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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 2011**

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 2011 (the “**Reporting Period**”), the Company and its subsidiaries (collectively, the “**Group**”) recorded revenue from operations of approximately RMB5,237.2 million, with net profit attributable to owners of the parent amounting to approximately RMB437.9 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.

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**§1 IMPORTANT NOTICE**

- 1.1 The board of directors (the “**Board**”), supervisory board, and the directors, supervisors and 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, Chairman of the Company, Wang Hongjun, chief financial officer and Hu Juan, 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

*Currency: RMB*

	As at the end of the Reporting Period	As at the end of the previous year	Year-on-year change (%)
Total assets (RMB)	62,545,257,692.60	61,221,370,456.84	2.16
Owners' equity (or shareholders' equity)(RMB)	17,782,478,122.74	16,447,286,657.08	8.12
Net assets per share attributable to shareholders of the Company (RMB/share)	4.15	4.25	-2.35
		<b>From the beginning of the year to the end of the Reporting Period</b>	<b>Year-on-year change (%)</b>
Net cash flow generated from operating activities (RMB)		-526,681,454.78	N/A
Net cash flow per share generated from operating activities (RMB/share)		-0.12	N/A
	<b>The Reporting Period</b>	<b>From the beginning of the year to the end of the Reporting Period</b>	<b>Year-on-year change (%)</b>
Net profit attributable to shareholders of the Company (RMB)	437,864,588.57	437,864,588.57	90.09
Basic earnings per share (RMB/share)	0.11	0.11	83.33
Basic earnings per share after deducting extraordinary gains and losses (RMB/share)	0.1	0.1	100.00
Diluted earnings per share (RMB/share)	0.11	0.11	83.33
Weighted average return on net assets (%)	2.63	2.63	Increased by 1.13 percentage points
Weighted average return on net assets after deducting extraordinary gains and losses (%)	2.36	2.36	Increased by 1.08 percentage points

Excluded extraordinary gain and loss items and amount:

*Unit: yuan Currency: RMB*

<b>Items</b>	<b>Amount</b>
Gains or losses from disposal of non-current assets	-687,477.72
Government subsidies included in gains and losses of the current period, excluding those closely related to the Company's business and granted on a fixed amount or fixed quota under uniform national standards	36,264,238.82
Fund usage fees from non-financial enterprises included in gains and losses of the current period	1,408,372.82
Gains or losses from non-monetary assets exchange	-49.87
Gains and losses from debt restructuring	126,833.41
Other non-operating income and expenses other than the foregoing items	20,929,271.40
Effect of income tax	-12,453,723.77
Impact on minority interests (after tax)	<u>-715,588.90</u>
Total	<u><u>44,871,876.19</u></u>

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

*Unit: Share*

Total number of shareholders as at the end of the Reporting Period 49,518

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

<b>Name of shareholder (full name)</b>	<b>Total number of tradable shares held not subject to lock-up restrictions as at the end of the Reporting Period</b>	<b>Type</b>
HKSCC NOMINEES LIMITED	1,163,076,234	Overseas listed foreign 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
Zhongjingxin Investment Co., Ltd. (中經信投資有限公司)	9,512,274	RMB-denominated ordinary shares
China Construction Bank – Hua An Hongli Stock Securities Investment Fund (中國建設銀行－華安宏利 股票型證券投資基金)	9,080,000	RMB-denominated ordinary shares
Industrial and Commercial Bank of China – GF Stable Growth Securities Investment Fund (中國工商銀行－廣發 穩健增長證券投資基金)	5,393,707	RMB-denominated ordinary shares
NSSF 603 portfolio (全國社保基金六零三組合)	5,299,906	RMB-denominated ordinary shares

Bank of Communications – ABC-CA Industrial Growth Equity Securities Investment Fund (交通銀行股份有限公司－農銀匯理 行業成長股票型證券投資基金)	4,999,975	RMB-denominated ordinary shares
China Construction Bank – Changsheng Tongqing Detachable Transaction Equity Securities Investment Fund (中國建設銀行股份有限公司－ 長盛同慶可分離交易股票型 證券投資基金)	4,999,863	RMB-denominated ordinary shares
Guotai Junan International Holdings – China Construction Bank– Guotai Junan Jundexin Collective Stock Assets Management Plan (國泰君安－建行－國泰君安 君得鑫股票集合資產管理計劃)	4,902,061	RMB-denominated ordinary shares
Haitong Securities – Bank of China – Standard Chartered Bank (Hong Kong) Limited (海通－中行－渣打銀行 (香港)有限公司)	4,600,000	RMB-denominated ordinary shares

#### Notes

- 1) As at the end of the Reporting Period, the total number of shareholders was 49,518, including 42,760 shareholders of A shares and 6,758 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

- 1) At the end of the Reporting Period, balance of interests payable by the Group increased by 61.05% when compared with the beginning of the year. The increase was mainly due to the provision for yearly bond interests payable during the Reporting Period.
- 2) At the end of the Reporting Period, non-current liabilities due within one year of the Group decreased by 36.61% compared with the beginning of the year. The decrease was mainly due to the repayment of bank loans during the Reporting Period.
- 3) At the end of the Reporting Period, the balance of the minority interests of the Group decreased by 43.31% compared with the beginning of the year. The decrease was mainly due to the shares exchange in respect of the merger of Hebei Taihang Cement Co., Ltd. (“**Taihang Cement**”).
- 4) During the Reporting Period, the operating revenue, operating cost, business tax and surcharges of the Group increased by 46.96%, 37.96% and 76.31% respectively compared with the same period last year. The increases were mainly due to the expansion of operation scale in various business segments during the Reporting Period.
- 5) During the Reporting Period, the operating expenses and administrative expenses of the Group increased by 40.46% and 32.66% respectively compared with the same period last year. The increases were mainly due to the expansion of operation scale in various business segments during the Reporting Period and corresponding increases in operating expenses and administrative expenses.
- 6) During the Reporting Period, the finance cost of the Group increased by 103.48% compared with the same period last year, which was mainly due to the increase in borrowings from banks and bonds payable during the Reporting Period.
- 7) During the Reporting Period, the asset impairment loss of the Group increased by 94.23% compared with the same period last year, which was mainly due to the increase in balance of trade receivables driven by the expansion of business scale and the increase in provision for bad debts during the Reporting Period.
- 8) During the Reporting Period, the non-operating expenses of the Group increased by 119.87% compared with the same period last year, which was mainly due to the increase in loss on disposal of assets and debt restructuring during the Reporting Period.

- 9) During the Reporting Period, the total profit of the Group and net profit attributable to the shareholders of the Company increased by 88.23% and 90.09% respectively compared with the same period last year, which were mainly due to the expansion of operation scale in various business segments during the Reporting Period.
- 10) During the Reporting Period, the net cash flows arising from operating activities of the Group increased by 82.82% compared with the same period last year, which was mainly due to the decrease in inventories, such as land bank reserves, during the Reporting Period compared with the same period last year, leading to a corresponding decrease in cash expenses.
- 11) During the Reporting Period, the net cash flows arising from investing activities of the Group increased by 53.88% compared with the same period last year, which was mainly due to the decrease in the investment in construction in progress during the Reporting Period compared with the same period last year.
- 12) During the Reporting Period, the net cash flows arising from financing activities of the Group decreased by 91.57% compared with the same period last year, which was mainly due to the increase in repayments of bank loans and the decrease in borrowings from banks during the Reporting Period.

### **3.2 Development of significant events, related impacts and resolutions**

Applicable       Not Applicable

#### ***The Merger of Taihang Cement by BBMG***

##### *1. Shares exchange and delisting*

Taihang Cement was delisted with effect from 18 February 2011. Taihang Cement would be deregistered after the assets and liabilities of Taihang Cement were completely transferred to BBMG. BBMG issued 410,404,560 A shares of BBMG to the original shareholders of Taihang Cement as the consideration for the shares exchange in respect of the merger. Such new shares completed registration procedures in the Shanghai branch of the China Securities Depository and Clearing Corporation Limited on 22 February 2011, and the shares were listed on the Shanghai Stock Exchange on 1 March 2011. The short name of the stock is “BBMG” and the stock code is “601992”.

##### *2. Delivery and deregistration of assets*

Pursuant to the Merger Proposal, the assets, liabilities and business, among other things, would be completely transferred to BBMG upon completion of the shares exchange and merger.

As at the date of signing this report, Taihang Cement has no substantial business in operation, its four subsidiaries have all completed business deregistration and received the certificate of deregistration of business and organizational code. The headquarters of Taihang Cement has completed deregistration on 18 April 2011, with all of its staff, assets, liabilities, rights, obligations, business and responsibilities, among other things, incorporated into BBMG.

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

Applicable       Not Applicable

1. BBMG Group Company Limited (“**BBMG Group**”) furnished a letter of undertaking on 4 August 2010, pursuant to which, in the event that creditors other than those that had issued a letter of consent raise an objection to the Company and/or Taihang Cement regarding the Merger Proposal, requesting early repayment of debts or guarantees for the performance of liabilities, BBMG Group, as guarantor of the Company and Taihang Cement, shall bear irrevocable joint liability for the satisfaction of debts by the Company and Taihang Cement.

As agreed, the undertaking has been fulfilled.

2. BBMG Group furnished a letter of Undertaking on Avoiding Competition in the Industry (避免同業競爭承諾函) on 17 September 2010 and made therein the following statements and undertakings:

- (1) On 31 May 2010, BBMG and its subsidiaries entered into 18 agreements with BBMG Group and the subsidiaries of BBMG Group in relation to the acquisition of relevant equity interests/property ownerships and assets of BBMG Group or its subsidiaries at an aggregate consideration of RMB2,651.485501 million.

Upon completion of the acquisition of the equity interests/property ownerships and assets, there was no horizontal competition between the businesses carried out by BBMG Group and the subsidiaries of BBMG Group and those carried out by BBMG and its subsidiaries.

- (2) BBMG Group shall strictly comply with the Agreement on Avoiding Competition in the Industry (避免同業競爭協議), entered with BBMG on 8 July 2009, whereby BBMG Group undertook it would not, and would procure its subsidiaries not to, directly or indirectly, conduct or participate in any form in any business within or outside the PRC which constitute or may constitute direct or indirect competition with the core businesses of BBMG.



- (3) BBMG Group agreed to bear and compensate any losses suffered by BBMG Corporation and its subsidiaries arising from any breach of the aforementioned statements or undertakings by BBMG Group.

The letter of undertaking takes effect from the date of BBMG's initial public offering and the listing of its shares on the Shanghai Stock Exchange and expires on the earlier of either the day that BBMG Group ceases to be a controlling shareholder (as defined in accordance with the then applicable laws and regulations) of BBMG or the day that the shares of BBMG cease to be floated on the Shanghai Stock Exchange.

3. BBMG Group furnished on 29 December 2010 a letter of Undertaking of BBMG Group Company Limited 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 in respect of its voluntary transfer of all its existing trademarks and trademarks under application at nil consideration to BBMG the following irrevocable undertakings:

- (1) BBMG Group shall transfer voluntarily all existing trademarks and trademarks under application that it owns as at the issuance of this letter of undertaking to BBMG or its subsidiaries at nil consideration, upon receiving approval or consent from internal decision-making bodies and competent government authorities and subsequent to performing relevant proceedings as required by applicable laws. Both parties shall sign relevant transfer agreements regarding the transfer of existing trade mark 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 on 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 trade marks 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.

4. BBMG Group, a 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 the shares to the Company within 36 months following the listing of the A shares of the Company on the Shanghai Stock Exchange.
5. Sinoma (中材股份), Tianjin Building Materials (天津建材), China Cinda (中國信達), Jasmine Island Investment (泰安平和), Hua Xi Xin Yu (華熙昕宇), Runfeng Investment (潤豐投資) and Beijing Taihong Investment (北京泰鴻), all being shareholders of the Company, undertake that they will not transfer or entrust other parties to manage the issued shares of the Company held directly or indirectly by them prior to the initial public offering of the Company and will not sell the shares to the Company within 12 months following the listing of the A shares of the Company on the Shanghai Stock Exchange.
6. On the basis of the respective undertakings made by BBMG Group when acquiring Taihang Cement and applying for the initial public offering of the H shares of BBMG, BBMG Group further undertook on 24 January 2011 that, during the merger of Taihang Cement, if shareholders of Taihang Cement institute a proceeding in respect of the original undertakings of BBMG Group and file a claim for actual losses, BBMG Group shall assume the liability in accordance with applicable laws and regulations.

The undertakings above 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 eleventh meeting of the second session of the board of directors of the Company, the proposed dividend for the year 2010 is RMB0.07 per share (including tax) subject to shareholders' approval at the shareholders' general meeting of the Company.

By order of the Board  
**BBMG Corporation\***  
**Jiang Weiping**  
*Chairman*

Beijing, the PRC, 26 April 2011

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

\* *English translation denotes for identification purposes only*

§4 APPENDIX

4.1

**Consolidated balance sheet**

As at 31 March 2011

Prepared by: BBMG Corporation

*Unit: yuan Currency: RMB Unaudited*

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Current Assets:</b>		
Monetary capital	4,430,285,141.91	5,281,929,493.06
Settlement reserves		
Loans to banks or other financial institutions		
Trading financial assets		
Bills receivable	760,845,840.99	627,001,317.45
Trade receivable	2,962,628,933.58	2,654,027,822.73
Prepayments	1,147,296,924.61	989,305,811.63
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Interests receivable	5,586,748.00	4,586,595.84
Dividends receivable	51,493.84	51,493.84
Other receivables	2,995,757,193.65	2,686,925,549.03
Purchase and sell-back of financial assets		
Inventories	21,376,198,379.89	20,993,714,293.90
Non-current assets due within one year		
Other current assets	<u>16,406,045.20</u>	<u>16,986,258.62</u>
Total current assets	<u><u>33,695,056,701.67</u></u>	<u><u>33,254,528,636.10</u></u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Non-current assets:</b>		
Entrusted loans and advances granted		
Available-for-sale financial assets	133,287.44	133,287.44
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	549,795,797.99	555,554,974.87
Investment properties	9,762,200,000.00	9,762,200,000.00
Fixed assets	12,284,290,119.47	12,036,129,183.28
Construction in progress	1,954,695,410.64	1,789,663,739.13
Project supplies	9,231,225.58	7,675,839.52
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	3,273,000,301.84	2,848,150,827.39
Development expenses		
Goodwill	313,558,745.55	313,558,745.55
Long-term deferred expenditures	130,575,250.48	122,342,581.38
Deferred income tax assets	571,716,088.83	530,376,789.42
Other non-current assets	1,004,763.11	1,055,852.76
Total non-current assets	<u>28,850,200,990.93</u>	<u>27,966,841,820.74</u>
<b>Total assets</b>	<u>62,545,257,692.60</u>	<u>61,221,370,456.84</u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Current liabilities:</b>		
Short-term loans	8,017,158,724.01	7,067,892,024.01
Borrowings from central bank		
Deposits from customers and inter-bank deposits		
Loans from banks and other financial institutions		
Trading financial liabilities		
Bills payable	311,034,747.47	325,083,156.39
Trade payable	4,376,356,582.89	4,198,600,602.51
Receipts in advance	8,025,294,619.28	7,235,467,099.54
Gain on disposal of repurchased financial assets		
Fees and commissions payable		
Wages payable	126,707,298.39	146,414,697.09
Tax payable	1,072,757,745.55	1,266,489,949.07
Interests payable	142,610,839.02	88,552,472.54
Dividends payable	12,220,973.69	16,799,688.14
Other payables	3,090,799,550.66	3,800,886,181.19
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	1,433,225,000.00	2,260,926,073.00
Other current liabilities	<u>1,356,549,882.87</u>	<u>1,266,427,780.29</u>
 Total current liabilities	 <u><u>27,964,715,963.83</u></u>	 <u><u>27,673,539,723.77</u></u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Non-current liabilities:</b>		
Long-term loans	7,881,958,392.00	7,570,445,000.00
Bonds payable	4,686,802,802.58	4,684,791,940.10
Long-term payables	540,532,652.00	540,532,652.00
Specific payables	140,291,809.25	140,291,809.25
Accrued liabilities	4,130,752.49	3,284,260.00
Deferred income tax liabilities	1,686,471,299.42	1,609,634,629.65
Other non-current liabilities	<u>791,015,932.61</u>	<u>669,517,450.94</u>
 Total non-current liabilities	 <u><u>15,731,203,640.35</u></u>	 <u><u>15,218,497,741.94</u></u>
 <b>Total liabilities</b>	 <u><u>43,695,919,604.18</u></u>	 <u><u>42,892,037,465.71</u></u>
 <b>Equity attributable to owners (or equity attributable to shareholders):</b>		
Paid-in capital (or Share capital)	4,283,737,060.00	3,873,332,500.00
Capital reserve	5,995,618,425.65	5,508,695,837.68
Less: treasury shares		
Specific reserve		
Surplus reserve	192,547,417.28	192,547,417.28
Common risk provision		
Unappropriated profits	7,310,694,796.83	6,872,830,208.26
Foreign currency translation difference	<u>-119,577.02</u>	<u>-119,306.14</u>
 Total equity attributable to the owners of the Parent	 <u>17,782,478,122.74</u>	 <u>16,447,286,657.08</u>
 Minority interests	 <u>1,066,859,965.68</u>	 <u>1,882,046,334.05</u>
 Total equity attributable to the owners	 <u><u>18,849,338,088.42</u></u>	 <u><u>18,329,332,991.13</u></u>
 <b>Total liabilities and equity attributable to the owners</b>	 <u><u>62,545,257,692.60</u></u>	 <u><u>61,221,370,456.84</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 Parent

As at 31 March 2011

Prepared by: BBMG Corporation

*Unit: yuan Currency: RMB Unaudited*

<b>Items</b>	<b>Closing balance as at the end of the Reporting Period</b>	<b>Opening balance of the year</b>
<b>Current assets:</b>		
Monetary capital	1,455,252,745.10	2,096,137,672.75
Trading financial assets		
Bills receivable		
Trade receivable		
Prepayments		
Interests receivable	76,108,411.64	66,244,753.69
Dividends receivable	1,332,060,255.20	
Other receivables	15,380,096,271.14	13,224,366,329.20
Inventories		
Non-current assets due within on year		
Other current assets		
	<hr/>	<hr/>
Total current assets	<u>18,243,517,683.08</u>	<u>15,386,748,755.64</u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Non-current assets:</b>		
Available-for sale financial assets		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	13,672,578,299.62	12,371,588,413.58
Investment Properties	6,332,400,000.00	6,332,400,000.00
Fixed assets	381,303,199.78	413,611,484.32
Construction in progress	646,283,425.90	549,676,124.80
Project supplies		
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	517,091,927.79	520,690,170.43
Development expenses		
Goodwill		
Long-term deferred expenditures	44,489,524.52	45,388,899.21
Deferred income tax assets	8,670,222.68	4,570,222.68
Other non-current assets		
	-----	-----
Total non-current assets	<u>21,602,816,600.29</u>	<u>20,237,925,315.02</u>
<b>Total assets</b>	<u>39,846,334,283.37</u>	<u>35,624,674,070.66</u>



Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Current liabilities:</b>		
Short-term loans	7,425,000,000.00	6,200,000,000.00
Trading financial liabilities		
Bills payable	50,000,000.00	50,000,000.00
Trade payable		
Receipts in advance	6,812,130.53	10,639,136.51
Wages payable	479,238.56	479,238.56
Tax payable	18,973,462.30	18,417,009.36
Interests payable	0.00	76,620,000.00
Dividends payable	12,220,973.69	
Other payables	6,687,354,164.51	4,390,180,439.76
Non-current liabilities due within one year		
Other current liabilities	620,000,000.00	740,000,000.00
Total current liabilities	<u>14,820,839,969.59</u>	<u>11,486,335,824.19</u>
<b>Non-current liabilities</b>		
Long-term loans	5,319,900,000.00	5,110,000,000.00
Bond payables	4,823,263,887.89	4,684,791,940.10
Long-term payables	515,147,874.00	515,147,874.00
Specific payables		
Accrued liabilities		
Deferred income tax liabilities	856,727,087.06	856,727,087.06
Other non-current liabilities		
Total non-current liabilities	<u>11,515,038,848.95</u>	<u>11,166,666,901.16</u>
<b>Total liabilities</b>	<u>26,335,878,818.54</u>	<u>22,653,002,725.35</u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
<b>Equity attributable to owners (or equity attributable to shareholders):</b>		
Paid-in capital (or Share capital)	4,283,737,060.00	3,873,332,500.00
Capital reserve	5,766,142,138.44	5,585,604,548.73
Less: treasury shares		
Specific reserve		
Surplus reserve	192,547,417.28	192,547,417.28
Common risk provision		
Unappropriated profits	<u>3,268,028,849.11</u>	<u>3,320,186,879.30</u>
Total equity attributable to owners (or Shareholders' equity)	<u><u>13,510,455,464.83</u></u>	<u><u>12,971,671,345.31</u></u>
<b>Total liabilities and equity attributable to owners (or Shareholders' equity)</b>	<u><u>39,846,334,283.37</u></u>	<u><u>35,624,674,070.66</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 2011

Prepared by: BBMG Corporation

*Unit: yuan Currency: RMB Unaudited*

<b>Items</b>	<b>Amount for the Reporting Period</b>	<b>Amount for the corresponding last period</b>
I. Total operating revenue	5,237,208,551.04	3,563,750,259.90
Including: Operating revenue	5,237,208,551.04	3,563,750,259.90
Interest income		
Earned premiums		
Fees and commission income		
II. Total operating costs	4,767,984,815.59	3,400,843,150.95
Including: Operating costs	3,693,877,755.72	2,677,468,724.74
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	252,029,591.89	142,948,607.63
Selling expenses	206,177,302.41	146,788,962.38
Administrative expenses	497,388,485.90	374,923,400.26
Finance costs	98,357,251.06	48,336,882.52
Asset impairment losses	20,154,428.61	10,376,573.42
Plus: Gains from changes in fair value (“-” indicating loss)		
Investment income (“-” indicating loss)	-4,928,788.73	35,497,800.00
Including: Gains from investments in associated companies and joint ventures	-5,759,176.88	35,016,986.46
Foreign exchange gains (“-” indicating loss)		

Unit: yuan Currency: RMB Unaudited

<b>Items</b>	<b>Amount for the Reporting Period</b>	<b>Amount for the corresponding last period</b>
III. Operating profit (“-” indicating loss)	464,294,946.72	198,404,908.95
Plus: Non-operating revenue	120,501,782.01	111,453,526.12
Less: Non-operating expenses	10,793,392.05	4,908,951.39
Including: Loss on disposal of non-current assets	1,366,373.47	261,666.31
IV. Total profit (“-” indicating total loss)	574,003,336.68	304,949,483.68
Less: Income tax expenses	118,317,319.17	74,539,650.07
V. Net profit (“-” indicating net loss)	455,686,017.51	230,409,833.61
Net profit attributable to owners of the Parent	437,864,588.57	230,350,469.76
Gains/Losses of minority interests	17,821,428.94	59,363.85
VI. Earnings per share:		
(1) basic earnings per share	0.11	0.06
(2) diluted earnings per share	0.11	0.06
VII. Other comprehensive income	-270.88	-659.78
VIII. Total comprehensive income	455,685,746.63	230,409,173.83
Total comprehensive income attributable to owners of the Parent	437,864,317.69	230,349,809.98
Total comprehensive income attributable to minority interests	17,821,428.94	59,363.85

Legal representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

## Consolidated Income Statement of the Parent

January-March 2011

Prepared by: BBMG Corporation

*Unit: yuan Currency: RMB Unaudited*

<b>Items</b>	<b>Amount for the Reporting Period</b>	<b>Amount for the corresponding last period</b>
I. Operating revenue	82,083,049.02	59,662,005.84
Less: Operating costs	2,672,201.54	36,160,857.91
Business tax and surcharges	4,514,567.76	3,281,410.29
Selling expenses	2,030,830.00	714,818.49
Administrative expenses	51,838,453.37	32,426,143.41
Finance cost	68,166,884.56	10,144,576.74
Asset impairment losses		
Plus: Gains from changes in fair value (“-” indicating loss)		
Investment income (“-” indicating loss)	-4,885,527.78	
Including: Gains from investments in associated companies and joint ventures	-4,885,527.78	
II. Operating profit (“-” indicating loss)	-52,025,415.99	-23,065,801.00
Plus: Non-operating revenue		184,783.40
Less: Non-operating expense	132,614.20	773.03
Including: Loss on disposal of non-current assets	1,614.20	
III. Total profit (“-” indicating total loss)	-52,158,030.19	-22,881,790.63
Less: Income tax expenses		
IV. Net profit (“-” indicating net loss)	-52,158,030.19	-22,881,790.63
V. Earnings per share:		
(1) basic earnings per share		
(2) diluted earnings per share		
VI. Other comprehensive income		
VII. Total comprehensive income	-52,158,030.19	-22,881,790.63

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 2011

Prepared by: BBMG Corporation

Unit: yuan Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding last period
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods and rendering of services	5,996,929,320.13	3,485,101,277.37
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 trading financial assets		
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 received	6,205,353.01	67,373,702.90
Other cash received relating to operating activities	<u>874,689,807.37</u>	<u>583,728,537.81</u>
Subtotal of cash inflows from operating activities	6,877,824,480.51	4,136,203,518.08
Cash paid for purchasing of goods and receiving services	3,909,329,887.85	5,796,828,785.83

Unit: yuan Currency: RMB unaudited

Items	Amount for the Reporting Period	Amount for the corresponding last period
Net increase of customer's 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 interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and for the benefit of employees	538,038,002.43	359,867,925.83
Tax and levy paid	731,173,036.82	392,031,242.60
Other cash paid relating to operating activities	<u>2,225,965,008.19</u>	<u>652,961,647.39</u>
Subtotal of cash outflows from operating activities	7,404,505,935.29	7,201,689,601.65
<b>Net cash flows arising from operating activities</b>	-526,681,454.78	-3,065,486,083.57
<b>II. Cash flows from investing activities:</b>		
Cash received from sales of investments	10,000,000.00	55,239,623.06
Cash received from return on investments	1,473,086.05	617,851.19
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,245,837.83	38,066,983.00
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities	<u>12,353,028.88</u>	<u></u>
Subtotal of cash inflows from investing activities	27,071,952.76	93,924,457.25
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	494,008,607.59	1,106,435,558.31
Cash paid for investments		
Net increase of pledge loans		
Net cash paid for acquisition of subsidiaries and other operating segments		

Unit: yuan Currency: RMB unaudited

Items	Amount for the Reporting Period	Amount for the corresponding last period
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	494,008,607.59	1,106,435,558.31
<b>Net cash flows arising from investing activities</b>	-466,936,654.83	-1,012,511,101.06
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contribution		
Including: cash received by subsidiaries from investments of minority interests		
Cash received from borrowings	3,741,583,152.17	4,047,000,000.00
Cash received from issuing bonds		
Other cash received relating to financing activities		154,988.73
Subtotal of cash inflows from financing activities	3,741,583,152.17	4,047,154,988.73
Cash paid for debts settlement	3,175,974,762.14	1,177,058,451.06
Cash paid for the distribution of dividends, profits or interest payments	337,725,180.30	166,167,339.38
Including: Dividends and profits paid by subsidiaries to minority interests		
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	3,513,699,942.44	1,343,225,790.44
<b>Net cash flows arising from financing activities</b>	227,883,209.73	2,703,929,198.29
<b>IV. Effects of exchange rate fluctuations on cash and cash equivalents</b>	28,912.58	-498,407.29
<b>V. Net increase of cash and cash equivalents</b>	-765,705,987.30	-1,374,566,393.63
Plus: Opening balance of cash and cash equivalents	5,025,398,498.11	6,266,643,090.76
<b>VI. Closing balance of cash and cash equivalents</b>	4,259,692,510.81	4,892,076,697.13

Legal representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan



## Consolidated Statement of Cash Flows of the Parent

January-March 2011

Prepared by: BBMG Corporation

*Unit: yuan Currency: RMB Unaudited*

Items	Amount for the Reporting Period	Amount for the corresponding last period
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods and rendering of services	74,585,517.54	45,504,344.57
Tax and levy refund		
Other cash received relating to operating activities	<u>7,577,897,011.78</u>	<u>5,679,783,629.84</u>
Subtotal of cash inflows from operating activities	7,652,482,529.32	5,725,287,974.41
Cash paid for purchasing commodities and receiving labor services	2,341,288.60	5,578,705.24
Cash paid to and for the benefit of employees	17,184,345.55	13,196,950.77
Taxes and levies paid	26,361,539.19	24,648,046.36
Other cash paid relating to operating activities	<u>8,740,740,610.00</u>	<u>8,172,922,723.20</u>
Subtotal of cash outflows from operating activities	8,786,627,783.34	8,216,346,425.57
<b>Net cash flows arising from operating activities</b>	-1,134,145,254.02	-2,491,058,451.16
<b>II. Cash flows from investing activities:</b>		
Cash received from sales of investments		
Cash received from return of investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		36,976,760.00
Net cash received from disposal of subsidiaries and other operating segments		0.00
Other cash received relating to investing activities		<u>28,885.43</u>
Subtotal of cash inflows from investing activities		37,005,645.43

Unit: yuan Currency: RMB Unaudited

Items	Amount for the Reporting Period	Amount for the corresponding last period
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	65,675,176.20	56,665,676.68
Cash paid for investments		2,790,929,696.48
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	153,035,176.20	2,847,595,373.16
<b>Net cash flows arising from investing activities</b>	-153,035,176.20	-2,810,589,727.73
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contribution		
Cash received from borrowings	2,942,000,000.00	4,200,000,000.00
Cash received from issuing bonds	0.00	0.00
Other cash received relating to financing activities		
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Subtotal of cash inflows from financing activities	2,994,120,020.91	4,200,154,988.73
Cash paid for debts settlement	2,200,000,000.00	130,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	147,824,518.34	46,820,655.00
Other cash paid relating to financing activities		
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Subtotal of cash outflows from financing activities	2,347,824,518.34	176,820,655.00
<b>Net cash flows arising from financing activities</b>	646,295,502.57	4,023,334,333.73
<b>IV. Effects of exchange rate fluctuations on cash and cash equivalents</b>		-498,407.29
<b>V. Net increase of cash and cash equivalents</b>	-640,884,927.65	-1,278,812,252.45
Plus: Opening balance of cash and cash equivalents	2,091,137,672.75	3,409,781,244.71
<b>VI. Closing balance of cash and cash equivalents</b>	1,450,252,745.10	2,130,968,992.26

Legal representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan