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Zoomlion Heavy Industry Science and Technology Co., Ltd.*

中联重科股份有限公司

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

(Stock Code: 1157)

PROFIT WARNING ANNOUNCEMENT

This announcement is made by Zoomlion Heavy Industry Science and Technology Co., Ltd.* (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Company and all members of the board of directors confirm that all the information contained in this announcement is true, accurate and complete and that there is no false and misleading statement or material omission herein.

I. Estimated results of the period

1. Period to which the estimated results apply: 1 January 2016 to 31 March 2016 (the “**Reporting Period**”)
2. Estimated results are as follows (estimated in accordance with China Accounting Standards for Business Enterprises):

Item	1 January 2016 to 31 March 2016	1 January 2015 to 31 March 2015
Net profit attributable to the equity shareholders of the Company	Loss: RMB600,000,000 to RMB680,000,000	Loss: RMB383,355,266
Basic earnings per share	Loss: approximately RMB0.078 to RMB0.088	Loss: RMB0.05

II. Unaudited figures

No figures of the estimated results contained in this announcement have been audited by any certified public accountants firm.

III. Reasons for estimated decrease in the results

1. The effect of the transformation of regional marketing model in the construction machinery sector

From January to February, the construction machinery sector experienced a significant transformation of the marketing model from the previous marketing model of product lines to the regional marketing model and integrated the national marketing resources, so as to enhance the operating efficiency and reduce the operating costs. During the integration process, the sales business of the Company from January to February was affected to certain extent due to the organizational adjustments, changes of personnel and streamlining of business process, but the sales business resumed being normal in March. The sales business was further improved in April, and the effectiveness of transformational adjustments appeared.

2. The effect of the compensation for loss of office to employees

During the Reporting Period, the Company further adjusted personnel structure and strengthened streamlining of personnel, for which compensation for loss of office paid was recorded as cost during the period by slump sum to reduce future labor cost expenses.

3. The effect of fluctuation in exchange rate

During the Reporting Period, there was a significant fluctuation in the exchange rate for RMB to US dollar, euro and other foreign currencies, which affected the profit of the Company during the period. The Company continuously adjusted the liability structure according to the fluctuation in exchange rate and gradually alleviated the effect of the fluctuation in exchange rate on the profit of the Company.

IV. Others

1. During the Reporting Period, the Company steadily pushed forward the transformation and upgrade, and the emerging sectors of agricultural machinery and environmental industry achieved a continuous increase in turnover as compared to the same period of last year, with an increase in percentage of the total turnover;
2. During the Reporting Period, the operating quality of the Company further stabilized and operating cash flow obviously improved as compared to the same period of last year;
3. Details of the financial information of the Company for the three months ended 31 March 2016 will be disclosed in the 2016 first quarterly report of the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Zoomlion Heavy Industry Science and Technology Co., Ltd.*
Zhan Chunxin
Chairman

Changsha, the PRC, 14 April 2016

As at the date of this announcement, the executive director of the Company is Dr. Zhan Chunxin; the non-executive directors are Mr. Hu Xinbao and Mr. Zhao John Huan; and the independent non-executive directors are Mr. Zhao Songzheng, Mr. Lai Kin Keung and Ms. Liu Guiliang.

** For identification purpose only*