

# 2012 First Quarterly Report China Minsheng Banking Corp., Ltd.

## Important Notice

The Board of Directors, the Supervisory Board, and the Directors, Supervisors and Senior Management of China Minsheng Banking Corp., Ltd. warrant that there are no misstatements, misleading representations or material omissions in this report, and shall assume joint and several liability for the truthfulness, accuracy and completeness of its contents.

For the purpose of this quarterly report, China Minsheng Banking Corp., Ltd. shall be referred to as the “Company”, the “Bank”, whereas China Minsheng Banking Corp., Ltd. and its subsidiaries together shall be referred to as the “Group”. All financial figures and indicators contained in this report are prepared under the PRC GAAP, and are the consolidated data of the Group in RMB unless otherwise specified,.

This quarterly report was approved on 26 April 2012 at the XX meeting of the 6th session of the Board of Directors of the Company.

## Board of Directors

### China Minsheng Banking Corp., Ltd.

Mr. Dong Wenbiao (Chairman), Mr. Hong Qi (President), Mr. Zhao Pinzhang and Ms. Bai Dan (Senior Management responsible for finance and accounting) and (warrant the truthfulness and completeness of the financial reports included in this quarterly report.

## I. Profile

### 1. Major financial data and indicators

(Unit: RMB million)

Item	As at the end of this reporting period 31 March 2012	As at the end of the previous year 31 December 2011	Changes from the end of the previous year to the end of this reporting period (%)
Total assets	2,417,230	2,229,064	8.44
Equity attributable to equity shareholders of the Bank	138,866	129,597	7.15
Net assets per share attributable	5.20	4.85	Increased by

to equity shareholders of the Bank (RMB/share)			RMB0.35/share
<b>Item</b>	<b>During this reporting period January-March 2012</b>	<b>From the beginning of the year to the end of the reporting period January-March 2012</b>	<b>Changes of this reporting period over the corresponding period of the previous year (%)</b>
Net cash flow from operating activities	-43,139	-43,139	-160.95
Net cash flow per share from operating activities (RMB/share)	-1.61	-1.61	Decreased by RMB4.26/share

<b>Item</b>	<b>During this reporting period January-March 2012</b>	<b>From the beginning of the year to the end of the reporting period January-March 2012</b>	<b>Changes of this reporting period over the corresponding period of the previous year (%, percentage point)</b>
Net profit attributable to equity shareholders of the Bank	9,172	9,172	47.70
Basic earnings per share attributable to equity shareholders of the Bank (RMB/share)	0.34	0.34	47.83
Diluted earnings per share attributable to equity shareholders of the Bank (RMB/share)	0.34	0.34	47.83
Return on weighted average equity attributable to equity shareholders of the Bank (%) (annualized)	27.32	27.32	Increased by 4.16 percentage points
Return on weighted average equity attributable to equity shareholders of the Bank after exclusion of extraordinary gain/loss items (%) (annualized)	28.00	28.00	Increased by 4.76 percentage points

Extraordinary gain/loss items:

<b>Item</b>	<b>From the beginning of the year to the end of the reporting period January-March 2012</b>
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Non-operating income	7
Non-operating expenses	303
Of which: expenses on donations	301
Net non-operating income and expenses	-296
Less: Income tax effect of extraordinary gain/loss items	-74
Net extraordinary gain/loss items	-222
Of which: Extraordinary gain/loss having impact on net profit of the Bank	-224
Extraordinary gain/loss having impact on net profit of non-controlling interests	2

## 2. Supplemental financial data

(Unit: RMB million)

Item	As at 31 March 2012	As at 31 December 2011
Total liabilities	2,273,687	2,094,954
Total deposits from customers	1,690,125	1,644,738
Of which: Corporate deposits	1,381,515	1,352,991
Personal deposits	305,020	288,622
Other deposits	3,590	3,125
Total loans and advances	1,247,735	1,205,221
Of which: Corporate loans	871,086	841,118
Personal loans	376,649	364,103
Non-performing loans	8,385	7,539
Allowance for impairment loss on loans	30,223	26,936

Note: Calculated on the regulatory basis, the domestic outstanding loan-to-deposit balance (RMB) ratio of the Company as at the end of the reporting period was 72.1%. The average daily loan-to-deposit ratio (RMB) of the Company was 74%.

## 3. Management discussion and analysis

In the first quarter of 2012, the Group actively pushed forward strategic business development in an aim to become a "bank for non-state-owned enterprises (NSOEs), bank for small and micro enterprises (MSEs) and bank for high-end retail customers". To build itself into a "distinctive bank" and "efficient bank", the Company increased its corporate value, enhanced profitability and achieved excellent results by developing characteristics, resolving difficulties,

strengthening foundations and enhancing management.

### **(1) Continued rise in profitability and growing return to shareholders**

In the first quarter of 2012, the Group's net profit attributable to the equity shareholders of the Bank amounted to RMB9,172 million, representing an increase of RMB2,962 million, or 47.7%, as compared with the corresponding period of the previous year. Operating income amounted to RMB25,035 million, representing an increase of RMB7,878 million, or 45.92% as compared with the corresponding period of the previous year. Annualized return on weighted average equity attributable to the equity shareholders of the Bank was 27.32%, up by 3.37 percentage points from 2011. Unannualized basic earnings per share attributable to the equity shareholders of the Bank was RMB0.34, representing an increase of RMB0.11 or 47.83% as compared with the corresponding period of the previous year.

The net interest margin of the Company in the first quarter of 2012 was 3.29%, up by 0.15 percentage point from 2011.

### **(2) Balanced development of asset and liability business and continued growth of strategic businesses**

As at the end of the reporting period, the total assets and total liabilities of the Group amounted to RMB2,417,230 million and RMB2,273,687 million, representing an increase of RMB188,166 million or 8.44%, and RMB178,733 million or 8.53% from the end of the previous year, respectively. Total loans and advances amounted to RMB1,247,735 million, up by RMB42,514 million or 3.53% from the end of the previous year. Total deposits from customers amounted to RMB1,690,125 million, representing an increase of RMB45,387 million or 2.76% from the end of the previous year. As at the end of the reporting period, outstanding MSE loans, as one of the strategic businesses of the Company, amounted to RMB245,040 million, up by RMB12,545 million or 5.4% from the end of the previous year. The number of MSE customers reached 525,000. The number of private banking customers was 5,274 and the relevant financial assets under management of the Bank amounted to RMB79,900 million, up by 624 and RMB11,500 million from the end of the previous year, respectively.

### (3) Stable asset quality and improved risk resistance capability

As at the end of the reporting period, the non-performing loan ratio of the Group was 0.67%, up by 0.04 percentage point from the end of the previous year. Allowance for loan impairment ratio was 360.44%, up by 3.15 percentage points from the end of the previous year, showing further improved risk resistance capability.

#### 4. Share capital

Total number of shareholders and shareholdings of the top ten holders of shares not subject to restriction on sales

<b>Total number of shareholders as at the end of this reporting period</b>	821,146	
<b>Shareholdings of the top ten holders of shares not subject to restriction on sales</b>		
<b>Name of shareholders</b>	<b>Number of shares not subject to restriction on sales held as at the end of the reporting period</b>	<b>Class of shares (A, B, H or others)</b>
HKSCC Nominees Limited	4,127,130,600	H
New Hope Investment Co., Ltd.	1,333,586,825	A
China Life Insurance Co., Ltd. -Traditional-Common Insurance Products -005L-CT001, SH	1,151,307,314	A
China Shipowners Mutual Assurance Association	905,764,505	A
Orient Group Incorporation	888,970,224	A
Shanghai Giant Lifetech Co., Ltd.	805,600,038	A
China SME Investment Co., Ltd.	737,955,031	A
China Oceanwide Holdings Group Co., Ltd.	698,939,116	A
South Hope Industrial Co., Ltd.	558,306,938	A
Fuxin Group Co., Ltd.	550,151,500	A

## II. Significant Events

1. Significant changes in key accounting items and financial indicators of the Group and explanation of such changes

(Unit: RMB million)

<b>Balance sheet items</b>	<b>As at the end of this reporting period 31 March 2012</b>	<b>Changes from the end of the previous</b>	<b>Main reason</b>
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		year (%)	
Financial assets held under resale agreements	218,249	54.76	The Group increased financial assets held under resale agreements by expanding transactions with other banks and financial institutions.
Deposits and placements from banks and other financial institutions	354,778	34.95	The Group increased deposits and placements from banks and other financial institutions by actively participating in inter-bank financing businesses.
<b>Income statement Items</b>	<b>During this reporting period January-March 2012</b>	<b>Changes from the corresponding period of the previous year (%)</b>	<b>Main reason</b>
Interest income	35,859	56.10	Increase in return from interest-bearing assets of the Group and expansion of its size
Interest expense	16,889	76.52	Rise in cost ratio of interest-bearing liabilities of the Group and expansion of its size
Fee and commission income	5,440	78.13	Rapid increase in fee and commission income from businesses of the Group including wealth management, credit card, and trade finance, etc.
Business tax and surcharges	1,872	48.69	Increase in operating income of the Group
Impairment losses on assets	3,335	86.52	Increase in impairment losses on loans of the Group.
Income tax expense	2,963	51.95	Increase in taxable income of the Group.

## 2. Development and impacts of significant events and analysis of and explanation on the solutions

Applicable    Inapplicable

The Company received the Reply on Approving New Issuance of Foreign Listed Shares of the Company from China Securities Regulatory Commission (the “CSRC”) (Zheng Jian Xu Ke [2012] No.211). According to such approval, the Company entered into a Placing Agreement with the Placing Agents on 26 March 2012. A total of 1,650,852,240 new H shares were issued at a placing price of HK\$6.79 per placing share. For details, please refer to the announcements in the China Securities Journal, Shanghai Securities News and the Securities Times on 31 March 2012. These new H shares became tradable on 2 April 2012.

3. Equities of other listed companies held by the Company

Applicable  Inapplicable

4. Equities of unlisted financial institutions and companies to be listed held by the Company

Applicable  Inapplicable

	Registered capital (RMB million)	Shareholding ratio of the Company
Minsheng Financial Leasing Co., Ltd.	5,095	51.03%
Minsheng Royal Fund Management Co., Ltd.	200	60%
Pengzhou Minsheng Township Bank Co., Ltd.	55	36.36%
Cixi Minsheng Township Bank Co., Ltd.	100	35%
Shanghai Songjiang Minsheng Township Bank Co., Ltd.	150	35%
Qijiang Minsheng Township Bank Co., Ltd.	60	50%
Tongnan Minsheng Township Bank Co., Ltd.	50	50%
Ziyang Minsheng Township Bank Co., Ltd.	80	51%
Meihokou Minsheng Township Bank Co., Ltd.	50	51%
Wuhan Jiangxia Minsheng Township Bank Co., Ltd.	80	51%
Changyuan Minsheng Township Bank Co., Ltd.	50	51%
Yidu Minsheng Township Bank Co., Ltd.	50	51%
Shanghai Jiading Minsheng Township Bank Co., Ltd.	200	51%
Zhongxiang Minsheng Township Bank Co., Ltd.	70	51%
Penglai Minsheng Township Bank Co., Ltd.	100	51%
Anxi Minsheng Township Bank Co., Ltd.	100	51%
Funing Minsheng Township Bank Co., Ltd.	60	51%
Taicang Minsheng Township Bank Co., Ltd.	100	51%
Ningjin Minsheng Township Bank Co., Ltd.	40	51%
Zhangpu Minsheng Township Bank Co., Ltd.	50	51%

5. Status of fulfillment of undertakings given by the Company, shareholders and ultimate

controller

Applicable  Inapplicable

6. Warning and explanation on the anticipated accumulated losses from the beginning of the year to the end of the following reporting period or on significant changes over the corresponding period of the previous year

Applicable  Inapplicable

7. Implementation of cash dividend distribution plan during the reporting period

Applicable  Inapplicable

**Dong Wenbiao**  
**Chairman**  
**Board of Directors**  
**China Minsheng Banking Corp., Ltd.**  
**26 April 2012**

Appendices: Statement of Financial Position, Income Statement, Statement of Cash Flows



**China Minsheng Banking Corp., Ltd.**  
**Written Confirmation of the First Quarterly Report of 2012 of the Company**  
**by Directors and Senior Management**

In accordance with the relevant rules and requirements of the Securities Law of the People's Republic of China, Standards Concerning the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No.13 ---- Special Provisions on Contents and Formats of Quarterly Report (Revised in 2007) and the Listing Rules of the Shanghai Stock Exchange, we, as Directors and Senior Management of China Minsheng Banking Corp., Ltd., after acquiring full understanding of and performing review of the First Quarterly Report of 2012 of the Company, hereby issue the following opinion:

1. The Company operates in strict compliance with the Accounting Standard for Business Enterprises and relevant rules and regulations. The First Quarterly Report of 2012 of the Company fairly reveals the financial position and operating results of the Company during the reporting period.

2. We hereby warrant that the information disclosed in the First Quarterly Report of 2012 of the Company is true, accurate and complete, and there are no misstatements, misleading representations in or material omissions from this report, and we shall assume joint and several liability for the truthfulness, accuracy and completeness of its contents.

Signatures of Directors and Senior Management:

Dong Wenbiao	Zhang Hongwei	Lu Zhiqiang
Liu Yonghao	Wang Yugui	Chen Jian
Wong Hei	Shi Yuzhu	Wang Hang
Wang Junhui	Liang Jinquan	Wang Songqi
Andrew Wong	Qin Rongsheng	Wang Lihua
Han Jianmin	Hong Qi	Liang Yutang
Xing Benxiu	Shao Ping	Zhao Pinzhang
Mao Xiaofeng	Wan Qingyuan	Bai Dan

**Board of Directors**  
**China Minsheng Banking Corp., Ltd.**  
**26 April 2012**

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Statements of Financial Position as at 31 March 2012**

(All amounts in RMB million unless otherwise stated)

<b>Assets</b>	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March 2012</b> (unaudited)	<b>31 December 2011</b> (audited)	<b>31 March 2012</b> (unaudited)	<b>31 December 2011</b> (audited)
Cash and balances with central bank	336,272	332,805	334,053	330,898
Balances with banks and other financial institutions	270,957	232,336	267,082	230,190
Precious metals	886	527	886	527
Placements with banks and other financial institutions	50,220	37,745	50,220	37,745
Trading financial assets	25,219	20,423	25,219	20,423
Positive fair value of derivatives	345	587	345	587
Financial assets held under resale agreements	218,249	141,022	218,249	141,022
Interest receivable	7,516	7,210	7,417	7,093
Loans and advances to customers	1,217,512	1,178,285	1,210,038	1,171,516
Available-for-sale financial assets	81,487	64,732	81,457	64,702
Held-to-maturity investments	102,164	117,886	102,164	117,886
Loans and receivables	7,642	8,319	7,642	8,319
Long-term receivables	47,531	44,895	-	-
Long-term equity investments	125	125	3,550	3,550
Fixed assets	8,829	8,823	8,489	8,477
Intangible assets	4,814	4,770	3,515	3,464
Deferred income tax assets	8,121	6,982	7,982	6,842
Other assets	29,341	21,592	14,122	9,219
<b>Total assets</b>	<b>2,417,230</b>	<b>2,229,064</b>	<b>2,342,430</b>	<b>2,162,460</b>

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Statements of Financial Position as at 31 March 2012  
(continued)**

(All amounts in RMB million unless otherwise stated)

Liabilities and shareholders' equity	The Group		The Bank	
	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2012 (unaudited)	31 December 2011 (audited)
<b>Liabilities</b>				
Borrowings from central bank	160	160	-	-
Deposits from banks and other financial institutions	354,778	262,891	357,111	266,187
Placements from banks and other financial institutions	11,171	16,450	11,171	16,250
Borrowings from banks and other financial institutions	47,591	40,825	-	-
Negative fair value of derivatives	346	787	346	787
Financial assets sold under repurchase agreements	55,219	53,794	49,838	47,391
Deposits from customers	1,690,125	1,644,738	1,679,970	1,634,712
Payroll payable	6,471	5,335	6,414	5,224
Tax payable	8,651	8,414	8,444	8,202
Interest payable	18,996	14,894	18,466	14,455
Estimated liabilities	3,813	3,061	3,813	3,061
Bonds payable	60,980	31,030	60,980	31,030
Other liabilities	15,386	12,575	8,264	6,660
<b>Total liabilities</b>	<b>2,273,687</b>	<b>2,094,954</b>	<b>2,204,817</b>	<b>2,033,959</b>

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Statements of Financial Position as at 31 March 2012  
(continued)**

(All amounts in RMB million unless otherwise stated)

Liabilities and shareholders' equity (continued)	The Group		The Bank	
	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2012 (unaudited)	31 December 2011 (audited)
<b>Equity</b>				
Share capital	26,715	26,715	26,715	26,715
Capital reserve	38,347	38,250	38,050	37,953
Surplus reserve	8,647	8,647	8,647	8,647
General reserve	16,742	16,740	16,700	16,700
Retained earnings	48,415	39,245	47,501	38,486
Total equity attributable to equity shareholders of the Bank	138,866	129,597	137,613	128,501
Non-controlling interests	4,677	4,513	-	-
Total equity	143,543	134,110	137,613	128,501
Total liabilities and equity	2,417,230	2,229,064	2,342,430	2,162,460

Legal Representative, Chairman: DONG Wenbiao (signed)

President: HONG Qi (signed)

Head of Finance and Accounting Department: BAI Dan (signed)

Company Seal

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Income Statements for the first quarter of 2012**

(All amounts in RMB million unless otherwise stated)

	The Group		The Bank	
	January- March 2012 (unaudited)	January- March 2011 (unaudited)	January- March 2012 (unaudited)	January- March 2011 (unaudited)
<b>1. Operating income</b>				
Interest income	35,859	22,972	34,489	22,188
Interest expense	(16,889)	(9,568)	(16,050)	(9,177)
Net interest income	18,970	13,404	18,439	13,011
Fee and commission income	5,440	3,054	5,382	2,903
Fee and commission expense	(302)	(103)	(286)	(94)
Net fee and commission income	5,138	2,951	5,096	2,809
Investment income	545	743	545	743
Gain/(loss) from fair value changes	65	(7)	65	(7)
Foreign exchange gains	300	54	293	55
Income from other business	17	12	7	3
Total operating income	25,035	17,157	24,445	16,614
<b>2. Operating expenses</b>				
Business tax and surcharges	(1,872)	(1,259)	(1,826)	(1,217)
Operating and administrative expenses	(6,476)	(5,379)	(6,391)	(5,311)
Impairment losses on assets	(3,335)	(1,788)	(3,299)	(1,649)
Other operating expenses	(757)	(485)	(757)	(485)
Total operating expenses	(12,440)	(8,911)	(12,273)	(8,662)
<b>3. Operating profit</b>	12,595	8,246	12,172	7,952
Add: non-operating income	7	5	5	4
Less: non-operating expenses	(303)	(37)	(303)	(37)
<b>4. Total profit</b>	12,299	8,214	11,874	7,919
Less: Income tax expense	(2,963)	(1,950)	(2,859)	(1,875)
<b>5. Net profit</b>	9,336	6,264	9,015	6,044

Net profit attributable to equity shareholders of the Bank	9,172	6,210	9,015	6,044
Profit/loss attributable to non-controlling interests	164	54	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Income Statement for the first quarter of 2012 (continued)**

(All amounts in RMB million unless otherwise stated)

	The Group		The Bank	
	January- March 2012 (unaudited)	January- March 2011 (unaudited)	January- March 2012 (unaudited)	January- March 2011 (unaudited)
<b>6. Earnings per share</b>				
(Unit: RMB per share)				
Basic earnings per share	0.34	0.23		
Diluted earnings per share	0.34	0.23		
<b>7. Other comprehensive income</b>	97	63	97	63
<b>8. Total comprehensive income</b>	9,433	6,327	9,112	6,107
Total comprehensive income attributable to equity shareholders of the Bank	9,269	6,273	9,112	6,107
Total comprehensive income attributable to non-controlling interests	164	54		

Legal Representative, Chairman: DONG Wenbiao (signed)

President: HONG Qi (signed)

Head of Finance and Accounting Department: BAI Dan (signed)

Company Seal

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Statements of Cash Flows for the first quarter of 2012**

(All amounts in RMB million unless otherwise stated)

	The Group		The Bank	
	January- March 2012 (unaudited)	January- March 2011 (unaudited)	January- March 2012 (unaudited)	January- March 2011 (unaudited)
<b>1. Cash flow from operating activities</b>				
Net increase in deposits from customers and deposits and placements from banks and other financial institutions	137,274	154,729	136,182	154,627
Cash received from interests, fees and commissions	39,693	24,603	38,274	23,822
Net increase in borrowings from banks and other financial institutions	-	26,121	-	25,321
Net decrease in lendings to banks and other financial institutions	-	3,844	-	3,844
Net increase in financial assets sold under repurchase agreements	1,425	10,110	2,447	12,588
Other cash received in relation to operating activities	15,877	9,112	2,442	746
<b>Subtotal of cash inflow from operating activities</b>	<b>194,269</b>	<b>228,519</b>	<b>179,345</b>	<b>220,948</b>
Net increase in loans and advances to customers	(42,515)	(30,535)	(41,796)	(30,122)
Net increase in balances with central bank, banks and other financial institutions	(55,669)	(17,638)	(55,522)	(17,263)
Net decrease in borrowings from banks and other financial institutions	(5,279)	-	(5,079)	-
Net increase in lendings to banks and other financial institutions	(12,475)	-	(12,475)	-
Net increase in financial assets purchased under resale agreements	(77,227)	(82,699)	(77,227)	(84,878)
Cash paid for interests, fees and commissions	(12,237)	(6,634)	(11,473)	(6,312)
Cash paid to and paid for employees	(2,942)	(2,561)	(2,841)	(2,504)
Taxes paid	(5,764)	(4,493)	(5,608)	(4,422)
Other cash paid in relation to	(23,300)	(13,181)	(12,367)	(6,236)



operating activities				
Subtotal of cash outflow from operating activities				
	(237,408)	(157,741)	(224,388)	(151,737)
<b>Net cash flow from operating activities</b>	(43,139)	70,778	(45,043)	69,211

China Minsheng Banking Corp., Ltd.

Consolidated and the Company's Statements of Cash Flows for the first quarter of 2012 (continued)

(All amounts in RMB million unless otherwise stated)

	The Group		The Bank	
	January- March 2012 (unaudited)	January- March 2011 (unaudited)	January- March 2012 (unaudited)	January- March 2011 (unaudited)
<b>2. Cash flow from investing activities</b>				
Cash received from disposal of investments	31,076	37,765	31,076	37,510
Cash received from investment returns	1,211	944	1,207	943
Cash received from disposal of fixed assets, intangible assets and other long-term assets	2	-	2	-
<b>Subtotal of cash inflow from investing activities</b>	<b>32,289</b>	<b>38,709</b>	<b>32,285</b>	<b>38,453</b>
Cash paid for investments	(33,153)	(32,432)	(33,153)	(32,402)
Cash received from subsidiaries and other business units	-	-	-	(25)
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	(531)	(4,642)	(517)	(3,417)
<b>Subtotal of cash outflow from investing activities</b>	<b>(33,684)</b>	<b>(37,074)</b>	<b>(33,670)</b>	<b>(35,844)</b>
<b>Net cash flow from investing activities</b>	<b>(1,395)</b>	<b>1,635</b>	<b>(1,385)</b>	<b>2,609</b>
<b>3. Cash flow from financing activities</b>				
Cash received from investments	-	25	-	-
Including: Capital contribution from non-controlling interests to subsidiaries	-	25	-	-
Cash proceeds from issue of debt securities	29,947	9,975	29,947	9,975
<b>Subtotal of cash inflow from financing activities</b>	<b>29,947</b>	<b>10,000</b>	<b>29,947</b>	<b>9,975</b>

Cash paid for distribution of dividend, profit or interests of debt securities	(849)	(277)	(849)	(277)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Subtotal of cash outflow from financing activities</b>	(849)	(277)	(849)	(277)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net cash flow from financing activities</b>	29,098	9,723	29,098	9,698
	<hr/>	<hr/>	<hr/>	<hr/>

**China Minsheng Banking Corp., Ltd.**

**Consolidated and the Company's Statements of Cash Flows for the first quarter of 2012 (continued)**

(All amounts in RMB million unless otherwise stated)

	<b>The Group</b>		<b>The Bank</b>	
	<b>January- March 2012</b> (unaudited)	<b>January- March 2011</b> (unaudited)	<b>January- March 2012</b> (unaudited)	<b>January- March 2011</b> (unaudited)
<b>4. Effect of changes in foreign exchange rate on cash and cash equivalents</b>	(4)	(29)	(4)	(29)
<b>5. Net increase in cash and cash equivalents</b>	(15,440)	82,107	(17,334)	81,489
Add: Cash and cash equivalents at beginning of the period	268,262	172,217	265,968	170,924
<b>6. Cash and cash equivalents at end of the period</b>	<u>252,822</u>	<u>254,324</u>	<u>248,634</u>	<u>252,413</u>

Legal Representative, Chairman: DONG Wenbiao (signed)

President: HONG Qi (signed)

Head of Finance and Accounting Department: BAI Dan (signed)

Company Seal