

Chongqing Changan Automobile Limited Company

SUMMARY OF INTERIM REPORT 2007

§1. Important Notice

1.1 The Board of Directors, the Supervisory Committee and directors, supervisors as well as senior managements of China International Marine Containers (Group) Co., Ltd. (hereinafter referred to as the Company) individually and collectively accepts responsibility for the correctness, accuracy and completeness of the contents of this report and confirm that there are neither material omissions nor errors which would render any statement misleading.

The summary of interim report 2007 is abstracted from full text of the interim report, which is published on the Internet website <http://www.cninfo.com.cn> in the mean time. The investors are suggested to read the full text of interim report 2007 to understand more details.

1.2 No director, supervisor or senior management stated that he (she) could not ensure the correctness, accuracy and completeness of the contents of the Interim Report or have objection for this report.

1.3 Directors absent from the meeting.

Name of the Director	Reasons for the absence	Name of the consignee
Yi Jiayu	On Business	Xu Liuping
Deng Tengjiang	On Business	Cui Yunjiang
Wang Tingwei	On Business	Cui Yunjiang
Deng Zhiyou	On Business	Zhang Baolin
Guo Konghui	On Business	Gao Zhikai
Wen Zongyu	On Business	Liu Wei
Wang Chongsheng	On Business	
Xia Donglin	On Business	

1.4 The financial report in this reporting period is unaudited.

1.5 Chairman Mr. Yin Jiayu, General Manager Mr. Zhang Baolin, Chief Accountant Mr. Cui Yunjiang, and the Chief of Accountant department, Madam Chen Ltao, herein guarantee: guarantee the truthfulness and completeness of the financial statements of this semi-annual report.

1.6 The report shall be presented in both Chinese and English, and should there be any conflicting understanding of the text, the Chinese version shall prevail.

§2 General Introduction of the Company

2.1 General information to the Company

	Secretaries of the Board	Securities matters Representative
Name	Cui Yunjiang, Li Jun	

Contact Address	No. 260, Jian Xin East Road, Jiang Bei District, Chongqing	
Telephone	(023) 67594009	
Fax	(023) 67866055	
Email Address	cazqc@changan.com.cn	

2.2 Key Financial Data and Target

2.2.1 Key accounting data and financial target

Unit: (RMB) thousand

	As at 30 June 2007	As at 31 December 2006		Increase/Decrease (%)	
		before adjustment	after adjustment	before adjustment	after adjustment
Total assets (RMB thousand)	21,704,359	20,766,245	21,378,452	4.52%	1.48%
Owner's equity (or shareholder's equity) (thousand Yuan)	7,207,620	6,771,904	6,778,836	6.43%	6.33%
Net assets per share(thousand Yuan)	4.45	4.18	4.18	6.46%	6.46%
	Reporting period (January-June)	Corresponding period of prior year		Increase/Decrease (%)	
		before adjustment	after adjustment	before adjustment	after adjustment
operation profit(thousand Yuan)	380,134	401,972	346,297	-5.43%	9.77%
Gross profit (thousand Yuan)	500,740	507,208	449,774	-1.28%	11.33%
net profit (thousand Yuan)	428,783	332,216	337,413	29.07%	27.08%
Earnings per share(Yuan/per share)	0.26	0.20	0.21	30.00%	23.81%
Return on net assets	5.95%	4.91%	4.98%	+1.04%	+0.97%
Net cash flow from operating activities (thousand Yuan)	1,397,084		-70,150		2091.58%
Net cash flow from operating activities per share (Yuan/per share)	0.86		-0.04		2250%

2.2.2 Reconciliation of the net profits presented under the PRC accounting standards and International Financial Reporting Standards ("IFRS")

Applicable Not Applicable

Unit: (RMB) thousand

	Net Assets	Net profit
	(RMB) thousand	(RMB) thousand
As reported under PRC accounting standards and enterprise accounting rules:	7,548,409	433,166
Government grants relating to assets	(146,730)	4,696

Tax credit arising from purchase of domestically manufactured machinery and equipment	(40,235)	2,412
Reversal of amortization of goodwill	21,875	
Provision for impairment of goodwill	(75,442)	
Cash considerations paid for share reform of an associate	(71,284)	
Others	(28,973)	(11,491)
reported under IFRS accounting standards	7,207,620	428,783

§ 3 Change in shares and information about shareholders

3.1 Change in shares

Applicable Not Applicable

3.2 Shareholding information of top ten share holders and top ten shareholders of unconditional shares

Unit: share

Total shareholders number	Totally 75,188, among which there are 68,125 A share holders, there are 7,063 B share holders.				
Top ten share holders:					
Name of shareholders	Nature of Shareholders	% of total shares	Total number of shares	Total number of shares with condition of limited sale	Pledged/ Frozen shares
China South Industries Automobile Co., Ltd.	State-owned	45.55%	738,255,200	738,255,200	0
CMBLSA RE FTIF TEMPLETON ASIAN GRW FD GT15496	Foreign	1.93%	31,343,801	0	0
Fenghe Value Investing Fund	others	1.85%	29,907,553	0	0
ICBC - E fund Value Growth Fund	others	0.72%	11,604,743	0	0
ICBC - UBS SDIC core corporation value fund	others	0.66%	10,699,708	0	0
BBH BOS S/A FIDELITY FD-CHINA FOCUS FD	Foreign	0.65%	10,593,600	0	0
Bank Of China - Franklin Templeton Sealand Prospect Equity Fund.	others	0.65%	10,571,525	0	0
Bank Of Communications - HSBC JINTRUST DYNAMIC STRATEGY MIXED FUND	others	0.64%	10,330,184	0	0
HTHK-VALUE PARTNERS INTELLIGENT FD-CHINA B SHS FD	Foreign	0.59%	9,540,800	0	0

ICBC - Boser Services Sector Growth Fund	others	0.56%	8,999,560	0	0
Top ten shareholders of unconditional shares					
Name of shareholders		Total number of unconditional shares	Share type		
CMBLSA RE FTIF TEMPLETON ASIAN GRW FD GTI5496		31,343,801	Foreign capital stock listed within China		
Fenghe Value Investing Fund		29,907,553	Renminbi ordinary share		
ICBC - E fund Value Growth Fund		11,604,743	Renminbi ordinary share		
ICBC - UBS SDIC core corporation value fund		10,699,708	Renminbi ordinary share		
BBH BOS S/A FIDELITY FD-CHINA FOCUS FD		10,593,600	Foreign capital stock listed within China		
Bank Of China - Franklin Templeton Sealand Prospect Equity Fund.		10,571,525	Renminbi ordinary share		
Bank Of Communications - HSBC JINTRUST DYNAMIC STRATEGY MIXED FUND		10,330,184	Renminbi ordinary share		
HTHK-VALUE PARTNERS INTELLIGENT FD-CHINA B SHS FD		9,540,800	Foreign capital stock listed within China		
ICBC - Boser Services Sector Growth Fund		8,999,560	Renminbi ordinary share		
CSFB S/A QINHAN CHINA MASTER FUND (CAYMAN) LTD		8,829,051	Foreign capital stock listed within China		
Related relationship of the ten largest shareholders and their consistent act		In the ten largest shareholders, the state-owned legal person shareholder China South Industries Co. Ltd. has no relationship with the other shareholders in the above table, and nor was the party who agreed to act alike as stipulated in Administrative Measures on Information Disclosure Concerning Changes in Shareholdings of Listed Companies; the Company did not know whether there was relationship among the other shareholders, and nor knew whether they were the parties who agreed to act alike as stipulated in Administrative Measures on Information Disclosure Concerning Changes in Shareholdings of Listed Companies.			

3.3 Changes of controlling shareholders and actual controllers

Applicable Not Applicable

§ 4 Information on Directors, Supervisors and Senior Management

4.1 Changes in share held by Directors, Supervisors and Senior Management

Applicable Not Applicable

The aforesaid personnel held share options and authorized shares amount with restrictions.

Applicable Not Applicable

§ 5 Report of the Board of Directs

5.1 The main business operation by industry or product

RMB: ten thousand

Industry/Product	Product sales revenue		Product sales cost		gross profit ratio(%)	
	sum	Increase/Decrease than last year	sum	Increase/Decrease than last year	percentage	(%)Increase/Decrease than last year
Automobile manufacture	1,499,958	33.68%	1,201,693	34.11%	19.88%	-0.26%
Main business products						
mini-car	543,525	0.34%	477,957	5.01%	12.06%	-3.91%
sedan	932,241	69.96%	729,698	75.37%	21.73%	-2.42%

Among them: the total amount of related party transaction for sales of product and sales of services from the Company to its controlling shareholder and its subsidiaries is 435,740RMB Yuan during the report period.

5.2 The main business operation by area

RMB: ten thousand

Area	Sales revenue	Increase/Decrease
Domestic	1,486,184.00	33.04%
Abroad	13,774.00	175.92%

5.3 Reasons of significant changes in main operations and its structure

Applicable Not Applicable

5.4 Reasons of significant changes in profitability capability of main operations (gross

profit ratio) than that in the last year

Applicable Not Applicable

5.5 Analysis to reasons of significant changes in profit structure compared with the

Applicable Not Applicable

During the reporting period, due to the sales volume with a year-and –year separately increase of 75.69% of the Changan Ford Mazda's sedan, to make the sale income from the 33.17% of first half year of 2006 increase to 43.31% , the percentage to net profit of Company has been increased dramatically.

5.6 Utilization of the raised proceeds

5.6.1 Utilization of the raised proceeds

Applicable Not Applicable

5.6.2 Changes in projects

Applicable Not Applicable

5.7 Revised business plan of the Board for the second half of 2007

Applicable Not Applicable

5.8 Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its significant change compared with the corresponding period of the last year and explanation on reason

Applicable Not Applicable

5.9 Explanation of the Management Team on “Qualified Opinion” from the Certified Public Accountants in the report period

Applicable Not Applicable

5.10 Explanation of the Management Team on changes and solutions of the issues involved in “Qualified Opinion” from the Certified Public Accountants in the last year

Applicable Not Applicable

§ 6 Important Events

6.1 Purchase, sales and reorganization of assets

6.1.1 Purchase of assets

Applicable Not Applicable

6.1.2 Sales of assets

Applicable Not Applicable

6.1.3 Progress of these events after the publication of the Assets Reorganization Report or public notices on the purchases or sales of assets, as well as the influences of these events on the operation results and financial status of the Company in the report period

Applicable Not Applicable

6.2 Important guarantee events

Applicable Not Applicable

RMB: ten thousand

External guarantee cases of the company(excluding the guarantee for holding subsidiary)							
Titles of guaranteed object	Date(Agreement Signing Day)	Guaranteed sum	Guarantee Type	Guarantee Period	Fulfilled or not	Guaranteed for relating party or not (yes or not)	
total amount of actual guarantee sum during report period							0.00
total amount of guarantee balance at the end of report period (A)							0.00
Guarantee cases of the company for holding subsidiary							
total actual guarantee amount for holding subsidiary during report period							16,430.00
total amount of guarantee balance for holding subsidiary at the end of report period							12,362.18
Total guarantee amount of the company(including the guarantee for holding subsidiary)							
total guarantee amount A+B)							12,362.18
the proportion of total guarantee amount on the net assets of the company							1.64%
thereinto :							
guaranteed sum supplied to share holders, actual controller and relating parties (C)							0.00
debt guarantee sum directly or indirectly supplied to the guaranteed object whose liability rate of asset is over 70% (D)							12,362.18
Sum whose total guarantee amount exceeds 50% of net asset (E)							0.00
Total amount of the 3 above-mentioned guaranteed sum* (C+D+E)							12,362.18

6.3 Related credits and liabilities current

Applicable Not Applicable

6.4 Significant lawsuits and arbitrations

Applicable Not Applicable

6.5 Other important events as well as analyses and explanations on their influences and solutions

Applicable Not Applicable

6.5.1 Securities investment

Applicable Not Applicable

6.5.2 Particulars about holding equity of other listed companies

Applicable Not Applicable

6.5.3 Particulars about equity of non-listed financial enterprise and pre-list company.

√Applicable □Not Applicable

Unit: RMB

Name of holding object	investment amount	amount	Holding	amount	(share)	Taking
Financial Co., Ltd., China South Industries Group Corp.,	80,000,000.00	80,000,000.00	15.39%	80,000,000.00	0.00	0.00
South- west Securities	50,000,000.00	25,000,000.00	1.07%	22,988,000.00	0.00	0.00
Total	130,000,000.00	105,000,000.00	-	102,988,000.00	0.00	0.00

6.6 In the report period, investigation, communication and interview of the Company

Date	place	manner	Visitors	content of discussion and provided documentation
2007.01.04	conference room of Company	oral	New Century Fund Management Co.,Ltd	development and business information of Company and visiting factory
2007.01.10	conference room of Company	oral	UBS Securities	development and business information of Company and visiting factory
2007.01.24	Hebei Changan	oral	Jiacheng Asia	visit factory
2007.01.26	conference room of Company	oral	China Merchants Securities	development and business information of Company and visiting factory
2007.01.31	conference room of Company	oral	CITIC Securities Co.,Ltd、 Boshi Fund Management Co.,Ltd	development and business information of Company and visiting factory
2007.02.02	conference room of Company	oral	HillHouse Capital	development and business information of Company and visiting factory
2007.02.09	conference room of Company	oral	China International Fund Management Co.,Ltd	development and business information of Company and visiting factory
2007.02.12	conference room of Company	oral	JPMORGAN	development and business information of Company and visiting factory
2007.03.07	conference room of	oral	Gaohua Securities	development and business

	Company		Co.,Ltd、 HongKong Prime Capital Managemen	information of Company and visiting factory
2007.03.8	conference room of Company	口头oral	Guotai AMC Orient Securities Co.,Ltd	development and business information of Company
2007.03.09	conference room of Company	oral	Hu An Fund Management Co.,Ltd	development and business information of Company
2007.03.14	conference room of Company	oral	Da Cheng Fund Management Co.,Ltd	development and business information of Company
2007.03.15	conference room of Company	oral	UBS Securities	development and business information of Company
2007.03.16	conference room of Company	oral	Ping An Securities Company Ltd、 Fortis Haitong Investment Management Co.Ltd.	development and business information of Company and visiting factory
2007.03.20	conference room of Company	oral	Guotai AMC、 SYWG BNP PARIBAS ASSET MANGMENT	development and business information of Company
2007.3.21	conference room of Company	oral	MorganStanley	development and business information of Company and visiting factory
2007.3.22	conference room of Company	oral	Lombarda China Fund Management Co.,Ltd、 Chang Xin Asset Manegment、 China Post &Capital Fund Management Co.,Ltd、 Industrial Securities Co.,Ltd、 Fortune SGAM Fund Management Co.,Ltd、	development and business information of Company and visiting factory
2007.3.22	conference room of Company	oral	Goldman Sachs	development and business information of Company and visiting factory
2007.3.27	conference room of Company	oral	CLSA LIMITED	development and business information of Company
2007.3.30	conference room of Company	oral	China universal Asset Management Co.,Ltd	development and business information of Company

2007.4.3	conference room of Company	oral	Waddell & Reed Investment Management Company	development and business information of Company and visiting factory
2007.4.18	conference room of Company	oral	UBS Securities	development and business information of Company and visiting factory
2007.4.18	Company	video conference	Huidong Capital Management Co.,Ltd	development and business information of Company
2007.4.19	conference room of Company	oral	BNP PARIBAS PEREGRINE	development and business information of Company and visiting factory
2007.4.24	Company	video conference	UBS Securities	development and business information of Company
2007.4.25	conference room of Company	oral	Merrill Lynch	development and business information of Company
2007.4.26	conference room of Company	oral	MorganStanley	development and business information of Company and visiting factory
2007.5.15	conference room of Company	oral	UBS Securities	development and business information of Company and visiting factory
2007.5.15	conference room of Company	oral	Gaohua Securities Co.,Ltd、 Guosen Securities、 Fullgoal Fund Management Co.,Ltd、	development and business information of Company and visiting factory
2007.5.16	conference room of Company	oral	China Re Asset Management Co.,Ltd、 China Southern Fund Management Co.,Ltd、 CCB Principal Fund Management Co.,Ltd	development and business information of Company and visiting factory
2007.5.22	conference room of Company	oral	CLSA LIMITED	development and business information of Company and visiting factory
2007.5.29	conference room of Company	oral	Boshi Fund Management Co.,Ltd	development and business information of Company and visiting factory

2007.5.30 -06.01	conference room of Company	oral	Guojin Securities Company Ltd, Changsheng Fund Management Co.,Ltd, New Century Fund Management Co.,Ltd, Penghua Fund Management Co.,Ltd , SYWG BNP PARIBAS ASSET MANGMENT, Harvest Fund Management Co.,Ltd, Prime Capital Managmen, Ping An Securities Company Ltd	development and business information of Company and visiting factory
2007.6.14	conference room of Company	oral	East Asia Asset Management	development and business information of Company and visiting factory
2007.6.28	conference room of Company	oral	Industrial Securities	development and business information of Company and visiting factory

§ 7 Financial Report

7.1 Audit comments

Financial report	<input checked="" type="checkbox"/> Unaudited	<input type="checkbox"/> Audited
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7.2 Financial Statements

7.2.1 CONSOLIDATED BALANCE SHEET

CHONGQING CHANGAN AUTOMOBILE CO., LTD.
CONSOLIDATED BALANCE SHEET
AS AT 30 Jun 2007

(all amounts in RMB thousands)	30-Jun-07	31-Dec-06
ASSETS		
Non-current assets		
Property, plant and equipment	8,383,436	7,936,437
Lease prepayments	413,921	501,284
Intangible assets	133,008	110,844

Investments in associates	1,485,928	1,427,415
Available-for-sale financial assets	123,770	114,989
Other non-current assets	3,614	3,614
Deferred income tax assets	221,841	220,121
	10,765,518	10,314,704
Current assets		
Inventories	3,238,828	3,457,256
Trade and other receivables	3,771,983	3,496,188
Restricted cash	203,545	203,545
Cash and cash equivalents	3,724,485	3,906,759
	10,938,841	11,063,748
Total assets	21,704,359	21,378,452

CHONGQING CHANGAN AUTOMOBILE CO., LTD.

CONSOLIDATED BALANCE SHEET

AS AT 30 Jun 2007 (CONTINUED)

(all amounts in RMB thousands)	30-Jun-07	31-Dec-06
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Ordinary shares	1,620,849	1,620,849
Share premium	1,743,168	1,743,168
Other reserves	1,731,460	1,731,460
Retained earnings	2,112,143	1,683,359
	7,207,620	6,778,836
Minority interests	636,151	612,571
Total equity	7,843,771	7,391,407
LIABILITIES		
Non-current liabilities		
Borrowings	936,374	1,474,655
Deferred income tax liabilities	82,820	82,820
Retirement benefit obligations	27,200	29,891
Deferred income	349,234	356,342
Other non-current liabilities	2,422	2,422
	1,398,050	1,946,130
Current liabilities		
Trade and other payables	10,364,647	9,583,897
Current income tax liabilities	40,666	102,714
Borrowings	1,542,128	1,895,495

Derivative financial instruments	16,874	16,874
Provisions for other liabilities and charges	498,223	441,935
	12,462,538	12,040,915
Total liabilities	13,860,588	13,987,045
Total equity and liabilities	21,704,359	21,378,452

7.2.2 Consolidated income statement

Chongqing Changan Automobile Co., Ltd.

Consolidated income statement

(all amounts in RMB thousands)	Jan~Jun 2007	Jan~Jun 2006
Sales	14,999,583	11,220,838
Sales tax and surcharge	(589,851)	(405,094)
Net sales	14,409,732	10,815,744
Cost of goods sold	(12,016,933)	(8,960,541)
Gross profit	2,392,799	1,855,203
Selling and marketing costs	(1,273,465)	(974,201)
Administrative expenses	(841,686)	(551,351)
Other income	102,486	16,646
Operating profit	380,134	346,297
Finance cost	(44,160)	(73,174)
Share of profit of associates	164,766	176,651
Profit before income tax	500,740	449,774
Income tax expense	(73,765)	(63,301)
Profit for the year	426,975	386,473
Attributable to:		
Equity holders of the Company	428,783	337,413
Minority interests	(1,808)	49,060
	426,975	386,473
Earnings per share for profit attributable to the equity holders of the Company during the year		
(RMB per share)		
- Basic and diluted	0.26	0.21

7.2.3 CONSOLIDATED CASH FLOW STATEMENT

CHONGQING CHANGAN AUTOMOBILE CO., LTD.
CONSOLIDATED CASH FLOW STATEMENT

(all amounts in RMB thousands)	Period ended 30 June	
	2007	2006
Cashflow from Operating Activities		
Cash generated from sales of goods and service supply	14,764,023	10,859,800
Tax Received	22,442	13,367
Cash generated from other operating activities	289,820	165,526
Subtotal of cash inflow	15,076,285	11,038,693
Cash paid relating to purchase of goods and services	10,342,099	8,096,461
Cash paid relating to the employees	461,410	388,221
Tax paid	1,290,584	1,272,349
Cash paid relating to other operating activities	1,585,108	1,351,812
Subtotal of cash outflow	13,679,201	11,108,843
Net cash generated from operating activities	1,397,084	(70,150)
Cashflow from Investing Activities		
Cash generated from other investing activities	332,857	12,624
Proceeds from disposal of fixed assets, intangible assets and other long-term assets	3,744	1,948
Proceeds from disposal of holded company and other company	59,061	
Cash generated from other operating activities	148	266
Subtotal of cash inflow	395,810	14,838
Purchase of fixed assets, intangible assets and other long-term assets	1,119,530	969,268
Cash paid for holded company and other company	17,676	213,953
Cash paid relating to other investing activities	218	31,320
Subtotal of cash outflow	1,137,424	1,214,541
Net cash generated from investing activities	(741,614)	(1,199,703)
Cashflow from Financing Activities		
Cash generated from investment	900	212,843
Proceeds from borrowings	1,699,630	828,214
Proceeds from debenture	500,000	500,000
Cash generated from other financing activities	(6,555)	246,587
Subtotal of cash inflow	2,193,975	1,787,644
Repayment of borrowings	2,590,554	518,696
Cash for dividends assignment, profit or interest liquidation	436,197	63,894
Cash paid relating to other financing activities	2,195	1,912
Subtotal of cash outflow	3,028,946	584,502
Net cash generated from financing activities	(834,971)	1,203,142
Fluctuation of exchange rate impacted on the cash and cash equivalent	(2,774)	1,336
Net Increase in cash and cash equivalents	(182,275)	(65,375)
Cash and cash equivalents at beginning of year	4,110,305	3,478,326
Cash and cash equivalents at end of year	3,928,030	3,412,951

7.3 Notes to financial report

7.3.1 There are any changes in accounting policies, accounting estimates and accounting errors, and the relevant contents, reasons and the amount influenced.

Applicable Not Applicable

7.3.2 Should there be any changes in consolidation scope of the financial statements, give the reasons and amount influenced.

Applicable Not Applicable

During the report period, there's no change in terms of the consolidation scope of the Company, and proportional consolidation has been adopted for the subordinate JV Chongqing Changan Suzuki Automobile Co., Ltd. instead of former 100% consolidation.

The change of the consolidation financial statements has no big influence in terms of the net profit of the financial statement.