

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited 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.



中鋁國際工程股份有限公司

China Aluminum International Engineering Corporation Limited

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

(Stock Code: 2068)

ANNOUNCEMENT

THE QUARTER REPORT OF THE COMPANY FOR THE FIRST QUARTER ENDED 31 MARCH 2016

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (Chapter 571 of the Laws of Hong Kong) under Part XIVA of the Securities and Futures Ordinance (as defined under the Listing Rules).

China Aluminum International Engineering Corporation Limited (the “**Company**”) had publicly issued medium-term notes and short-term financing bills in the inter-bank market of the People’s Republic of China (“**PRC**”). Pursuant to the provisions of Issuance and Registration Rules Relating to Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具發行註冊規則》) and Rules on Disclosure for Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具信息披露規則》), the Company must disclose its quarter report for the first quarter of 2016 in Shanghai Clearing House (Website: <http://www.shclearing.com>) and other websites.

The operating results attached hereto are the unaudited quarter report of the Company as at 31 March 2016 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which have been disclosed in Shanghai Clearing House (Website: <http://www.shclearing.com>) and other websites.

The announcement and the attached quarter report were originally prepared in Chinese and published in both Chinese and English. In the case of any discrepancy, the Chinese text shall prevail over the English text.

BALANCE SHEET

Prepared by: China Aluminum International Engineering Corporation Limited

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Monetary assets	3,806,300,167.46	5,600,230,225.63
Notes receivables	263,616,408.71	297,368,759.93
Trade receivables	9,350,710,131.47	9,311,632,371.33
Prepayments	1,945,666,130.98	1,224,743,764.17
Interest receivables	101,455.09	461,254.17
Other receivables	1,919,182,860.57	1,758,667,801.14
Inventories	5,130,833,146.95	4,870,299,450.39
Non-current assets due within one year	948,890,694.22	1,288,183,973.81
Other current assets	453,082,826.46	372,363,420.61
Total current assets	<u>23,818,383,821.91</u>	<u>24,723,951,021.18</u>
Non-current assets:		
Available-for-sale financial assets	18,972,660.00	9,972,660.00
Long-term receivables	2,565,014,108.05	2,314,379,394.10
Long-term equity investments	309,226,983.45	299,538,706.41
Investment properties	77,340,680.16	77,994,425.67
Original price of fixed assets	2,894,014,633.67	2,894,378,502.07
Less: accumulative depreciation	986,490,063.84	955,850,410.33
Net value of fixed assets	<u>1,907,524,569.83</u>	<u>1,938,528,091.74</u>
Less: provision for impairment of fixed assets	916,866.90	916,866.90
Net fixed assets	<u>1,906,607,702.93</u>	<u>1,937,611,224.84</u>

BALANCE SHEET – Continued*Prepared by: China Aluminum International Engineering Corporation Limited*

Item	Closing balance of the period	Opening balance of the year
Construction-in-progress	127,952,332.63	114,843,240.77
Intangible assets	982,438,958.60	914,542,248.64
Development expenses	12,593,121.77	11,767,424.98
Goodwill	9,249,656.21	9,249,656.21
Long-term deferred expenses	11,984,531.90	11,884,973.91
Deferred income tax assets	367,532,982.42	381,250,381.36
Other non-current assets	30,110,469.16	30,110,469.16
Total non-current assets	6,419,024,187.28	6,113,144,806.05
Total assets	30,237,408,009.19	30,837,095,827.23
Current liabilities:		
Short-term borrowings	4,863,949,529.59	5,056,767,751.18
Notes payables	709,985,856.37	476,465,089.88
Trade payables	6,994,963,507.28	7,624,363,167.60
Advances received	2,071,363,845.35	2,113,261,272.54
Salary payable	208,784,011.25	238,635,537.21
Tax charge payable	307,831,910.97	412,759,777.06
Interest payable	22,937,849.20	8,401,779.82
Dividend payable	55,347,225.20	55,347,225.20
Other payables	1,013,662,845.66	888,562,837.51
Non-current liabilities due within one year	22,000,000.00	75,000,000.00
Other current liabilities	2,366,656,593.20	2,338,803,277.22
Total current liabilities	18,637,483,174.07	19,288,367,715.22

BALANCE SHEET – Continued*Prepared by: China Aluminum International Engineering Corporation Limited*

Item	Closing balance of the period	Opening balance of the year
Non-current liabilities:		
Long-term loans	1,262,837,113.95	1,210,934,616.76
Long-term staff remuneration payable	1,073,495,288.47	1,076,882,000.00
Accrued liabilities	1,306,822.77	1,430,683.79
Deferred income	87,910,196.65	88,268,998.22
Deferred income tax liabilities	1,230,208.11	628,638.54
	<hr/>	<hr/>
Total non-current liabilities	2,426,779,629.95	2,378,144,937.31
	<hr/>	<hr/>
Total liabilities	21,064,262,804.02	21,666,512,652.53
	<hr/>	<hr/>
Owners' equity:		
Share capital	2,663,160,000.00	2,663,160,000.00
Other equity instruments	190,129,372.30	190,129,372.30
Capital public reserve	768,113,978.47	768,113,978.47
Other comprehensive income	23,161,694.74	119,861,663.17
Reasonable reserve	28,615,099.28	23,494,375.63
Surplus public reserve	130,625,531.14	130,625,531.14
Retained profit	3,372,017,466.18	3,268,335,311.50
	<hr/>	<hr/>
Consolidated equity attributable to equity owners of the company	7,175,823,142.11	7,163,720,232.21
	<hr/>	<hr/>
Non-controlling interests	1,997,322,063.06	2,006,862,942.49
Total owner's equity	9,173,145,205.17	9,170,583,174.70
	<hr/>	<hr/>
Total liabilities and owner's equity	30,237,408,009.19	30,837,095,827.23
	<hr/>	<hr/>

INCOME STATEMENT

Prepared by: China Aluminum International Engineering Corporation Limited

Item	Amount for the current period	Amount for the same time last year
1. Total revenue	<u>4,134,587,895.03</u>	<u>5,748,144,479.82</u>
Including: Operating income	4,134,587,895.03	5,748,144,479.82
Including: Principal operations income	4,094,324,678.54	5,713,892,144.79
Other operations income	<u>40,263,216.49</u>	<u>34,252,335.03</u>
2. Total operating costs	<u>4,017,819,125.93</u>	<u>5,633,345,288.72</u>
Including: Operating costs	3,755,563,470.08	5,346,960,868.84
Including: Principal operations costs	3,714,662,154.94	5,317,186,833.62
Other operations costs	40,901,315.14	29,774,035.22
Business tax and surcharges	38,355,020.47	36,394,307.56
Selling expenses	17,975,013.13	17,406,899.62
Administration expenses	184,036,237.78	183,537,195.12
Finance costs	30,538,607.22	61,792,894.69
Including: Interest expenses	78,023,909.23	99,128,271.43
Interest income	56,184,645.49	43,433,015.69
Net exchange loss	1,317,848.99	-11,364,691.70
Asset impairment loss	-8,649,222.75	-12,746,877.11
Add: Gains from changes in fair value		
Investment gains	2,992,380.95	40,846,439.18
Including: Gains from investment in associated companies and joint ventures	<u>-311,722.96</u>	<u>-29,155.88</u>

INCOME STATEMENT – Continued*Prepared by: China Aluminum International Engineering Corporation Limited*

Item	Amount for the current period	Amount for the same time last year
3. Operating profit	<u>119,761,150.05</u>	<u>155,645,630.28</u>
Add: Non-operating income	15,004,211.43	9,455,377.69
Including: Gains from disposal of non-current assets	942.87	198,570.66
Gains on exchange of non- monetary assets	0.00	5,020,000.00
Government grants	9,199,050.51	626,407.92
Gains on debt restructuring	647,207.47	418,151.43
Less: Non-operating expenses	2,443,364.46	845,879.17
Including: Losses from disposal of non-current assets	26,189.98	59,228.97
Losses from debt restructuring	0.00	54,000.00
4. Total profits	<u>132,321,997.02</u>	<u>164,255,128.80</u>
Less: Income tax expenses	<u>25,912,779.50</u>	<u>32,603,205.40</u>
5. Net profits	<u>106,409,217.52</u>	<u>131,651,923.40</u>
Net profit attributable to equity owners of the company	103,712,154.68	168,736,888.91
Net profit attributable to non-controlling equity owners	<u>2,697,062.84</u>	<u>-37,084,965.51</u>
6. Net other comprehensive income after taxes	<u>5,736,884.22</u>	<u>210,098.23</u>
7. Total comprehensive income	<u>111,746,101.74</u>	<u>131,862,021.63</u>
Total comprehensive income attributable to equity owners of the company	109,421,832.16	168,525,832.24
Total comprehensive income attributable to non-controlling equity owners	<u>2,697,062.84</u>	<u>-36,663,810.61</u>
8. Earnings per share:		
Basic earnings per share	<u>0.04</u>	<u>0.06</u>
Diluted earnings per share	<u>0.04</u>	<u>0.06</u>

STATEMENT OF CASH FLOWS

Prepared by: China Aluminum International Engineering Corporation Limited

Item	Amount for the current period	Amount for the same time last year
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	5,465,503,427.71	5,713,532,326.07
Tax refunds received	3,364,310.82	15,571,149.02
Cash received from other operating activities	886,940,341.98	1,280,610,081.69
Sub-total of cash inflows from operating activities	6,355,808,080.51	7,009,713,556.78
Cash paid for purchase of goods and engagement of labor services	5,826,701,546.69	6,102,033,517.51
Cash paid to and for employees	373,742,251.83	319,107,702.25
Payments of all types of taxes	142,478,424.74	182,941,484.59
Cash paid for other operating activities	932,446,192.47	1,095,291,544.11
Sub-total of cash outflow from operating activities	7,275,368,415.73	7,699,374,248.46
Net cash flow from operating activities	-919,560,335.22	-689,660,691.68
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	694,703,083.03	3,056,556,510.77
Including: Cash received from disposal of wealth management products	360,760,383.56	
Cash received from investment gains	13,351,737.42	58,100,847.22
Including: Cash received from wealth management products gain	528,998.43	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	33,695.00	480,251.12
Cash generated from other investing activities	0.00	541,496,025.01
Sub-total of cash inflows from investing activities	708,088,515.45	3,656,633,634.12

STATEMENT OF CASH FLOWS – Continued*Prepared by: China Aluminum International Engineering Corporation Limited*

Item	Amount for the current period	Amount for the same time last year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	120,367,604.73	156,066,277.09
Cash paid for investments	750,739,000.00	2,787,962,794.52
Net cash paid for acquisition of subsidiaries and other operational units	60,210,000.00	468,210,446.43
Cash paid for other investing activities	162,080,280.25	169,095,673.80
Sub-total of cash outflow from investing activities	1,093,396,884.98	3,581,335,191.84
Net cash flow from investing activities	-385,308,369.53	75,298,442.28
3. Cash flow generated from financing activities:		
Cash received from investors	30,000,000.00	0.00
Cash received from obtaining borrowings	1,400,410,524.78	990,774,733.34
Cash received from other financing activities	415,834,546.05	1,586,573,978.79
Sub-total of cash inflows from financing activities	1,846,245,070.83	2,577,348,712.13
Cash paid for repayment of debt	1,785,491,047.69	3,658,959,362.26
Cash paid for distribution of dividends, profit or payment of interests	120,922,598.08	182,767,068.36
Cash paid for other financing activities	124,717,753.70	21,655,003.19
Sub-total of cash outflow from financing activities	2,031,131,399.47	3,863,381,433.81
Net cash flow from financing activities	-184,886,328.64	-1,286,032,721.68

STATEMENT OF CASH FLOWS – Continued*Prepared by: China Aluminum International Engineering Corporation Limited*

Item	Amount for the current period	Amount for the same time last year
4. Effect on cash and cash equivalent from change of exchange rate	<u>-5,476,210.32</u>	<u>2,362,812.16</u>
5. Net increase in cash and cash equivalent	<u>-1,495,231,243.71</u>	<u>-1,898,032,158.92</u>
Add: Balance of cash and cash equivalent at the beginning of the period	<u>4,981,838,047.55</u>	<u>4,332,492,341.73</u>
6. Balance of cash and cash equivalent at the end of the period	<u>3,486,606,803.84</u>	<u>2,434,460,182.81</u>

BALANCE SHEET*Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)*

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Monetary assets	1,595,001,418.88	2,253,508,078.67
Notes receivables	42,089,286.98	43,752,685.46
Trade receivables	1,576,993,895.34	1,637,150,089.26
Prepayments	377,253,409.23	199,805,507.88
Dividend receivables	68,867,131.75	89,036,431.75
Other receivables	3,435,397,740.33	2,649,891,841.76
Inventories	902,936,222.56	944,807,059.07
Non-current assets due within one year	801,242,550.54	1,204,642,550.54
Other current assets	77,365,032.58	123,170,050.91
	<hr/>	<hr/>
Total current assets	8,877,146,688.19	9,145,764,295.30

BALANCE SHEET – Continued*Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)*

Item	Closing balance of the period	Opening balance of the year
Non-current assets:		
Long-term receivables	1,699,950,000.00	1,740,500,000.00
Long-term equity investments	3,137,290,277.78	3,028,423,128.69
Original price of fixed assets	183,706,262.71	183,517,824.02
Less: accumulative depreciation	98,045,838.85	96,300,823.83
Net value of fixed assets	85,660,423.86	87,217,000.19
Intangible assets	170,988,645.18	173,102,654.38
Deferred income tax assets	31,854,582.93	45,430,848.76
Other non-current assets	29,980,000.00	29,980,000.00
	<hr/>	<hr/>
Total non-current assets	5,155,723,929.75	5,104,653,632.02
	<hr/>	<hr/>
Total assets	14,032,870,617.94	14,250,417,927.32
	<hr/>	<hr/>
Current liabilities:		
Short-term borrowings	2,631,285,680.00	2,934,201,680.00
Notes payables	17,000,364.00	34,500,000.00
Trade payables	2,376,599,065.96	2,229,034,601.64
Advances received	1,181,459,654.83	1,276,122,986.15
Salary payable	7,155,358.23	7,113,165.73
Tax charge payable	2,747,689.96	7,586,002.38
Interest payable	17,833,697.87	3,297,280.86
Other payables	654,175,264.22	747,041,493.52
Other current liabilities	2,360,520,311.30	2,332,633,717.73
	<hr/>	<hr/>
Total current liabilities	9,248,777,086.37	9,571,530,928.01
	<hr/>	<hr/>
Non-current liabilities:		
Long-term loans	853,837,113.95	852,934,616.76
Long-term staff remuneration payable	16,258,000.00	16,326,000.00
Deferred income tax liabilities	630,776.82	
	<hr/>	<hr/>
Total non-current liabilities	870,725,890.77	869,260,616.76
	<hr/>	<hr/>
Total liabilities	10,119,502,977.14	10,440,791,544.77
	<hr/>	<hr/>

BALANCE SHEET – Continued*Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)*

Item	Closing balance of the period	Opening balance of the year
Owners' equity:		
Share capital	<u>2,663,160,000.00</u>	<u>2,663,160,000.00</u>
Other equity instruments	190,129,372.30	190,129,372.30
Capital public reserve	782,444,564.67	782,444,564.67
Other comprehensive income	6,573,500.00	6,573,500.00
Surplus public reserve	130,625,531.14	130,625,531.14
Retained profit	<u>140,434,672.69</u>	<u>36,693,414.44</u>
Total owner's equity	<u><u>3,913,367,640.80</u></u>	<u><u>3,809,626,382.55</u></u>
Total liabilities and owner's equity	<u><u>14,032,870,617.94</u></u>	<u><u>14,250,417,927.32</u></u>

INCOME STATEMENT

Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)

Item	Amount for the current period	Amount for the same time last year
1. Total operating revenue	346,419,292.08	1,132,105,591.11
Including: Operating income	346,419,292.08	1,132,105,591.11
Including: Principal operations income	346,417,282.53	1,131,893,080.55
Other operations income	2,009.55	212,510.56
2. Total operating costs	274,285,996.37	1,157,697,652.36
Including: Operating costs	264,134,290.59	1,048,997,396.40
Including: Principal operations costs	264,134,290.59	1,048,740,118.24
Other operations costs	0.00	257,278.16
Business tax and surcharges	3,259,292.32	5,761,718.37
Selling expenses	3,938,807.75	4,977,441.44
Administration expenses	28,413,432.19	42,155,810.32
Finance costs	-25,453,226.48	68,363,713.57
Including: Interest expenses	60,650,592.88	70,600,289.10
Interest income	88,090,146.30	3,934,435.27
Net exchange loss	1,000,853.88	-11,113,701.58
Asset impairment loss	-6,600.00	-12,558,427.74
Add: Investment gains	67,460,821.92	105,051,681.60

INCOME STATEMENT – Continued*Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)*

Item	Amount for the current period	Amount for the same time last year
3. Operating profit	<u>139,594,117.63</u>	<u>79,459,620.35</u>
Add: Non-operating income	729,832.40	10,089.75
Including: Gains from disposal of non-current assets		10,089.75
Gains on debt restructuring	641,972.16	0.00
Less: Non-operating expenses	<u>301,644.17</u>	<u>160,461.94</u>
4. Total profits	<u>140,022,305.86</u>	<u>79,309,248.16</u>
Less: Income tax expenses	<u>3,577,117.83</u>	<u>14,535,763.28</u>
5. Net profits	<u>136,445,188.03</u>	<u>64,773,484.88</u>
6. Total comprehensive income	<u>136,445,188.03</u>	<u>64,773,484.88</u>

STATEMENT OF CASH FLOWS

Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)

Item	Amount for the current period	Amount for the same time last year
1. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	354,880,162.90	847,372,341.79
Tax refund received	–	13,513,123.93
Cash received from other operating activities	70,408,422.99	355,493,607.74
Sub-total of cash inflows from operating activities	425,288,585.89	1,216,379,073.46
Cash paid for purchase of goods and engagement of labor services	305,364,790.90	727,631,791.87
Cash paid to and for employees	39,029,389.46	44,716,570.46
Payments of all types of taxes	12,561,447.29	18,430,906.18
Cash paid for other operating activities	154,386,135.47	273,106,343.58
Sub-total of cash outflow from operating activities	511,341,763.12	1,063,885,612.09
Net cash flow from operating activities	–86,053,177.23	152,493,461.37
2. Cash flow generated from investing activities:		
Cash received from disposal of investment	1,653,971,332.80	3,628,385,000.00
Including: Cash received from disposal of wealth management products	–	–
Cash received from investment gains	126,527,056.94	56,862,079.39
Including: Cash received from wealth management products gain	–	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	–	–
Cash generated from other investing activities	0.00	200,011,958.33
Sub-total of cash inflows from investing activities	1,780,498,389.74	3,885,259,037.72

STATEMENT OF CASH FLOWS – Continued*Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)*

Item	Amount for the current period	Amount for the same time last year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	208,048.72	8,923,283.07
Cash paid for investments Including: Cash paid for purchase of wealth management products	1,976,461,000.00	3,144,000,000.00
Net cash paid for acquisition of subsidiaries and other operational units	44,853,939.00	
Cash paid for other investing activities	10,000,000.00	10,000,000.00
Sub-total of cash outflow from investing activities	2,031,522,987.72	3,162,923,283.07
Net cash flow from investing activities	-251,024,597.98	722,335,754.65
3. Cash flow generated from financing activities:		
Cash received from investors	–	–
Cash received from obtaining borrowings	600,000,000.00	320,000,000.00
Cash received from other financing activities	–	1,500,000,000.00
Sub-total of cash inflows from financing activities	600,000,000.00	1,820,000,000.00
Cash paid for repayment of debt	901,365,733.24	3,119,348,178.92
Cash paid for distribution of dividends, profit or payment of interests	16,276,937.51	80,387,588.03
Cash paid for other financing activities	–	1,642,169.86
Sub-total of cash outflow from financing activities	917,642,670.75	3,201,377,936.81
Net cash flow from financing activities	-317,642,670.75	-1,381,377,936.81

STATEMENT OF CASH FLOWS – Continued

Prepared by: China Aluminum International Engineering Corporation Limited (Parent Company)

Item	Amount for the current period	Amount for the same time last year
4. Effect on cash and cash equivalent from change of exchange rate	<u>-4,412,324.95</u>	<u>461,225.10</u>
5. Net increase in cash and cash equivalent	<u>-659,132,770.91</u>	<u>-506,087,495.69</u>
Add: Balance of cash and cash equivalent at the beginning of the period	<u>2,253,508,078.67</u>	<u>1,702,766,520.89</u>
6. Balance of cash and cash equivalent at the end of the period	<u>1,594,375,307.76</u>	<u>1,196,679,025.20</u>

By Order of the Board
China Aluminum International Engineering Corporation Limited
ZHAI Feng
Joint Company Secretary

Beijing, PRC, 29 April 2016

As at the date of this announcement, the non-executive Director is Mr. WANG Jun; the executive Directors are Mr. HE Zhihui and Mr. ZHANG Jian; and the independent non-executive Directors are Mr. SUN Chuanyao, Mr. CHEUNG Hung Kwong and Mr. FU Jun.