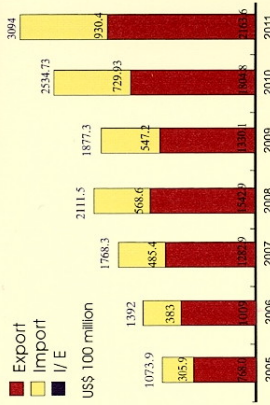


BUSINESS DEVELOPMENT

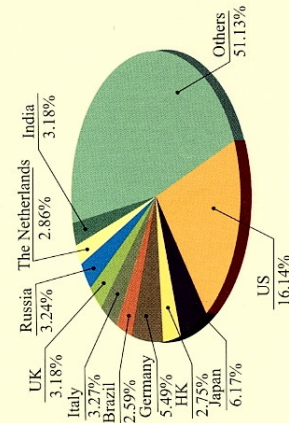
Foreign Trade

Zhejiang's export volume ranks 3rd and general trade export the second in mainland China. Private enterprise and foreign investment enterprise stand as the main force for trading. The structure of the export sector has been further optimized, and the market and trade forms increasingly diversified. In 2011, Zhejiang's degree of dependence on exports reaches 43.7%. The flourishing foreign trade has boosted job opportunities, regional economy, industrial upgrade, technical innovation and equipment renovation.

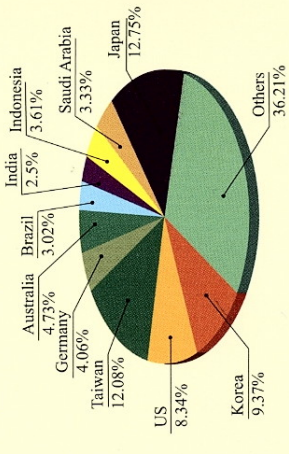


Trading partner (country/region)

Export



Import



Export

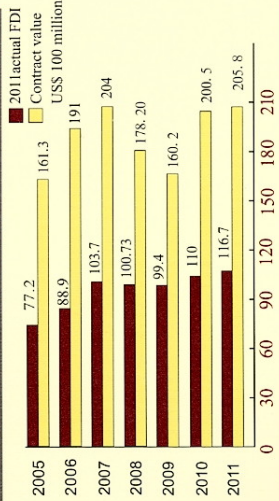
Commodity	US\$ 10000	
	Export 2011	Export over 2010 +-%
Textile yarn, fabric and product	3111039	25.13
Apparel and clothing accessories	2913941	17.04
Furniture and parts thereof	761661	12.55
Footwear	748633	25.13
shipping	658710	-10.23
	3.04	

Import

Commodity	US\$ 10000	
	Import 2011	Import over 2010 +-%
Iron ore and fine ore	718967	56.91
Plastics in primary form	610634	11.84
Scrap copper	498109	34.10
Unwrought copper and copper products	404424	11.39
Terephthalic acid	364437	32.54
	3.92	

Foreign Investment (FDI)

The province's FDI attraction has gained greater momentum year by year, and its structure and quality is sufficiently enhanced in a well-equipped soft and hard investment environment. There have been 49,408 foreign-funded enterprises with a total investment of US\$ 353.42 billion, including contract value of US\$ 192.97 billion, and actual value of US\$ 98.66 billion. There are 8,992 enterprises each having investment over US\$ 10 million. There are 415 enterprises have been established by 143 Top Fortune 500 companies on the Top Fortune 500 list. Regions along Shanghai-Hangzhou-Ningbo expressway and economic development zones are the hotbed for foreign investors.



Top 10 FDI Source

Country/Region	Contract Investment	%	Growth rate %	Actual Investment	%	Growth rate %
HK	1399096	68.0	-1.5	746328	64.0	2.7
Virgin IS	88493	4.3	9.1	87458	7.5	20.8
Singapore	82507	4.0	153.0	41856	3.6	34.0
Investment company	74262	3.6	64.4	40860	3.5	66.0
US	61843	3.0	-15.5	35155	3.0	36.7
Japan	48948	2.4	41.5	28653	2.5	-25.9
Taiwan	42257	2.1	-31.1	21120	1.8	451.7
Cayman IS	27885	1.4	796.3	18546	1.6	-31.7
Italy	20202	1.0	112.5	15983	1.4	20.1
Australia	19299	0.9	778.1	14854	1.3	-17.7

Outbound Investment

Project name	2011 Approved Projects	Total investment (US\$ 100 million)	China Investment (US\$ 100 million)	Growth
Outbound Investor	568	37.3	34.4	2.5%
Including 509 sales network building projects, 45 M&A projects, 40 R&D projects				
Top 10 Destinations				
HK, Sweden, US, Germany, Vietnam, Luxembourg, Russia, Cayman IS, the Democratic Republic of the Congo, Australia.				

The province's overseas outbound investment has been on the rise in terms of scale, level and quality. In 2011, 568 enterprises and organizations with actual value of US\$ 2.11 billion are approved to be established, with both the number of investment projects and the amount ranking the first in China. Average investment from Chinese side is US\$ 6.06 million per project. By the end of 2011, the government has approved 5132 enterprises and organizations to start business in 138 countries and regions worldwide, with total value of US\$ 10.61 billion from Chinese side. Zhejiang-based private enterprises play a leading role in going overseas and to invest. The investment pattern is gradually shifting from trade to direct investment, M&A, shareholding, building of cooperation zone, production and processing base, and R&D center.