

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.



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 2012

Pursuant to the regulations of the China Securities Regulatory Commission, BBMG Corporation* (the “**Company**” or “**BBMG**”) is required to publish a quarterly report for each of the first and third quarters.

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

For the first quarter of 2012 (the “**Reporting Period**”), the Company and its subsidiaries (collectively, the “**Group**”) recorded revenue from operations of approximately RMB5,354.0 million, with net profit attributable to owners of the Company amounting to approximately RMB293.6 million.

This announcement is made pursuant to disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The contents of this report are consistent with the announcement published on the Shanghai Stock Exchange. This announcement is published simultaneously domestically and overseas.

§1 IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”), the supervisory board, the directors, the supervisors and the senior management of the Company confirm that there are no false representations, misleading statements or material omissions in this report and take joint and several responsibilities for the truthfulness, accuracy and completeness of the contents set out herein.
- 1.2 All directors of the Company attended the Board meetings.
- 1.3 The financial statements of the Company for the first quarter have not been audited.

1.4 Chairman of the Company	Jiang Weiping
Chief Financial Officer	Wang Hongjun
Director of the Accounting Department (Accounting Supervisor)	Hu Juan

Jiang Weiping, the Chairman of the Company, Wang Hongjun, the Chief Financial Officer and Hu Juan, the director of the Accounting Department (Accounting Supervisor), have declared that they assure for the truthfulness and completeness of the financial statements contained in this quarterly report.

§2 OVERVIEW OF THE COMPANY

2.1 Major accounting data and financial indicators

	<i>Currency: RMB</i>		
	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 (RMB)	78,330,242,386.85	76,912,959,523.75	1.84
Owners' equity (or shareholders' equity) (RMB)	20,447,358,240.52	20,153,779,171.15	1.46
Net assets per share attributable to shareholders of the Company (RMB/share)	4.77	4.70	1.49
		From the beginning of the year to the end of the Reporting Period	Year-on-year change (%)
Net cash flow generated from operating activities (RMB)		-434,403,183.42	N/A
Net cash flow per share generated from operating activities (RMB/share)		-0.1	N/A
	The Reporting Period	From the beginning of the year to the end of the Reporting Period	Year-on-year change (%)
Net profit attributable to shareholders of the Company (RMB)	293,648,012.76	293,648,012.76	-32.94
Basic earnings per share (RMB/share)	0.07	0.07	-37.22
Basic earnings per share after deducting extraordinary gain and loss (RMB/share)	0.05	0.05	-50.00
Diluted earnings per share (RMB/share)	0.07	0.07	-37.22
Weighted average return on net assets (%)	1.45	1.45	Decreased by 1.18 percentage points
Weighted average return on net assets after deducting extraordinary gain and loss (%)	0.97	0.97	Decreased by 1.39 percentage points

Excluded extraordinary gain and loss items and amount:

Unit and Currency: RMB

Items	Amount
Gain or loss from disposal of non-current assets	110,063,700.96
Government subsidies included in gain and loss of the current period, excluding those closely related to the ordinary business of the Company and granted on a fixed amount or fixed quota under uniform national standards in compliance with the national policies	13,123,226.23
Gains and losses from debt restructuring	25,434,486.74
Other non-operating income and expenses other than the foregoing items	-6,356,000.27
Effect of income tax	-36,730,985.43
Impact on minority interests (after tax)	<u>-9,078,546.63</u>
Total	<u><u>96,455,881.60</u></u>

2.2 Total number of shareholders and the top ten largest shareholders not subject to lock-up restrictions as at the end of the Reporting Period

Unit: share

Shareholding of the top ten largest shareholders not subject to lock-up restrictions

Name of shareholder (full name)	Total number of tradable shares held not subject to lock-up restrictions as at the end of the Reporting Period	Type
HKSCC NOMINEES LIMITED	1,163,346,734	Overseas listed foreign shares
China National Materials Company Limited	239,580,000	RMB-denominated ordinary shares
Hopeson Holdings Limited	178,380,000	Domestic listed foreign shares
Jasmine Island Investment Limited	118,100,000	Domestic listed foreign shares
Tianjin Building Materials Group (Holding) Co., Ltd. (天津市建築材料集團 (控股)有限公司)	117,321,512	RMB-denominated ordinary shares
China Xinda Asset Management Co., Ltd. (中國信達資產管理股份 有限公司)	72,420,687	RMB-denominated ordinary shares
Hua Xi Xin Yu Investment Co., Ltd. (華熙昕宇投資 有限公司)	68,400,000	RMB-denominated ordinary shares

Runfeng Investment Group Co., Ltd. (潤豐投資集團有限公司)	60,000,000	RMB-denominated ordinary shares
Tibet Taihong Investment Co., Ltd. (西藏泰鴻投資 有限公司)	42,100,000	RMB-denominated ordinary shares
Zhongrun Economic Development Co., Ltd. (中潤經濟發展有限 責任公司)	21,400,000	RMB-denominated ordinary shares

Notes: 1) As at the end of the Reporting Period, the total number of shareholders was 67,018, including 60,758 shareholders of A shares and 6,260 shareholders of H shares.

2) The shares held by HKSCC NOMINEES LIMITED represent shares held by it on behalf of various clients.

§3 SIGNIFICANT EVENTS

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

Applicable Not Applicable

As at the end of the Reporting Period, interest receivable of the Group increased by 42.23% as compared with the beginning of the year, which was mainly attributable to the accrued interest of loans receivable for the Reporting Period.

As at the end of the Reporting Period, available-for-sale financial assets of the Group decreased by 100% as compared with the beginning of the year, which was mainly attributable to the disposal of equity securities held during the Reporting Period.

During the Reporting Period, business tax and surcharges of the Group decreased by 42.98% as compared with the corresponding period of the previous year, which was mainly attributable to the decrease in provision for land appreciation tax made by property enterprises during the Reporting Period.

During the Reporting Period, finance costs of the Group increased by 103.94% as compared with the corresponding period of the previous year, which was mainly attributable to the increase in interest expenses resulting from the increase in borrowings.

During the Reporting Period, loss from investment income of the Group increased by 88.11% as compared with the corresponding period of the previous year, which was mainly attributable to the increase in loss of associated companies and joint ventures during the Reporting Period.

During the Reporting Period, non-operating revenue of the Group increased by 91.75% as compared with the corresponding period of the previous year, which was mainly attributable to the increase in gains from disposal of non-current assets during the Reporting Period.

During the Reporting Period, non-operating expenses of the Group increased by 50.47% as compared with the corresponding period of the previous year, which was mainly attributable to the increase in loss from disposal of assets during the Reporting Period.

3.2 Development of significant events, related impacts and resolutions

Applicable Not Applicable

3.3 Fulfillment of undertakings by the Company, shareholders and de facto controllers

Applicable Not Applicable

1. BBMG Group furnished on 29 December 2010 a Letter of Undertaking of BBMG Group Company Limited (“**BBMG Group**”) in connection with a Voluntary Transfer of Trademarks at Nil Consideration (北京金隅集團有限責任公司關於商標無償轉讓的承諾函), whereby BBMG Group made the following irrevocable undertakings in respect of its voluntary transfer of all its existing trademarks and trademarks under application at nil consideration to BBMG:
 - (1) BBMG Group shall transfer voluntarily all existing trademarks and trademarks under application that it owns as at the issuance of this undertaking letter to BBMG or its subsidiaries at nil consideration, upon receiving approval or consent from its internal decision-making bodies and the competent government authorities and subsequent to performing the relevant proceedings as required by applicable laws. Both parties shall sign the relevant transfer agreements regarding the transfer of existing trademarks and trademarks under application in accordance with laws and regulations and as required by the competent government authorities and perform all necessary proceedings.
 - (2) BBMG Group and its subsidiaries (excluding BBMG and its subsidiaries) shall neither apply within or outside the PRC to register trademarks under classes related to the core businesses of BBMG that are the same or similar to the existing registered trademarks of BBMG nor apply to register existing trademarks under other classes related to the core businesses of BBMG other than those under which BBMG Group’s existing trademarks are registered.
 - (3) The Master Agreement on Trademarks Licensing (商標許可使用總協議) entered into between the parties on 8 July 2009 shall cease to be effective upon completion of the transfer of the existing trademarks and trademarks under application, that is the day BBMG or its subsidiaries become the legal owners of the existing trademarks and the applicant in terms of the trademarks under application. BBMG Group will enter into further agreements or arrangements with BBMG in respect of the termination of the agreement and the subsequent matters in due course.
2. BBMG Group, the controlling shareholder of the Company, undertakes that it will not transfer via any means or entrust other party to manage the issued shares of the Company held directly or indirectly by it prior to the initial public offering of the Company and will not sell such shares to the Company within 36 months following the listing of the A shares of the Company on the Shanghai Stock Exchange.

The above undertakings are being fulfilled.

3.4 Warnings and explanations of forecasted losses or significant changes to the accumulated net profits from the beginning of the year to the end of the next reporting period

Applicable Not Applicable

3.5 Implementation of the cash dividend policy during the Reporting Period

As considered and approved at the seventeenth meeting of the second session of the Board of the Company, the proposed cash dividend for every 10 shares held by the shareholders is RMB0.72 (including tax), subject to shareholders' approval at the 2011 annual general meeting of the Company.

By order of the Board
BBMG Corporation*
Jiang Weiping
Chairman

Beijing, the PRC, 25 April 2012

As at the date of this announcement, the executive Directors are Jiang Weiping, Jiang Deyi, Shi Xijun, Wang Hongjun and Deng Guangjun; the non-executive Director is Li Xinhua; and the independent non-executive Directors are Hu Zhaoguang, Xu Yongmo, Zhang Chengfu and Yip Wai Ming.

* *for identification purposes only*

§4 APPENDIX

4.1

Consolidated balance sheet

As at 31 March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Current Assets:		
Monetary capital	7,120,935,080.21	7,918,479,363.14
Settlement reserves		
Loans to banks or other financial institutions		
Financial assets held for trading		
Bills receivable	947,699,474.72	1,347,905,318.65
Trade receivable	3,834,430,549.83	3,490,937,470.40
Prepayments	1,343,597,348.57	1,397,237,511.97
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Interest receivable	2,643,624.45	1,858,662.81
Dividends receivable		
Other receivables	2,601,730,525.17	2,545,704,925.67
Purchase and sell-back of financial assets		
Inventories	28,800,908,594.89	27,269,465,788.38
Non-current assets due within one year	11,448,801.15	14,728,764.93
Other current assets	739,580,557.09	715,603,421.66
	<hr/>	<hr/>
Total current assets	<u><u>45,402,974,556.08</u></u>	<u><u>44,701,921,227.61</u></u>

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Non-current assets:		
Entrusted loans and advances		
Available-for-sale financial assets		95,138.56
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	429,934,561.86	440,313,672.69
Investment properties	11,599,000,000.00	11,599,000,000.00
Fixed assets	14,987,766,625.34	14,613,460,813.77
Construction in progress	1,226,533,131.57	950,567,721.98
Project supplies	17,740,931.24	15,242,793.42
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	3,369,632,943.18	3,352,071,838.40
Development expenses		
Goodwill	312,051,745.55	312,051,745.55
Long-term deferred expenditures	170,894,254.04	169,908,175.40
Deferred income tax assets	813,713,637.99	758,326,396.37
Other non-current assets		
	<hr/>	<hr/>
Total non-current assets	<u>32,927,267,830.77</u>	<u>32,211,038,296.14</u>
Total assets	<u>78,330,242,386.85</u>	<u>76,912,959,523.75</u>

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Current liabilities:		
Short-term loans	13,097,740,000.00	11,286,861,222.71
Borrowings from central bank		
Deposits from customers and inter-bank deposits		
Loans from banks and other financial institutions		
Financial liabilities held for trading		
Bills payable	296,486,275.00	361,817,226.63
Trade payable	4,936,008,893.04	5,124,354,120.51
Receipts in advance	12,079,205,672.50	11,621,778,319.64
Gain on disposal of repurchased financial assets		
Fees and commissions payable		
Wages payable	108,653,822.49	143,715,522.38
Tax payable	1,017,556,738.10	1,235,608,987.19
Interest payable	86,263,305.28	121,856,589.77
Dividends payable	55,043,247.30	55,043,247.30
Other payables	3,595,130,218.10	3,664,929,212.57
Reinsurance accounts payables		
Insurance contract reserve payable		
Amount paid for agency securities trading		
Amount paid for agency securities underwriting		
Non-current liabilities due within one year	3,254,862,049.24	3,604,124,049.24
Other current liabilities	2,083,288,482.33	2,165,875,938.84
Total current liabilities	<u>40,610,238,703.38</u>	<u>39,385,964,436.78</u>

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Non-current liabilities:		
Long-term loans	7,494,517,451.30	7,772,597,451.30
Bonds payable	4,742,146,293.13	4,687,098,763.98
Long-term payables	528,129,048.14	528,129,048.14
Specific payables		
Accrued liabilities	41,511,880.68	33,029,889.08
Deferred income tax liabilities	2,252,382,036.29	2,145,922,155.37
Other non-current liabilities	<u>653,750,518.30</u>	<u>644,601,568.27</u>
 Total non-current liabilities	 <u><u>15,712,437,227.84</u></u>	 <u><u>15,811,378,876.14</u></u>
 Total liabilities	 <u><u>56,322,675,931.22</u></u>	 <u><u>55,197,343,312.92</u></u>
 Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	4,283,737,060.00	4,283,737,060.00
Capital reserve	5,311,808,534.80	5,311,872,199.72
Less: treasury shares		
Specific reserve		
Surplus reserve	340,879,231.86	340,879,231.86
Common risk provision		
Unappropriated profits	10,511,059,964.60	10,217,411,951.85
Foreign currency translation difference	<u>-126,550.74</u>	<u>-121,272.28</u>
 Total equity attributable to the owners of the Company	 20,447,358,240.52	 20,153,779,171.15
 Minority interests	 <u>1,560,208,215.11</u>	 <u>1,561,837,039.68</u>
 Total equity attributable to the owners	 <u><u>22,007,566,455.63</u></u>	 <u><u>21,715,616,210.83</u></u>
 Total liabilities and equity attributable to the owners	 <u><u>78,330,242,386.85</u></u>	 <u><u>76,912,959,523.75</u></u>

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

Balance sheet of the Company

As at 31 March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Current Assets:		
Monetary capital	1,834,220,272.47	2,067,665,937.14
Financial assets held for trading		
Bills receivable	28,260,000.00	194,431,820.00
Trade receivable		
Prepayments		
Interest receivable	337,419,973.12	244,076,234.45
Dividends receivable	1,609,384,989.47	1,638,384,989.47
Other receivables	14,909,701,233.71	12,440,456,343.56
Inventories		
Non-current assets due within one year		
Other current assets		
Total current assets	<u>18,718,986,468.77</u>	<u>16,585,015,324.62</u>

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	16,877,756,472.24	16,567,433,258.33
Investment properties	6,853,600,000.00	6,853,600,000.00
Fixed assets	1,431,132,578.40	1,446,902,166.94
Construction in progress	82,175,704.96	1,116,000.00
Project supplies		
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	502,224,050.52	505,996,003.17
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets		
Other non-current assets		
	<hr/>	<hr/>
Total non-current assets	<u>25,746,888,806.12</u>	<u>25,375,047,428.44</u>
Total assets	<u>44,465,875,274.89</u>	<u>41,960,062,753.06</u>

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Current liabilities:		
Short-term loans	11,760,500,000.00	9,960,500,000.00
Financial liabilities held for trading		
Bills payable		
Trade payable		
Receipts in advance	86,606,702.82	91,625,849.71
Wages payable	142,807.70	328,640.47
Tax payable	4,168,111.61	5,975,518.37
Interest payable	82,341,085.31	110,626,337.82
Dividends payable	37,204,079.53	37,204,079.53
Other payables	6,290,376,126.97	5,175,977,057.11
Non-current liabilities due within one year	1,850,000,000.00	1,820,000,000.00
Other current liabilities		
Total current liabilities	<u>20,111,338,913.94</u>	<u>17,202,237,483.01</u>
Non-current liabilities:		
Long-term loans	3,415,000,000.00	3,865,000,000.00
Bonds payable	4,742,146,293.13	4,687,098,763.98
Long-term payables	545,007,830.14	504,999,278.14
Specific payables		
Accrued liabilities		
Deferred income tax liabilities	996,643,592.34	996,643,592.34
Other non-current liabilities		
Total non-current liabilities	<u>9,698,797,715.61</u>	<u>10,053,741,634.46</u>
Total liabilities	<u>29,810,136,629.55</u>	<u>27,255,979,117.47</u>

Unit and Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	4,283,737,060.00	4,283,737,060.00
Capital reserve	5,724,155,727.37	5,724,155,727.37
Less: treasury shares		
Specific reserve		
Surplus reserve	340,879,231.86	340,879,231.86
Common risk provision		
Unappropriated profits	<u>4,306,966,626.11</u>	<u>4,355,311,616.36</u>
 Total equity attributable to the owners (or equity attributable to shareholders)	 <u><u>14,655,738,645.34</u></u>	 <u><u>14,704,083,635.59</u></u>
 Total liabilities and equity attributable to the owners (or equity attributable to shareholders)	 <u><u>44,465,875,274.89</u></u>	 <u><u>41,960,062,753.06</u></u>

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

Consolidated Income Statement

January-March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Total operating revenue	5,354,029,823.34	5,240,480,740.08
Including: Operating revenue	5,354,029,823.34	5,240,480,740.08
Interest income		
Earned premiums		
Fees and commission income		
II. Total operating costs	5,168,684,026.97	4,771,237,319.53
Including: Operating costs	4,039,623,339.51	3,696,355,943.79
Interest expenses		
Fees and commission expenses		
Premiums refund		
Compensation payout, net		
Provision for reinsurance contract reserve, net		
Policy dividend payment		
Amortized reinsurance expenditures		
Business tax and surcharges	143,783,903.28	252,157,235.68
Selling expenses	233,712,033.59	206,300,194.14
Administrative expenses	526,588,052.71	497,914,669.35
Finance costs	200,587,109.90	98,354,847.96
Asset impairment losses	24,389,587.98	20,154,428.61
Plus: Gains from changes in fair value ("-" indicating loss)		
Investment income ("-" indicating loss)	-9,271,490.47	-4,928,788.73
Including: Gains from investments in associated companies and joint ventures	-9,278,186.09	-5,759,176.88
Foreign exchange gains ("-" indicating loss)		

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
III. Operating profit (“-” indicating loss)	176,074,305.90	464,314,631.82
Plus: Non-operating revenue	231,064,392.61	120,501,782.01
Less: Non-operating expenses	16,241,026.06	10,793,392.05
Including: Loss on disposal of non-current assets	2,877,654.39	1,366,373.47
IV. Total profit (“-” indicating total loss)	390,897,672.45	574,023,021.78
Less: Income tax expenses	98,878,484.26	118,322,329.67
V. Net profit (“-” indicating net loss)	292,019,188.19	455,700,692.11
Net profit attributable to the owners of the Company	293,648,012.76	437,877,151.23
Gains/losses of minority interests	-1,628,824.57	17,823,540.88
VI. Earnings per share:		
(1) basic earnings per share	0.07	0.11
(2) diluted earnings per share	0.07	0.11
VII. Other comprehensive income	-63,664.90	-270.88
VIII. Total comprehensive income	291,955,523.29	455,700,421.23
Total comprehensive income attributable to the owners of the Company	293,584,347.86	437,876,880.35
Total comprehensive income attributable to minority interests	-1,628,824.57	17,823,540.88

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

Income Statement of the Company

January-March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
I. Operating revenue	109,154,591.99	82,083,049.02
Less: Operating costs	4,361,057.21	2,672,201.54
Business tax and surcharges	6,112,657.20	4,514,567.76
Selling expenses	250,000.00	2,030,830.00
Administrative expenses	50,007,389.02	51,838,453.37
Finance costs	90,063,244.81	68,166,884.56
Asset impairment losses		
Plus: Gains from changes in fair value (“-” indicating loss)		
Investment income (“-” indicating loss)	-9,278,186.09	-4,885,527.78
Including: Gains from investments in associated companies and joint ventures	-9,278,186.09	-4,885,527.78
II. Operating profit (“-” indicating loss)	-50,917,942.34	-52,025,415.99
Plus: Non-operating revenue	2,592,549.66	
Less: Non-operating expenses	19,597.57	132,614.20
Including: Loss on disposal of non-current assets		1,614.20
III. Total profit (“-” indicating total loss)	-48,344,990.25	-52,158,030.19
Less: Income tax expenses		
IV. Net profit (“-” indicating net loss)	-48,344,990.25	-52,158,030.19
V. Earnings per share:		
(1) basic earnings per share		
(2) diluted earnings per share		
VI. Other comprehensive income		
VII. Total comprehensive income	-48,344,990.25	-52,158,030.19

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

4.3

Consolidated Statement of Cash Flows
January-March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	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	5,222,105,260.05	5,999,755,837.94
Net increase of deposits from customers and inter-bank deposits		
Net increase of borrowings from central bank		
Net increase of loans from other financial institutions		
Cash received as premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase of policy holder deposits and investment		
Net increase of disposal of financial assets held for trading		
Cash received from interests, fees and commissions		
Net increase of loans from banks and other financial institutions		
Net increase of capital from repurchase business		
Refund of taxes and levies	19,363,977.91	6,205,353.01
Other cash received relating to operating activities	<u>1,026,651,555.93</u>	<u>874,709,992.64</u>
Subtotal of cash inflows from operating activities	6,268,120,793.89	6,880,671,183.59

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
Cash paid for purchasing goods and receiving services	4,219,042,124.28	3,912,567,709.00
Net increase of customers' loans and advances		
Net increase of deposits in central bank and inter-bank deposits		
Cash paid for compensation payout under original insurance contracts		
Cash paid for interest, fees and commissions		
Cash paid for policy dividends		
Cash paid to and for the benefit of employees	573,093,949.38	538,519,605.04
Taxes and levies paid	666,404,052.62	731,339,755.15
Other cash paid relating to operating activities	<u>1,243,983,851.03</u>	<u>2,226,178,663.39</u>
Subtotal of cash outflows from operating activities	6,702,523,977.31	7,408,605,732.58
Net cash flows arising from operating activities	-434,403,183.42	-527,934,548.99
II. Cash flows from investing activities:		
Cash received from disposal of investments		10,000,000.00
Cash received from return on investments	1,139,094.00	1,334,117.91
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,743,687.16	3,384,805.97
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities	<u>5,566,200.00</u>	<u>12,353,028.88</u>
Subtotal of cash inflows from investing activities	12,448,981.16	27,071,952.76

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	828,011,356.16	494,011,927.59
Cash paid for investments	25,167,600.00	
Net increase of pledged loans		
Net cash paid for acquisition of subsidiaries and other operating segments		
Other cash paid relating to investing activities		
	-----	-----
Subtotal of cash outflows from investing activities	853,178,956.16	494,011,927.59
Net cash flows arising from investing activities	-840,729,975.00	-466,939,974.83
III. Cash flows from financing activities:		
Cash received from capital contribution		
Including: cash received by subsidiaries from investments of minority interests		
Cash received from borrowings	5,170,149,000.00	3,741,583,152.17
Cash received from issuing bonds		
Other cash received relating to financing activities		
	-----	-----
Subtotal of cash inflows from financing activities	5,170,149,000.00	3,741,583,152.17
Cash paid for debts settlement	3,946,204,406.81	3,175,974,762.14
Cash paid for the distribution of dividends, profits or interest payments	376,350,612.57	337,725,180.30
Including: Dividends and profits paid by subsidiaries to minority interests		
Other cash paid relating to financing activities		
	-----	-----
Subtotal of cash outflows from financing activities	4,322,555,019.38	3,513,699,942.44
Net cash flows arising from financing activities	847,593,980.62	227,883,209.73

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
IV. Effects of exchange rate fluctuations on cash and cash equivalents	-2,147.13	28,912.58
V. Net increase of cash and cash equivalents	-427,541,324.93	-766,962,401.51
Plus: Opening balance of cash and cash equivalents	5,126,471,371.39	5,030,591,539.36
VI. Closing balance of cash and cash equivalents	4,698,930,046.46	4,263,629,137.85

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

Statement of Cash Flows of the Company

January-March 2012

Prepared by: BBMG Corporation

Unit and Currency: RMB Unaudited

Items	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	97,066,236.44	74,585,517.54
Refund of taxes and levies		
Other cash received relating to operating activities	<u>9,805,406,329.55</u>	<u>7,577,897,011.78</u>
Subtotal of cash inflows from operating activities	9,902,472,565.99	7,652,482,529.32
Cash paid for purchasing goods and receiving services	4,295,760.42	2,341,288.60
Cash paid to and for the benefit of employees	16,598,998.81	17,184,345.55
Taxes and levies paid	15,298,937.96	26,361,539.19
Other cash paid relating to operating activities	<u>10,830,229,698.44</u>	<u>8,740,740,610.00</u>
Subtotal of cash outflows from operating activities	10,866,423,395.63	8,786,627,783.34
Net cash flows arising from operating activities	-963,950,829.64	-1,134,145,254.02
II. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	10,450.00	
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities	<u>5,566,200.00</u>	<u> </u>
Subtotal of cash inflows from investing activities	5,576,650.00	

Unit and Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding period of the previous year
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	67,184,133.24	65,675,176.20
Cash paid for investments	325,167,600.00	
Net cash paid for acquisition of subsidiaries and other operating segments		87,360,000.00
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	392,351,733.24	153,035,176.20
Net cash flows arising from investing activities	-386,775,083.24	-153,035,176.20
III. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings	4,920,000,000.00	2,942,000,000.00
Cash received from issuing bonds		
Other cash received relating to financing activities		52,120,020.91
Subtotal of cash inflows from financing activities	4,920,000,000.00	2,994,120,020.91
Cash paid for debts settlement	3,540,000,000.00	2,200,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	262,719,751.79	147,824,518.34
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	3,802,719,751.79	2,347,824,518.34
Net cash flows arising from financing activities	1,117,280,248.21	646,295,502.57
IV. Effects of exchange rate fluctuations on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-233,445,664.67	-640,884,927.65
Plus: Opening balance of cash and cash equivalents	2,067,665,937.14	2,091,137,672.75
VI. Closing balance of cash and cash equivalents	1,834,220,272.47	1,450,252,745.10

Legal Representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan