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**中国建设银行**  
China Construction Bank

中國建設銀行股份有限公司

**CHINA CONSTRUCTION BANK CORPORATION**

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

**(Stock Code: 939)**

## **REPORT FOR THE THIRD QUARTER OF 2014**

The board of directors (the “Board”) of China Construction Bank Corporation (the “Bank”) is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (collectively the “Group”) for the period ended 30 September 2014, prepared under the International Financial Reporting Standards (IFRS). This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## 1 IMPORTANT NOTICE

1.1 The Board and the board of supervisors of the Bank and its directors, supervisors and senior management warrant that the information contained in this report is truthful, accurate and complete and there are no false presentations or misleading statements contained in, or material omissions from, this report, and severally and jointly bear legal liability.

1.2 This quarterly report has been reviewed and approved at the Board meeting of the Bank held on 23 October 2014. Thirteen directors attended the meeting in person. Mr. Zhu Hongbo delegated Mr. Hu Zheyi to attend the meeting and vote on his behalf.

1.3 The financial statements contained in this quarterly report have not been audited.

## 2 CORPORATE PROFILE

### 2.1 Corporate information

A-share stock abbreviation	建設銀行	A-share stock code	601939
A-share listing stock exchange	Shanghai Stock Exchange		
H-share stock abbreviation	CCB	H-share stock code	939
H-share listing stock exchange	The Stock Exchange of Hong Kong Limited		
Contact persons and contact information	Secretary to the Board	Representative of securities affairs	
Names	Chen Caihong	Xu Manxia	
Telephone	86-10-66215533		
Facsimile	86-10-66218888		
E-mail address	ir@ccb.com		

## 2.2 Major consolidated accounting information and financial indicators prepared under IFRS

The financial information set forth in this quarterly report is the consolidated results of the Group prepared under IFRS and expressed in RMB unless otherwise stated.

(In millions of RMB unless otherwise stated)	At the end of the reporting period	At the end of last year	Change (%)
Total assets	16,735,863	15,363,210	8.93
Total equity attributable to equity shareholders of the Bank	1,197,823	1,065,951	12.37
Net assets per share (in RMB)	4.83	4.30	12.33
	Nine months ended 30 September 2014		Change over the same period last year (%)
Net cash flows from operating activities		463,927	2,488.88
	Nine months ended 30 September 2014		Change over the same period last year (%)
Operating income		415,415	9.64
Net profit		190,685	7.81
Net profit attributable to equity shareholders of the Bank		190,298	7.83
Basic and diluted earnings per share (in RMB)		0.76	7.04
Annualised return on average equity (%)		22.14	A decrease of 1.24 percentage points

## 2.3 Differences between the financial statements prepared under PRC GAAP and those prepared under IFRS

There is no difference in the net profit for the nine months ended 30 September 2014 or total equity as at 30 September 2014 between the Group's consolidated financial statements prepared under PRC GAAP and those prepared under IFRS.

## 2.4 Number of shareholders and particulars of shareholdings as at 30 September 2014

2.4.1 As at 30 September 2014, the Bank had a total of 729,077 shareholders, of which 51,348 were holders of H-shares and 677,729 were holders of A-shares.

### 2.4.2 Particulars of shareholdings of top ten shareholders

Unit: share

Particulars of shareholdings of top ten shareholders (based on the register of members as at 30 September 2014)					
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of shares subject to selling restrictions	Number of shares pledged or frozen
Central Huijin Investment Limited	State-owned	57.03	142,590,494,651 (H-shares)	None	None
		0.23	570,941,976 (A-shares)	None	None
HKSCC Nominees Limited <sup>1</sup>	Foreign legal person	29.86	74,643,895,424 (H-shares)	None	Unknown
Temasek Holdings (Private) Limited (“Temasek”) <sup>1</sup>	Foreign legal person	6.39	15,973,595,216 (H-shares)	None	None
State Grid Corporation of China (“State Grid”) <sup>1,2</sup>	State-owned legal person	1.08	2,705,173,730 (H-shares)	None	None
Baosteel Group Corporation	State-owned legal person	0.80	2,000,000,000 (H-shares)	None	None
		0.11	284,602,763 (A-shares)	None	None
China Ping An Life Insurance Company Limited – Traditional – Ordinary insurance products	Domestic non-state-owned legal person	0.86	2,143,438,329 (A-shares)	None	None
China Yangtze Power Co., Limited (“Yangtze Power”) <sup>1</sup>	State-owned legal person	0.41	1,015,613,000 (H-shares)	None	None
Reca Investment Limited	Foreign legal person	0.34	856,000,000 (H-shares)	None	None
China Ping An Life Insurance Company Limited - Traditional - High interest rate insurance policy products	Domestic non-state-owned legal person	0.24	591,906,825 (A-shares)	None	None
China Securities Finance Corporation Limited	State-owned legal person	0.11	264,137,933 (A-shares)	None	None

1. As at 30 September 2014, Temasek held 15,973,595,216 H-shares of the Bank through Temasek Holdings (Private) Limited and Fullerton Financial Holdings Pte Ltd.; State Grid and Yangtze Power held 2,705,173,730 H-shares and 1,015,613,000 H-shares of the Bank respectively, all of which were held under the name of HKSCC Nominees Limited. Besides the H-shares of the Bank held by Temasek, State Grid and Yangtze Power, another 74,643,895,424 H-shares of the Bank were held under the name of HKSCC Nominees Limited.

2. As at 30 September 2014, the holding of H-shares of the Bank by State Grid through its wholly-owned subsidiaries was as follows: State Grid Yingda International Holdings Group Co. Ltd. held 795,687,000 shares, State Grid International Development Limited held 1,315,282,730 shares, Luneng Group Co., Ltd. held 582,204,000 shares and Shenzhen Guoneng International Trading Co., Ltd. held 12,000,000 shares.

3. Some of the shareholders mentioned above are subject to management by the same entity. Apart from this, the Bank has not been aware of any connected relation or acting in concert among the shareholders.

### **3 HIGHLIGHTS OF QUARTERLY RESULTS**

As at 30 September 2014, total assets of the Group reached RMB16,735,863 million, an increase of RMB1,372,653 million or 8.93% over the end of last year.

As at 30 September 2014, gross loans and advances to customers reached RMB9,349,489 million, an increase of RMB759,432 million or 8.84% over the end of last year. In this amount, domestic corporate loans, personal loans and discounted bills of the Bank were RMB5,731,671 million, RMB2,781,911 million, and RMB155,613 million respectively; overseas entities and subsidiaries loans were RMB680,294 million.

The Group continued to optimise credit structure, built on and further consolidated traditional advantages, and supported the development of the real economy and people's livelihood sectors since the beginning of this year. The balance of loans to industries with severe excess capacity continuously decreased. The Group proactively responded to changes in macroeconomic situation, strengthened unified management and control over credit risk at the group level, and reinforced forward-looking risk management. The Group carried out the event of "Year of Credit Risk Prevention and Control" to improve the long-term mechanism of credit risk management, consistently strengthened the building of credit systems, and comprehensively consolidated the fundamental management. The overall credit assets quality remained stable.

Compared to the end of last year, the non-performing loans increased by RMB20,056 million to RMB105,320 million in accordance with the five-category loan classification standard. The non-performing loan ratio was 1.13%, up by 0.14 percentage points over the end of last year. The ratio of allowances to non-performing loans was 234.47%, down by 33.75 percentage points over the end of last year. In this amount, Banco Industrial e Comercial S.A. ("BIC") in Brazil contributed RMB5,439 million of non-performing loans in the consolidated statement, excluding which, the non-performing loans of the Group were RMB99,881 million, the non-performing loan ratio was 1.07%, and the ratio of allowances to non-performing loans was 244.87%.

Total liabilities of the Group stood at RMB15,527,684 million, an increase of RMB1,238,803 million or 8.67% over the end of last year.

Deposits from customers reached RMB12,982,406 million, an increase of RMB759,369 million or 6.21% over the end of last year. In this amount, domestic time deposits and demand deposits of the Bank were RMB6,045,440 million and RMB6,555,179 million respectively; deposits from overseas entities and subsidiaries were RMB381,787 million.

Total equity was RMB1,208,179 million, an increase of RMB133,850 million or 12.46% over the end of last year.

Loan-to-deposit ratio was 72.02%, staying at a reasonable level.

For the nine months ended 30 September 2014, the Group made a net profit of RMB190,685 million, of which net profit attributable to equity shareholders of the Bank was RMB190,298 million, up by 7.81% and 7.83% respectively over the same period last year. Annualised return on average assets was 1.58%, and annualised return on average equity was 22.14%.

Net interest income was RMB323,237 million, up by 12.82% over the same period last year. Net interest margin was 2.80%, up by 0.09 percentage points over the same period last year.

Net fee and commission income was RMB83,801 million, up by 4.64% over the same period last year. In this amount, traditional advantageous products such as cost advisory services and entrusted housing finance business continuously maintained stable growth; and products such as credit card, agency fund sales and underwriting of debt securities gained sound growth as well.

Operating expenses increased to RMB130,837 million, up by 4.94% over the same period last year. Cost-to-income ratio decreased by 0.31 percentage points to 25.24% over the same period last year.

Income tax expense was RMB54,548 million, an increase of RMB2,816 million over the same period last year, and the effective income tax rate was 22.24%.

### **Capital adequacy ratio**

The Group calculated capital adequacy ratios in accordance with the *Measures for Capital Management of Commercial Banks (Trial)*, promulgated by China Banking Regulatory Commission in June 2012, and commenced to implement the advanced measurement approaches for capital management from the first half of 2014. The capital requirements of corporate credit risk exposure that meet regulatory requirements are calculated with the foundation internal rating-based approach, the capital requirements of retail credit risk exposure are calculated with the internal rating-based approach, the capital requirements of market risk are calculated with the internal models approach, and the capital requirements of operational risk are calculated with the standardised approach. Pursuant to the regulatory requirements, the Group calculates capital adequacy ratios simultaneously with advanced capital measurement approaches and other methods, and complies with the relevant capital floors.

As at 30 September 2014, considering relevant rules in the transition period, the Group's total capital ratio, tier 1 ratio and common equity tier 1 ratio, which were calculated in accordance with the *Measures for Capital Management of Commercial Banks (Trial)*, were 14.53%, 11.65% and 11.65%, respectively, and were in compliance with the regulatory requirements. The total capital ratio, tier 1 ratio and common equity tier 1 ratio increased by 1.19, 0.90 and 0.90 percentage points respectively compared with those as at 31 December 2013.

The rise of the Group's capital adequacy ratios was mainly due to the implementation of the advanced measurement approaches for capital management. Besides the adjustment of measurement rules, the growth rate of the Group's internal capital accumulation from profit outpacing that of risk-weighted assets and the issuance of qualifying capital instruments, contributed to the rise of capital adequacy ratios.

#### 4 MAJOR ISSUES

##### 4.1 Significant changes in major financial statements items, financial indicators and the causes thereof

√Applicable    □Not applicable

(In millions of RMB unless otherwise stated)	As at 30 September 2014	As at 31 December 2013	Change (%)	Causes of the change
Placements with banks and non-bank financial institutions	296,200	152,065	94.79	Placements with banks and non-bank financial institutions increased because of increasing fund use driven by the need of liquidity and profitability management.
Goodwill	2,666	1,610	65.59	Goodwill increased because of the purchase of BIC in Brazil.
Other assets	62,541	26,011	140.44	Temporary funds such as other receivables increased.
Borrowings from central banks	134,631	79,157	70.08	In order to meet the financial demands in the real economy and expand financing channels, the Bank increased borrowings from central banks accordingly.
Deposits from banks and non-bank financial institutions	1,001,971	692,095	44.77	Deposits from banks and non-bank financial institutions increased because of proper interbank deposits taking to strengthen liquidity reserve.
Placements from banks and non-bank financial institutions	258,928	155,917	66.07	Overseas entities increased placements from banks and non-bank financial institutions to support their business development.
Negative fair value of derivatives	12,393	19,872	(37.64)	Negative revaluation of derivatives decreased.
Financial assets sold under repurchase agreements	1,129	61,873	(98.18)	Transactions of existing securities under repurchase agreements matured.
Provisions	7,139	5,014	42.38	Provisions of BIC in Brazil were included in the consolidated statement.
Other liabilities	85,994	65,942	30.41	Life insurance reserve of CCB Life Insurance Company Limited increased.
Investment revaluation reserve	(2,454)	(19,290)	(87.28)	The fair value of available-for-sale debt securities increased due to the decreasing bond market yields.

(In millions of RMB unless otherwise stated)	Nine months ended 30 September 2014	Nine months ended 30 September 2013	Change (%)	Causes of the change
Net trading gain	1,290	2,540	(49.21)	Precious metals trading gain decreased due to the weakening market demand.
Dividend income	446	201	121.89	Dividend from equity investments by subsidiaries increased.
Net gain arising from investment securities	2,109	329	541.03	Gain arising from sales of available-for-sale equity and debt securities increased.
Other net operating income	4,532	9,213	(50.81)	The insurance business cost of CCB Life Insurance Company Limited grew.
Impairment losses	(39,424)	(25,633)	53.80	Considering the impact of current macroeconomic situation and policy changes on the credit assets quality, the Bank made more provisions for impairment losses on loans accordingly.
Share of profits less losses of associates and joint ventures	79	25	216.00	Gain arising from investment in QBE Hong Kong & Shanghai Insurance Limited increased.

## 4.2 Progress of major issues, related impacts and solutions

Applicable Not applicable

In January 2014, China Securities Regulatory Commission approved CCB Trust Co., Limited (CCB Trust), a subsidiary of the Bank, to increase its capital in Shanghai Liangmao Futures Brokerage Co., Ltd. (“Liangmao Futures”) by RMB393 million, therefore increasing its shareholding of Shanghai Liangmao Futures to 77.07%. CCB Trust increased its capital contribution in Shanghai Liangmao Futures in February 2014, and Shanghai Liangmao Futures completed the capital increase business registration change and renamed itself CCB Futures Co., Ltd. in April 2014.

The Bank accomplished the purchase of 72.00% of the total share capital of BIC in Brazil on 29 August 2014, with a total purchase price of BRL1,600 million. The Bank initiated merger tender offer including mandatory offer for residual shareholders in accordance with relevant regulations of Securities and Exchange Commission of Brazil. This has been so far the largest overseas controlling interest purchase among Chinese-funded commercial banks, with strategic significance for the international development of the Bank.

## 4.3 Fulfilment of undertakings by the Company and shareholders holding 5% or more of the shares

Applicable Not-applicable

During the reporting period, there were no new undertakings by the Bank and shareholders holding 5% or more of the shares. For the period ended 30



September 2014, all continuous undertakings of the shareholders were fulfilled. Please refer to the 2014 half-year report for relevant undertakings.

#### 4.4 Implementation of cash dividend policy during the reporting period

Applicable Not applicable

4.5 Warnings and explanations of any forecasted loss or significant changes compared to the same period last year in accumulated net profit for the period from the beginning of the year to the end of the next reporting period

Applicable Not applicable

### **5 RELEASE OF QUARTERLY REPORT**

The quarterly report prepared under PRC GAAP and that prepared under IFRS are both available on the “HKExnews” website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and our website ([www.ccb.com](http://www.ccb.com)).

By order of the Board  
**China Construction Bank Corporation**  
Zhang Jianguo  
*Vice chairman, executive director and president*

23 October 2014

As of the date of this announcement, the Bank’s executive directors are Mr. Wang Hongzhang, Mr. Zhang Jianguo, Mr. Zhu Hongbo and Mr. Hu Zheyi; non-executive directors are Ms. Chen Yuanling, Mr. Xu Tie, Mr. Guo Yanpeng and Mr. Dong Shi; and independent non-executive directors are Mr. Zhang Long, Ms. Elaine La Roche, Mr. Chung Shui Ming Timpson, Mr. Wim Kok, Mr. Murray Horn and Ms. Margaret Leung Ko May Yee.

APPENDIX 1 FINANCIAL STATEMENTS PREPARED UNDER IFRS

China Construction Bank Corporation  
Consolidated statement of comprehensive income  
For the nine months ended 30 September 2014  
(Expressed in millions of Renminbi, unless otherwise stated)

	Nine months ended 30 September		Three months from 1 July to 30 September	
	2014 (Unaudited)	2013 (Unaudited)	2014 (Unaudited)	2013 (Unaudited)
Interest income	547,012	479,181	190,539	165,834
Interest expense	(223,775)	(192,671)	(78,594)	(66,984)
<b>Net interest income</b>	<u>323,237</u>	<u>286,510</u>	<u>111,945</u>	<u>98,850</u>
Fee and commission income	86,454	82,355	24,600	25,360
Fee and commission expense	(2,653)	(2,267)	(979)	(796)
<b>Net fee and commission income</b>	<u>83,801</u>	<u>80,088</u>	<u>23,621</u>	<u>24,564</u>
Net trading gain/(loss)	1,290	2,540	(303)	1,270
Dividend income	446	201	206	8
Net gain arising from investment securities	2,109	329	971	27
Other operating income, net:				
– Other operating income	20,170	9,284	6,232	1,885
– Other operating expense	(15,638)	(71)	(3,984)	(30)
<b>Other operating income, net</b>	<u>4,532</u>	<u>9,213</u>	<u>2,248</u>	<u>1,855</u>
<b>Operating income</b>	415,415	378,881	138,688	126,574
<b>Operating expenses</b>	<u>(130,837)</u>	<u>(124,674)</u>	<u>(46,698)</u>	<u>(43,607)</u>
	<u>284,578</u>	<u>254,207</u>	<u>91,990</u>	<u>82,967</u>
Impairment losses on:				
- Loans and advances to customers	(37,346)	(25,353)	(16,060)	(9,286)
- Others	(2,078)	(280)	(242)	(293)
<b>Impairment losses</b>	<u>(39,424)</u>	<u>(25,633)</u>	<u>(16,302)</u>	<u>(9,579)</u>
<b>Share of profit of associates and jointly controlled entities</b>	<u>79</u>	<u>25</u>	<u>29</u>	<u>22</u>
<b>Profit before tax</b>	245,233	228,599	75,717	73,410
Income tax expense	(54,548)	(51,732)	(16,002)	(16,507)
<b>Net profit</b>	<u>190,685</u>	<u>176,867</u>	<u>59,715</u>	<u>56,903</u>

China Construction Bank Corporation  
Consolidated statement of comprehensive income (continued)  
For the nine months ended 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Nine months ended 30 September		Three months from 1 July to 30 September	
	2014 (Unaudited)	2013 (Unaudited)	2014 (Unaudited)	2013 (Unaudited)
<b>Other comprehensive income:</b>				
Items that will not be reclassified to profit or loss				
Remeasurements of post employment benefit obligations	(154)	(57)	-	-
Items that may be reclassified subsequently to profit or loss				
Gains/(losses) of available-for- sale financial assets	22,468	(10,539)	1,825	(9,767)
Less: Income tax relating to available-for-sale financial assets	(5,571)	2,672	(424)	2,399
Reclassification adjustments	(38)	(1,039)	499	(200)
Net gains/(losses) on cash flow hedges	219	(117)	51	(310)
Exchange difference on translating foreign operations	(326)	(763)	(1,794)	73
Subtotal	16,752	(9,786)	157	(7,805)
<b>Other comprehensive income for the period, net of tax</b>	<u>16,598</u>	<u>(9,843)</u>	<u>157</u>	<u>(7,805)</u>
<b>Total comprehensive income for the period</b>	<u>207,283</u>	<u>167,024</u>	<u>59,872</u>	<u>49,098</u>
Net profit attributable to:				
Equity shareholders of the Bank	190,298	176,482	59,636	56,771
Non-controlling interests	387	385	79	132
	<u>190,685</u>	<u>176,867</u>	<u>59,715</u>	<u>56,903</u>
Total comprehensive income attributable to:				
Equity shareholders of the Bank	206,875	166,702	59,909	48,993
Non-controlling interests	408	322	(37)	105
	<u>207,283</u>	<u>167,024</u>	<u>59,872</u>	<u>49,098</u>
<b>Basic and diluted earnings per share (in RMB Yuan)</b>	<u>0.76</u>	<u>0.71</u>	<u>0.24</u>	<u>0.23</u>

China Construction Bank Corporation  
Consolidated statement of financial position  
As at 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	30 September 2014	31 December 2013
	(Unaudited)	(Audited)
<b>Assets:</b>		
Cash and deposits with central banks	2,737,700	2,475,001
Deposits with banks and non-bank financial institutions	304,135	321,286
Precious metals	44,805	35,637
Placements with banks and non-bank financial institutions	296,200	152,065
Financial assets at fair value through profit or loss	294,545	364,050
Positive fair value of derivatives	13,669	18,910
Financial assets held under resale agreements	317,706	281,447
Interest receivable	93,503	80,731
Loans and advances to customers	9,102,547	8,361,361
Available-for-sale financial assets	809,711	760,292
Held-to-maturity investments	2,271,926	2,100,538
Debt securities classified as receivables	191,502	189,737
Interests in associates and jointly controlled entities	2,889	2,624
Fixed assets	139,527	135,678
Land use rights	15,308	15,731
Intangible assets	1,808	2,053
Goodwill	2,666	1,610
Deferred tax assets	33,175	38,448
Other assets	62,541	26,011
<b>Total assets</b>	<b>16,735,863</b>	<b>15,363,210</b>

China Construction Bank Corporation  
Consolidated statement of financial position (continued)  
As at 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	30 September 2014 (Unaudited)	31 December 2013 (Audited)
<b>Liabilities:</b>		
Borrowings from central banks	134,631	79,157
Deposits from banks and non-bank financial institutions	1,001,971	692,095
Placements from banks and non-bank financial institutions	258,928	155,917
Financial liabilities at fair value through profit or loss	339,020	380,380
Negative fair value of derivatives	12,393	19,872
Financial assets sold under repurchase agreements	1,129	61,873
Deposits from customers	12,982,406	12,223,037
Accrued staff costs	32,210	34,080
Taxes payable	48,757	60,209
Interest payable	188,077	153,627
Provisions	7,139	5,014
Debt securities issued	434,863	357,540
Deferred tax liabilities	166	138
Other liabilities	85,994	65,942
<b>Total liabilities</b>	<b>15,527,684</b>	<b>14,288,881</b>

China Construction Bank Corporation  
Consolidated statement of financial position (continued)  
As at 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	30 September 2014 (Unaudited)	31 December 2013 (Audited)
<b>Equity:</b>		
Share capital	250,011	250,011
Capital reserve	135,588	135,523
Investment revaluation reserve	(2,454)	(19,290)
Surplus reserve	107,970	107,970
General reserve	169,064	153,835
Retained earnings	544,150	444,084
Exchange reserve	(6,506)	(6,182)
 Total equity attributable to equity shareholders of the Bank	 1,197,823	 1,065,951
Non-controlling interests	10,356	8,378
 <b>Total equity</b>	 1,208,179	 1,074,329
 <b>Total liabilities and equity</b>	 16,735,863	 15,363,210

Approved and authorised for issue by the Board of Directors on 23 October 2014.

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Zhang Jianguo  
*Vice chairman, executive  
director and president*

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Chung Shui Ming Timpson  
*Independent non-executive  
director*

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Dong Shi  
*Non-executive director*

China Construction Bank Corporation  
Statement of financial position  
As at 30 September 2014  
(Expressed in millions of Renminbi, unless otherwise stated)

	30 September 2014	31 December 2013
	(Unaudited)	(Audited)
<b>Assets:</b>		
Cash and deposits with central banks	2,732,194	2,469,497
Deposits with banks and non-bank financial institutions	333,818	328,640
Precious metals	44,805	35,637
Placements with banks and non-bank financial institutions	278,395	233,574
Financial assets at fair value through profit or loss	286,995	356,854
Positive fair value of derivatives	10,117	16,503
Financial assets held under resale agreements	312,641	280,959
Interest receivable	91,095	79,025
Loans and advances to customers	8,744,157	8,025,415
Available-for-sale financial assets	753,710	714,745
Held-to-maturity investments	2,267,562	2,095,741
Debt securities classified as receivables	176,000	182,252
Investments in subsidiaries	26,794	22,004
Fixed assets	130,107	127,810
Land use rights	15,259	15,682
Intangible assets	1,300	1,549
Deferred tax assets	32,168	39,093
Other assets	90,271	58,417
<b>Total assets</b>	<b><u>16,327,388</u></b>	<b><u>15,083,397</u></b>

China Construction Bank Corporation  
Statement of financial position (continued)  
As at 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	30 September 2014	31 December 2013
	(Unaudited)	(Audited)
<b>Liabilities:</b>		
Borrowings from central banks	133,884	78,733
Deposits from banks and non-bank financial institutions	1,007,663	704,487
Placements from banks and non-bank financial institutions	211,340	122,479
Financial liabilities at fair value through profit or loss	338,093	377,731
Negative fair value of derivatives	10,475	16,796
Financial assets sold under repurchase agreements	500	55,457
Deposits from customers	12,752,443	12,055,777
Accrued staff costs	30,943	32,938
Taxes payable	47,877	59,693
Interest payable	186,397	152,946
Provisions	5,474	5,014
Debt securities issued	368,345	322,406
Deferred tax liabilities	33	-
Other liabilities	45,443	40,339
<b>Total liabilities</b>	<b>15,138,910</b>	<b>14,024,796</b>



China Construction Bank Corporation  
Statement of financial position (continued)  
As at 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	30 September 2014	31 December 2013
	(Unaudited)	(Audited)
<b>Equity:</b>		
Share capital	250,011	250,011
Capital reserve	135,573	135,508
Investment revaluation reserve	(2,404)	(19,275)
Surplus reserve	107,970	107,970
General reserve	165,937	150,675
Retained earnings	532,662	434,877
Exchange reserve	(1,271)	(1,165)
 Total equity	 1,188,478	 1,058,601
 Total liabilities and equity	 16,327,388	 15,083,397

Approved and authorised for issue by the Board of Directors on 23 October 2014.

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Zhang Jianguo  
*Vice chairman, executive  
director and president*

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Chung Shui Ming Timpson  
*Independent non-executive  
director*

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Dong Shi  
*Non-executive director*

China Construction Bank Corporation  
Consolidated statement of cash flows  
For the nine months ended 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Nine months ended 30 September	
	2014	2013
	(Unaudited)	(Unaudited)
<b><i>Cash flows from operating activities</i></b>		
Profit before tax	245,233	228,599
<i>Adjustments for:</i>		
– Impairment losses	39,424	25,633
– Depreciation and amortisation	12,860	11,351
– Unwinding of discount	(1,421)	(1,077)
– Revaluation (gain)/loss on financial instruments at fair value through profit or loss	(188)	854
– Share of profit of associates and jointly controlled entities	(79)	(25)
– Dividend income	(446)	(201)
– Unrealised foreign exchange (gain)/loss	(381)	1,721
– Interest expense on bonds issued	5,749	5,674
– Net gain on disposal of investment securities	(2,109)	(329)
– Net gain on disposal of fixed assets and other long-term assets	(59)	(80)
	298,583	272,120

China Construction Bank Corporation  
Consolidated statement of cash flows (continued)  
For the nine months ended 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Nine months ended 30 September	
	2014	2013
	(Unaudited)	(Unaudited)
<b><i>Cash flows from operating activities (continued)</i></b>		
<i>Changes in operating assets:</i>		
Net increase in deposits with central banks and with banks and non-bank financial institutions	(196,133)	(165,075)
Net increase in placements with banks and non-bank financial institutions	(13,134)	(40,094)
Net increase in loans and advances to customers	(739,760)	(881,165)
Net (increase)/decrease in financial assets held under resale agreements	(31,249)	122,771
Net decrease/(increase) in other operating assets	14,415	(165,290)
	(965,861)	(1,128,853)
<i>Changes in operating liabilities:</i>		
Net increase in borrowings from central banks	55,191	216,358
Net increase in placements from banks and non-bank financial institutions	94,101	41,856
Net increase in deposits from customers and from banks and non-bank financial institutions	1,037,553	433,225
Net decrease in financial assets sold under repurchase agreements	(60,852)	(810)
Net increase in certificates of deposit issued	62,523	70,447
Income tax paid	(63,470)	(58,075)
Net increase in other operating liabilities	6,159	171,652
	1,131,205	874,653
<b>Net cash from operating activities</b>	<b>463,927</b>	<b>17,920</b>

China Construction Bank Corporation  
Consolidated statement of cash flows (continued)  
For the nine months ended 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Nine months ended 30 September	
	2014	2013
	(Unaudited)	(Unaudited)
<b><i>Cash flows from investing activities</i></b>		
Proceeds from sale and redemption of investments	421,922	625,521
Dividend received	446	209
Proceeds from disposal of fixed assets and other long-term assets	981	619
Purchase of investment securities	(619,229)	(774,887)
Purchase of fixed assets and other long-term assets	(16,949)	(20,323)
Acquisition of subsidiaries, associates and jointly controlled entities	(4,074)	(221)
<b>Net cash used in investing activities</b>	<b>(216,903)</b>	<b>(169,082)</b>
<b><i>Cash flows from financing activities</i></b>		
Issue of bonds	28,292	-
Capital contribution by non-controlling interests	293	49
Dividend paid	(75,016)	(67,044)
Repayment of borrowings	(22,500)	-
Interest paid on bonds issued	(2,307)	(2,272)
<b>Net cash used in financing activities</b>	<b>(71,238)</b>	<b>(69,267)</b>

China Construction Bank Corporation  
 Consolidated statement of cash flows (continued)  
 For the nine months ended 30 September 2014  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Nine months ended 30 September	
	2014	2013
	(Unaudited)	(Unaudited)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	2,304	(2,079)
<b>Net increase /(decrease) in cash and cash equivalents</b>	178,090	(222,508)
<b>Cash and cash equivalents as at 1 January</b>	440,773	748,920
<b>Cash and cash equivalents as at 30 September</b>	618,863	526,412
<b>Cash flows from operating activities include:</b>		
Interest received	532,604	469,860
Interest paid, excluding interest expense on bonds issued	(186,950)	(157,841)

## APPENDIX 2 CAPITAL ADEQUACY RATIO

According to the regulatory requirements, commercial banks have to simultaneously calculate and disclose capital adequacy ratios in accordance with the *Measures for Capital Management of Commercial Banks (Trial)* and the *Measures for the Management of Capital Adequacy Ratios of Commercial Banks*.

Capital adequacy ratios calculated in accordance with *the Measures for Capital Management of Commercial Banks (Trial)*<sup>1</sup>

(In millions of RMB, except percentages)	As at 30 September 2014		As at 31 December 2013	
	Group	Bank	Group	Bank
<b>Capital after deductions:</b>				
Common Equity Tier 1 capital	1,192,862	1,123,497	1,061,684	998,380
Tier 1 capital	1,192,944	1,123,497	1,061,700	998,380
Total capital	1,487,915	1,411,913	1,316,724	1,249,850
<b>Capital adequacy ratios:</b>				
Common Equity Tier 1 ratio	11.65%	11.40%	10.75%	10.44%
Tier 1 ratio	11.65%	11.40%	10.75%	10.44%
Total capital ratio	14.53%	14.33%	13.34%	13.06%

Capital adequacy ratios calculated in accordance with *the Measures for the Management of Capital Adequacy Ratios of Commercial Banks*

	As at 30 September 2014		As at 31 December 2013	
	Group	Bank	Group	Bank
Core capital adequacy ratio	11.89%	11.83%	11.14%	11.05%
Capital adequacy ratio	14.50%	14.19%	13.88%	13.53%

1. From the half-year reporting period on, the Group calculated capital adequacy ratios based on the advanced capital measurement approach and applied the rules in the transition period.