

2015 Annual Results Announcement

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Beijing / Hong Kong



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Key Financials

RMB (billion)	31 December 2015	31 December 2014		Y-o-Y Change
Total assets	18,349.5	16,744.1		9.6%
Loans and advances to customers	10,485.1	9,474.5		10.7%
Total liabilities	16,904.4	15,492.2		9.1%
Deposits from customers	13,668.5	12,899.2		6.0%
Capital adequacy ratio	15.39%	14.86%		0.53pps
	January - December 2015	January - December 2014		Y-o-Y Change
Net interest income	457.8	437.4		4.7%
Net fee and commission income	113.5	108.5		4.6%
Net profit	228.9	228.2		0.3%
Earnings per share	RMB0.91	RMB0.91		Even
Cost to income ratio	27.02%	28.92%		1.9pps

Transformation and Development

Financial Performance

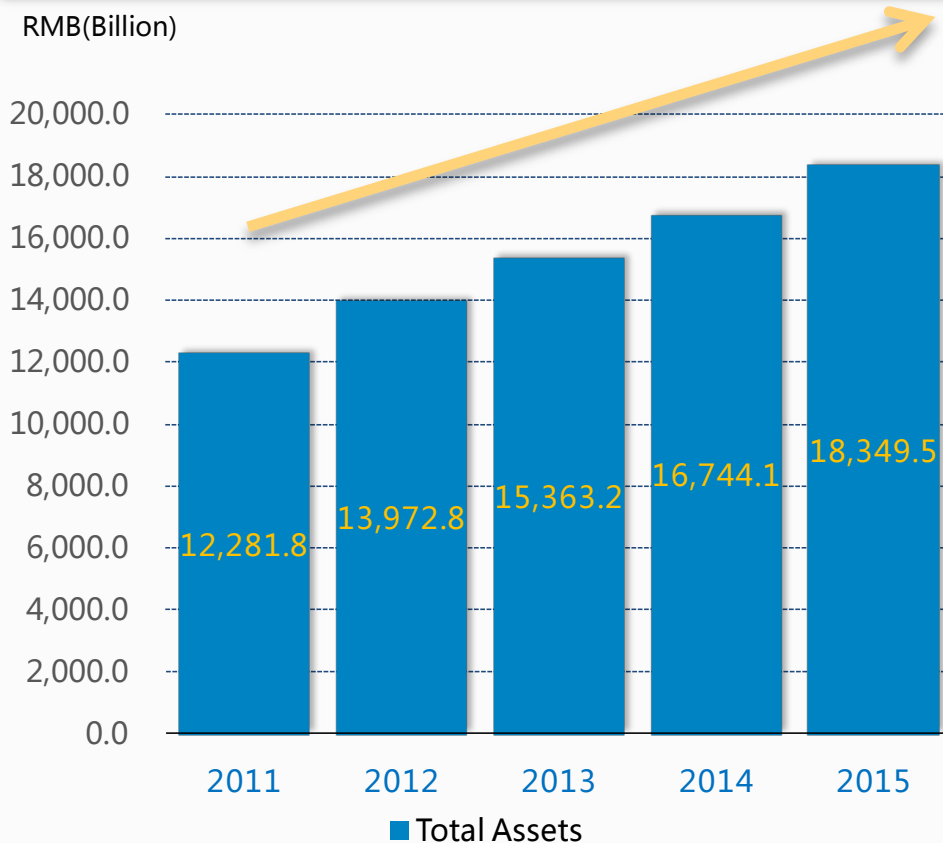
Risk Management

Outlook

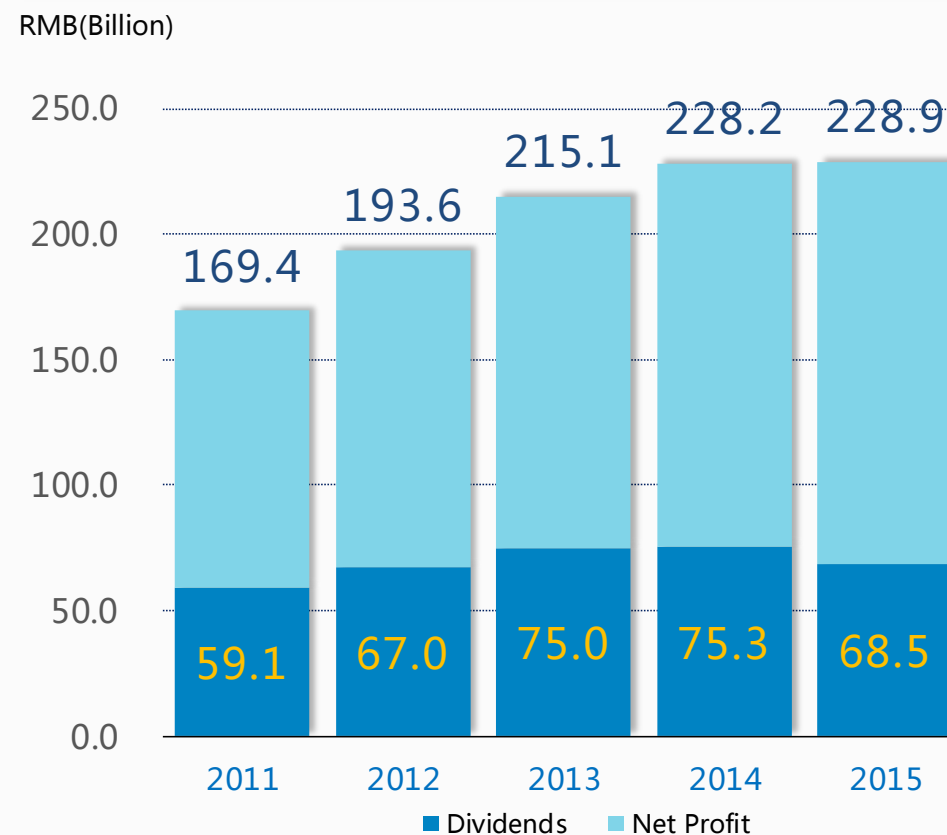


Outstanding achievements during 12th Five-year Plan period

Total assets up by 70% with a 11.2% CAGR



Total net profit amounted to RMB 1.04 trillion, dividends reached nearly RMB 345 billion

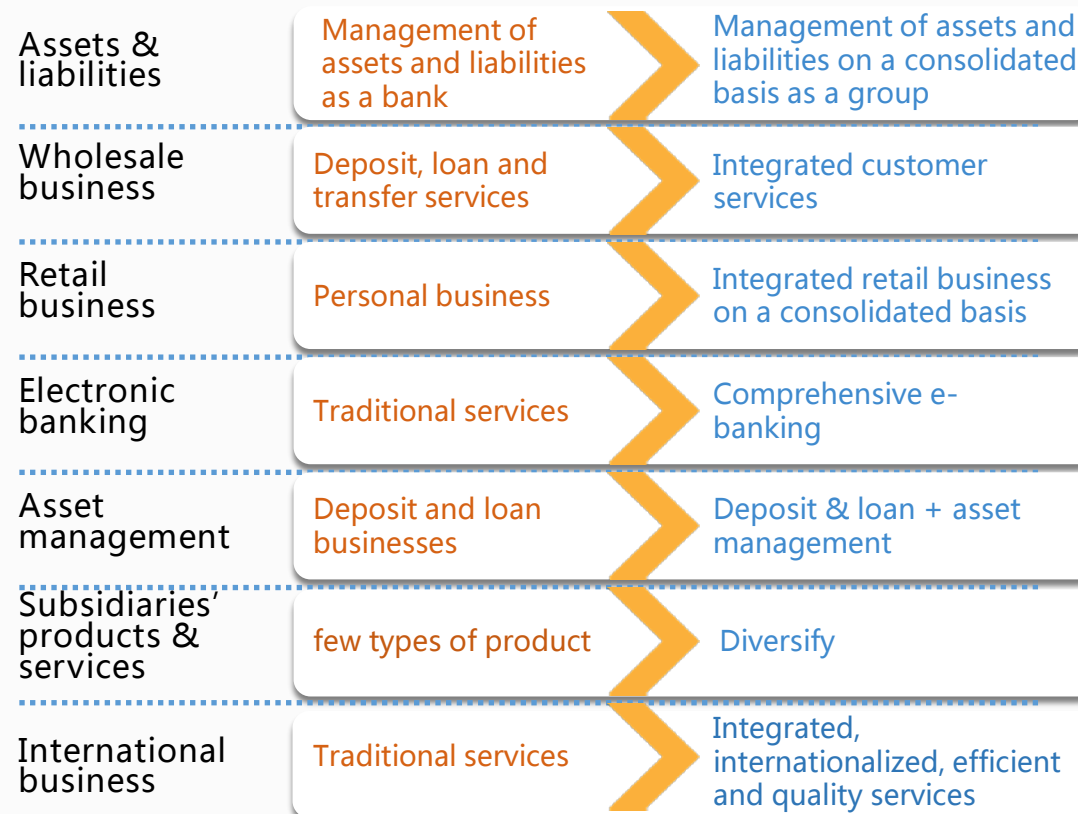


Pushed forward with strategic transformation

Based on five principles

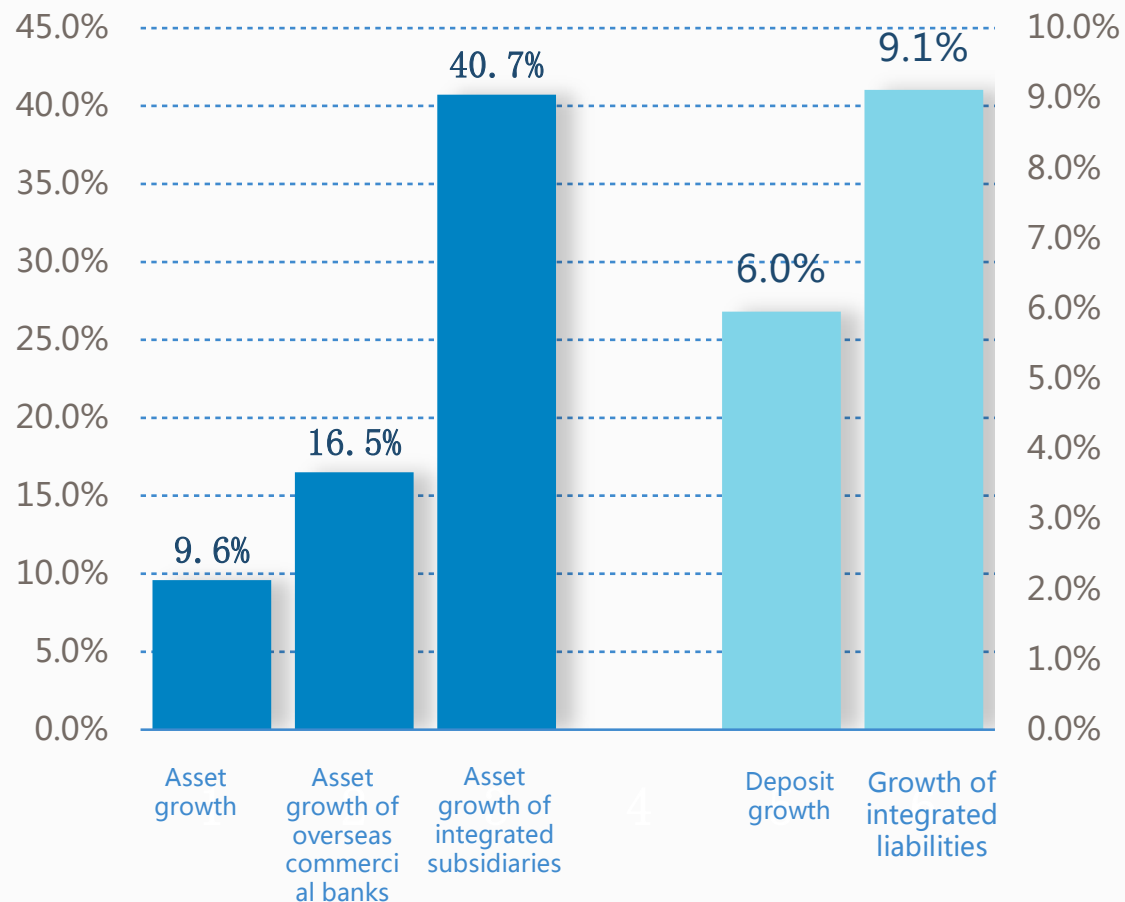
- Integrated operations
- Multi-functional services
- Intensive development
- Innovative bank
- Smart bank

Seven focus points for the Bank's transformation



Promoted operation and management of assets and liabilities on a consolidated basis

Significant achievements in managing assets and liabilities on a consolidated basis



Transformation and development measures

Launched a system to consolidate the planning and management of assets and liabilities

- Integrated assets
- Integrated liabilities
- Integrated financial services

Strategies for promoting the operation and management of assets

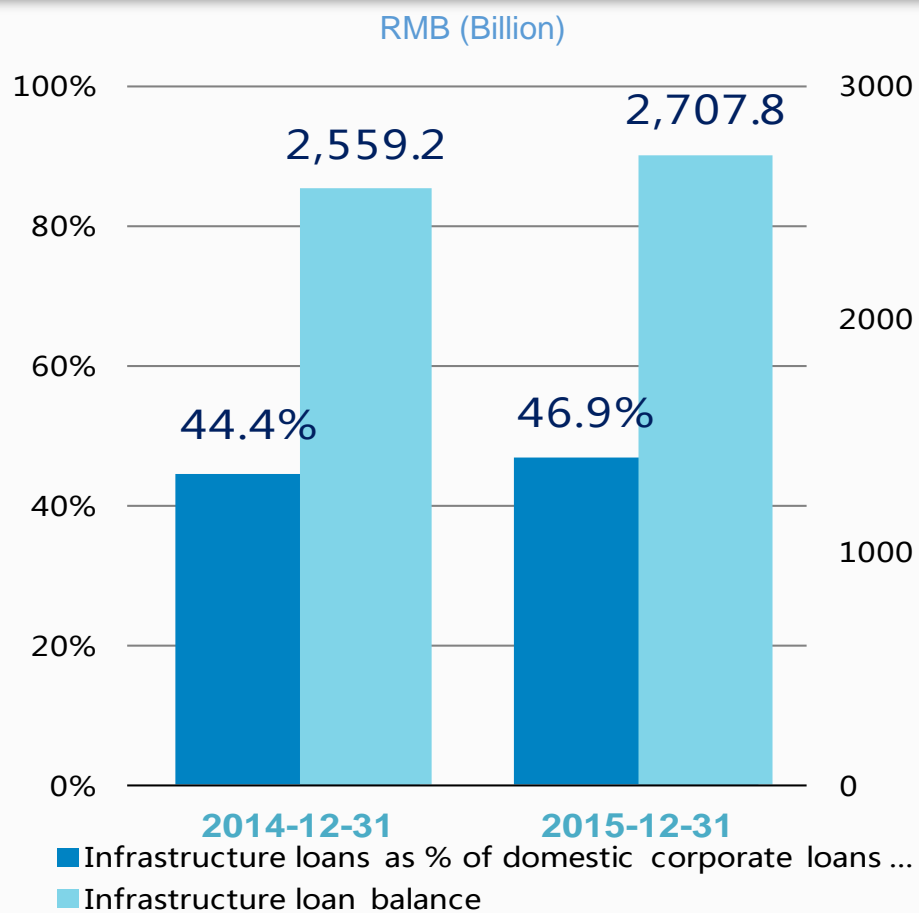
- Expanded integrated asset business
- Strengthened integrated financial services capability
- Strengthened collaborative development within the Group

Strategies for promoting the operation and management of liabilities

- Proactive expansion on customers' financial assets
- Maintained stable growth of deposits
- Diversified sources of liability

Continued to reinforce the strengths of the wholesale business

Continuous growth in infrastructure loans



Visible achievements in the “Three Integrations” for corporate customers

Improved integrated marketing capability

- Strengthened collaboration between departments, the Bank and its subsidiaries, and between branches in different regions
- Head office helped to implement over 500 major marketing projects

Improved integrated service capability

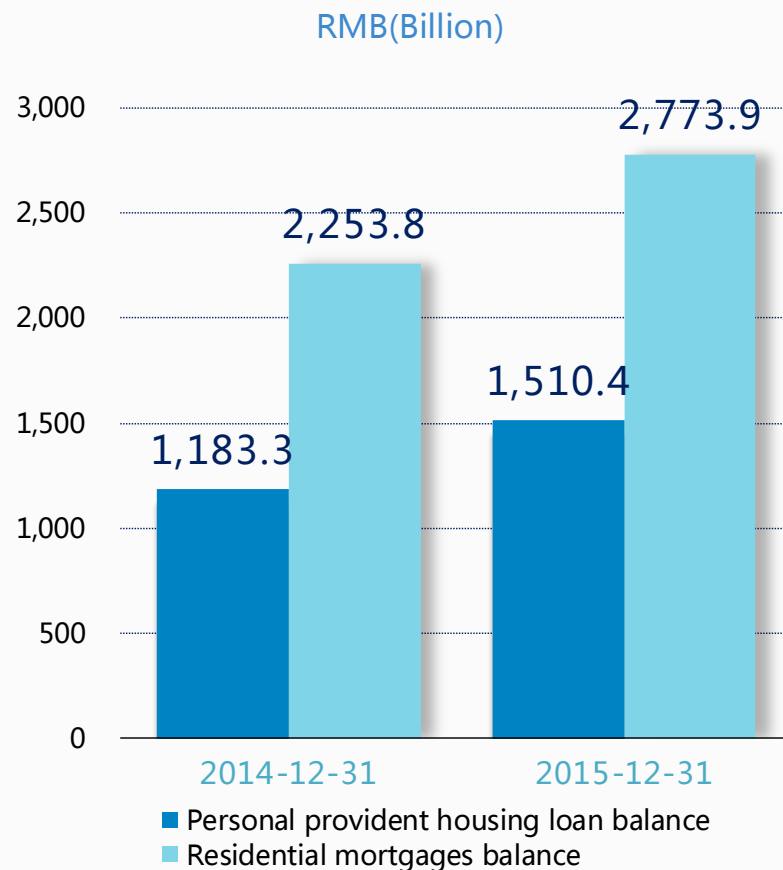
- Designed integrated financial service plans for customers
- Invested insurance funds in commercial and industrial sectors
- Built a corporate-oriented e-finance service system

Expanded integrated pricing scope

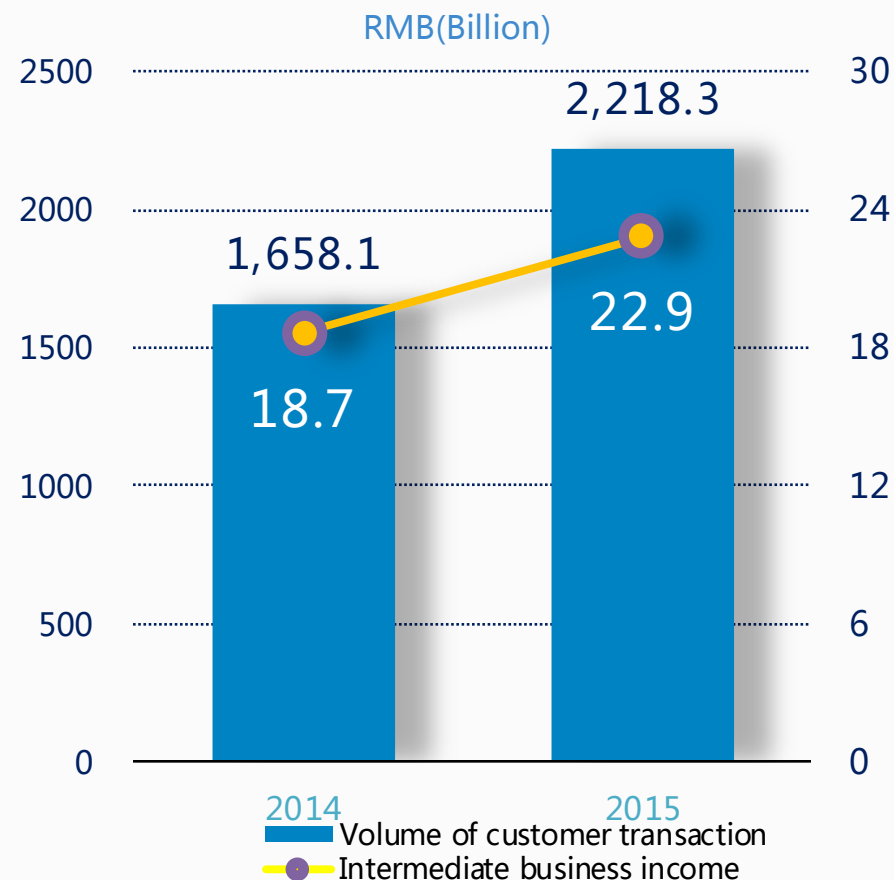
- The number of pilot corporate customers for integrated pricing increased to 4,639

Built a leading retail bank

Ranks first among peers in personal housing finance



Total credit card issuance amounted to RMB 80.74 million



Built a comprehensive internet finance service system

- Online banking
- Mobile banking
- WeChat banking

Three online channels

- Internet payment
- Internet wealth management
- Internet financing

Three internet product lines

Comprehensive internet finance service system

Three life services platforms

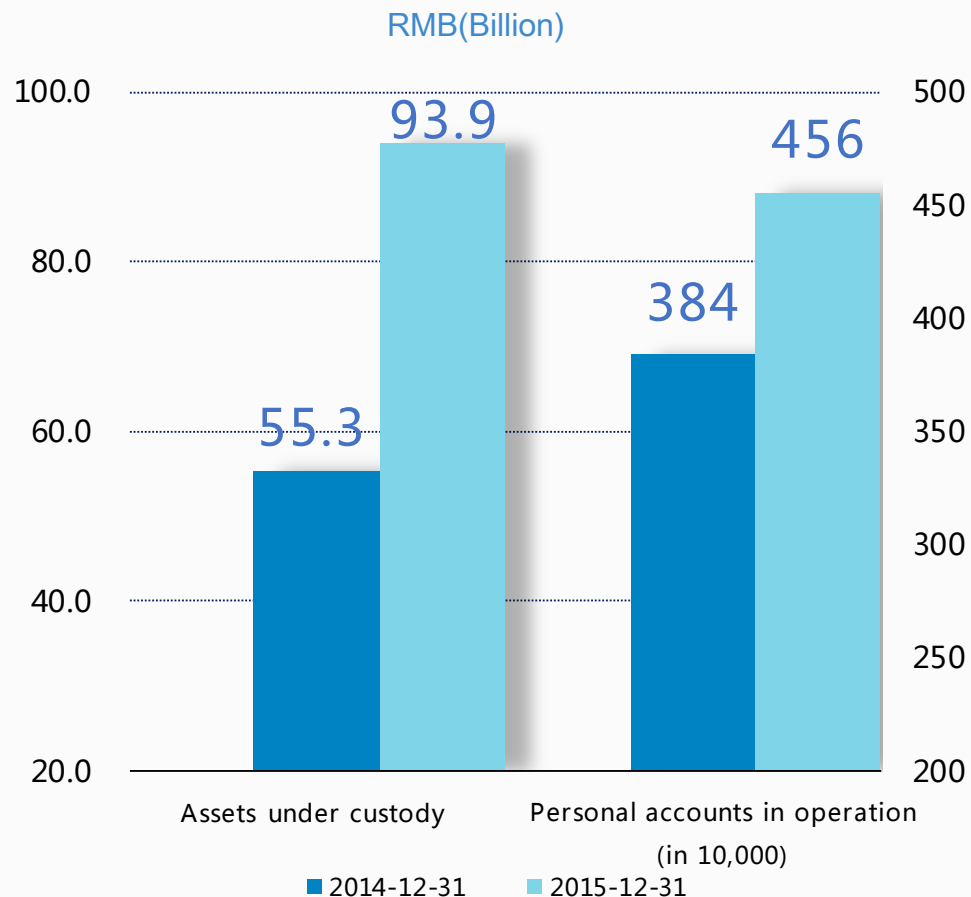
- E.ccb.com
- “Joy Life”
- “Wonderful Life”

Smart applications

- Smart customer services robots
- Smart banks

Developed asset management business

Steady growth in personal pension accounts and assets under custody



New breakthroughs in consolidated management of assets

Maintained a leading position in bond underwriting for five consecutive years

Balance of wealth management products exceeded RMB 1.6 trillion, making a new record high in terms of scale

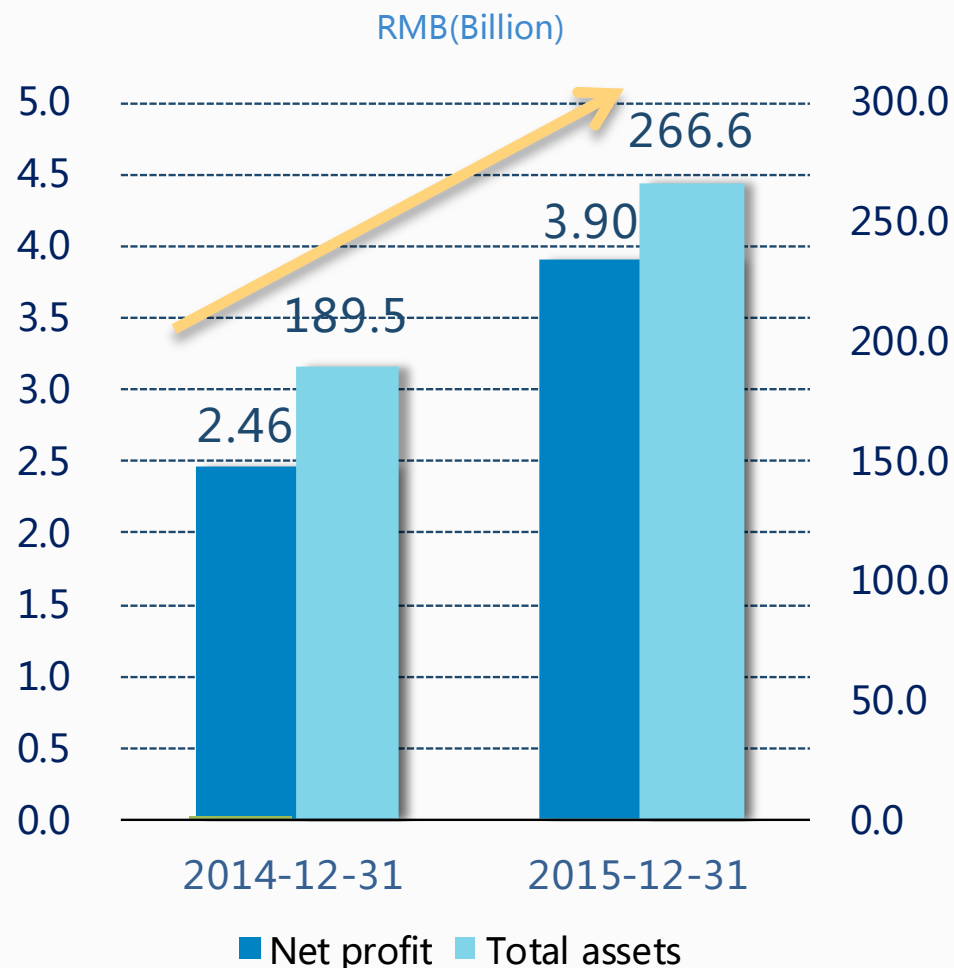
Amount of assets under custody exceeded RMB 7 trillion

One of the first banks to provide an agency service for the Mainland - Hong Kong Mutual Recognition of Funds

Established a trail transport PPP fund and urbanization-related fund

Constructed an integrated operation platform

Rapid growth in assets and profit of integrated operation subsidiaries



Outperformed peers in integrated operation licenses

CCB pension management company was founded

CCB insurance asset management company received approval to be established

CCB Trust ranked first in the sector with its trust assets under management exceeding RMB 1 trillion

CCB Life ranked first in the banking industry in terms of premium income

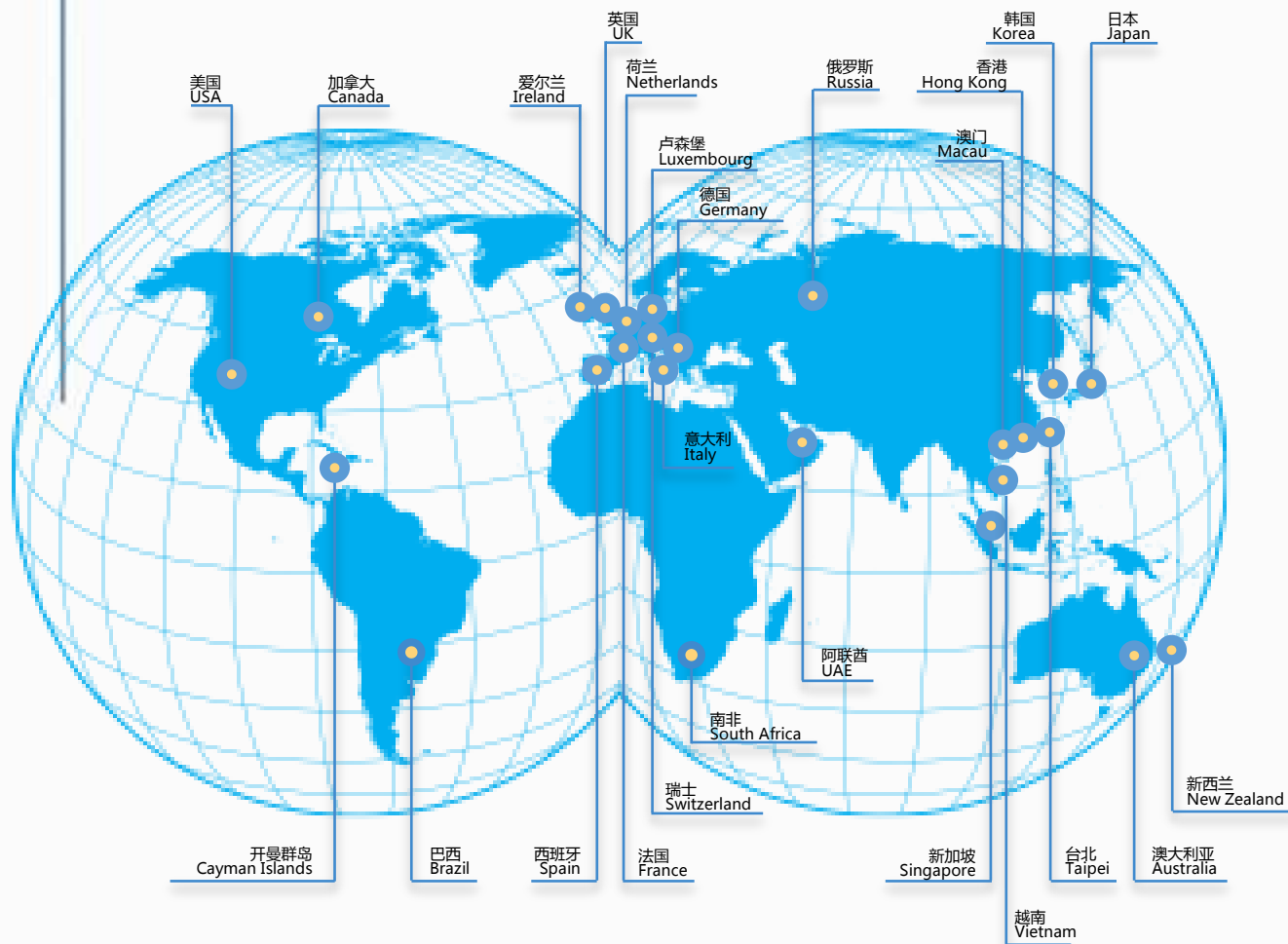
CCB Financial Leasing topped the list for the amount of leasing assets invested in leasing services

CCB International was a leading player in a number of securities sponsoring and underwriting projects plus M&A financial advisory projects

Total volume of funds managed by CCB Principal Asset Management reached RMB 686.3 billion

CCB Futures received approval to practice asset management

Improved global network for financial services



Over 130 overseas outlets across 25 countries and regions

Clearing network covers 43 countries and regions

Financing services cover 139 countries and regions

Promoted intensive development, innovation and smart banking

Continuously improved the business process

Significant achievements in the development of the three integrated outlets

- Integrated outlets totaled 14,500 covering 98% of the country
- Integrated tellers accounted for 89%
- 21,532 integrated marketing teams were established

Established specialized operation centres

- Asset management business centres
- Banking business centres
- Financial market trading centres

Phase II of the “New Generation Core Banking System” was successfully put into operation and provided 4,465 business functions

Built an innovative and smart bank

Accelerated the development of innovative banks

- Completed 1,970 product innovation and innovation duplication projects in 2015
- Facilitated the role of innovation laboratories as platforms for strategic product research and development
- Established an innovation duplication system across the Group

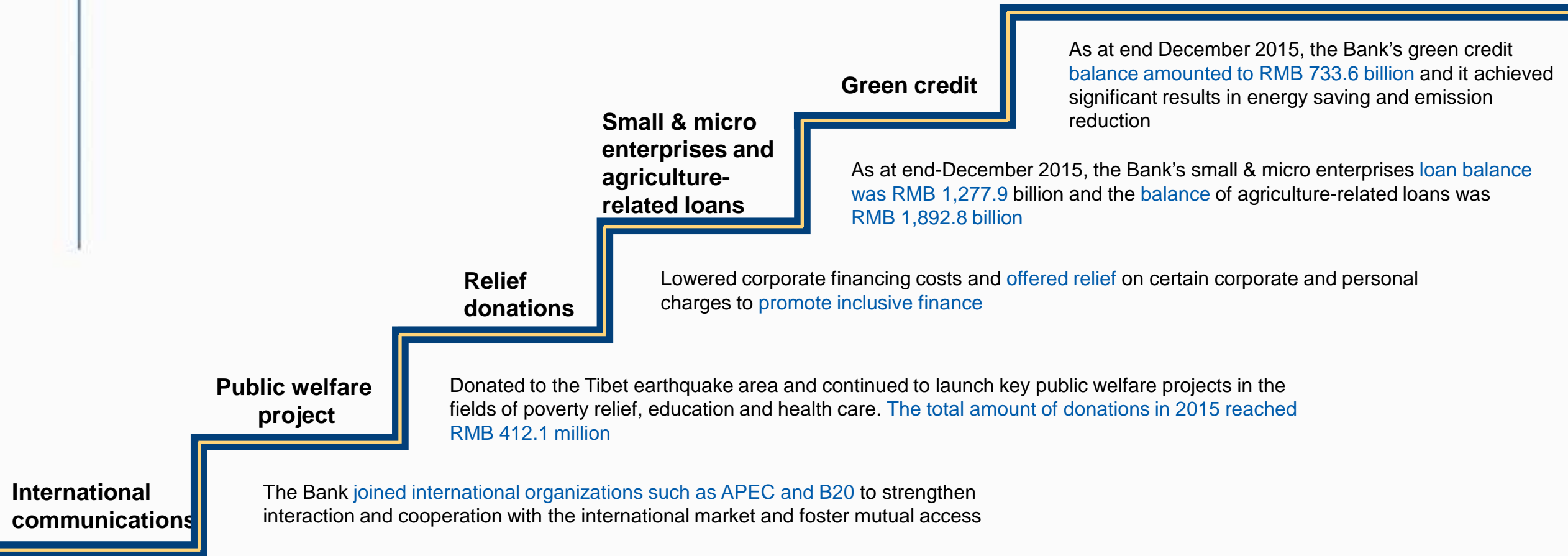
Accelerated the development of smart banks

- Established 12 smart banks
- The handling volume of smart customer services exceeded the total handling volume of manual customer services

Promoted the development of big data technologies

- Launched big data-based strategies
- Built big data analysis centres
- Explore big data applications

Built the most socially responsible bank



Transformation and Development

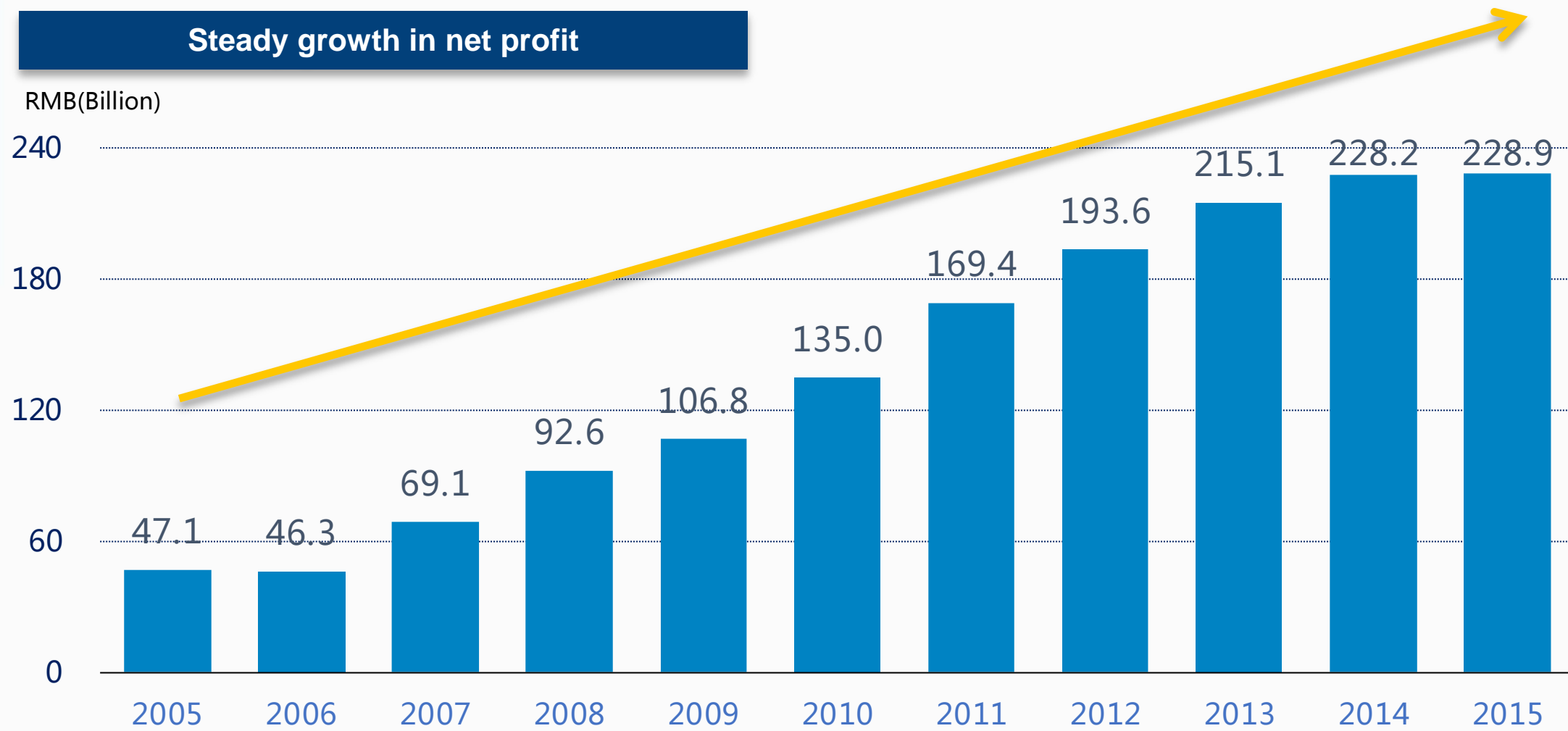
Financial Performance

Risk Management

Outlook

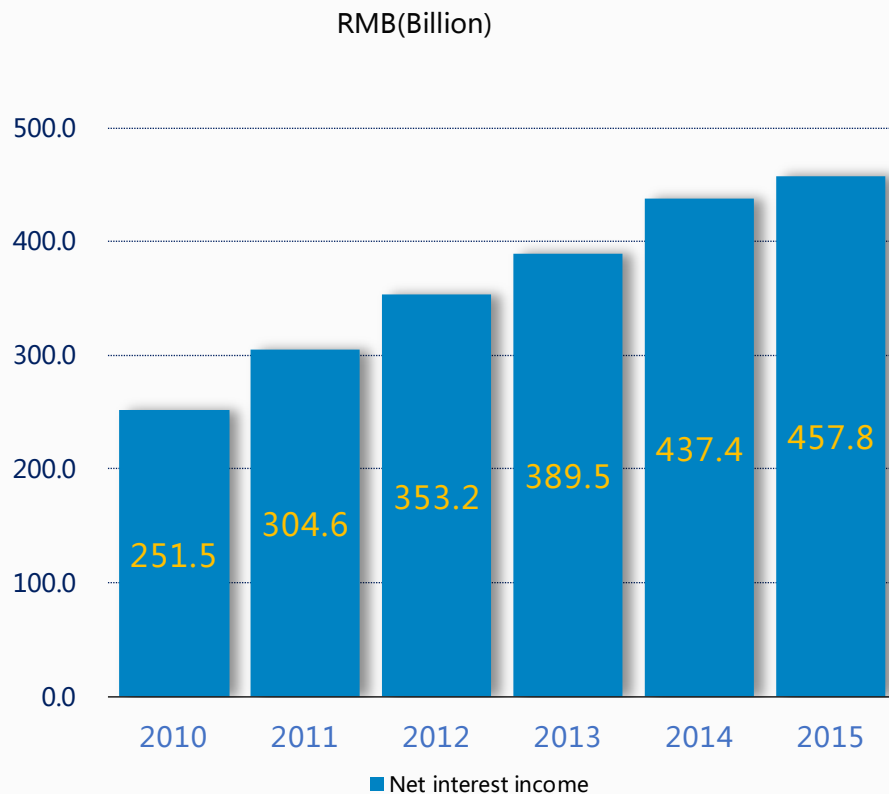


Stable Profitability

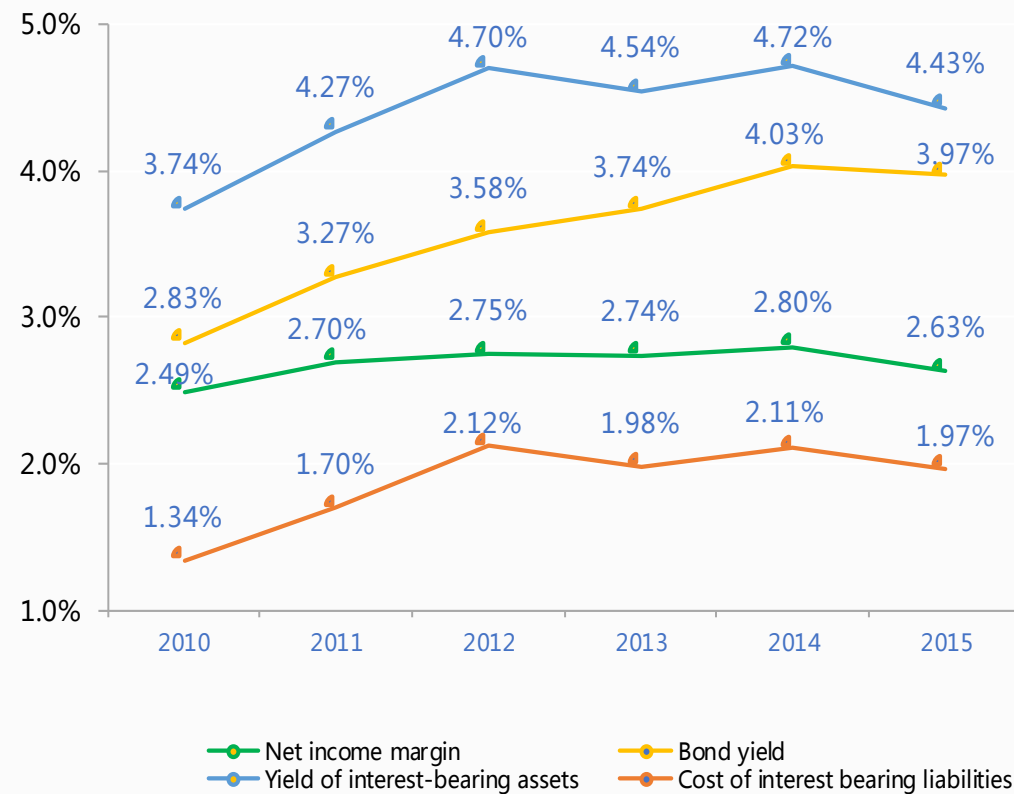


Net interest income continued to grow

Net interest income up by 4.7% YoY

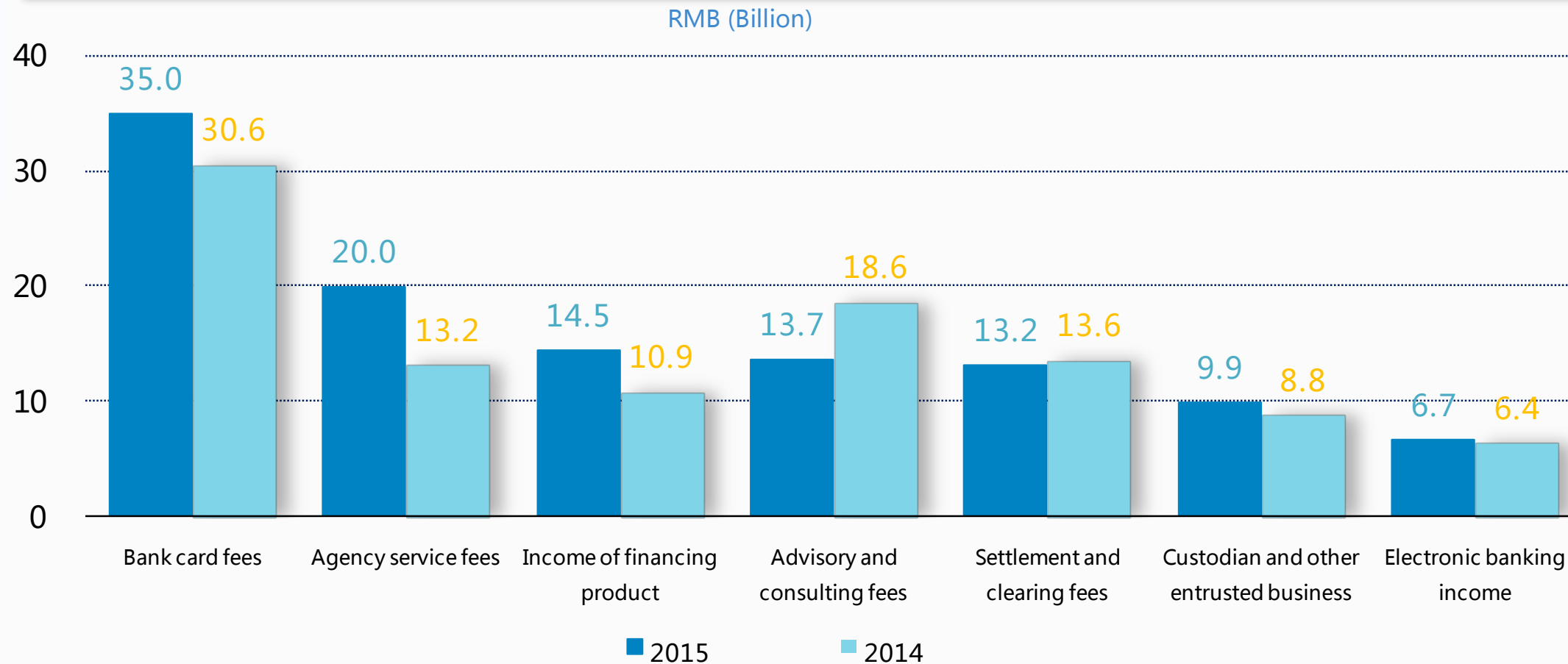


Net interest margin stayed relatively stable



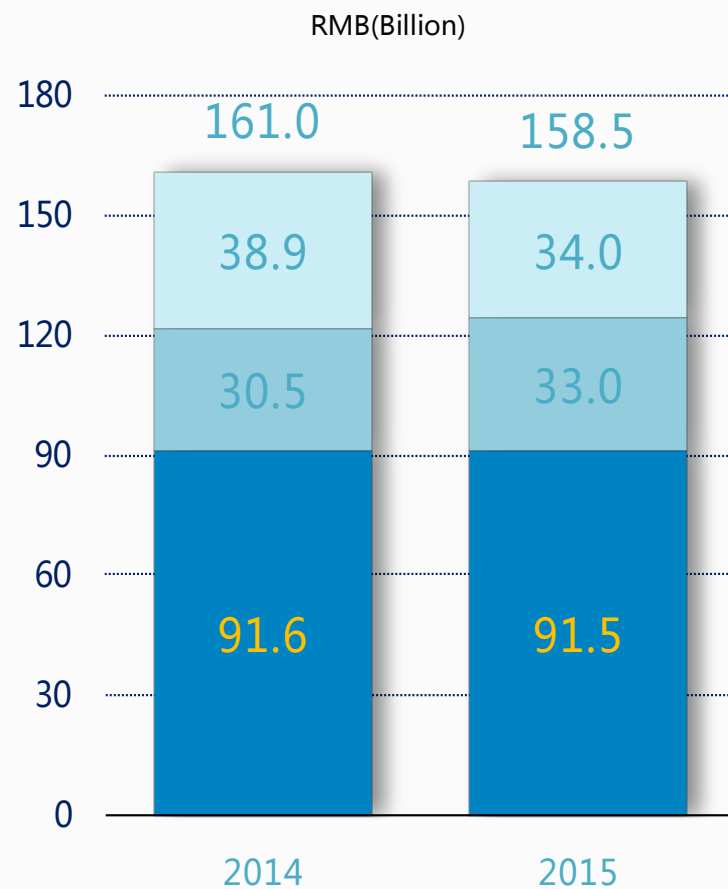
Stable growth in fee income

Net fee and commission income up by 4.6%, in a leading position among commercial banking peers

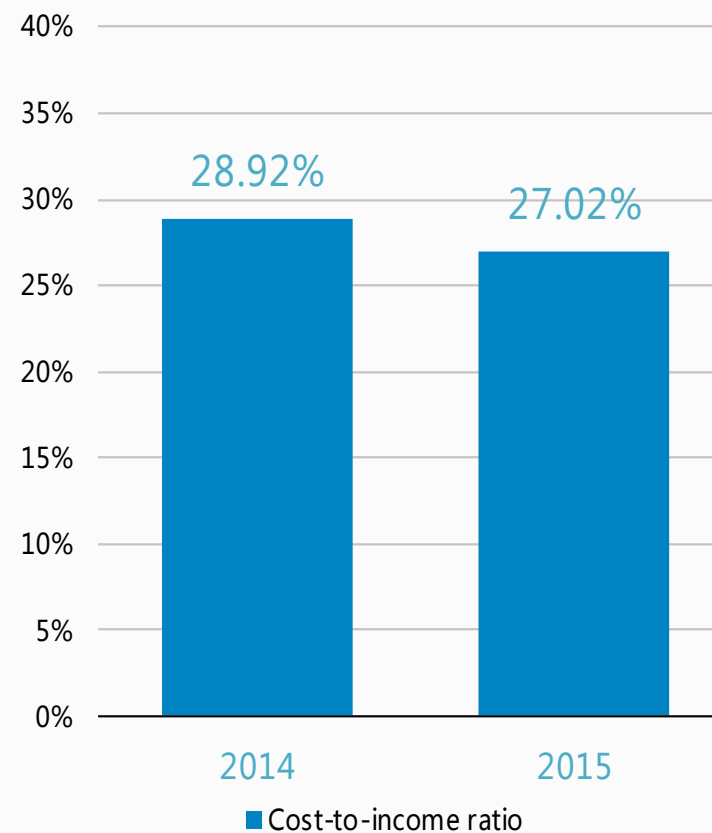


Effective cost control

Effective control of operating costs

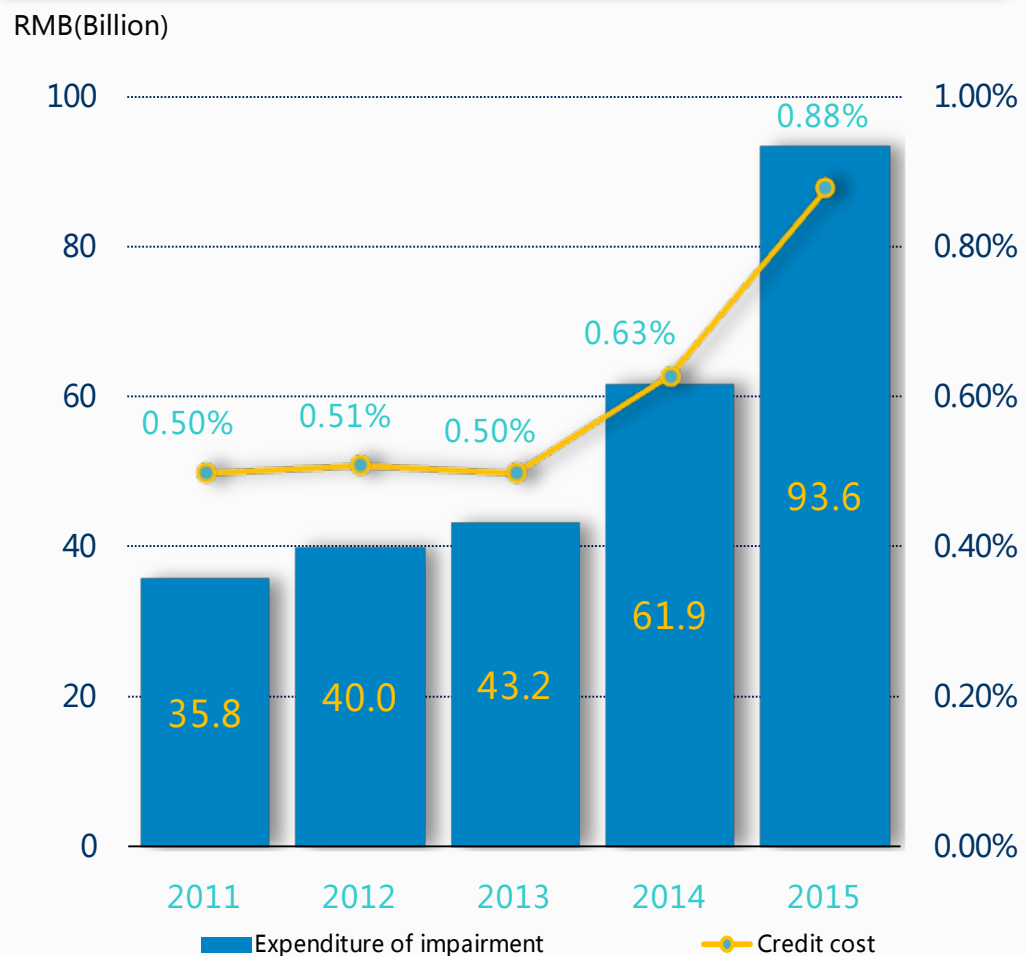


Cost-to-income ratio continued to decrease

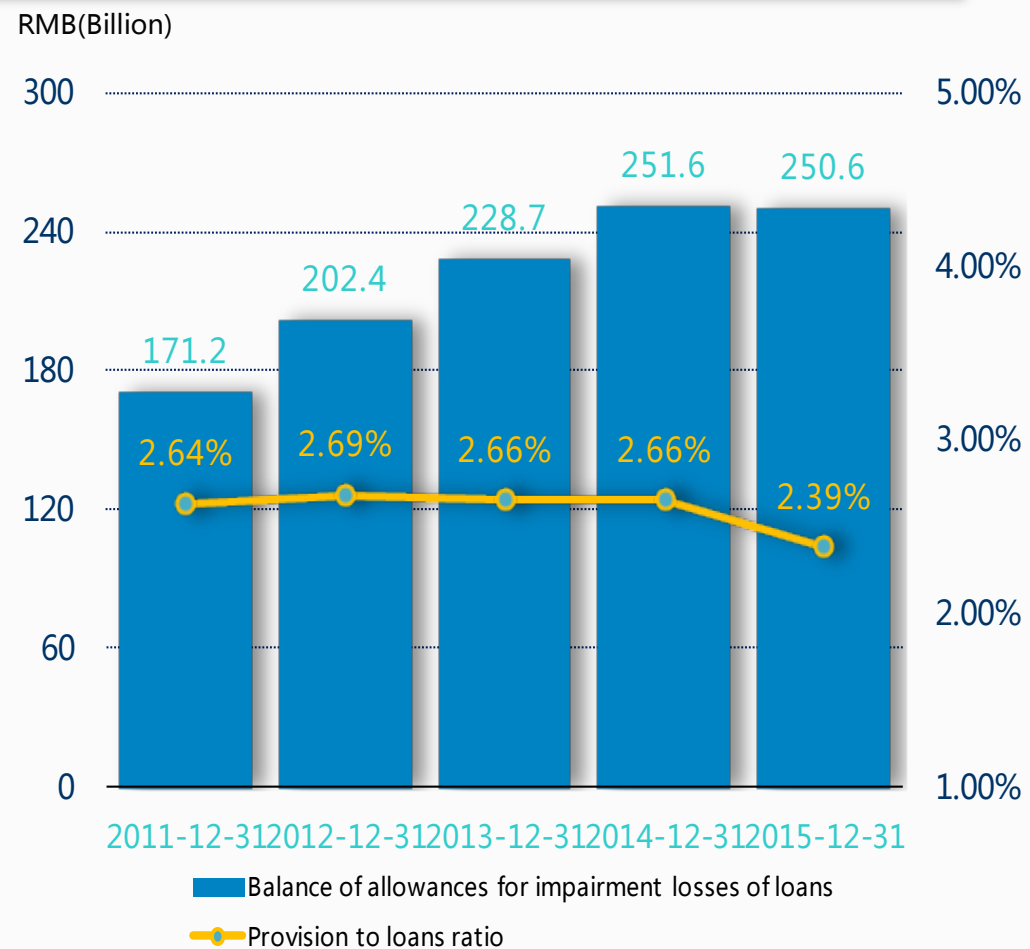


Sufficient provisions

Asset impairment expenditure up by 51.3% YoY



Provision to loans ratio remained relatively stable



Transformation and Development
Financial Performance
Risk Management
Outlook



Improved overall risk management capability

Strengthened Group's all-round risk management

Promoted the re-examination, monitoring and conduction of its risk appetite

Formulated, improved and applied stress testing-based management policies

Intensified overseas institutions' anti-money laundering and compliance management

Conducted coordinated liquidity management at Group level

Strengthened operational risk management

Improved reputational risk management standards

Optimized and utilized risk measurement tools

Controlled and managed risks in key areas

Improved credit risk management capability

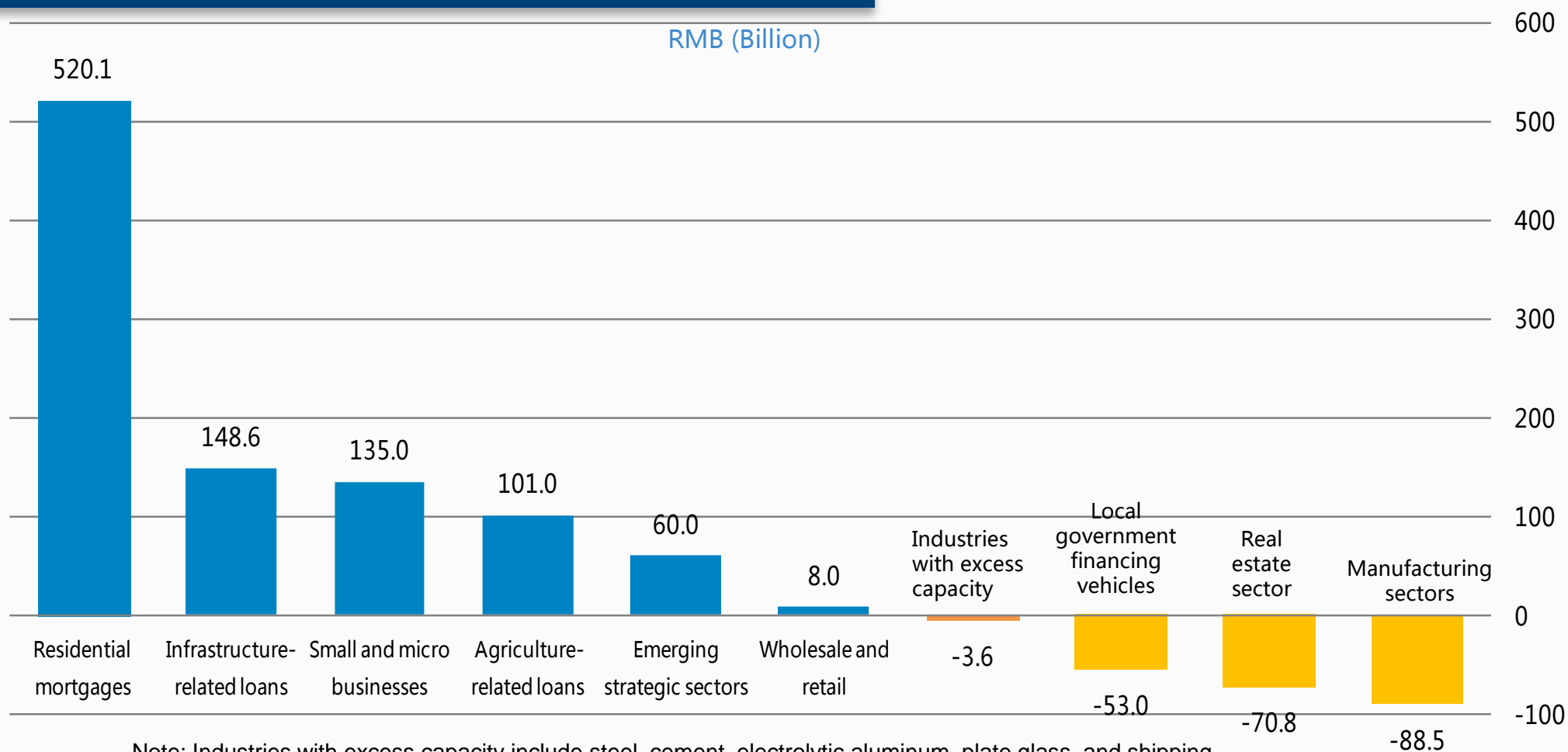
- Enhanced risk early-warnings, forecasts, prevention and pre-control measures
- Strengthened efforts to dispose of non-performing assets
- Strengthened foundation for credit management

Improved market risk management capability

- Established a contingency mechanism for major market risks
- Intensified stress tests on interest and foreign exchange rates
- Pushed forward with the development of the market risk management and control system

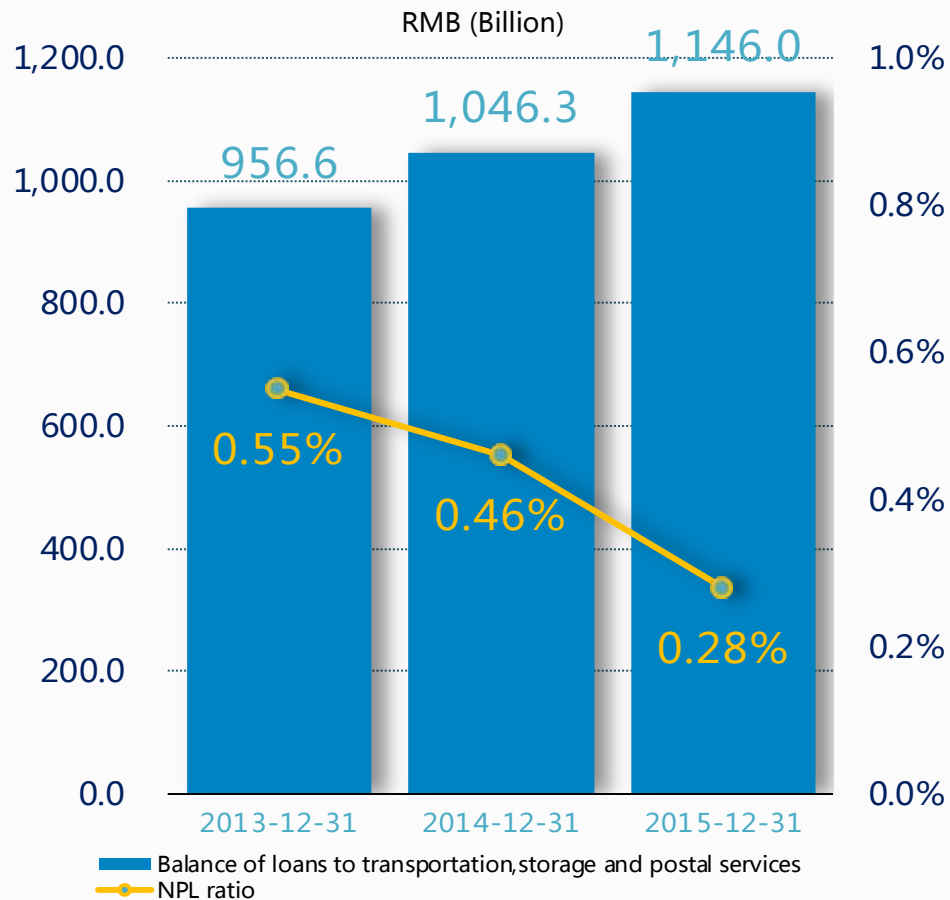
Adjusted credit structure

Incremental loan balance in related domestic sectors

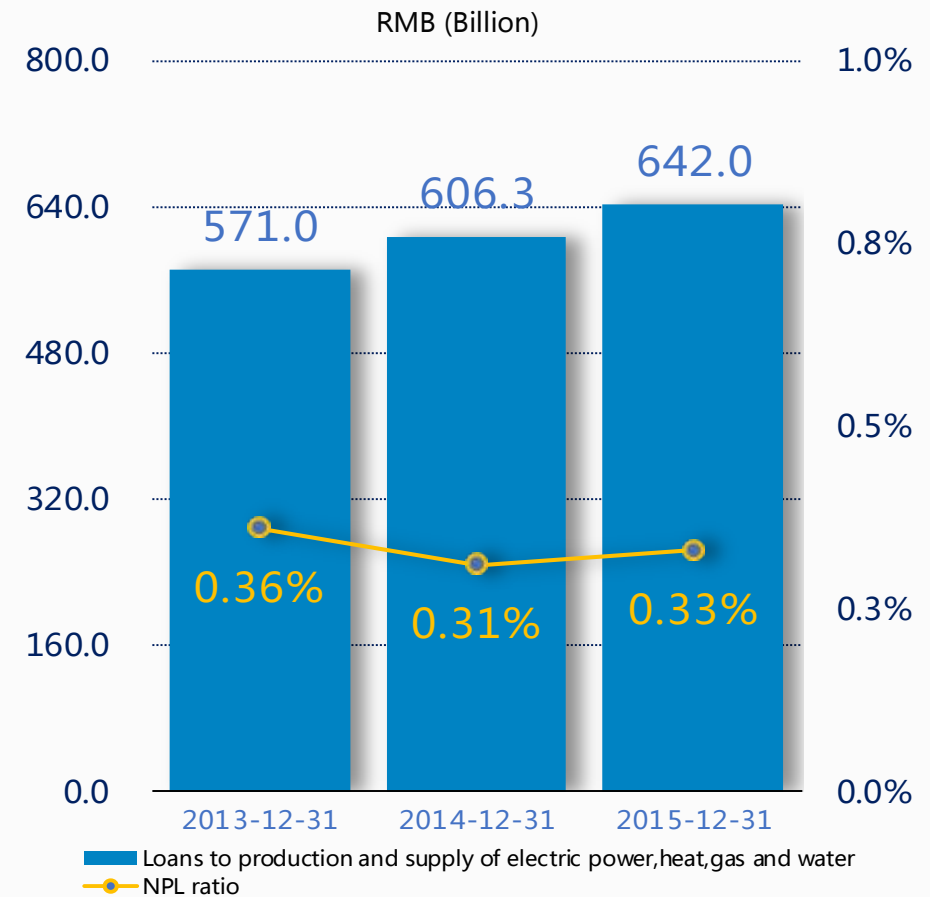


Effective risk control in key sectors – stable asset quality of infrastructure loans

Good quality of loans to transportation, storage and postal services

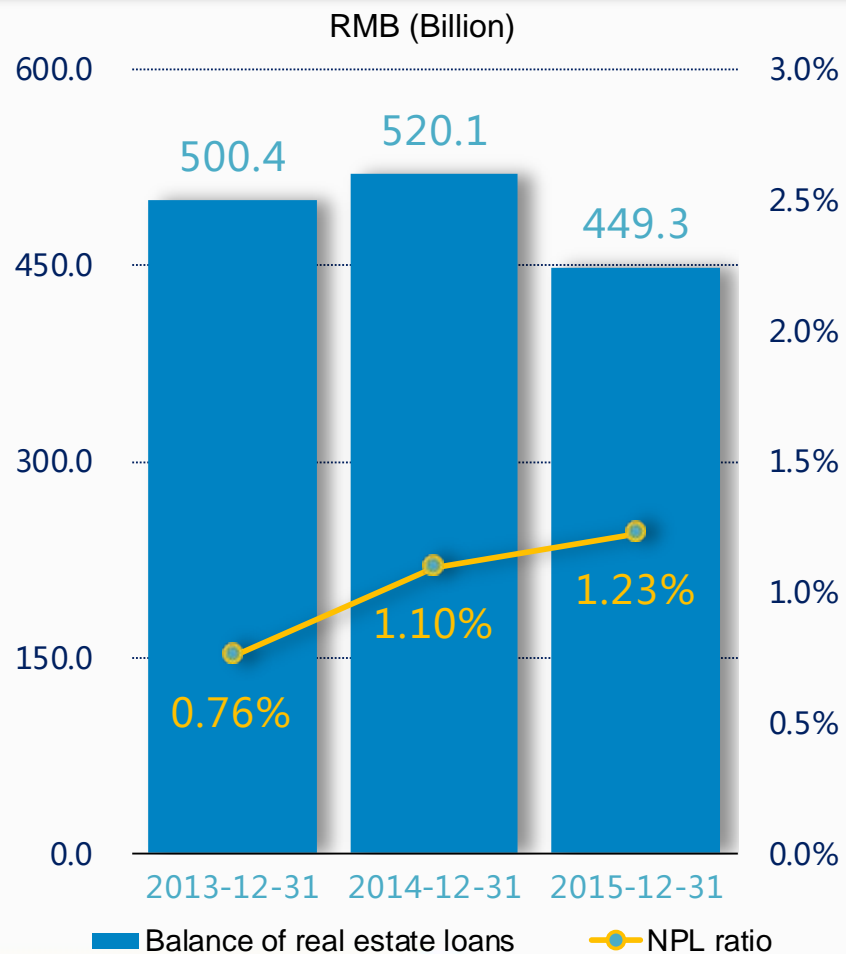


Good quality of loans to production and supply of electric power, heat, gas and water

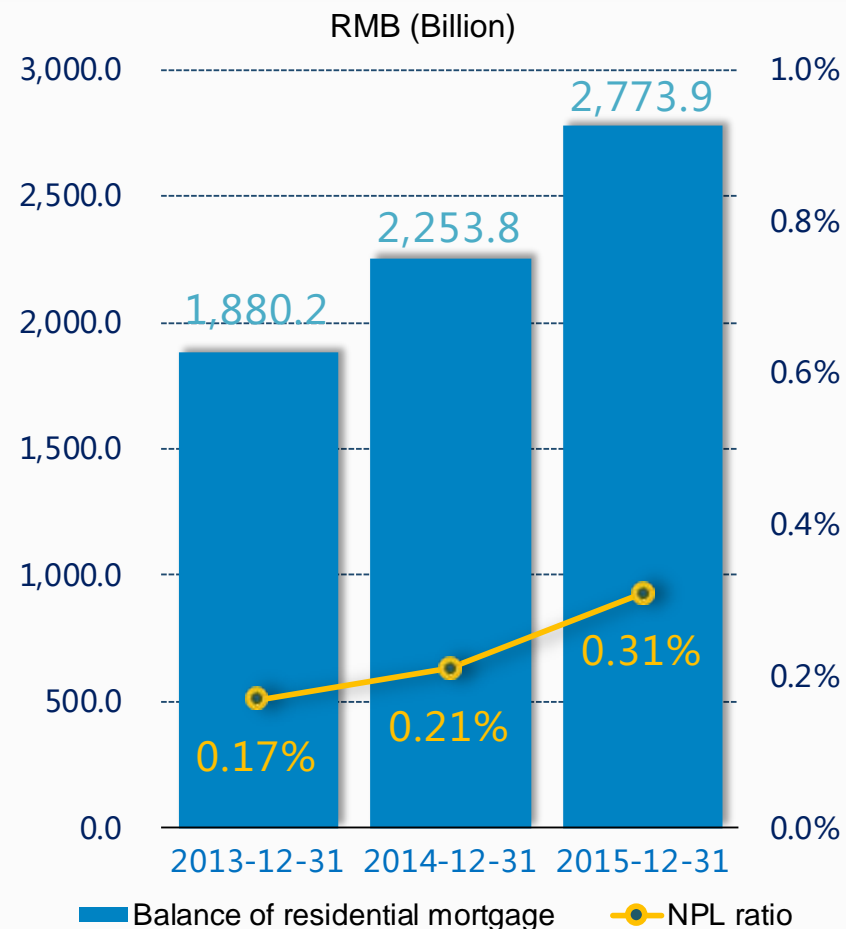


Effective risk control in key sectors - asset quality of real estate loans under control

Asset quality of real estate loans under control

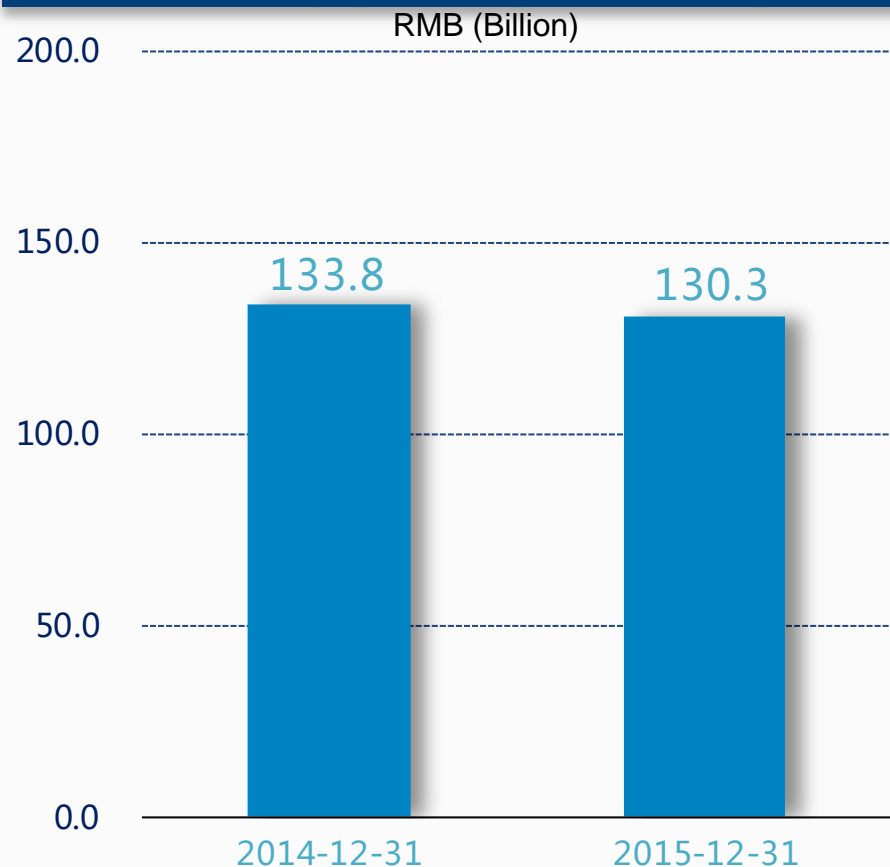


Asset quality of residential mortgages outperformed peers



Effective risk control in key sectors - risk of loans to industries with excess capacity under control

Loans to industries with excess capacity gradually decreasing



■ Balance of loans to industries with excess capacity

Risk management measures

Strictly controlled the total amount of loans

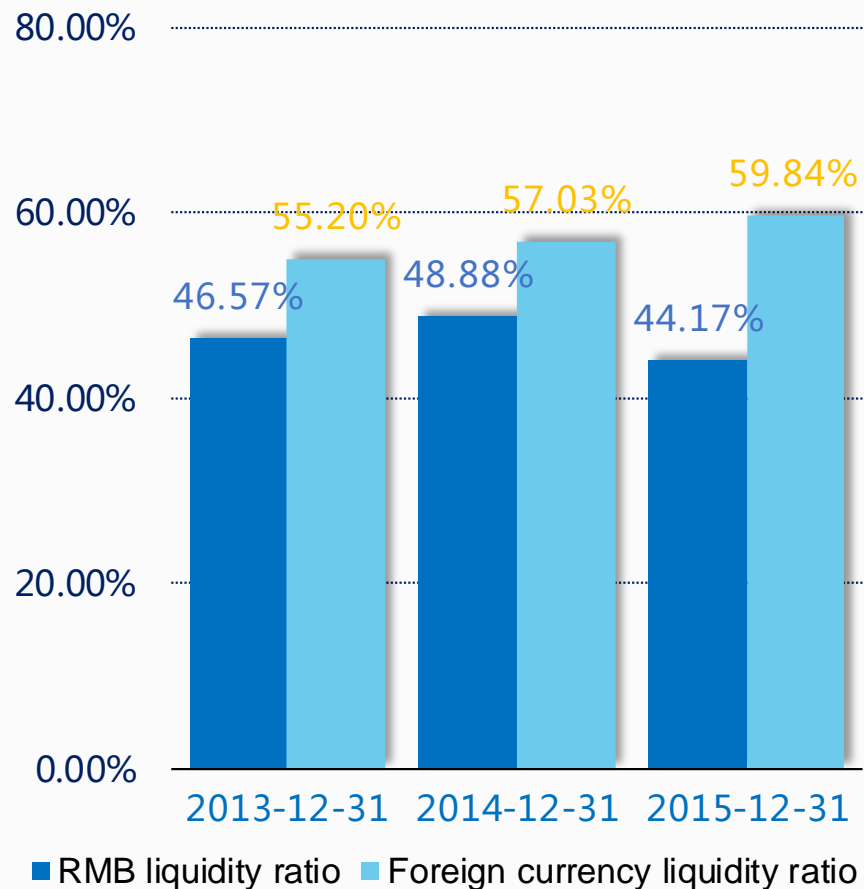
Implemented list management and provided different solutions based on the categories of customers

Implemented credit exit policy

Strengthened post-lending monitoring and organized more company visits and on-site inspections

Maintained reasonable liquidity level

Liquidity maintained within a reasonable range



Key measures

Improved the overall management of liquidity at Group level

Intelligently planned interbank business scale

Leveraged interest rate and increased bond investment

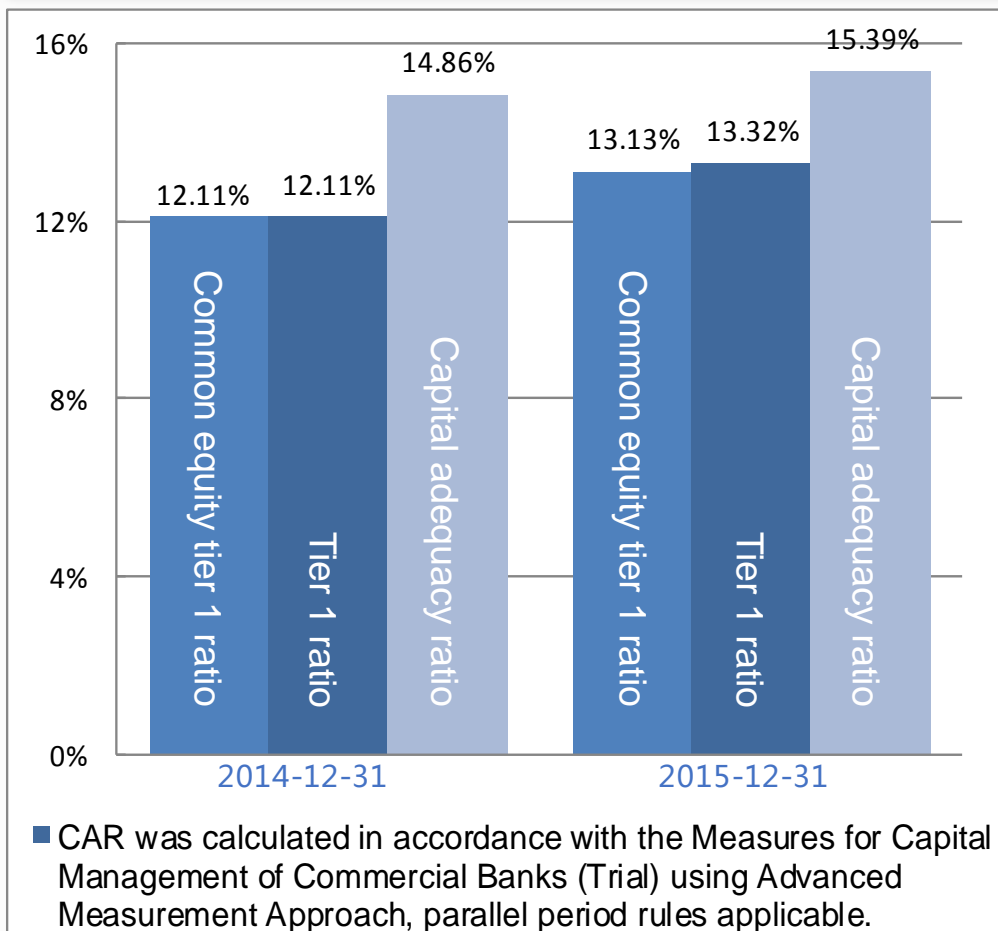
Optimized overall capital allocation and reduced financing costs at Group level

Integrated the management of RMB and foreign currency,
and intensified overseas operation of RMB

Strengthened large fund flow alert

Constantly improved capital adequacy ratios

Highest capital adequacy ratio among peers



Strengthened capital management capability

Named on the list of “Global Systemically Important Banks” and initiated the recovery and resolution plan

Innovative capital management tools.

- ❖ Preference shares: offshore non-public preference shares of US\$3.05 billion
- ❖ Tier 2 capital bonds: offshore tier 2 capital bonds of US\$2 billion, onshore tier 2 capital bonds of RMB24 billion

Improved capital pass-through and constraint mechanism and promoted operational transformation towards more intensive utilization of capital

Improved internal advanced rating model of credit risks and advanced measurement for operational risks

Transformation and Development

Financial Performance

Risk Management

Outlook



Opportunities and challenges

Opportunities

U.S and Eurozone economies getting back on track

Continuous favorable prospects for Chinese economy

Deepening structural reforms on the supply side

Important strategy deployment of One Belt One Road, Beijing-Tianjin-Hebei synergy development and Yangtze River Economic Zone construction

Rapid growth of emerging industries and new business models

Rapid development of the financial market and continuous expansion of banks' business scopes

Challenges

Complex and changing global economic situation; further divergence between the growth trends of major economies and monetary policies

Aggravated fluctuation of the international financial market and commodity price

Pressure exerted by de-leveraging and de-capacity on banks' assets quality

Higher standards for banking operations and management raised from capital regulation, macro-prudential assessment system (MPA) and new supervisory regulations for service fee practices

Counter measures

Develop into a modern commercial banking group that is highly capable of value creation under the guidance of the transformation development plan

Push forward with the implementation of the Bank's transformation development plan and strengthen the foundation for operation management

Support important national strategies and improve capability to serve the real economy

Continue to optimize credit structure and improve efficiency in asset allocation

Improve integrated pricing power and tackle the risk of interest rate liberalization

Continue to strengthen overall risk management and improve compliance management of overseas institutions

Establish a financial ecosystem based on "Internet +" and improve the capacity of big data

Well recognized in the industry

Forbes

2nd in the
"Forbes Global
2000"



**Best CSR Contribution
Award 2015**

**The
Banker**

2nd in the
"Top 1000 World
Banks" (in terms of tier
1 capital)

**GLOBAL
FINANCE**

**2015
Best Bank in China**

FORTUNE

29th in the
"Fortune Global 500"

THE ASIAN BANKER®
STRATEGIC BUSINESS INTELLIGENCE FOR THE FINANCIAL SERVICES COMMUNITY

**2016
Best Retail Bank in China**

Q&A

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Thank you

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