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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 FIRST 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 first quarterly report ended 31 March 2013 of the Company is set out below.

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

By order of the Board
CSR Corporation Limited
Zheng Changhong
Chairman

Beijing, the PRC
26 April 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 this report contains no false representation, misleading statement or material omission, and shall be severally and jointly liable for the truthfulness, accuracy and completeness of the contents in this report.

1.2 All directors of the Company attended the Board meetings.

1.3 The first quarterly financial report of the Company is unaudited.

1.4 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 and completeness of the financial statements in this quarterly report.

2 BASIC INFORMATION OF THE COMPANY

2.1 Major accounting data and financial indicators

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 (<i>RMB'000</i>)	104,545,303	105,217,301	-0.64
Owners' equity (or shareholders' equity) (<i>RMB'000</i>)	33,719,897	32,755,427	2.94
Net assets per share attributable to shareholders of the Company (<i>RMB/share</i>)	2.44	2.37	2.95
		From the beginning of the year to the end of the reporting period	Change as compared to the same period last year (%)
Net cash flow from operating activities (<i>RMB'000</i>)		-2,024,229	N/A
Net cash flow per share from operating activities (<i>RMB/share</i>)		-0.15	N/A

	As at the reporting period	From the beginning of the year to the end of the reporting period	Change as at the reporting period as compared to the same period last year (%)
Net profits attributable to shareholders of the listed company (RMB'000)	811,697	811,697	-24.24
Basic earnings per share (RMB/share)	0.06	0.06	-33.33
Basic earnings per share after non-recurring gains or losses (RMB/share)	0.05	0.05	-37.50
Diluted earnings per share (RMB/share)	0.06	0.06	-33.33
Return on net assets (weighted average) (%)	2.44	2.44	Decreased by 1.46 percentage points
Return on net assets after non-recurring gains or losses (weighted average) (%)	2.13	2.13	Decreased by 1.58 percentage points

Deducting non-recurring gain or loss items and amounts:

Unit: RMB'000 Currency: RMB

Item	Amount
Profit or loss on disposal of non-current assets	820
Government subsidies recognized in current profit and 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)	118,170
Profit or loss from debt restructuring	28
Other non-operating income and expenses except items above	178
Other profit or loss items within the definition of non-recurring profit or loss	2,253
Net income and expense arising from donation	-55
Effect on income tax	-16,136
Effect on minority interests (after tax)	-236
Total	<u><u>105,022</u></u>

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

Unit: Share

Total number of shareholders as at the end of the reporting period	282,362 (including 279,768 holders of A shares and 2,594 holders of H shares)
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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)	6,428,583,385	Ordinary shares denominated in RMB
HKSCC NOMINEES LIMITED	2,017,010,839	Overseas listed foreign invested 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)	141,046,173	Ordinary shares denominated in RMB
National Social Security Fund 502 (全國社保基金五零二組合)	100,990,000	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
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	67,264,500	Ordinary shares denominated in RMB
National Social Security Fund 503 (全國社保基金五零三組合)	53,811,600	Ordinary shares denominated in RMB

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

1. Cash and bank balances decreased by RMB2,221,344,000 or 14.76% as compared with those at the beginning of the year, mainly due to the increase in the cash payments for purchase of commodities by the Company.
2. Bills receivable increased by RMB1,250,059,000 or 33.46% as compared with those at the beginning of the year, mainly due to the increase in settlement by acceptance bills by customers.
3. Prepayments decreased by RMB1,222,118,000 or 24.18% as compared with those at the beginning of the year, mainly due to the delivery of related materials settled by prepayments and procured by the Company, the settlement of which offsets the prepayments of the Company.
4. Other current assets decreased by RMB535,263,000 or 47.41% as compared with those at the beginning of the year, mainly due to the decrease in taxes overpaid or to be repaid of the Company.
5. Available-for-sale financial assets increased by RMB274,545,000 or 55.63% as compared with those at the beginning of the year, mainly due to the increase in fair value of available-for-sale equity instruments held by the Company in the first quarter.
6. Long-term receivables increased by RMB169,470,000 or 17.84% as compared with those at the beginning of the year, mainly due to the increase in financial leasing receivables of the Company.
7. Short-term borrowings increased by RMB499,509,000 or 11.13% 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. Taxes payable decreased by RMB546,097,000 or 42.83% as compared with those at the beginning of the year, mainly due to the payment of value-added tax and enterprise income tax by the Company in the first quarter.
9. Interests payable decreased by RMB60,256,000 or 79.73% as compared with those at the beginning of the year, mainly due to the decrease in bonds payable for the current period.
10. Non-current liabilities due within one year decreased by RMB2,180,253,000 or 73.01% as compared with those at the beginning of the year, mainly due to the repayment of bonds payable due.

11. Other current liabilities increased by RMB3,000,000,000 or 150.00% as compared with those at the beginning of the year, mainly due to the new issue of ultra short-term bank debentures of the Company to satisfy the capital requirement of the Company.
12. Revenue increased by RMB592,232,000 or 3.08% as compared with the same period last year, mainly due to the increase in the operating income generated from businesses such as locomotives, passenger carriages, rapid transits and modern logistics as compared with the same period last year.
13. Finance expenses increased by RMB32,037,000 or 29.02% as compared with that for the same period last year, mainly due to the absence of foreign currency business of the Company reducing the gains from foreign currency exchange for the current period while the Company leveraged on forward financial instruments to generate more gains from foreign currency exchange owing to the increase in the foreign currency business of the Company for the same period last year.
14. Asset impairment loss increased by RMB12,170,000 or 39.44% as compared with that for the same period last year, mainly due to the increase in provisions for inventory impairment made by the Company for the current period.
15. Investment income increased by RMB113,440,000 or 258.87% as compared with that for the same period last year, mainly due to the increase in the share of profits of joint ventures and associates of the Company.
16. Non-operating income increased by RMB28,892,000 or 30.47% as compared with that for the same period last year, mainly due to the increase in government subsidies recognized for the period.
17. Income tax expenses decreased by RMB34,412,000 or 15.75% as compared with those for the same period last year, mainly due to the decrease in total profit.
18. The deficit of net cash flow from operating activities decreased by RMB3,741,881,000 to RMB2,024,229,000 as compared with that for the same period last year, mainly due to the Company's strengthened management of the recovery of accounts receivable, as well as the enhanced monetary fund management and the increased utilization ratio of monetary fund.
19. The deficit of net cash flow from investment activities decreased by RMB439,887,000 to RMB1,342,563,000 as compared with that for the same period last year, mainly due to the decrease in cash payments for purchasing and building fixed assets, intangible assets and long-term equity investment by the Company.
20. Net cash flow from financing activities decreased by RMB5,981,241,000 to RMB1,254,070,000 as compared with that for the same period last year, mainly due to the absence of equity financing activities for the current period whereas refinancing of RMB8,700,000,000 through placement by the Company took place for the same period last year.

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

Applicable Not applicable

1. 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 2012 annual report of the Company. The first batch of share options granted to participants under the share option scheme of the Company were subject to a lock-up period of 24 months commencing from the grant date (i.e. 27 April 2011), and until the end of 26 April 2013. Subject to the fulfillment of certain effective conditions, the share options shall become effective from the first trading day subsequent to the expiry of the above lock-up period. As the 2012 annual results of the Company failed to achieve the required growth rate of the revenue under the share option scheme, the first batch of share options did not become effective. According to the requirements stipulated under the Share Option Scheme of CSR Corporation Limited (revised draft), such share options not becoming effective shall lapse forthwith and shall be cancelled by the Company.

For details, please refer to the relevant announcements disclosed on the website of the Shanghai Stock Exchange and the website of the Hong Kong Stock Exchange on the same date.

2. Debit financing instruments

- (1) Mid-term notes: On 3 February 2010, the Company issued mid-term notes with a term of three years in the PRC inter bank market, with an issue amount of RMB2 billion. The interest rate was 4.08% and the maturity date was 3 February 2013 for the issue, while the notes have been cashed upon maturity.
- (2) 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 for the issue, while the debentures were not mature yet. 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 for the issue, while the debentures were not mature yet. 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 for the issue, while the debentures were not mature yet.

3.3 Performances of the undertakings given by the Company, its shareholders and its ultimate controller

Applicable Not applicable

1. CSRG, the controlling shareholder of the Company, made the following undertakings in the prospectus:

- (1) The undertaking with regard to the restructuring of South Huiton is as follows: there will be a proposed restructuring in CSRG's equity interest and relevant assets in South Huiton. This 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 CSRG'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 Huitong announced CSGR's planning on restructuring of major assets in progress. Due to the uncertainties of relevant matters, South Huitong shares began to suspend from 9:30am on 26 December 2012. On 18 March 2013, South Huitong 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 Huitong No. 2013-015 published on the website of Shenzhen Stock Exchange dated on 18 March for the details of suspension of restructuring and resumption of trading.

- (2) The non-competition undertakings are as follows: ① CSGR undertakes that CSGR 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 CSGR (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, CSGR has agreed to grant the Company pre-emptive rights to acquire the assets or the entire equity interest in such subsidiaries related to such products or services from CSGR; ③ Subject to the aforesaid undertaking ①, CSGR 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 CSGR should indemnify the Company for its actual losses arising from the failure in fulfilling undertakings ① to ③ as described above. During the reporting period, CSGR, the Company's controlling shareholder, complied with all the foregoing undertakings.

2. 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 urban development in the future. 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 China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily and the websites of the Shanghai Stock Exchange and the Hong Kong Stock Exchange. During the reporting period, CSRG, the controlling shareholder of the Company, complied with the foregoing undertakings.

3. Other undertakings

- (1) CSRG undertook to voluntarily allow the 6,422,914,285 tradable shares subject to trading moratorium it holds in the Company, which have been relieved from such trading moratorium on 18 August 2011, to renew their 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.

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

3.5 Implementation of cash dividend policy during the reporting period

According to relevant requirements in the Company Law, the Securities Law and the Articles of Association, taking into consideration the financial position of the Company, the Board proposed a profit distribution to shareholders of RMB0.9 (tax inclusive) per 10 shares. Profits to be distributed accounted for 30.98% of net profits attributable to shareholders of the Company in the consolidated financial statements, in compliance with the requirements in the Articles of Association and Shareholders' Return Plan. The distribution plan is subject to consideration and approval at the general meeting of the Company.

4 APPENDIX

4.1 Consolidated Balance Sheet

31 March 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	12,823,350	15,044,694
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets held-for-trading	9,511	9,589
Bills receivable	4,985,656	3,735,597
Accounts receivable	27,114,517	26,618,776
Funds paid in advance	3,833,152	5,055,270
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Interests receivable		
Dividends receivable	261,249	261,249
Other receivables	1,356,154	1,478,938
Purchases of resold financial assets		
Inventories	19,614,343	18,770,236
Non-current assets due within one year	158,069	158,069
Other current assets	593,710	1,128,973
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Total current assets	70,749,711	72,261,391
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Non-current assets:

Loans and advances granted		
Available-for-sale financial assets	768,098	493,553
Held-to-maturity investments		
Long-term receivables	1,119,577	950,107
Long-term equity investment	2,728,486	2,605,633
Investment property		
Fixed assets	19,789,891	19,966,042
Construction in progress	3,399,195	3,004,521
Construction materials	1,663	
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	4,993,038	4,959,126
Development expenditure	61,868	51,856
Goodwill	97,147	97,147
Long-term deferred expenses	30,328	30,520
Deferred income tax assets	449,479	469,695
Other non-current assets	356,822	327,710
Total non-current assets	33,795,592	32,955,910
	<hr/>	<hr/>
Total assets	104,545,303	105,217,301

Current liabilities:

Short term borrowings	4,986,757	4,487,248
Borrowings from central bank		
Deposit taking and deposit in inter-bank market		
Placements funds		
Financial liabilities held-for-trading		
Bills payable	9,750,679	12,948,103
Accounts payable	26,848,455	26,714,857
Funds received in advance	7,506,452	7,271,776
Funds from disposal of repurchased financial assets		
Handling charges and commissions payable		
Staff remuneration payable	618,220	594,870
Taxes payable	728,976	1,275,073
Interest payable	15,384	75,910
Dividend payable	48,172	48,172
Other payables	3,250,974	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	805,963	2,986,216
Other current liabilities	5,000,000	2,000,000
	<hr/>	<hr/>
Total current liabilities	59,560,032	61,538,414

Non-current liabilities:

Long term borrowings	715,784	727,376
Bonds payable		
Long term payables	10,303	10,060
Specific payables		
Projected liabilities	1,067,663	972,675
Deferred income tax liabilities	46,518	45,427
Other non-current liabilities	2,596,505	2,413,488
Total non-current liabilities	4,436,773	4,169,026

Total liabilities	63,996,805	65,707,440
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Owners' equity**(or shareholders' equity):**

Paid-up capital (or share capital)	13,803,000	13,803,000
Capital reserve	9,498,512	9,345,528
Less: treasury shares		
Special reserve		
Surplus reserve	766,001	766,001
General risk provision		
Retained earnings	9,677,370	8,865,673
Foreign currency translation differences	-24,986	-24,775
Total equity attributable to		
the owners of the parent company	33,719,897	32,755,427
Minority interests	6,828,601	6,754,434
Total owners' equity	40,548,498	39,509,861

Total liabilities and owners' equity	104,545,303	105,217,301
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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

31 March 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	1,690,155	2,373,099
Financial assets held-for-trading		
Bills receivable		
Accounts receivable		
Funds paid in advance		
Interests receivable	384,257	325,664
Dividends receivable	524,800	1,330,820
Other receivables	10,846,459	9,435,177
Inventories		
Non-current assets due within one year		
Other current assets	1,294	522
Total current assets	<u>13,446,965</u>	<u>13,465,282</u>
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables	179,000	179,000
Long-term equity investment	29,197,593	29,197,593
Investment property		
Fixed assets	12,554	12,343
Construction in progress	4,575	4,575
Construction materials		
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	29,235	31,581
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	<u>29,422,957</u>	<u>29,425,092</u>
Total assets	<u>42,869,922</u>	<u>42,890,374</u>

Current liabilities:

Short term borrowings	1,100,000	495,000
Financial liabilities held-for-trading		
Bills payable		
Accounts payable	4,875	
Funds received in advance		
Staff remuneration payable	11,357	24,441
Taxes payable	676	2,223
Interest payable	67,210	77,085
Dividend payable		
Other payables	9,649,523	6,277,004
Non-current liabilities due within one year		2,000,000
Other current liabilities		2,000,000
	<hr/>	<hr/>
Total current liabilities	10,833,641	10,875,753

Non-current liabilities:

Long-term borrowings	300,000	300,000
Bonds payable		
Long term payables		
Specific payables		
Projected liabilities	12,012	13,080
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	312,012	313,080
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Total liabilities	11,145,653	11,188,833

Owners' equity**(or shareholders' equity):**

Paid-up capital (or share capital)	13,803,000	13,803,000
Capital reserve	14,049,154	14,049,154
Less: Treasury shares		
Special reserve		
Surplus reserve	766,001	766,001
General risk provision		
Retained earnings	3,106,114	3,083,386
Total owners' equity (or shareholders' equity)	31,724,269	31,701,541
	<hr/>	<hr/>
Total liabilities and owners' equity (or shareholders' equity)	42,869,922	42,890,374

Legal representative:
Zheng Changhong

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

*Head of the accounting
department:*
Liu Jiang

4.2 Consolidated Income Statement

January to March 2013

Prepared by: CSR Corporation Limited

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

Item	Amount for the period	Amount for the previous period
I. Total operating revenue	19,795,533	19,203,301
Including: Revenue from operations	19,795,533	19,203,301
Interest income		
Premiums earned		
Handling charges and commission income		
II. Total cost of sales	19,004,507	17,853,619
Including: Operating cost	16,641,606	15,479,927
Interest expenses		
Handling charges and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net reserves for insurance contracts		
Policy dividend expenses		
Reinsurance costs		
Business tax and surcharges	77,319	84,020
Selling expenses	458,321	498,803
Administrative expenses	1,641,784	1,649,599
Finance costs	142,452	110,415
Asset impairments loss	43,025	30,855
Add: Gains from changes in fair value (loss is represented by “—”)	-49	-97
Investment income (loss is represented by “—”)	157,261	43,821
Including: Gains from investment in associates and joint ventures	119,358	39,495
Gains from foreign currency exchange (loss is represented by “—”)		

III. Profit from operations		
(loss is represented by “—”)	948,238	1,393,406
Add: Non-operating income	123,727	94,835
Less: Non-operating expense	1,976	7,531
Including: Loss from disposal of non-current assets	601	911
IV. Total profit (total loss is represented by “—”)	1,069,989	1,480,710
Less: Income tax expenses	184,126	218,538
V. Net profit (net loss is represented by “—”)	885,863	1,262,172
Net profit attributable to the owners of the parent company	811,697	1,071,459
Minority interests	74,166	190,713
VI. Earnings per share:		
(I) Basic earnings per share	0.06	0.09
(II) Diluted earnings per share	0.06	0.09
VII. Other comprehensive income	152,774	-4,308
VIII. Total comprehensive income	1,038,637	1,257,864
Total comprehensive income attributable to the owners of the parent company	964,471	1,067,151
Total comprehensive income attributable to minority shareholders	74,166	190,713
<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

Income Statement of the Parent Company

January to March 2013

Prepared by: CSR Corporation Limited

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

Item	Amount for the period	Amount for the previous period
I. Revenue from operations	9	
Less: Operating cost		
Business tax and surcharges	1	
Selling expenses	1,880	2,070
Administrative expenses	24,446	21,188
Finance costs	-49,046	11,967
Asset impairments loss		
Add: Gains from changes in fair value (loss is represented by “—”)		
Investment income (loss is represented by “—”)		
Including: Gains from investment in associates and joint ventures		
II. Profit from operations (loss is represented by “—”)	22,728	-35,225
Add: Non-operating income		
Less: Non-operating expense		
Including: Loss from disposal of non-current assets		
III. Total profit (total loss is represented by “—”)	22,728	-35,225
Less: Income tax expenses		
IV. Net profit (net loss is represented by “—”)	22,728	-35,225
V. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		
VI. Other comprehensive income	-96	
VII. Total comprehensive income	22,632	-35,225
<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

4.3 Consolidated Cash Flow Statement

January to March 2013

Prepared by: CSR Corporation Limited

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

Item	Amount for the period	Amount for the previous period
I. Cash flow from operating activities		
Cash received from sales of goods and provision of services	21,885,145	13,654,315
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 placements fund		
Net increase in repurchases business fund		
Tax rebates	158,704	133,455
Other cash received from activities related to operation	256,952	442,668
Sub-total of cash inflows from operating activities	22,300,801	14,230,438
Cash paid for goods purchased and service rendered	19,423,740	15,167,260
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance contracts		
Cash payment for interest, handling charges and commissions		
Cash payment for policy dividend		
Cash paid to and on behalf of employees	1,985,091	1,821,805
Taxes paid	1,393,158	1,450,757
Other cash paid for activities relating to operation	1,523,041	1,556,726
Sub-total of cash outflow from operating activities	24,325,030	19,996,548
Net cash flows from operating activities	-2,024,229	-5,766,110

II. Cash flow from investment activities:

Cash received from disposal of investments		300,000
Cash received from gains in investments		12,018
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,685	3,320
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities		
Sub-total of cash inflows from investment activities	1,685	315,338
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	1,073,348	941,041
Cash paid for investment	270,900	1,156,747
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	1,344,248	2,097,788
Net cash flow from investment activities	-1,342,563	-1,782,450

III. Cash flow from financing activities:

Proceeds received from investments		8,720,831
Including: Proceeds received by subsidiaries from minority shareholders' investment		24,000
Cash received from borrowings	5,239,218	1,851,640
Cash received from issue of bonds		
Cash received relating to other financing activities		2,575
Sub-total of cash inflow from financing activities	5,239,218	10,575,046
Cash paid for repayment of debts	3,751,302	3,090,662
Cash payments for dividend or profit distribution or interest repayment	231,846	248,320
Including: Dividend and profit paid by subsidiary to minority shareholders		
Other cash paid relating to financing activities	2,000	753
Sub-total of cash outflow from financing activities	3,985,148	3,339,735
Net cash flow from financing activities	1,254,070	7,235,311

IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	-20,283	1,656
V. Net increase in cash and cash equivalents	-2,133,005	-311,593
Add: Balance of cash and cash equivalents at the beginning of the period	14,856,812	21,975,876
VI. Balance of cash and cash equivalents at the end of the period	12,723,807	21,664,283

<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
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Cash Flow Statement of the Parent Company
January to March 2013

Prepared by: CSR Corporation Limited

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

Item	Amount for the period	Amount for the previous period
I. Cash flow from operating activities		
Cash received from sales of goods and provision of services	8,487	
Tax rebates		
Other cash received from activities related to operation	98,639	20,676
Sub-total of cash inflow from operating activities	107,126	20,676
Cash paid for goods purchased and service rendered	12,563	51
Cash paid to and on behalf of employees	20,997	17,256
Taxes paid	3,203	3,543
Other cash paid for activities related to operation	2,328,143	4,861,402
Sub-total of cash outflow from operating activities	2,364,906	4,882,252
Net cash flow from operating activities	-2,257,780	-4,861,576

II. Cash flow from investment activities:		
Cash received from disposal of investments		
Cash received from gains in investments	62,520	89,405
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	62,520	89,405
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	38	379
Cash paid for investment		200,000
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities		
Sub-total of cash outflow from investment activities	38	200,379
Net cash flow from investment activities	62,482	-110,974
III. Cash flow from financing activities:		
Cash received from investments		8,699,405
Cash received from borrowings	4,100,000	
Cash received from issue of bonds		
Cash received relating to other financing activities		2,575
Sub-total of cash inflow from financing activities	4,100,000	8,701,980
Cash paid for repayment of debts	2,495,000	1,560,000
Cash payments for dividend or profit distribution or interest repayment	86,280	97,392
Other cash paid relating to financing activities	2,000	753
Sub-total of cash outflow from financing activities	2,583,280	1,658,145
Net cash flow from financing activities	1,516,720	7,043,835
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates		
		-207
V. Net increase in cash and cash equivalents		
	-678,578	2,071,078
Add: Balance of cash and cash equivalents at the beginning of the period	2,368,732	10,711,632
VI. Balance of cash and cash equivalents at the end of the period		
	1,690,154	12,782,710
<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