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北京金隅股份有限公司

BBMG Corporation*

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

(Stock Code: 2009)

FIRST QUARTERLY REPORT FOR 2017

This announcement is made in accordance with 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 provisions about inside information (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of BBMG Corporation* 北京金隅股份有限公司 (the “**Company**”) is pleased to announce the results of the Company and its subsidiaries (collectively, the “**Group**”) for the three months ended 31 March 2017 (the “**Reporting Period**”).

During the Reporting Period, the Group recorded operating revenue of approximately RMB11,338.7 million, with net profit attributable to owners of the parent company amounting to approximately RMB440.6 million, net profit of approximately RMB60.0 million and basic earnings per share RMB0.04.

All financial information set out in this quarterly report is unaudited and prepared in accordance with Accounting Standards for Business Enterprises of the PRC.

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

I. IMPORTANT NOTICE

- 1.1 The Board, the supervisory board, the directors, the supervisors and the senior management of the Company guarantee that the contents of this quarterly report are true, accurate and complete and that there are no false representations, misleading statements or material omissions in this quarterly report, for which they shall assume joint and several liabilities.

1.2 All directors of the Company attended the Board meeting for reviewing this quarterly report.

1.3 Jiang Deyi, the Chairman of the Company, Chen Guogao, the Chief Financial Officer and Hu Juan, the head of the Accounting Department (Accounting Supervisor), guarantee that the financial statements contained in this quarterly report are true, accurate and complete.

1.4 The financial statements contained in the first quarterly report of the Company have not been audited.

II. MAJOR FINANCIAL DATA AND CHANGES IN SHAREHOLDING OF THE COMPANY

2.1 Major financial data

Unit and Currency: RMB

	As at the end of the Reporting Period	As at the end of the previous year	Change (as compared with the end of the previous year) (%)
Total assets	209,604,001,728.33	208,397,116,875.73	0.58
Net assets attributable to the shareholders of the Company	44,648,876,659.09	44,200,488,652.10	1.01
	From the beginning of the year to the end of the Reporting Period (January – March)	From the beginning of the previous year to the end of the corresponding period of the previous year (January – March)	Year-on-year change (%)
Net cash flows from operating activities	-7,945,676,578.93	-618,480,142.76	-1,184.71
	From the beginning of the year to the end of the Reporting Period (January – March)	From the beginning of the previous year to the end of the corresponding period of the previous year (January – March)	Year-on-year change (%)
Operating revenue	11,338,722,980.02	7,431,071,782.70	52.59
Net profit attributable to the shareholders of the Company	440,588,271.85	150,670,145.83	192.42
Net profit attributable to the shareholders of the Company after deducting non-recurring profit and loss	396,175,302.21	121,099,696.84	227.15
Weighted average return on net assets (%)	0.99	0.39	0.60

Basic earnings per share (RMB/share)	0.04	0.02	100.00
Diluted earnings per share (RMB/share)	0.04	0.02	100.00

Non-recurring profit and loss items and amounts:

Applicable Not applicable

Unit and Currency: RMB

Item	Amount for the Reporting Period	Explanation
Profit and loss from disposal of non-current assets	10,267,122.10	
Tax rebate or tax concessions with unauthorised approval or without official approval documents or on an occasional basis		
Government grants recognised through profit or loss for the period (excluding those closely related to the Company's normal business operations, which comply with national policies and can be enjoyed continuously based on a fixed amount or quantity)	47,404,815.00	
Capital occupancy fee from non-financial enterprises recognized through profit or loss for the period	1,133,054.73	
Gain arising from investment costs for acquisition of subsidiaries, associates and joint ventures being less than the fair value of the share of the identifiable net assets of the investee entitled at the time of acquisition		
Profit or loss from exchange of non-monetary assets		
Gains or losses from discretionary investment or asset management		
Provision for impairment of assets due to force majeure such as natural disaster		
Profit or loss from debt restructuring	463,974.13	
Corporate restructuring expenses, such as expenses on employee placement, integration costs, etc.		
Profit or loss arising from the excess of the unfair consideration over the fair value of a transaction		
Net profit or loss for the period of subsidiaries formed by business combination under common control from the beginning of the period to the date of combination		
Profit or loss from contingencies irrelevant to the normal operations of the Company		

Profit or loss from change in fair value of held-for-trading financial assets and held-for-trading financial liabilities, and investment gains from disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets, other than effective hedging business relating to the normal operations of the Company		
Write back of the provision for impairment of receivables that are individually tested for impairment		
Gains or losses from external entrusted loans		
Profit or loss from changes in fair value of investment properties using the fair value model for subsequent measurement	-6,456,777.50	
Effects on profit or loss for the period of one-off adjustment to profit or loss for the period in accordance with laws and regulations on taxation and accounting, etc.		
Entrustment fees income from entrusted operations		
Other non-operating income and expenses other than the foregoing items	30,639,226.22	
Other profit and loss items falling within the meaning of nonrecurring profit and loss		
Effect of minority interests (after tax)	18,175,591.37	
Effect of income tax	-20,862,853.67	
Total	80,764,152.38	

2.2 Total number of shareholders, shareholding of the top ten shareholders and the top ten shareholders of tradable shares (or not subject to lock-up restrictions) as at the end of the Reporting Period

Unit : Share

Total number of shareholders				71,047		
Shareholding of top ten shareholders						
Name of shareholder (Full name)	Shareholding as at the end of the Reporting Period	Pro- portion (%)	Number of shares subject to lock-up restrictions	Shares pledged or frozen		Nature of shareholders
				Status of shares	Number of shares	
Beijing State-owned Capital Operation and Management Center	4,797,357,572	44.9285	188,679,244	Nil	0	State-owned legal person

HKSCC NOMINEES LIMITED	2,338,764,870	21.9031	0	Nil	0	Overseas legal person
China National Materials Company Limited	459,940,000	4.3075	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	255,848,694	2.3961	0	Nil	0	Not known
Tianjin Building Materials Group (Holding) Co., Ltd.	176,154,117	1.6497	0	Pledged	110,800,000	State-owned legal person
Guohua Life Insurance Co., Ltd. - Wan Neng Number 3	136,430,671	1.2777	0	Nil	0	Not known
Qian Hai Life Insurance Co., Ltd. - Hai Li Nian Nian	131,182,628	1.2286	0	Nil	0	Not known
Beijing Jinguofa Equity Investment Fund (Limited Partnership)	105,749,102	0.9904	0	Nil	0	Domestic non-state owned legal person
Pingan UOB Fund - Pingan Bank - Pingan UOB Pingan Golden Orange Wealth Number 103 Assets Management Plan	84,905,660	0.7952	0	Nil	0	Not known
National Social Security Fund 102	76,680,460	0.7181	0	Nil	0	Not known

Shareholding of top ten shareholders of shares not subject to lock-up restrictions			
Name of shareholder	Number of tradable shares held not subject to lock-up restrictions	Type and number of shares	
		Type	Number
Beijing State-owned Capital Operation and Management Center	4,608,678,328	RMB-denominated ordinary shares	4,608,678,328
HKSCC NOMINEES LIMITED	2,338,764,870	Overseas listed foreign shares	2,338,764,870
China National Materials Company Limited	459,940,000	RMB-denominated ordinary shares	459,940,000
China Securities Finance Corporation Limited	255,848,694	RMB-denominated ordinary shares	255,848,694
Tianjin Building Materials Group (Holding) Co., Ltd.	176,154,117	RMB-denominated ordinary shares	176,154,117
Guohua Life Insurance Co., Ltd. - Wan Neng Number 3	136,430,671	RMB-denominated ordinary shares	136,430,671
Qian Hai Life Insurance Co., Ltd. - Hai Li Nian Nian	131,182,628	RMB-denominated ordinary shares	131,182,628
Beijing Jingguofa Equity Investment Fund (Limited Partnership)	105,749,102	RMB-denominated ordinary shares	105,749,102
Pingan UOB Fund - Pingan Bank - Pingan UOB Pingan Golden Orange Wealth Number 103 Assets Management Plan	84,905,660	RMB-denominated ordinary shares	84,905,660
National Social Security Fund 102	76,680,460	RMB-denominated ordinary shares	76,680,460
Explanations on the related party relationship or parties acting in concert among the abovementioned shareholders	Beijing State-owned Capital Operation and Management Center and Beijing Jingguofa Equity Investment Fund (Limited Partnership) are parties acting in concert		

The 896,057,346 A Shares and 105,749,102 A Shares issued under the non-public issuance of the Company in 2014 held by Beijing State-owned Capital Operation and Management Center, the controlling shareholder of the Company, and Beijing Jingguofa Equity Investment Fund (Limited Partnership), a shareholder subject to lock-up restriction, respectively, i.e. a total of 1,001,806,448 shares, have been released from lock-up period on 27 March 2017. For details of the release of A Shares issued under the non-public issuance of the Company in 2014 from lock-up period, please refer to the “Announcement of BBMG Corporation on the Release of A Shares Issued under the Non-public Issuance of the Company in 2014 from Lock-up Period (Lin 2017-010)” disclosed by the Company on 27 March 2017.

2.3 Total number of preferred shareholders, shareholding of the top ten preferred shareholders and the top ten preferred shareholders not subject to lock-up restrictions as at the end of the Reporting Period

Applicable Not applicable

III. SIGNIFICANT EVENTS

3.1 Significant changes in major financial statement items and financial indicators of the Company and the reasons thereof

Applicable Not applicable

Financial assets at fair value through profit or loss	Increased by 73.8% as compared with that at the beginning of the Reporting Period, mainly attributable to the increase in the purchase of fund-related wealth management products by the Company during the Reporting Period.
Bills payable	Decreased by 68.2% as compared with that at the beginning of the Reporting Period, mainly attributable to the settlement of bills payable due for payment by the Company during the Reporting Period.
Tax payable	Decreased by 45.2% as compared with that at the beginning of the Reporting Period, mainly attributable to the payment of income tax by the Company during the Reporting Period.
Short-term financing bonds payable	Increased by 100% as compared with that at the beginning of the Reporting Period, mainly attributable to the issuance of short-term financing bonds by the Company during the Reporting Period.
Non-current liabilities due within one year	Increased by 54.6% as compared with that at the beginning of the Reporting Period, mainly attributable to the increase in the bonds due within one year of the Company during the Reporting Period.
Operating revenue	Increased by 52.6% as compared with that of the corresponding period of the previous year, mainly attributable to the year-on-year increase in the revenue from the cement companies and property development companies of the Company during the Reporting Period.
Operating costs	Increased by 52.5% as compared with that of the corresponding period of the previous year, mainly attributable to the corresponding increase in cost as a result of increase in revenue of the Company during the Reporting Period.
Business tax and surcharges	Increased by 99.2% as compared with that of the corresponding period of the previous year, mainly attributable to the year-on-year increase in the land appreciation tax of the Company during the Reporting Period.

Selling expenses	Increased by 49.8% as compared with that of the corresponding period of the previous year, mainly attributable to the fact that Jidong Development Group Co., Ltd. (“ Jidong Group ”) has not been included by the Company during the corresponding period of the previous year.
Administrative expenses	Increased by 74.4% as compared with that of the corresponding period of the previous year, mainly attributable to the fact that Jidong Group has not been included by the Company during the corresponding period of the previous year.
Finance costs	Increased by 132.8% as compared with that of the corresponding period of the previous year, mainly attributable to the fact that Jidong Group has not been included by the Company during the corresponding period of the previous year.
Asset impairment losses	Increased by 671.3% as compared with that of the corresponding period of the previous year, mainly attributable to the year-on-year increase in the provision for bad debts by the Company during the Reporting Period.
Investment gains	Increased by 1532% as compared with that of the corresponding period of the previous year, mainly attributable to the increase in gains on disposal of subsidiaries by the Company during the Reporting Period.
Non-operating income	Increased by 94.1% as compared with that of the corresponding period of the previous year, mainly attributable to the increase in successful recovery of overdue interests arising from defaulted payments by the Company during the Reporting Period.
Cash received from sale of goods or rendering of services	Increased by 50.9% as compared with that of the corresponding period of the previous year, mainly attributable to the fact that Jidong Group has not been included by the Company during the corresponding period of the previous year.
Cash paid for purchase of goods and provision of services	Increased by 234.7% as compared with that of the corresponding period of the previous year, mainly attributable to the increase in land premium paid by the Company during the Reporting Period.
Cash received from other operating activities	Increased by 1135.5% as compared with that of the corresponding period of the previous year, mainly attributable to the receipt by the Company for refund of deposits for bills payable fall due during the Reporting Period.
Net cash received from disposal of subsidiaries and other operating units	Increased by 100% as compared with that of the corresponding period of the previous year, mainly attributable to the disposal of subsidiaries by the Company during the Reporting Period.

3.2 Analysis and explanation on the development of significant events, and impacts and solutions thereof

√ Applicable Not applicable

Summary and type of the matter	Index for enquiry
<p>The Company intends to subscribe the A shares issued under non-public issuance by Tangshan Jidong Cement Co., Ltd. (“Jidong Cement”) with the cement business related assets held. Meanwhile, the Company will entrust 90% equity interest in Quyang BBMG Cement Co., Ltd., 60% equity interest in Xingtai BBMG Yongning Cement Co., Ltd. and 97.8% equity interests in Shijiazhuang BBMG Xucheng Concrete Co., Ltd. that it holds to Jidong Cement. Upon the completion of the above transaction, the Company will directly hold 1,391,299,488 shares of Jidong Cement and become the controlling shareholder of Jidong Cement.</p> <p>As Jidong Cement is required to further confirm the relevant issues of the “Notice regarding CSRC’s Second Feedback on the Review of Administrative Permission Items” (No. 161902) while at the same time update the audited data and application document of the target company, the review on Jidong Cement in relation to the approval of purchase of assets through issuance of shares has been suspended upon the application by Jidong Cement and the approval of China Securities Regulatory Commission (the “CSRC”).</p>	<p>For details, please refer to the following announcements disclosed through the designated media for disclosure of information, such as China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily and the website of Shanghai Stock Exchange (http:// www.sse.com.cn):</p> <ol style="list-style-type: none"> 1. “Announcement of BBMG Corporation on the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-047) disclosed by the Company on 30 June 2016; 2. “Announcement of BBMG Corporation on the Signing of “Profit Compensation Agreements”” (Lin 2016-51) disclosed by the Company on 7 July 2016; 3. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-052) disclosed by the Company on 9 July 2016; 4. “Announcement of BBMG Corporation on the Signing of “Supplemental Agreements of Profit Compensation Agreements”” (Lin 2016-54) disclosed by the Company on 13 July 2016; 5. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-055) disclosed by the Company on 14 July 2016; 6. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-058) disclosed by the Company on 16 July 2016;

<p>The Company and Jidong Cement will carry on the relevant work of the transaction. Upon further confirmation of the relevant issues and update on the relevant data and document, application will be made to resume the review of the administrative permission application.</p>	<ol style="list-style-type: none"> 7. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-060) disclosed by the Company on 4 August 2016; 8. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-061) disclosed by the Company on 5 August 2016; 9. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-065) disclosed by the Company on 11 August 2016; 10. “Announcement of BBMG Corporation on the Resolutions of the First Extraordinary General Meeting of 2016” (Lin 2016-066) disclosed by the Company on 16 August 2016; 11. “Announcement of BBMG Corporation on the Receipt of “Notification of Examination Results” Issued by the Anti-Monopoly Bureau of the Ministry of Commerce” (Lin 2016-075) disclosed by the Company on 20 September 2016; 12. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-103) disclosed by the Company on 14 December 2016; 13. “Announcement of BBMG Corporation on the Updates of the Relevant Issues in Relation to the Acquisition of Shares Issued by Tangshan Jidong Cement Co., Ltd. with the Cement Business Related Assets” (Lin 2016-107) disclosed by the Company on 23 December 2016.
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3.3 Fulfillment of undertakings by the Company and shareholders with shareholding of 5% or more

Applicable Not applicable

3.4 Warnings and explanations of forecasted loss or significant changes to the accumulated net profits from the beginning of the year to the end of the next reporting period or as compared with the corresponding period of the previous year

Applicable Not applicable

By order of the Board
BBMG Corporation*
Jiang Deyi
Chairman

Beijing, the PRC, 26 April 2017

As at the date of this announcement, the executive directors are Jiang Deyi, Wu Dong and Zang Feng; and the independent non-executive directors are Wang Guangjin, Tian Lihui, Tang Jun and Ngai Wai Fung.

** English translation denotes for identification purposes only*

APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet

As at 31 March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of the Reporting Period
Current Assets:		
Cash and bank balances	21,829,043,560.11	28,010,211,147.53
Settlement reserves	0.00	0.00
Loans to banks or other financial institutions	0.00	0.00
Financial assets at fair value through profit or loss	1,070,547,625.85	615,807,328.90
Derivative financial assets		
Bills receivable	3,490,044,146.92	3,857,028,994.07
Accounts receivable	9,103,341,381.54	8,889,912,604.49
Advances to suppliers	5,226,722,686.04	4,968,682,354.70
Premiums receivable	0.00	0.00
Reinsurance accounts receivable	0.00	0.00
Reinsurance contract reserve receivable	0.00	0.00
Interests receivable	13,385,588.96	11,652,789.72
Dividends receivable	3,071,700.00	3,071,700.00
Other receivables	5,158,630,681.39	6,129,310,409.74
Purchase and sell-back of financial assets	12,300,000.00	0.00
Inventories	72,311,358,081.24	64,111,234,886.21
Assets classified as held for sale		
Non-current assets due within one year	0.00	0.00
Other current assets	2,788,762,243.69	2,881,813,184.06
Total current assets	121,007,207,695.74	119,478,725,399.42
Non-current assets:		
Loans and advances	0.00	0.00
Available-for-sale financial assets	2,556,928,882.64	2,498,348,403.92
Held-to-maturity investments	0.00	0.00
Long-term receivables	219,106,462.09	207,709,788.90
Long-term equity investments	2,203,336,877.86	2,233,650,974.77
Investment properties	14,969,228,345.79	14,976,628,345.79
Fixed assets	45,218,476,006.72	45,773,283,593.75
Construction in progress	4,188,161,458.93	3,963,622,127.52
Construction materials	278,025,376.68	313,968,043.93
Disposal of fixed assets	0.00	0.00
Productive biological assets	0.00	0.00

Oil and gas assets	0.00	0.00
Intangible assets	11,361,586,552.59	11,350,165,626.93
Development expenses	0.00	0.00
Goodwill	2,749,770,521.44	2,749,770,521.44
Long-term prepaid expenses	995,726,497.90	960,198,551.90
Deferred tax assets	2,728,445,752.59	2,695,681,312.01
Other non-current assets	1,128,001,297.36	1,195,364,185.45
Total non-current assets	88,596,794,032.59	88,918,391,476.31
Total assets	209,604,001,728.33	208,397,116,875.73
Current liabilities:		
Short-term loans	33,046,092,979.48	32,027,734,141.83
Borrowings from central bank	0.00	0.00
Deposits from customers and inter-bank deposits	0.00	0.00
Loans from banks and other financial institutions	0.00	0.00
Financial liabilities at fair value through profit or loss	0.00	0.00
Derivative financial liabilities	0.00	0.00
Bills payable	735,769,829.54	2,313,321,400.81
Accounts payable	10,825,815,882.07	12,311,643,681.22
Receipts in advance	23,129,642,517.67	23,462,497,764.75
Financial assets sold for repurchase	0.00	0.00
Fees and commissions payable	0.00	0.00
Payroll payable	310,664,881.96	400,092,413.18
Tax payable	1,002,545,528.80	1,829,789,141.33
Interests payable	610,037,896.91	799,032,866.63
Dividends payable	243,172,782.14	202,581,371.25
Other payables	6,309,833,275.58	5,980,694,327.60
Short-term financing bonds payable	6,000,000,000.00	3,000,000,000.00
Reinsurance accounts payable	0.00	0.00
Insurance contract reserve payable	0.00	0.00
Amount paid for agency securities trading	0.00	0.00
Amount paid for agency securities underwriting	0.00	0.00
Liabilities classified as held for sale	0.00	0.00
Non-current liabilities due within one year	10,660,872,525.69	6,897,420,505.71
Other current liabilities	6,047,414,931.14	5,739,382,129.82
Total current liabilities	98,921,863,030.98	94,964,189,744.13

Non-current liabilities:		
Long-term loans	20,618,215,395.00	18,087,685,000.00
Bonds payable	16,301,440,396.18	21,279,396,543.45
Including: Premium	0.00	0.00
Perpetual	0.00	0.00
Long-term payables	3,429,190,371.87	3,740,891,436.82
Long-term payroll payable	722,768,832.46	722,768,832.46
Specific payables	0.00	0.00
Provisions	369,721,302.88	371,279,348.97
Deferred income	844,610,410.37	860,067,751.75
Deferred income tax liabilities	4,716,627,245.80	4,800,870,600.03
Other non-current liabilities	660,456,831.52	660,456,831.52
Total non-current liabilities	47,663,030,786.08	50,523,416,345.00
Total liabilities	146,584,893,817.06	145,487,606,089.13
Owners' equity:		
Share capital	10,677,771,134.00	10,677,771,134.00
Other equity instruments	4,982,000,000.00	4,982,000,000.00
Including: Premium	0.00	0.00
Perpetual	4,982,000,000.00	4,982,000,000.00
Capital reserve	5,865,195,783.46	5,865,195,783.46
Less: Treasury shares	0.00	0.00
Other comprehensive income	239,894,223.02	231,839,701.65
Specific reserve	8,400,743.18	8,655,529.41
Surplus reserve	1,276,866,688.51	1,276,866,688.51
General risk provision	178,039,195.99	178,039,195.99
Retained earnings	21,420,708,890.93	20,980,120,619.08
Total equity attributable to owners of the parent company	44,648,876,659.09	44,200,488,652.10
Minority interests	18,370,231,252.18	18,709,022,134.50
Total owners' equity	63,019,107,911.27	62,909,510,786.60
Total liabilities and owners' equity	209,604,001,728.33	208,397,116,875.73

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

Balance Sheet of the Parent Company

As at 31 March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of the Reporting Period
Current Assets:		
Cash and bank balances	5,613,542,111.60	6,954,119,259.97
Financial assets at fair value through profit or loss	0.00	0.00
Derivative financial assets	0.00	0.00
Bills receivable	0.00	0.00
Accounts receivable	1,088,365.90	1,358,245.90
Advances to suppliers	0.00	0.00
Interests receivable	655,796,033.48	556,193,459.72
Dividends receivable	2,283,534,359.84	2,277,673,338.00
Other receivables	39,335,780,632.46	33,425,504,048.71
Inventories	0.00	0.00
Assets classified as held for sale	0.00	0.00
Non-current assets due within one year	0.00	0.00
Other current assets	9,019,186.12	7,907,358.45
Total current assets	47,898,760,689.40	43,222,755,710.75
Non-current assets:		
Available-for-sale financial assets	200,000.00	200,000.00
Held-to-maturity investments	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investments	34,317,981,441.32	34,340,871,900.99
Investment properties	9,895,924,295.76	9,895,924,295.76
Fixed assets	1,278,988,078.39	1,296,631,935.94
Construction in progress	0.00	0.00
Construction materials	0.00	0.00
Disposal of fixed assets	0.00	0.00
Productive biological assets	0.00	0.00
Oil and gas assets	0.00	0.00
Intangible assets	423,404,633.38	426,142,908.38
Development expenses	0.00	0.00
Goodwill	0.00	0.00
Long-term prepaid expenses	0.00	0.00
Deferred income tax assets	156,090,145.69	156,090,145.69
Other non-current assets	0.00	0.00
Total non-current assets	46,072,588,594.54	46,115,861,186.76
Total assets	93,971,349,283.94	89,338,616,897.51

Current liabilities:		
Short-term loans	19,211,000,000.00	17,520,000,000.00
Financial liabilities at fair value through profit or loss	0.00	0.00
Derivative financial liabilities	0.00	0.00
Bills payable	0.00	0.00
Accounts payable	25,462,384.48	13,762,384.48
Receipts in advance	101,763,193.56	104,481,435.49
Payroll payable	88,151.92	13,876,243.10
Tax payable	34,109,888.31	33,682,970.56
Interests payable	284,593,850.48	531,667,058.63
Dividends payable	21,330,229.39	21,492,928.09
Other payables	3,522,122,654.88	2,887,069,917.38
Liabilities classified as held for sale	0.00	0.00
Short-term financing bonds payable	6,000,000,000.00	3,000,000,000.00
Non-current liabilities due within one year	6,500,000,000.00	2,280,000,000.00
Other current liabilities	717,233.77	717,233.77
Total current liabilities	35,701,187,586.79	26,406,750,171.50
Non-current liabilities:		
Long-term loans	9,496,600,000.00	9,531,600,000.00
Bonds payable	10,477,626,548.86	14,976,484,492.30
Including: Premium	0.00	0.00
Perpetual	0.00	0.00
Long-term payables	0.00	0.00
Long-term payroll payable	414,196,150.45	414,196,150.45
Specific payables	0.00	0.00
Provisions	0.00	0.00
Deferred income	0.00	0.00
Deferred income tax liabilities	2,014,326,837.15	2,014,326,837.14
Other non-current liabilities	0.00	0.00
Total non-current liabilities	22,402,749,536.46	26,936,607,479.89
Total liabilities	58,103,937,123.25	53,343,357,651.39

Owners' equity		
Share capital	10,677,771,134.00	10,677,771,134.00
Other equity instruments	4,982,000,000.00	4,982,000,000.00
Including: Premium	0.00	0.00
Perpetual	4,982,000,000.00	4,982,000,000.00
Capital reserve	6,674,854,902.82	6,674,854,902.82
Less: Treasury shares	0.00	0.00
Other comprehensive income	49,398,221.79	49,398,221.79
Specialised reserve	0.00	0.00
Surplus reserve	1,276,866,688.51	1,276,866,688.51
Retained earnings	12,206,521,213.57	12,334,368,299.00
Total owners' equity	35,867,412,160.69	35,995,259,246.12
Total liabilities and owners' equity	93,971,349,283.94	89,338,616,897.51

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

Consolidated Income Statement

January to March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Total operating revenue	11,338,722,980.02	7,431,071,782.70
Including: Operating revenue	11,338,722,980.02	7,431,071,782.70
Interest income	0.00	0.00
Premiums earned	0.00	0.00
Fees and commissions income	0.00	0.00
II. Total operating costs	11,384,269,600.95	7,130,012,219.38
Including: Operating costs	8,343,404,507.71	5,472,303,445.91
Interest expenses	0.00	0.00
Fees and commissions expenses	0.00	0.00
Surrenders	0.00	0.00
Net compensation expenses	0.00	0.00
Net insurance contract reserves	0.00	0.00
Insurance policy dividend expenses	0.00	0.00
Reinsurance expenses	0.00	0.00
Business tax and surcharges	465,576,152.58	233,691,062.95
Selling expenses	504,513,428.01	336,687,403.43
Administrative expenses	1,420,877,256.11	814,821,049.60
Finance costs	627,609,191.64	269,619,275.03
Asset impairment losses	22,289,064.90	2,889,982.46
Add: Gains from changes in fair value (“-” indicating loss)	51,013,905.30	0.00
Investment gains (“-” indicating loss)	133,768,418.50	-9,341,061.85
Including: Share of profits of associates and joint ventures	-39,489,782.22	-9,398,883.77
Foreign exchange gains (“-” indicating loss)	0.00	0.00
III. Operating profit (“-” indicating loss)	139,235,702.87	291,718,501.47
Add: Non-operating income	133,103,885.98	68,568,296.18
Including: Gains on disposal of non-current assets	10,997,578.22	2,333,043.54
Less: Non-operating expenses	11,043,022.83	11,988,510.10
Including: Losses on disposal of non-current assets	730,456.12	141,036.78
IV. Total profit (“-” indicating total loss)	261,296,566.02	348,298,287.55
Less: Income tax expenses	201,309,010.05	266,782,939.51
V. Net profit (“-” indicating net loss)	59,987,555.97	81,515,348.04
Net profit attributable to the owners of the parent company	440,588,271.85	150,670,145.83
Gains/losses of minority interests	-380,600,715.88	-69,154,797.79

VI. Other comprehensive income (net of tax)	8,054,521.37	13,715,383.81
Other comprehensive income (net of tax) attributable to shareholders of the parent company	8,054,521.37	13,715,383.81
(1) Other comprehensive income that will not be reclassified into profit or loss subsequently	0.00	0.00
1. Changes arising from re-measurement of net liabilities or net assets of defined benefit plans	0.00	0.00
2. Share of other comprehensive income (that will not be reclassified to profit or loss subsequently) of investees accounted for using equity method	0.00	0.00
(2) Other comprehensive income that will be reclassified to profit or loss subsequently	8,054,521.37	13,715,383.81
1. Share of other comprehensive income (that will be reclassified to profit or loss subsequently) of investees accounted for using equity method	0.00	0.00
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	7,242,925.92	0.00
3. Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets	0.00	0.00
4. Effective portion of cash flow adjusted for hedging gains or losses	0.00	0.00
5. Exchange differences on foreign currency translation	811,595.45	13,715,383.81
6. Others	0.00	0.00
Other comprehensive income (net of tax) attributable to minority interests	0.00	0.00
VII. Total comprehensive income	73,968,107.63	95,230,731.85
Total comprehensive income attributable to the owners of the parent company	448,642,793.22	164,385,529.64
Total comprehensive income attributable to minority interests	-374,674,685.59	-69,154,797.79
VIII. Earnings per share:		
(1) Basic earnings per share (RMB/share)	0.04	0.02
(2) Diluted earnings per share (RMB/share)	0.04	0.02

For business combinations under common control occurred during this period, the net profit of the party being acquired realised before combination is RMB0, that of the previous period was RMB 0.

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

Income Statement of the Parent Company

January to March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Total operating revenue	239,957,193.43	235,588,375.91
Less: Operating revenue	15,018,732.36	15,926,092.06
Business tax and surcharges	1,442,646.95	13,192,949.13
Selling expenses	7,523,323.40	7,603,000.00
Administrative expenses	27,818,981.73	40,894,224.93
Finance costs	294,991,107.90	187,987,917.74
Asset impairment losses	0.00	0.00
Add: Gains from changes in fair value (“-” indicating loss)	0.00	0.00
Investment gains (“-” indicating loss)	-22,890,459.67	-9,398,883.76
Including: Share of profits of associates and joint ventures	-22,890,459.67	-9,398,883.76
II. Operating profit (“-” indicating loss)	-129,728,058.58	-39,414,691.71
Add: Non-operating income	1,880,973.15	2,004,851.98
Including: Gains on disposal of non-current assets	0.00	0.00
Less: Non-operating expenses	0.00	0.00
Including: Losses on disposal on non-current assets	0.00	0.00
III. Total profit (“-” indicating total loss)	-127,847,085.43	-37,409,839.73
Less: Income tax expenses	0.00	0.00
IV. Net profit (“-” indicating net loss)	-127,847,085.43	-37,409,839.73
V. Other comprehensive income (net of tax)	0.00	0.00
(1) Other comprehensive income that will not be reclassified into profit or loss subsequently	0.00	0.00
1. Changes arising from re-measurement of net liabilities or net assets of defined benefit plans	0.00	0.00
2. Share of other comprehensive income (that will not be reclassified to profit or loss subsequently) of investees accounted for using equity method	0.00	0.00
(2) Other comprehensive income that will be reclassified to profit or loss subsequently	0.00	0.00
1. Share of other comprehensive income (that will be reclassified to profit or loss subsequently) of investees accounted for using equity method	0.00	0.00
2. Gains or losses arising from changes in fair	0.00	0.00

value of available-for-sale financial assets		
3.Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets	0.00	0.00
4.Effective portion of cash flow adjusted for hedging gains or losses	0.00	0.00
5.Exchange differences on foreign currency translation	0.00	0.00
6.Others	0.00	0.00
VI. Total comprehensive income	-127,847,085.43	-37,409,839.73
VII. Earnings per share:		
(1) Basic earnings per share (RMB/share)		
(2) Diluted earnings per share (RMB/share)		

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

Consolidated Statement of Cash Flows

January to March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	10,700,410,702.82	7,092,369,211.48
Net increase in deposits from customers and inter-bank deposits	0.00	0.00
Net increase in borrowings from central bank	0.00	0.00
Net decrease in deposits in central bank	459,301,503.31	0.00
Net increase in loans from other financial institutions	0.00	0.00
Cash received as premiums of original insurance contracts	0.00	0.00
Net cash received from reinsurance business	0.00	0.00
Net increase in policy holder deposits and investment	0.00	0.00
Net increase in disposal of financial assets at fair value through profit or loss	0.00	0.00
Cash received from interests, fees and commissions	0.00	0.00
Net increase in loans from banks and other financial institutions	0.00	0.00
Net increase in capital from repurchase business	0.00	0.00
Refund of taxes and levies	74,220,622.29	59,365,144.24
Cash received from other operating activities	2,045,346,517.09	165,546,007.47
Subtotal of cash inflows from operating activities	13,279,279,345.51	7,317,280,363.19

Cash paid for purchasing goods and receiving services	16,701,046,696.96	4,990,508,960.42
Net increase in customers' loans and advances	0.00	0.00
Net increase in deposits in central bank and inter-bank deposits	0.00	81,385,719.60
Cash paid for compensation payout under original insurance contracts	0.00	0.00
Cash paid for interests, fees and commissions	0.00	0.00
Cash paid for policy dividends	0.00	0.00
Cash paid to and for the benefit of employees	1,448,817,209.47	834,350,983.36
Taxes and levies paid	1,823,588,073.33	1,313,965,754.15
Cash paid for other operating activities	1,251,503,944.68	715,549,088.42
Subtotal of cash outflows from operating activities	21,224,955,924.44	7,935,760,505.95
Net cash flows arising from operating activities	-7,945,676,578.93	-618,480,142.76
II. Cash flows from investing activities:		
Cash received from redemption of investments	127,278,929.21	0.00
Cash received from return on investments	0.00	851,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	213,029,260.79	8,541,535.00
Net cash received from disposal of subsidiaries and other business entities	636,620,000.00	0.00
Cash received from other investing activities	0.00	0.00
Subtotal of cash inflows from investing activities	976,928,190.00	9,392,535.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	280,285,531.95	220,824,983.57
Cash paid for investments	60,741,392.81	0.00
Net increase in pledged loans	0.00	0.00
Net cash paid for acquisition of subsidiaries and other business entities	0.00	0.00
Cash paid for other investing activities	0.00	0.00
Subtotal of cash outflows from investing activities	341,026,924.76	220,824,983.57
Net cash flows arising from investing activities	635,901,265.24	-211,432,448.57

III. Cash flows from financing activities:		
Cash received from capital contributions	1,450,000.00	17,500,000.00
Including: Cash received by subsidiaries from investments of minority interests	1,450,000.00	17,500,000.00
Cash received from borrowings	9,775,343,000.00	4,600,000,000.00
Cash received from issuance of bonds	6,000,000,000.00	5,000,000,000.00
Cash received from other financing activities	0.00	0.00
Subtotal of cash inflows from financing activities	15,776,793,000.00	9,617,500,000.00
Cash paid for debts settlement	10,339,641,928.59	6,635,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	1,139,374,747.45	570,520,150.48
Including: Dividends and profits paid by subsidiaries to minority interests	2,000,000.00	2,000,000.00
Cash paid for other financing activities	656,046,900.69	0.00
Subtotal of cash outflows from financing activities	12,135,063,576.73	7,205,520,150.48
Net cash flows arising from financing activities	3,641,729,423.27	2,411,979,849.52
IV. Effects of exchange rate fluctuations on cash and cash equivalents	1,841,597.95	6,287.20
V. Net increase in cash and cash equivalents	-3,666,204,292.47	1,582,073,545.39
Add: Opening balance of cash and cash equivalents	18,110,782,535.76	11,213,584,868.55
VI. Closing balance of cash and cash equivalents	14,444,578,243.29	12,795,658,413.94

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

Statement of Cash Flows of the Parent Company

January to March 2017

Prepared by : BBMG Corporation

Unit and Currency: RMB, Unaudited

Item	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	260,995,585.92	241,039,814.71
Refund of taxes and levies	0.00	0.00
Cash received from other operating activities	9,201,085,420.05	6,000,403,262.76
Subtotal of cash inflows from operating activities	9,462,081,005.97	6,241,443,077.47
Cash paid for purchasing goods and receiving services	1,309,532.17	2,398,506.95
Cash paid to and for the benefit of employees	22,710,806.90	20,237,526.24
Cash paid for various taxes	26,276,282.92	23,799,097.42
Cash paid to other operating activities	14,343,345,477.59	5,798,480,250.48
Subtotal of cash outflows from operating activities	14,393,642,099.58	5,844,915,381.09
Net cash flows arising from operating activities	-4,931,561,093.61	396,527,696.38
II. Cash flows from investing activities:		
Cash received from redemption of investments	0.00	0.00
Cash received from return on investments	0.00	19,796,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	0.00	0.00
Net cash received from disposal of subsidiaries and other business entities	0.00	0.00
Cash received from other investing activities	0.00	0.00
Subtotal of cash inflows from investing activities	0.00	19,796,000.00

Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	680,973.00	328,560.00
Cash paid for investments	0.00	871,076,000.00
Net cash paid for acquisition of subsidiaries and other business entities	0.00	0.00
Cash paid for other investing activities	0.00	0.00
Subtotal of cash outflows from investing activities	680,973.00	871,404,560.00
Net cash flows arising from investing activities	-680,973.00	-851,608,560.00
III. Cash flows from financing activities:		
Cash received from capital contributions	0.00	0.00
Cash received from borrowings	9,131,000,000.00	9,300,000,000.00
Cash received from other financing activities	0.00	0.00
Subtotal of cash inflows from financing activities	9,131,000,000.00	9,300,000,000.00
Cash paid for debts settlement	4,755,000,000.00	7,545,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	784,335,081.76	434,233,990.08
Cash paid for other financing activities	0.00	0.00
Subtotal of cash outflows from financing activities	5,539,335,081.76	7,979,233,990.08
Net cash flows arising from financing activities	3,591,664,918.24	1,320,766,009.92
IV. Effects of exchange rate fluctuations on cash and cash equivalents	0.00	0.00
V. Net increase in cash and cash equivalents	-1,340,577,148.37	865,685,146.30
Add: Opening balance of cash and cash equivalents	6,904,762,685.08	8,258,522,946.00
VI. Closing balance of cash and cash equivalents	5,564,185,536.71	9,124,208,092.30

Legal Representative: Jiang Deyi
Chief Financial Officer: Chen Guogao
Head of the Accounting Department: Hu Juan

4.2 Audit Report

Applicable Not applicable