775,477	1,128,973
	<hr/>	<hr/>
Total current assets	80,501,735	72,261,391
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Item	Closing balance	Opening balance
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets	650,704	493,553
Held-to-maturity investments		
Long-term receivables	2,060,937	950,107
Long-term equity investment	2,701,613	2,605,633
Investment property		
Fixed assets	20,200,089	19,966,042
Construction in progress	4,065,704	3,004,521
Construction materials		
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	5,133,787	4,959,126
Development expenditure	62,338	51,856
Goodwill	105,774	97,147
Long-term deferred expenses	28,773	30,520
Deferred income tax assets	485,602	469,695
Other non-current assets	382,379	327,710
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Total non-current assets	35,877,700	32,955,910
	<hr/>	<hr/>
Total assets	116,379,435	105,217,301
	<hr/> <hr/>	<hr/> <hr/>

Item	Closing balance	Opening balance
Current liabilities:		
Short term borrowings	7,274,706	4,487,248
Borrowings from central bank		
Deposit taking and deposit in inter-bank market		
Placements funds		
Financial liabilities held-for-trading		
Bills payable	8,421,718	12,948,103
Accounts payable	30,777,772	26,714,857
Funds received in advance	9,046,936	7,271,776
Funds from disposal of repurchased financial assets		
Handling charges and commissions payable		
Staff remuneration payable	845,905	594,870
Taxes payable	574,295	1,275,073
Interest payable	51,155	75,910
Dividend payable	51,712	48,172
Other payables	3,389,038	3,136,189
Reinsurance accounts payable		
Deposits for insurance contracts		
Customer deposits for trading in securities		
Customer deposits for securities underwriting		
Non-current liabilities due within one year	438,905	2,986,216
Other current liabilities	5,500,000	2,000,000
	<hr/>	<hr/>
Total current liabilities	66,372,142	61,538,414
	<hr/> <hr/>	<hr/> <hr/>
Non-current liabilities:		
Long term borrowings	748,502	727,376
Bonds payable	3,000,000	
Long term payables	10,060	10,060
Specific payables		
Projected liabilities	1,251,488	972,675
Deferred income tax liabilities	85,576	45,427
Other non-current liabilities	3,571,730	2,413,488
	<hr/>	<hr/>
Total non-current liabilities	8,667,356	4,169,026
	<hr/>	<hr/>
Total liabilities	75,039,498	65,707,440
	<hr/> <hr/>	<hr/> <hr/>

Item	Closing balance	Opening balance
Owners' equity		
(or shareholders' equity):		
Paid-up capital (or share capital)	13,803,000	13,803,000
Capital reserve	9,515,540	9,345,528
Less: treasury shares		
Special reserve		
Surplus reserve	766,001	766,001
General risk provision		
Retained earnings	10,257,124	8,865,673
Foreign currency translation differences	-46,152	-24,775
Total equity attributable to the owners of the parent company	34,295,513	32,755,427
Minority interests	7,044,424	6,754,434
Total owners' equity	41,339,937	39,509,861
	<hr/>	<hr/>
Total liabilities and owners' equity	116,379,435	105,217,301
	<hr/> <hr/>	<hr/> <hr/>

Legal representative:
Zheng Changhong

*Person-in-charge of
accounting affairs:*
Zhan Yanjing

*Head of the accounting
department:*
Liu Jiang

Balance Sheet of the Parent Company

30 September 2013

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	3,400,968	2,373,099
Financial assets held-for-trading		
Bills receivable		
Accounts receivable		
Funds paid in advance		
Interests receivable	505,500	325,664
Dividends receivable	220,000	1,330,820
Other receivables	12,504,880	9,435,177
Inventories		
Non-current assets due within one year		
Other current assets	522	
Total current assets	<u>16,631,348</u>	<u>13,465,282</u>
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables	1,035,000	179,000
Long-term equity investment	30,192,439	29,197,593
Investment property		
Fixed assets	10,622	12,343
Construction in progress	5,591	4,575
Construction materials		
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	26,664	31,581
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	<u>31,270,316</u>	<u>29,425,092</u>
Total assets	<u>47,901,664</u>	<u>42,890,374</u>

Item	Closing balance	Opening balance
Current liabilities:		
Short term borrowings	3,400,000	495,000
Financial liabilities held-for-trading		
Bills payable		
Accounts payable		
Funds received in advance		
Staff remuneration payable	7,296	24,441
Taxes payable	1,395	2,223
Interest payable	151,465	77,084
Dividend payable		
Other payables	5,110,887	6,277,005
Non-current liabilities due within one year		2,000,000
Other current liabilities	5,500,000	2,000,000
	<u>14,171,043</u>	<u>10,875,753</u>
Total current liabilities	<u>14,171,043</u>	<u>10,875,753</u>
Non-current liabilities:		
Long-term borrowings	300,000	300,000
Bonds payable	3,000,000	
Long term payables		
Specific payables		
Projected liabilities		
Deferred income tax liabilities		
Other non-current liabilities	12,254	13,080
Total non-current liabilities	3,312,254	313,080
	<u>3,312,254</u>	<u>313,080</u>
Total liabilities	<u>17,483,297</u>	<u>11,188,833</u>
Owners' equity		
(or shareholders' equity):		
Paid-up capital (or share capital)	13,803,000	13,803,000
Capital reserve	14,009,049	14,049,154
Less: Treasury shares		
Special reserve		
Surplus reserve	766,001	766,001
General risk provision		
Retained earnings	1,840,317	3,083,386
Total owners' equity (or shareholders' equity)	30,418,367	31,701,541
	<u>30,418,367</u>	<u>31,701,541</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>47,901,664</u>	<u>42,890,374</u>

Legal representative:
Zheng Changhong

Person-in-charge of
accounting affairs:
Zhan Yanjing

Head of the accounting
department:
Liu Jiang

4.2 Consolidated Income Statement

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Amount for the reporting period (From July to September)	Amount for the last corresponding reporting period (From July to September)	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
I. Total operating revenue	19,591,634	21,069,282	56,520,220	63,522,925
Including: Revenue from operations	19,591,634	21,069,282	56,520,220	63,522,925
Interest income				
Premiums earned				
Handling charges and commission income				
II. Total operating cost	18,256,214	20,158,729	53,722,453	60,059,835
Including: Operating cost	15,543,841	17,530,002	46,062,700	51,784,221
Interest expenses				
Handling charges and commission expenses				
Surrender payment				
Net expenditure for compensation payments				
Net provision for insurance deposits				
Policyholder dividend expenses				
Reinsurance costs				
Business tax and surcharges	59,248	80,782	223,515	268,213
Selling expenses	577,873	483,075	1,621,566	1,836,610
Administrative expenses	1,961,643	2,014,543	5,230,270	5,652,571
Finance costs	168,208	112,689	432,400	390,734
Asset impairments loss	-54,599	-62,362	152,002	127,486

Item	Amount for the reporting period (From July to September)	Amount for the last corresponding reporting period (From July to September)	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
Add: Gains from changes in fair value (loss is represented by “-”)	-858	-636	3,924	-36,947
Investment income (loss is represented by “-”)	131,638	157,365	431,857	215,900
Including: Gains from investment in associates and joint ventures		163,316	350,330	199,995
Gains from foreign currency exchange (loss is represented by “-”)				
III. Profit from operations (loss is represented by “-”)	1,466,200	1,067,282	3,233,548	3,642,043
Add: Non-operating income	81,798	135,401	345,126	374,549
Less: Non-operating expense	9,842	12,657	22,531	29,827
Including: Loss from disposal of non-current assets	2,450	2,323	2,450	7,054
IV. Total profit (total loss is represented by “-”)	1,538,156	1,190,026	3,556,143	3,986,765
Less: Income tax expenses	194,710	141,741	538,947	622,396
V. Net profit (net loss is represented by “-”)	1,343,446	1,048,285	3,017,196	3,364,369
Net profit attributable to the equity holder of the parent company	1,048,916	933,811	2,510,322	2,852,436
Minority interests	294,530	114,474	506,874	511,933

Item	Amount for the reporting period (From July to September)	Amount for the last corresponding reporting period (From July to September)	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
VI. Earnings per share:				
(I) Basic earnings per share	0.08	0.07	0.18	0.21
(II) Diluted earnings per share	0.08	0.07	0.18	0.21
VII. Other comprehensive income	17,062	-72,444	148,635	-153,233
VIII. Total comprehensive income	1,360,508	975,841	3,165,831	3,211,136
Total comprehensive income attributable to the equity holder of the parent company	1,051,406	861,039	2,658,957	2,699,216
Total comprehensive income attributable to minority interests	309,102	114,802	506,874	511,920

Legal representative:
Zheng Changhong

*Person-in-charge of
accounting affairs:*
Zhan Yanjing

*Head of the accounting
department:*
Liu Jiang

Income Statement of the Parent Company

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Amount for the reporting period (From July to September)	Amount for the last corresponding reporting period (From July to September)	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
I. Revenue from operations	77,730	3,133	117,519	3,133
Less: Operating cost				
Business tax and surcharges		49	220	49
Selling expenses	1,293	2,594	5,850	8,341
Administrative expenses	27,718	30,130	89,174	93,240
Finance costs	60,453	-102,486	21,852	-113,916
Asset impairments loss				
Add: Gains from changes in fair value (loss is represented by "-")				
Investment income (loss is represented by "-")			-2,740	1,650
Including: Gains from investment in associates and joint ventures				
II. Profit from operations (loss is represented by "-")	-11,734	72,846	-2,317	17,069
Add: Non-operating income	-150	332	581	332
Less: Non-operating expense		3		3
Including: Loss from disposal of non-current assets				

Item	Amount for the reporting period (From July to September)	Amount for the last corresponding reporting period (From July to September)	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
III. Total profit (total loss is represented by “-”)	-11,884	73,175	-1,736	17,398
Less: Income tax expenses				
IV. Net profit (net loss is represented by “-”)	-11,884	73,175	-1,736	17,398
V. Earnings per share:				
(I) Basic earnings per share				
(II) Diluted earnings per share				
VI. Other comprehensive income				
VII. Total comprehensive income	-11,884	55,777	-1,736	17,398
Legal representative: Zheng Changhong	<i>Person-in-charge of accounting affairs:</i> Zhan Yanjing	<i>Head of the accounting department:</i> Liu Jiang		

4.3 Consolidated Cash Flow Statement

January to September 2013

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
I. Cash flow from operating activities		
Cash received from sales of goods and provision of services	60,684,444	51,202,419
Net increase in deposits from customers and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Net increase in disposal of held-for-trading financial assets		
Cash received from interest, handling charges and commissions		
Net increase in capital due to banks and other financial institutions		
Net increase in repurchases business fund		
Tax rebates	297,049	312,623
Other cash received from activities related to operation	1,606,302	568,595
Sub-total of cash inflows from operating activities	62,587,795	52,083,637
Cash paid for goods purchased and service rendered	55,002,592	45,847,777
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
Cash paid for claims on original insurance contracts		
Cash payment for interest, handling charges and commissions		
Cash payment for policyholder dividend		
Cash paid to and on behalf of employees	5,931,932	5,419,130
Taxes paid	3,121,076	3,634,017
Other cash paid for activities relating to operation	3,939,815	3,318,235
	<hr/>	<hr/>
Sub-total of cash outflow from operating activities	67,995,415	58,219,159
	<hr/> <hr/>	<hr/> <hr/>
Net cash flows from operating activities	-5,407,620	-6,135,522
	<hr/> <hr/>	<hr/> <hr/>
II. Cash flow from investment activities:		
Cash received from disposal of investments	359,377	1,664,232
Cash received from gains in investments	539,857	29,356
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	46,835	80,078
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities	11,834	0
Sub-total of cash inflows from investment activities	957,903	1,773,666
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	3,013,339	3,348,875
Cash paid for investment	1,933,291	2,058,847
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid related to investment activities		
Sub-total of cash outflow from investment activities	4,946,630	5,407,722
	<hr/> <hr/>	<hr/> <hr/>
Net cash flow from investment activities	-3,988,727	-3,634,056
	<hr/> <hr/>	<hr/> <hr/>

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
III. Cash flow from financing activities		
Proceeds received from investments	946,482	9,144,880
Including: Proceeds received by subsidiaries from minority shareholder's investment	946,482	389,900
Cash received from borrowings	25,885,740	7,115,886
Cash received from issue of bonds		
Cash received relating to other financing activities		
Sub-total of cash inflow from financing activities	26,832,222	16,260,766
Repayments of borrowing	18,577,157	15,413,060
Cash payments for dividend and profit distribution or interest repayment	1,910,505	2,979,118
Including: Dividend and profit paid by subsidiary to minority shareholders	52,451	209,624
Other cash paid relating to financing activities	20,796	55,575
Sub-total of cash outflow from financing activities	20,508,458	18,447,753
Net cash flow from financing activities	<u>6,323,764</u>	<u>-2,186,987</u>
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	-75,481	3,319
V. Net increase in cash and cash equivalents	-3,148,064	-11,953,246
Add: Balance of cash and cash equivalents at the beginning of the reporting period	15,123,985	21,975,876
VI. Balance of cash and cash equivalents at the end of the reporting period	11,975,921	10,022,630

Legal representative:
Zheng Changhong

*Person-in-charge of
accounting affairs:*
Zhan Yanjing

*Head of the accounting
department:*
Liu Jiang

Cash Flow Statement of the Parent Company
January to September 2013

Prepared by: CSR Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
I. Cash flow from operating activities		
Cash received from sales of goods and provision of services	117,519	
Tax rebates		
Other cash received from activities related to operation	398,526	412,567
Sub-total of cash inflow from operating activities	516,045	412,567
Cash paid for goods purchased and service rendered	43,094	
Cash paid to and on behalf of employees	45,856	43,321
Taxes paid	30,285	9,039
Other cash paid for activities related to operation	4,419,379	1,280,619
Sub-total of cash outflow from operating activities	4,538,614	1,332,979
Net cash flow from operating activities	-4,022,569	-920,412

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
II. Cash flow from investment activities:		
Cash received from disposal of investments		
Cash received from gains in investments	177,320	122,072
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities		
Sub-total of cash inflow from investment activities	177,320	122,072
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	4,667	8,840
Cash paid for investment	1,060,000	5,751,198
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities		328,135
Sub-total of cash outflow from investment activities	<u>1,064,667</u>	<u>6,088,173</u>
Net cash flow from investment activities	<u>-887,347</u>	<u>-5,966,101</u>

Item	Amount for the beginning of year to the end of the reporting period (From January to September)	Amount for the beginning of last year to the end of last corresponding reporting period (From January to September)
III. Cash flow from financing activities		
Proceeds received from investments		8,701,980
Cash received from borrowings	20,000,000	4,540,000
Cash received from issue of bonds		
Cash received relating to other financing activities		
Sub-total of cash inflow from financing activities	20,000,000	13,241,980
Repayments of borrowing	12,595,000	12,150,000
Cash payments for dividend and profit distribution or interest repayment	1,448,220	2,831,254
Other cash paid relating to financing activities	19,000	1,544
Sub-total of cash outflow from financing activities	<u>14,062,220</u>	<u>14,982,798</u>
Net cash flow from financing activities	<u>5,937,780</u>	<u>-1,740,818</u>
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates		
	5	59
V. Net increase in cash and cash equivalents		
Add: Balance of cash and cash equivalents at the beginning of the reporting period	1,027,869 2,373,099	-8,627,272 11,715,979
VI. Balance of cash and cash equivalents at the end of the reporting period		
	3,400,968	3,088,707
<i>Legal representative:</i> Zheng Changhong	<i>Person-in-charge of accounting affairs:</i> Zhan Yanjing	<i>Head of the accounting department:</i> Liu Jiang