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馬 鞍 山 鋼 鐵 股 份 有 限 公 司

Maanshan Iron & Steel Company Limited

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00323)

**PRICE-SENSITIVE INFORMATION/
OVERSEAS REGULATORY ANNOUNCEMENT
2011 FIRST QUARTERLY REPORT**

This announcement is made pursuant to rules 13.09(1) and (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

1 IMPORTANT NOTICES

- 1.1 The board of directors (the “Board”), the Supervisory Committee, the Directors, the Supervisors and Senior Management of Maanshan Iron & Steel Company Limited (the “Company”) warrant that there are no false representations or misleading statements contained in, or material omissions from, this report; and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this report.
- 1.2 All members of the Board attended the Board meeting.
- 1.3 The financial statements contained in this first quarterly report have not been audited.
- 1.4 Name of the person-in-charge of the Company Gu Jianguo
 Name of the person overseeing the accounting operation Su Jiangang
 Name of the person-in-charge of the Accounting Department Zhang Qianchun

Mr. Gu Jianguo, the person-in-charge of the Company, Mr. Su Jiangang, the person overseeing the accounting operation, and Mr. Zhang Qianchun, the person-in-charge of the Accounting Department, make representations in respect of the truthfulness and completeness of the financial statements contained in this quarterly report.

2 COMPANY PROFILE

2.1 Major accounting data and financial indicators

	As at the end of the reporting period	As at the end of the previous year	Currency: RMB Increase/(decrease) of the end of the reporting period as compared to the end of the previous year (%)
Total assets (RMB)	72,128,221,543	70,104,925,186	2.89
Owners' equity (or shareholders' equity) (RMB)	27,392,000,267	27,294,087,521	0.36
Net assets per share attributable to shareholders of the Company (RMB/share)	3.56	3.54	0.56

	Beginning of the year to the end of the reporting period		Increase/(decrease) as compared to the same period of the previous year (%)
Net cash flows from operating activities (RMB)		261,994,811	121.22
Net cash flows per share from operating activities (RMB/share)		0.034	121.25
	Reporting period	Beginning of the year to the end of the reporting period	Increase/(decrease) of the reporting period as compared to the same period of the previous year (%)
Net profit attributable to shareholders of the Company (RMB)	106,088,853	106,088,853	-79.62
Basic earnings per share (RMB/share)	0.014	0.014	-79.41
Basic earnings per share excluding non-recurring gains or losses (RMB/share)	0.011	0.011	-83.07
Diluted earnings per share (RMB/share)	Not applicable	Not applicable	Not applicable
Return on net assets – Weighted average (%)	0.39	0.39	Decreased by 1.56 percentage points
Return on net assets excluding non-recurring gains or losses – Weighted average (%)	0.32	0.32	Decreased by 1.54 percentage points

Excluding items and amounts of non-recurring gains or losses:

Item	<i>Unit: RMB</i> Amount
Gains or losses on disposal of non-current assets	-4,377,265
Subsidy income accounted for in the profit and loss account for the reporting period (closely related to corporate business and excluding the subsidy income received in settled quota or quantity in accordance with the State unified standards)	14,019,173
Gains or losses from fair trade revealed by trading prices that exceeds fair value	4,250
Other non-operating income and expenses other than the above items	-1,739,349
Dividends for financial assets held-for-trading	1,000
Amortisation of deferred income	19,472,898
Income tax effect	-5,993,786
Minority shareholders' equity effect (after tax)	-2,038,190
Total	19,348,731

2.2 Total number of shareholders as at the end of the reporting period and table of shareholding of the top ten holders of circulating shares (or shareholders of shares not subject to selling restrictions)

Unit: share

Total number of shareholders as at the end of the reporting period 383,658

Shareholding of the top ten holders of circulating shares not subject to selling restrictions

Name of shareholder	Number of circulating shares held	Type of shares
Magang (Group) Holding Company Limited	3,886,423,927	RMB-denominated ordinary shares
HKSCC (Nominees) Limited	1,707,055,897	Overseas-listed foreign shares
中國建設銀行－上投摩根中國優勢證券投資基金	78,787,315	RMB-denominated ordinary shares
中國建設銀行－鵬華價值優勢股票型證券投資基金	55,000,000	RMB-denominated ordinary shares
中國農業銀行－益民創新優勢混合型證券投資基金	25,152,946	RMB-denominated ordinary shares
王勇	19,600,000	RMB-denominated ordinary shares
中國銀行－嘉實滬深300指數證券投資基金	12,878,880	RMB-denominated ordinary shares
中國工商銀行股份有限公司－華夏滬深300指數證券投資基金	9,200,000	RMB-denominated ordinary shares
中銀國際－中行－第一生命保險相互會社	7,770,834	RMB-denominated ordinary shares
中國工商銀行股份有限公司 －嘉實中證銳聯基本面50指數證券投資基金(LOF)	6,603,240	RMB-denominated ordinary shares

3 SIGNIFICANT MATTERS

3.1 Details of and reasons for material changes in the major financial statement items and financial indicators of the Company

During the reporting period, the economies of major economic entities in the world resumed growth, resulting in an increase in prices of steel products. At the end of March, the price index for international steel products was 222.8, up 27.6% year-on-year, representing an increase of 24.0% as compared to the end of 2010. China's domestic economy remained steady. The overall prices of steel products in the market fluctuated upwards. At the end of March, the price index for domestic steel products was 131.95, up 8.9% year-on-year, representing an increase of 2.9% as compared to the end of 2010.

During the reporting period, the Company and its subsidiaries (the "Group") produced 3,630,000 tonnes of pig iron, 3,840,000 tonnes of crude steel and 3,610,000 tonnes of steel products (among which the Company produced 3,250,000 tonnes of pig iron, 3,400,000 tonnes of crude steel and 3,150,000 tonnes of steel products), representing year-on-year increases of approximately 1.66%, 1.35% and 0.91% respectively. During the reporting period, under the PRC Accounting Standards, the Group's operating revenue increased by 43.6% year-on-year, mainly due to increases in average prices of products of the Company; net profit attributable to shareholders of the Company decreased by 79.6% year-on-year, primarily due to an increase in prices of raw materials and fuels.

At present, prices of raw materials and fuels still remained at high levels, resulting in a continuous rise in production costs for iron and steel enterprises. The Company will continue to strengthen its control on the quality of raw materials and fuels, adjust on a timely manner the material mix of raw materials and fuels in order to control the cost to the fullest extent possible. On the basis of stable and smooth production, the Company will continue to implement benchmark management and exploit potentials, adjust product mix, enhance product quality and ensure economical operations of various processes, with a view to achieving cost reduction and efficiency enhancement for the whole system and raising the Company's competitiveness and profitability.

Items with more than 30% changes as compared to the end of 2010 in the consolidated financial statements and the reasons for such changes:

- (1) Prepayments increased by 107.56% as compared to the end of the previous year mainly due to an increase in prepayments for procurement.
- (2) Short-term borrowings increased by 142.86% as compared to the end of the previous year mainly due to an increase in short-term bank loans.
- (3) Interests payable decreased by 50.85% as compared to the end of the previous year mainly due to the payment of interests of the mid-term notes.

Items with more than 30% changes as compared to the same period of 2010 in the consolidated financial statements and the reasons for such changes:

- (1) Operating income increased by 43.60% as compared to the same period of the previous year mainly due to a rise in the selling prices of steel products during the period.
- (2) Operating costs increased by 52.14% as compared to the same period of the previous year mainly due to a rise in the procurement prices of raw materials and fuels during the period.
- (3) Gains of fair value changes increased by 104.83% as compared to the same period of the previous year mainly due to an increase in the shares held by the Company during the period.
- (4) Non-operating expenses increased by RMB6,043,497 as compared to the same period of the previous year mainly due to a loss from disposal of fixed assets during the period.
- (5) Income tax expense decreased by 77.14% as compared to the same period of the previous year mainly due to a decrease in the total amount of profit during the period.
- (6) Net cash flows from operating activities increased by 121.22% as compared to the same period of the previous year mainly due to an increase in the cash received from the sales of products.
- (7) Net cash flows from investing activities decreased by 52.66% as compared to the same period of the previous year mainly due to the payment for equipment costs.
- (8) Net cash flows from financing activities increased by 428.87% as compared to the same period of the previous year mainly due to an increase in bank borrowings.

3.2 Implementation of the cash dividend distribution policy during the reporting period

The twenty-first meeting of the sixth session of the Board of the Company considered and approved the Company's 2010 profit distribution plan on 22 March 2011. A cash dividend of RMB0.05 (tax inclusive) per share was proposed in the year 2010. The distribution plan will be submitted to the Company's annual general meeting to be held on 15 June 2011 for consideration and approval.

By Order of the Board
Gu Jianguo
Chairman

27 April, 2011
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include:

Executive Directors: Gu Jianguo, Su Jiangang, Gao Haijian, Hui Zhigang

Non-executive Director: Zhao Jianming

Independent Non-executive Directors: Wong Chun Wa, Su Yong, Hui Leung Wah, Han Yi

4 APPENDIX

4.1 2011 first quarterly financial statements of Maanshan Iron & Steel Company Limited

Maanshan Iron & Steel Company Limited
Consolidated Balance Sheet
(Prepared under PRC Accounting Standards for Business Enterprises)
31 March 2011
Unit: RMB

Assets	31 March 2011 (Unaudited)	31 December 2010 (Audited)
Current assets:		
Cash and balances with financial institutions	7,827,578,552	6,382,691,015
Financial assets held-for-trading	830,890	826,640
Bills receivable	7,359,278,412	8,374,602,622
Trade receivables	1,254,305,371	1,097,779,220
Dividends receivable	118,800,000	118,800,000
Prepayments	2,858,335,683	1,377,143,617
Other receivables	734,171,200	711,812,863
Inventories	13,347,606,350	12,451,795,018
Total current assets	33,500,906,458	30,515,450,995
Non-current assets:		
Long-term equity investments	1,031,717,335	1,034,491,013
Investment properties	6,327,872	6,771,343
Fixed assets	33,534,818,078	34,405,603,226
Construction materials	280,553,806	281,058,134
Construction in progress	1,441,570,892	1,504,328,744
Intangible assets	1,856,139,401	1,863,353,636
Deferred tax assets	476,187,701	493,868,095
Total non-current assets	38,627,315,085	39,589,474,191
Total assets	72,128,221,543	70,104,925,186

Maanshan Iron & Steel Company Limited
Consolidated Balance Sheet (Cont'd)
(Prepared under PRC Accounting Standards for Business Enterprises)
31 March 2011
Unit: RMB

Liabilities and shareholders' equity	31 March 2011 (Unaudited)	31 December 2010 (Audited)
Current liabilities:		
Short-term loans	2,372,946,586	977,093,278
Bills payable	5,107,274,250	5,269,342,225
Accounts payable	5,150,178,953	5,550,236,792
Deposits received	7,725,541,877	8,127,236,452
Payroll and benefits payable	268,934,958	284,521,457
Taxes payable	(417,666,418)	(411,180,601)
Interests payable	28,597,118	58,185,998
Dividends payable	513,048,713	506,995,720
Other payables	1,096,200,707	946,266,361
Non-current liabilities due within one year	9,784,183,744	7,857,611,313
Total current liabilities	31,629,240,488	29,166,308,995
Non-current liabilities:		
Long-term loans	10,834,596,200	11,368,731,100
Bonds payable	998,083,100	997,833,200
Deferred tax liabilities	552,742,843	573,288,652
Total non-current liabilities	12,385,422,143	12,939,852,952
Total liabilities	44,014,662,631	42,106,161,947
Shareholders' equity:		
Share capital	7,700,681,186	7,700,681,186
Capital reserve	8,338,358,399	8,338,358,399
Surplus reserves	3,206,200,814	3,206,200,814
Retained profits	8,114,231,207	8,008,142,354
Exchange fluctuation reserve	32,528,661	40,704,768
Equity attributable to		
equity holders of the parent company	27,392,000,267	27,294,087,521
Minority interests	721,558,645	704,675,718
Total shareholders' equity	28,113,558,912	27,998,763,239
Total liabilities and shareholders' equity	72,128,221,543	70,104,925,186

Maanshan Iron & Steel Company Limited
Consolidated Income Statement
(Prepared under PRC Accounting Standards for Business Enterprises)
For the three months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
Operating revenue	20,507,352,243	14,281,186,177
Less: Cost of sales	19,763,162,588	12,989,698,045
Taxes and surcharges	72,904,412	87,290,424
Selling expenses	57,944,970	57,393,799
Administrative expenses	303,388,095	264,067,985
Financial expenses	195,950,432	180,675,380
Add: Gain/(loss) on changes in fair value	4,250	(87,920)
Investment income	41,768,723	46,540,407
including: share of profits of associates and a jointly controlled entity	<u>42,187,466</u>	<u>46,540,407</u>
Operating profit	155,774,719	748,513,031
Add: Non-operating income	33,492,072	30,703,176
Less: Non-operating expenses	6,116,614	73,117
including: net loss/(gain) on disposal of non-current assets	<u>4,377,265</u>	<u>(325,583)</u>
Profit before tax	183,150,177	779,143,090
Less: Income tax	<u>54,091,188</u>	<u>236,632,102</u>
Net profit	<u>129,058,989</u>	<u>542,510,988</u>
Including: Net profit attributable to equity holders of the parent company	106,088,853	520,577,776
Minority interests	<u>22,970,136</u>	<u>21,933,212</u>
Earnings per share:		
Basic earnings per share	<u>1.38 cents</u>	<u>6.76 cents</u>
Diluted earnings per share	<u>N/A</u>	<u>N/A</u>
Other comprehensive income	<u>(8,176,107)</u>	<u>3,442,217</u>
Total comprehensive income	<u>120,882,882</u>	<u>545,953,205</u>
Including: Total comprehensive income/(loss) attributable to the shareholders of the parent company	<u>97,912,746</u>	<u>524,019,993</u>
Total comprehensive income attributable to the minority shareholders	<u>22,970,136</u>	<u>21,933,212</u>

Maanshan Iron & Steel Company Limited
Consolidated Cash Flow Statement
(Prepared under PRC Accounting Standards for Business Enterprises)
For the three months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
1. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	24,924,444,811	16,995,408,540
Cash received relating to other operating activities	52,164,205	58,443,210
	<hr/>	<hr/>
Sub-total of cash inflows from operating activities	24,976,609,016	17,053,851,750
	<hr/>	<hr/>
Cash paid for goods and services	(22,783,887,404)	(16,131,485,704)
Cash paid to and on behalf of employees	(909,563,266)	(841,520,043)
Cash paid for all taxes	(926,650,928)	(1,225,940,603)
Cash paid relating to other operating activities	(94,512,607)	(89,774,422)
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	(24,714,614,205)	(18,288,720,772)
	<hr/>	<hr/>
Net cash flows from operating activities	261,994,811	(1,234,869,022)
	<hr/>	<hr/>
2. Cash flows from investing activities:		
Cash received from retrieval of investments	49,501,000	20,560,653
Net cash received from disposal of fixed assets, intangible assets and other long term assets	1,252,443	1,142,000
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	50,753,443	21,702,653
	<hr/>	<hr/>
Cash paid for acquisitions of fixed assets, intangible assets and other long term assets	(512,943,282)	(324,452,381)
Cash paid for acquisitions of investments	–	–
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	(512,943,282)	(324,452,381)
	<hr/>	<hr/>
Net cash flows from investing activities	(462,189,839)	(302,749,728)
	<hr/>	<hr/>

Maanshan Iron & Steel Company Limited
Consolidated Cash Flow Statement (Cont'd)
(Prepared under PRC Accounting Standards for Business Enterprises)
For the three months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
3. Cash flows from financing activities:		
Cash received from borrowings	<u>6,828,546,729</u>	<u>4,393,294,000</u>
Sub-total of cash inflows from financing activities	<u>6,828,546,729</u>	<u>4,393,294,000</u>
Cash repayments of borrowings	<u>(5,006,226,500)</u>	<u>(3,966,632,000)</u>
Cash paid for distribution of dividend, profits or interest expenses	<u>(194,877,189)</u>	<u>(118,942,253)</u>
Sub-total of cash outflows from financing activities	<u>(5,201,103,689)</u>	<u>(4,085,574,253)</u>
Net cash flows from financing activities	<u>1,627,443,040</u>	<u>307,719,747</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	<u>17,639,524</u>	<u>10,096,917</u>
5. Net increase/(decrease) in cash and cash equivalents	1,444,887,536	(1,219,802,086)
Add: Balance of cash and cash equivalents at beginning of period	<u>5,385,065,613</u>	<u>8,700,317,608</u>
6. Balance of cash and cash equivalents at end of period	<u>6,829,953,149</u>	<u>7,480,515,522</u>

Maanshan Iron & Steel Company Limited
Balance Sheet
(Prepared under PRC Accounting Standards for Business Enterprises)
31 March 2011
Unit: RMB

Assets	31 March 2011 (Unaudited)	31 December 2010 (Audited)
Current assets:		
Cash and balances with financial institutions	4,530,194,241	3,087,223,561
Financial assets held-for-trading	830,890	826,640
Bills receivable	6,282,732,783	7,456,373,686
Trade receivables	2,062,228,328	2,350,835,807
Dividends receivable	197,494,579	197,494,579
Prepayments	2,393,939,145	1,278,962,474
Other receivables	54,204,738	73,786,134
Inventories	11,464,813,578	10,601,699,907
	<hr/>	<hr/>
Total current assets	26,986,438,282	25,047,202,788
	<hr/>	<hr/>
Non-current assets:		
Long-term equity investments	2,217,048,442	2,219,360,976
Investment properties	17,964,582	17,999,035
Fixed assets	31,194,478,065	32,075,219,828
Construction materials	276,954,394	252,574,410
Construction in progress	1,361,063,541	1,420,353,347
Intangible assets	1,207,013,253	1,215,033,032
Deferred tax assets	471,947,310	479,719,267
	<hr/>	<hr/>
Total non-current assets	36,746,469,587	37,680,259,895
	<hr/>	<hr/>
Total assets	63,732,907,869	62,727,462,683
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Maanshan Iron & Steel Company Limited
Balance Sheet (Cont'd)
(Prepared under PRC Accounting Standards for Business Enterprises)
31 March 2011
Unit: RMB

Liabilities and shareholders' equity	31 March 2011 (Unaudited)	31 December 2010 (Audited)
Current liabilities:		
Short-term loans	262,256,000	264,908,000
Bills payable	3,010,960,000	2,762,510,000
Accounts payable	4,725,169,887	4,730,311,762
Deposits received	6,226,267,506	6,832,999,783
Payroll and benefits payable	214,745,945	229,661,197
Taxes payable	(389,077,967)	(388,889,831)
Interests payable	28,409,458	58,022,621
Dividends payable	507,338,775	506,995,720
Other payables	848,191,482	895,353,523
Non-current liabilities due within one year	<u>9,784,183,744</u>	<u>7,843,611,313</u>
Total current liabilities	<u>25,218,444,830</u>	<u>23,735,484,088</u>
Non-current liabilities:		
Long-term loans	10,744,596,200	11,278,731,100
Bonds payable	998,083,100	997,833,200
Deferred tax liabilities	<u>520,939,725</u>	<u>540,572,623</u>
Total non-current liabilities	<u>12,263,619,025</u>	<u>12,817,136,923</u>
Total liabilities	<u>37,482,063,855</u>	<u>36,552,621,011</u>
Shareholders' equity:		
Share capital	7,700,681,186	7,700,681,186
Capital reserve	8,338,358,399	8,338,358,399
Surplus reserves	2,964,168,101	2,964,168,101
Retained profits	<u>7,247,636,328</u>	<u>7,171,633,986</u>
Total shareholders' equity	<u>26,250,844,014</u>	<u>26,174,841,672</u>
Total liabilities and shareholders' equity	<u><u>63,732,907,869</u></u>	<u><u>62,727,462,683</u></u>

Maanshan Iron & Steel Company Limited
Income Statement
(Prepared under PRC Accounting Standards for Business Enterprises)
For the three months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
Operating revenue	18,471,376,808	15,001,959,986
Less: Cost of sales	17,988,789,786	13,889,248,521
Taxes and surcharges	62,027,135	80,652,747
Selling expenses	54,693,190	49,112,499
Administrative expenses	235,813,774	211,780,772
Financial expenses	117,476,737	151,555,423
Add: Gain/(loss) on changes in fair value	4,250	(87,920)
Investment income	52,686,472	156,582,347
including: share of profits of associates and a jointly controlled entity	42,187,466	47,280,503
Operating profit	65,266,908	776,104,451
Add: Non-operating income	19,757,016	21,496,836
Less: Non-operating expenses	1,249,625	42,546
including: net loss/(gain) on disposal of non-current assets	(246,118)	(326,043)
Profit before tax	83,774,299	797,558,741
Less: Income tax	7,771,957	199,389,685
Net profit	76,002,342	598,169,056
Other comprehensive income	–	–
Total comprehensive income	76,002,342	598,169,056

Maanshan Iron & Steel Company Limited
Cash Flow Statement
(Prepared under PRC Accounting Standards for Business Enterprises)
For the three months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
1. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	22,687,888,598	16,758,017,239
Cash received relating to other operating activities	35,124,801	62,670,460
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Sub-total of cash inflows from operating activities	22,723,013,399	16,820,687,699
	<hr/>	<hr/>
Cash paid for goods and services	(20,897,037,538)	(16,746,821,472)
Cash paid to and on behalf of employees	(889,626,256)	(746,354,200)
Cash paid for all taxes	(615,647,581)	(869,050,599)
Cash paid relating to other operating activities	(94,512,607)	(104,482,570)
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	(22,496,823,982)	(18,466,708,841)
	<hr/>	<hr/>
Net cash flows from operating activities	226,189,417	(1,646,021,142)
	<hr/>	<hr/>
2. Cash flows from investing activities:		
Cash received from retrieval of investments	54,999,007	24,751,198
Net cash received from disposal of fixed assets, intangible assets and other long term assets	1,252,443	1,142,000
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	56,251,450	25,893,198
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Cash paid for acquisitions of fixed assets, intangible assets and other long term assets	(490,083,847)	(264,749,718)
Cash paid for acquisitions of investments	–	–
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	(490,083,847)	(264,749,718)
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Net cash flows from investing activities	(433,832,397)	(238,856,520)
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Maanshan Iron & Steel Company Limited
Cash Flow Statement (Cont'd)
(Prepared under PRC Accounting Standards for Business Enterprises)
For the nine months ended 31 March 2011
Unit: RMB

	January – March 2011 (Unaudited)	January – March 2010 (Unaudited)
3. Cash flows from financing activities:		
Cash received from borrowings	<u>6,823,546,729</u>	<u>4,293,294,000</u>
Sub-total of cash inflows from financing activities	<u>6,823,546,729</u>	<u>4,293,294,000</u>
Cash repayments of borrowings	(5,006,226,500)	(3,966,632,000)
Cash paid for distribution of dividend, profits or interest expenses	<u>(193,658,655)</u>	<u>(107,191,396)</u>
Sub-total of cash outflows from financing activities	<u>(5,199,885,155)</u>	<u>(4,073,823,396)</u>
Net cash flows from financing activities	<u>1,623,661,574</u>	<u>219,470,604</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	<u>26,952,087</u>	<u>1,693,849</u>
5. Net increase/(decrease) in cash and cash equivalents	1,442,970,681	(1,663,713,209)
Add: Balance of cash and cash equivalents at beginning of period	<u>3,087,223,561</u>	<u>5,809,069,109</u>
6. Balance of cash and cash equivalents at end of period	<u>4,530,194,242</u>	<u>4,145,355,900</u>

4.2 Change in accounting policy and its effect

During the period, there is no change to the Group's accounting policies or accounting estimates as compared to the latest financial reports.

4.3 Change in the scope of consolidation

During the period, there is no change to the consolidation scope of the Group's financial statements as compared to the latest financial reports.