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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)

THIRD 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 third quarter of 2011 (the "Reporting Period"), the Company and its subsidiaries (collectively, the "Group") recorded revenue from operations of approximately RMB6,016.3 million, with net profit attributable to owners of the Company amounting to approximately RMB713.8 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 The name of any director absent from the Board meeting held on 28 October 2011 shall be listed separately.

Name of Absentee	Position of Absentee	Reason for absence	Name of proxy
Li Xinhua	Director	Business trip	Jiang Deyi

- 1.3 The financial statements of the Company for the third 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

	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)	74,207,038,988.26	62,012,177,647.87	19.67
Owners' equity (or shareholders' equity) (RMB)	19,086,579,809.39	17,065,715,334.37	11.84
Net assets per share attributable to shareholders of the Company (RMB/share)	4.55	4.41	3.17
		From the beginning of the year to the end of the Reporting Period (January to September)	Year-on-year change (%)
Net cash flow generated from operating activities (RMB)		-1,273,471,111.34	N/A
Net cash flow per share generated from operating activities (RMB/share)		-0.3	N/A
		From the beginning of the year to the end of the Reporting Period (January to September)	Year-on-year change (%)
Net profit attributable to shareholders of the Company (RMB)	713,758,110.98	2,349,581,983.86	99.18
Basic earnings per share (RMB/share)	0.17	0.56	70
Basic earnings per share after deducting extraordinary gain and loss (RMB/share)	0.08	0.38	33.33
Diluted earnings per share (RMB/share)	0.17	0.56	70
Weighted average return on net assets (%)	3.81	11.56	Increased by 1.52 percentage points
Weighted average return on net assets after deducting extraordinary gain and loss (%)	1.76	7.93	Increased by 0.25 percentage point

Excluded extraordinary gain and loss items and amount:

Unit: yuan Currency: RMB

Items	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Gain or loss from disposal of non-current assets	7,730,986.60
Government subsidies included in gain and loss 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	46,671,340.69
Fund usage fees from non-financial enterprises included in gain and loss of the current period	2,143,816.49
Gains and losses from debt restructuring	-5,336,280.06
Net profit/loss of subsidiaries arising from business combination under common control from the beginning of the period to the date of combination	13,379,132.66
Profits or losses from change in fair value of investment properties carried at fair value for subsequent measurement	413,439,599.88
Other non-operating income and expenses other than the foregoing items	51,362,642.83
Other profits or losses treated as non-recurring items	349,977,488.64
Effect of income tax	-129,984,221.50
Impact on minority interests (after tax)	-9,628,559.58
Total	<u><u>739,755,946.65</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	1,163,348,234	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
Bank of Communications – Rong Tong Industry Prosperous Securities Investment Fund (交通銀行－融通行業景氣證券投資基金)	12,650,652	RMB-denominated ordinary shares
Zhongjingxin Investment Co., Ltd. (中經信投資有限公司)	9,512,274	RMB-denominated ordinary shares
Hebei Jitie Group Company (河北冀鐵集團公司)	2,907,000	RMB-denominated ordinary shares
Nanjing Qianbo Construction Materials Co., Ltd. (南京乾博建材有限公司)	2,577,027	RMB-denominated ordinary shares
Han Jungang (韓俊剛)	2,300,000	RMB-denominated ordinary shares
Great Wall – Bank of China – Invesco Asset Management Limited – Invesco PRC Equity Fund (長城－中行－景順資產管理有限公司－景順中國系列基金)	1,883,789	RMB-denominated ordinary shares
Chen Jiashu (陳家恕)	1,838,312	RMB-denominated ordinary shares
Wang Congrong (王從容)	1,800,000	RMB-denominated ordinary shares

Notes:

- 1) As at the end of the Reporting Period, the total number of shareholders was 69,653, including 63,301 shareholders of A shares and 6,352 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

Bills receivable	Increased by RMB730 million, which was mainly due to the increase in the settlement of bills.
Trade receivables	Increased by RMB1,360 million, which was mainly due to the higher volume of business.
Prepayments	Increased by RMB380 million, which was mainly due to the higher volume of business.
Other receivables	Increased by RMB1,510 million, which was mainly due to the enlarged scope of consolidation and the increased tax prepayment.
Other current assets	Increased by RMB8 million, which was mainly due to the slight increase in corporate prepayments such as gas fee.
Construction in progress	Decreased by RMB780 million, which was mainly due to the transfer of completed projects into fixed assets.
Project supplies	Increased by RMB8 million, which was mainly due to the increase in unutilized inventories.
Deferred income tax assets	Increased by RMB213 million, which was mainly due to the increased amount from presales of the real estate enterprises.

Short-term loans	Balance increased by RMB3,814 million at the end of the Reporting Period as compared with that of the beginning of the Reporting Period, which was mainly due to the increase in bank financing driven by the growing needs of working capital as a result of the expanded business scale and higher volume of business.
Receipts in advance	Balance increased by RMB4,930 million at the end of the Reporting Period as compared with that of the beginning of the Reporting Period, which was mainly due to the changes in the scope of consolidation and the increase in property prepayment received by the real estate enterprises.
Interest payables	Decreased by RMB66 million, which was mainly due to the settlement of the accrued interest of bonds during the Reporting Period.
Dividends payable	Increased by RMB24 million, which was mainly due to the partial unsettlement of the dividends payable by the Company pursuant to a resolution of the 2010 annual general meeting.
Accrued liabilities	Increased by RMB4 million, which was mainly due to the provision made by the concrete enterprises in light of the estimated business volume.
Operating revenue	Recorded a year-on-year increase of RMB5,191 million, which was mainly due to the year-on-year increase in operating revenue of all business segments.
Operating costs	Recorded a year-on-year increase of RMB3,482 million, which was mainly due to the growth in all business segments.
Selling expenses	Recorded a year-on-year increase of RMB172 million, which was mainly due to the higher volume of business.
Administrative expenses	Recorded a year-on-year increase of RMB352 million, which was mainly due to the higher volume of business.

Finance costs	Recorded a year-on-year increase of RMB336 million, which was mainly due to the increase in loans and bonds.
Investment income	Recorded a year-on-year increase of RMB312 million, which was mainly due to the consolidation of joint ventures in stages.
Income tax expenses	Recorded a year-on-year increase of RMB219 million, which was mainly due to the increase in income tax as a result of the higher profits.
Other comprehensive income	Recorded a year-on-year decrease of RMB72 million, which was mainly due to the transfer of self use properties to investment properties in the same period of last year, whereas there was no income of the same nature 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 Company Limited (“**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 its subsidiaries in relation to the acquisition of relevant equity interests/property ownerships and assets of BBMG Group or its subsidiaries at an aggregate consideration of RMB2,651,485,501.

Upon completion of such acquisition of the equity interests/property ownerships and assets, there was no horizontal competition between the businesses carried out by BBMG Group and its subsidiaries 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 into 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 and its subsidiaries arising from any breach of the aforementioned statements and undertakings by BBMG Group.

This undertaking letter takes effect from the date of BBMG's initial public offering and the listing of its A 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 A shares of BBMG cease to be listed on the Shanghai Stock Exchange.

2. 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 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.
3. 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.
4. China National Materials Company Limited (中國中材股份有限公司), Tianjin Building Materials (Holding) Co., Ltd. (天津市建築材料集團(控股)有限公司), China Xinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司), Jasmine Island Investment Limited (泰安平和投資有限公司), Hua Xi Xin Yu Investment Co., Ltd.(華熙昕宇投資有限公司), Runfeng Investment Group Co., Ltd.(潤豐投資集團有限公司) and Beijing Taihong Investment (Group) Co., Ltd.(北京泰鴻投資有限公司), 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 such shares to the Company within 12 months following the listing of the A shares of the Company on the Shanghai Stock Exchange.
5. On the basis of the respective undertakings made by BBMG Group when acquiring Hebei Taihang Cement Co., Ltd. (“**Taihang Cement**”) and applying for the initial public offering of the H shares of BBMG on the Main Board of the Hong Kong Stock Exchange, 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 liabilities in accordance with the applicable laws and regulations.

Note: The acquisitions as stated in the undertaking letter 1(1) that “On 31 May 2010, BBMG and its subsidiaries entered into 18 agreements with BBMG Group and its subsidiaries in relation to the acquisition of relevant equity interests/property ownerships and assets of BBMG Group or its subsidiaries at an aggregate consideration of RMB2,651,485,501” have been fulfilled. Other 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 annual general meeting for the year 2010, the proposed dividend for the year 2010 is RMB0.07 per share (including tax). The record date for the dividend distribution is 8 July 2011, the ex-dividend date is 11 July 2011 and the dividend payment date is 20 July 2011. As at the date of this quarterly report, the dividend distribution has been completed.

By order of the Board
BBMG Corporation*
Jiang Weiping
Chairman

Beijing, the PRC, 28 October 2011

As at the date of this announcement, the executive Directors are Jiang Weiping, Li Changli, Shi Xijun, Jiang Deyi, 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.

* *English translation denotes for identification purposes only*

§4 APPENDIX

4.1

Consolidated balance sheet

As at 30 September 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
Current Assets:		
Monetary capital	5,361,148,836.20	5,287,122,719.08
Settlement reserves		
Loans to banks or other financial institutions		
Financial assets held for trading		
Bills receivable	1,358,102,347.28	627,001,317.45
Trade receivable	4,042,911,135.50	2,683,433,961.53
Prepayments	1,368,693,887.93	989,337,195.63
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Interests receivable	4,720,617.33	4,586,595.84
Dividends receivable	51,493.84	51,493.84
Other receivables	3,994,911,182.81	2,481,809,460.67
Purchase and sell-back of financial assets		
Inventories	26,641,784,493.56	20,994,434,516.81
Non-current assets due within one year		
Other current assets	24,765,062.76	16,986,258.62
	<hr/>	<hr/>
Total current assets	<u>42,797,089,057.21</u>	<u>33,084,763,519.47</u>

Unit: yuan Currency: RMB Unaudited

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	107,538.73	133,287.44
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	457,451,937.64	555,554,974.87
Investment properties	11,260,717,318.90	10,592,900,000.00
Fixed assets	14,205,308,370.89	12,122,268,317.35
Construction in progress	1,011,745,802.35	1,789,663,739.13
Project supplies	15,335,517.26	7,675,839.52
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	3,243,334,035.35	2,891,884,000.98
Development expenses		
Goodwill	313,558,745.55	313,558,745.55
Long-term deferred expenditures	157,881,090.39	122,342,581.38
Deferred income tax assets	743,606,990.18	530,376,789.42
Other non-current assets	902,583.81	1,055,852.76
	<u>31,409,949,931.05</u>	<u>28,927,414,128.40</u>
Total non-current assets		
	<u>31,409,949,931.05</u>	<u>28,927,414,128.40</u>
Total assets	<u>74,207,038,988.26</u>	<u>62,012,177,647.87</u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Current liabilities:		
Short-term loans	10,881,724,599.55	7,067,892,024.01
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	312,083,892.81	325,083,156.39
Trade payable	4,520,453,096.52	4,199,099,372.74
Receipts in advance	12,166,508,537.25	7,236,517,268.63
Gain on disposal of repurchased financial assets		
Fees and commissions payable		
Wages payable	120,548,920.84	146,414,697.09
Tax payable	1,356,594,987.80	1,275,391,634.92
Interests payable	22,419,940.59	88,552,472.54
Dividends payable	41,290,205.76	16,799,688.14
Other payables	4,684,485,145.82	3,831,365,684.06
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	1,831,500,000.00	2,260,926,073.00
Other current liabilities	<u>1,463,857,436.91</u>	<u>1,266,427,780.29</u>
 Total current liabilities	 <u><u>37,401,466,763.85</u></u>	 <u><u>27,714,469,851.81</u></u>

Unit: yuan Currency: RMB Unaudited

Items	Closing balance as at the end of the Reporting Period	Opening balance of the year
Non-current liabilities:		
Long-term loans	7,898,179,049.24	7,570,445,000.00
Bonds payable	4,732,099,064.21	4,684,791,940.10
Long-term payables	533,654,277.00	540,532,652.00
Specific payables	140,291,809.25	140,291,809.25
Accrued liabilities	6,784,793.90	3,284,260.00
Deferred income tax liabilities	2,113,587,926.77	1,731,678,488.14
Other non-current liabilities	671,285,125.03	679,202,601.30
	<u>16,095,882,045.40</u>	<u>15,350,226,750.79</u>
Total non-current liabilities	<u>16,095,882,045.40</u>	<u>15,350,226,750.79</u>
Total liabilities	<u>53,497,348,809.25</u>	<u>43,064,696,602.60</u>
Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	4,283,737,060.00	3,873,332,500.00
Capital reserve	5,442,157,450.03	5,881,417,482.52
Less: treasury shares		
Specific reserve		
Surplus reserve	192,547,417.28	192,547,417.28
Common risk provision		
Unappropriated profits	9,168,257,630.37	7,118,537,240.71
Foreign currency translation difference	-119,748.29	-119,306.14
	<u>19,086,579,809.39</u>	<u>17,065,715,334.37</u>
Total equity attributable to the owners of the Company	<u>19,086,579,809.39</u>	<u>17,065,715,334.37</u>
Minority interests	1,623,110,369.62	1,881,765,710.90
	<u>1,623,110,369.62</u>	<u>1,881,765,710.90</u>
Total equity attributable to the owners	<u>20,709,690,179.01</u>	<u>18,947,481,045.27</u>
Total liabilities and equity attributable to the owners	<u>74,207,038,988.26</u>	<u>62,012,177,647.87</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 30 September 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
Current assets:		
Monetary capital	1,409,608,578.26	2,096,137,672.75
Financial assets held for trading		
Bills receivable	85,171,820.00	
Trade receivable		
Prepayments		
Interests receivable	127,781,992.38	66,244,753.69
Dividends receivable	718,228,831.66	1,332,060,255.20
Other receivables	14,824,514,398.66	11,892,306,074.00
Inventories		
Non-current assets due within one year		
Other current assets		
	_____	_____
Total current assets	<u>17,165,305,620.96</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
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	15,821,971,984.65	12,371,588,413.58
Investment properties	6,854,746,698.90	6,332,400,000.00
Fixed assets	1,346,177,341.40	413,611,484.32
Construction in progress	42,000,879.61	549,676,124.80
Project supplies		
Disposal of fixed assets		
Capitalized biological assets		
Oil and gas assets		
Intangible assets	509,677,955.82	520,690,170.43
Development expenses		
Goodwill		
Long-term deferred expenditures	44,967,798.28	45,388,899.21
Deferred income tax assets	12,452,879.76	4,570,222.68
Other non-current assets		
	-----	-----
Total non-current assets	<u>24,631,995,538.42</u>	<u>20,237,925,315.02</u>
Total assets	<u>41,797,301,159.38</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
Current liabilities:		
Short-term loans	10,035,000,000.00	6,200,000,000.00
Financial liabilities held for trading		
Bills payable		50,000,000.00
Trade payable		
Receipts in advance	12,947,446.36	10,639,136.51
Wages payable	479,238.56	479,238.56
Tax payable	19,521,843.53	18,417,009.36
Interests payable	20,901,085.31	76,620,000.00
Dividends payable	37,142,986.06	8,212,505.84
Other payables	6,305,115,307.87	4,381,967,933.92
Non-current liabilities due within one year	1,450,000,000.00	740,000,000.00
Other current liabilities		
	<hr/>	<hr/>
Total current liabilities	<u>17,881,107,907.69</u>	<u>11,486,335,824.19</u>
Non-current liabilities:		
Long-term loans	4,295,000,000.00	5,110,000,000.00
Bond payables	4,732,099,064.21	4,684,791,940.10
Long-term payables	548,951,877.00	515,147,874.00
Specific payables		
Accrued liabilities		
Deferred income tax liabilities	955,595,241.29	856,727,087.06
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>10,531,646,182.50</u>	<u>11,166,666,901.16</u>
Total liabilities	<u>28,412,754,090.19</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
Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	4,283,737,060.00	3,873,332,500.00
Capital reserve	5,670,813,662.24	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>3,237,448,929.67</u>	<u>3,320,186,879.30</u>
Total equity attributable to the owners (or equity attributable to shareholders)	<u><u>13,384,547,069.19</u></u>	<u><u>12,971,671,345.31</u></u>
Total liabilities and equity attributable to the owners (or equity attributable to shareholders)	<u><u>41,797,301,159.38</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

Prepared by: BBMG Corporation

Unit: yuan Currency: RMB Unaudited

Items	Amount for the Reporting Period (July to September)	Amount for the corresponding period of previous year (July to September)	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
I. Total operating revenue	6,016,300,342.56	4,552,963,436.79	19,093,953,934.68	13,902,834,877.66
Including: Operating revenue	6,016,300,342.56	4,552,963,436.79	19,093,953,934.68	13,902,834,877.66
Interest income				
Earned premiums				
Fees and commission income				
II. Total operating costs	5,660,884,324.74	4,089,222,513.74	17,136,510,648.77	12,687,585,850.12
Including: Operating costs	4,579,619,990.29	3,322,732,929.35	13,788,643,393.45	10,306,798,954.63
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	128,854,338.37	142,961,276.56	645,560,444.18	538,236,622.84
Selling expenses	255,481,438.31	216,405,693.04	726,953,221.79	555,282,181.83
Administrative expenses	475,242,661.51	306,586,995.06	1,398,334,984.50	1,046,391,681.51
Finance costs	214,005,485.90	82,832,072.67	551,266,733.47	214,853,468.93
Asset impairment losses	7,680,410.36	17,703,547.06	25,751,871.38	26,022,940.38
Plus: Gains from changes in fair value (“-” indicating loss)			419,839,599.88	427,771,817.18
Investment income (“-” indicating loss)	337,619,686.97	-2,919,472.89	337,003,927.60	25,498,828.92
Including: Gains from investments in associated companies and joint ventures	-12,357,801.67	-2,919,472.89	-13,036,977.44	-18,454,886.17
Foreign exchange gains (“-” indicating loss)				

Unit: yuan Currency: RMB Unaudited

Items	Amount for the Reporting Period (July to September)	Amount for the corresponding period of previous year (July to September)	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
III. Operating profit (“-” indicating loss)	693,035,704.79	460,821,450.16	2,714,286,813.39	1,668,519,673.64
Plus: Non-operating revenue	189,885,631.61	118,171,784.15	519,602,468.29	502,002,924.30
Less: Non-operating expenses	11,230,668.75	7,830,352.17	34,577,467.61	35,514,789.91
Including: Loss on disposal of non-current assets	868,984.70	6,479,469.52	2,831,699.52	23,086,267.16
IV. Total profit (“-” indicating total loss)	871,690,667.65	571,162,882.14	3,199,311,814.07	2,135,007,808.03
Less: Income tax expenses	126,103,850.67	141,871,061.09	752,711,498.65	533,891,682.70
V. Net profit (“-” indicating net loss)	745,586,816.98	429,291,821.05	2,446,600,315.42	1,601,116,125.33
Net profit attributable to the owners of the Company	713,758,110.98	358,349,188.33	2,349,581,983.86	1,420,083,133.35
Gains/losses of minority interests	31,828,706.00	70,942,632.72	97,018,331.56	181,032,991.98
VI. Earnings per share:				
(1) basic earnings per share	0.17	0.10	0.56	0.37
(2) diluted earnings per share	0.17	0.10	0.56	0.37
VII. Other comprehensive income	-6,466.30	1,030,000.00	-19,311.53	71,668,577.76
VIII. Total comprehensive income	745,580,350.68	430,321,821.05	2,446,581,003.89	1,672,784,703.09
Total comprehensive income attributable to the owners of the Company	713,751,644.68	359,379,188.33	2,349,562,672.33	1,491,751,711.11
Total comprehensive income attributable to minority interests	31,828,706.00	70,942,632.72	97,018,331.56	181,032,991.98

For the business combination under common control occurred during the Reporting Period, the net profit realized before the combination by the acquiree was RMB13,379,132.66.

Legal representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan

Consolidated Income Statement of the Company

Prepared by: BBMG Corporation

Unit: yuan Currency: RMB Unaudited

Items	Amount for the Reporting Period (July to September)	Amount for the corresponding period of previous year (July to September)	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
I. Operating revenue	98,641,924.86	69,510,228.59	552,582,329.86	191,396,220.99
Less: Operating costs	7,479,422.91	5,625,366.14	280,827,423.03	17,086,305.80
Business tax and surcharges	5,425,305.86	3,988,216.77	15,920,782.43	10,526,792.07
Selling expenses	2,536,520.00	2,070,384.60	20,254,267.49	7,278,751.79
Administrative expenses	29,433,548.06	107,422,148.65	154,726,576.68	185,575,172.61
Finance cost	108,795,910.53	32,545,465.53	282,417,839.50	76,340,269.05
Asset impairment losses			-34,889,570.23	
Plus: Gains from changes in fair value ("—" indicating loss)			329,200,000.00	403,868,291.75
Investment income ("—" indicating loss)	94,994,965.19	-4,238,301.97	151,186,061.90	303,020,711.66
Including: Gains from investments in associated companies and joint ventures	-10,163,280.78	-1,189,205.59	-21,105,922.06	-6,737,176.30
II. Operating profit ("—" indicating loss)	39,966,182.69	-86,379,655.07	313,711,072.86	601,477,933.08
Plus: Non-operating revenue	516,906.50	1,002,367.80	13,197,436.69	3,454,644.18
Less: Non-operating expense	31,662.54	102,043.12	288,933.76	135,046.68
Including: Loss on disposal of non-current assets				
III. Total profit ("—" indicating total loss)	40,451,426.65	-85,479,330.39	326,619,575.79	604,797,530.58
Less: Income tax expenses			109,495,931.22	104,657,314.80
IV. Net profit ("—" indicating net loss)	40,451,426.65	-85,479,330.39	217,123,644.57	500,140,215.78
V. Earnings per share:				
(1) basic earnings per share				
(2) diluted earnings per share				
VI. Other comprehensive income				71,824,212.65
VII. Total comprehensive income	40,451,426.65	-85,479,330.39	217,123,644.57	571,964,428.43

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 to September 2011

Prepared by: BBMG Corporation

Unit: yuan Currency: RMB Unaudited

Items	Amount for the period from the beginning of the previous year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	16,266,114,974.24	14,181,992,694.19
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	178,666,215.59	251,817,699.58
Other cash received relating to operating activities	<u>1,592,508,758.41</u>	<u>1,379,534,017.26</u>
Subtotal of cash inflows from operating activities	18,037,289,948.24	15,813,344,411.03
Cash paid for purchasing goods and receiving services	13,433,302,637.81	14,821,569,741.76
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	1,418,791,446.56	952,431,156.82
Taxes and levies paid	2,363,705,592.37	1,601,922,353.26
Other cash paid relating to operating activities	<u>2,094,961,382.84</u>	<u>2,403,449,782.49</u>
Subtotal of cash outflows from operating activities	19,310,761,059.58	19,779,373,034.33
Net cash flows arising from operating activities	-1,273,471,111.34	-3,966,028,623.30

Unit: yuan Currency: RMB Unaudited

Items	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
II. Cash flows from investing activities:		
Cash received from disposal of investments	11,200,000.00	68,290,004.77
Cash received from return on investments	32,589,810.98	617,851.19
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	113,322,665.97	356,030,411.97
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities		
	<hr/>	<hr/>
Subtotal of cash inflows from investing activities	157,112,476.95	424,938,267.93
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	2,016,846,276.83	4,123,032,976.89
Cash paid for investments	6,328,450.01	
Net increase of pledged loans		
Net cash paid for acquisition of subsidiaries and other operating segments	567,652,569.34	1,836,276,424.87
Other cash paid relating to investing activities		
	<hr/>	<hr/>
Subtotal of cash outflows from investing activities	2,590,827,296.18	5,959,309,401.76
Net cash flows arising from investing activities	-2,433,714,819.23	-5,534,371,133.83
III. Cash flows from financing activities:		
Cash received from capital contribution	15,601,447.01	1,950,500.00
Including: cash received by subsidiaries from investments of minority interests	15,601,447.01	1,950,500.00
Cash received from borrowings	11,276,158,996.27	15,220,135,667.74
Cash received from issuing bonds		
Other cash received relating to financing activities	212,865,979.19	510,183,988.75
	<hr/>	<hr/>
Subtotal of cash inflows from financing activities	11,504,626,422.47	15,732,270,156.49
Cash paid for debts settlement	8,055,159,018.61	5,800,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	968,724,029.19	698,521,422.91
Including: Dividends and profits paid by subsidiaries to minority interests	25,289,311.30	13,671,735.19

Unit: yuan Currency: RMB Unaudited

Items	Amount for the period	
	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	9,023,883,047.80	6,498,521,422.91
Net cash flows arising from financing activities	2,480,743,374.67	9,233,748,733.58
IV. Effects of exchange rate fluctuations on cash and cash equivalents	15,340.13	-388,428.99
V. Net increase of cash and cash equivalents	-1,226,427,215.77	-267,039,452.54
Plus: Opening balance of cash and cash equivalents	5,030,591,724.13	6,272,065,366.63
VI. Closing balance of cash and cash equivalents	3,804,164,508.36	6,005,025,914.09

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 to September 2011

Prepared by: BBMG Corporation

Unit: yuan Currency: RMB Unaudited

Items	Amount for the	Amount for the period
	period from the beginning of the year to the end of the Reporting Period (January to September)	from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	256,916,943.59	168,403,656.80
Refund of taxes and levies		
Other cash received relating to operating activities	<u>27,211,765,172.19</u>	<u>21,622,146,179.20</u>
Subtotal of cash inflows from operating activities	27,468,682,115.78	21,790,549,836.00
Cash paid for purchasing goods and receiving services	14,360,747.07	10,297,233.18
Cash paid to and for the benefit of employees	40,228,815.53	27,676,741.29
Taxes and levies paid	70,853,198.06	56,749,111.85
Other cash paid relating to operating activities	<u>28,212,722,184.80</u>	<u>26,576,674,040.61</u>
Subtotal of cash outflows from operating activities	28,338,164,945.46	26,671,397,126.93
Net cash flows arising from operating activities	-869,482,829.68	-4,880,847,290.93
II. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from return on investments	58,680,909.89	6,737,142.96
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	6,167,980.00	36,980,354.89
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities	<u>11,229,519.80</u>	
Subtotal of cash inflows from investing activities	76,078,409.69	43,717,497.85

Unit: yuan Currency: RMB Unaudited

Items	Amount for the period from the beginning of the year to the end of the Reporting Period (January to September)	Amount for the period from the beginning of the previous year to the end of the corresponding period of previous year (January to September)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	226,223,920.68	270,096,759.29
Cash paid for investments	1,374,198,550.01	3,556,320,000.00
Net cash paid for acquisition of subsidiaries and other operating segments	524,787,667.11	1,421,109,696.48
Other cash paid relating to investing activities	_____	_____
Subtotal of cash outflows from investing activities	2,125,210,137.80	5,247,526,455.77
Net cash flows arising from investing activities	-2,049,131,728.11	-5,203,808,957.92
III. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings	8,963,501,791.69	10,650,000,000.00
Cash received from issuing bonds		
Other cash received relating to financing activities	_____	154,988.73
Subtotal of cash inflows from financing activities	8,963,501,791.69	10,650,154,988.73
Cash paid for debts settlement	5,706,400,000.00	620,000,000.00
Cash paid for the distribution of dividends, profits or interest payments	1,020,016,328.43	591,045,130.38
Other cash paid relating to financing activities	_____	_____
Subtotal of cash outflows from financing activities	6,726,416,328.43	1,211,045,130.38
Net cash flows arising from financing activities	2,237,085,463.26	9,439,109,858.35
IV. Effects of exchange rate fluctuations on cash and cash equivalents	0.04	-388,428.99
V. Net increase of cash and cash equivalents	-681,529,094.49	-645,934,819.49
Plus: Opening balance of cash and cash equivalents	2,091,137,672.75	3,409,781,244.71
Closing balance of cash and cash Equivalents	1,409,608,578.26	2,763,846,425.22

Legal representative of the Company: Jiang Weiping

Chief Financial Officer: Wang Hongjun

Director of the Accounting Department: Hu Juan