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中國工商銀行股份有限公司

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

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

Stock Code: 1398

USD Preference Shares Stock Code: 4603

EUR Preference Shares Stock Code: 4604

RMB Preference Shares Stock Code: 84602

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED FIRST QUARTERLY REPORT OF 2015

The Board of Directors of Industrial and Commercial Bank of China Limited (“the Bank”) announces the results of the Bank and its subsidiaries (“the Group”) for the first quarter ended 31 March 2015. This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and 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 of Directors, the Board of Supervisors, Directors, Supervisors and Senior Management members of Industrial and Commercial Bank of China Limited undertake that the information in this report contains no false record, misleading statement or material omission; and assume individual and joint and several liability for the authenticity, accuracy and completeness of the information in this report.
- 1.2 The First Quarterly Report of 2015 has been considered and approved at the meeting of the Board of Directors of the Bank held on 29 April 2015. All directors of the Bank attended the meeting.
- 1.3 These quarterly financial statements have not been audited.
- 1.4 Mr. Jiang Jianqing, Legal Representative of the Bank, Mr. Yi Huiman, President in charge of finance of the Bank, and Mr. Liu Yagan, General Manager of the Finance and Accounting Department of the Bank, hereby warrant and guarantee that the financial statements contained in this quarterly report are authentic, accurate and complete.

2. CORPORATE INFORMATION

2.1 Basic information

A share:	
Stock name	工商銀行
Stock code	601398
Stock exchange on which shares are listed	Shanghai Stock Exchange
H share:	
Stock name	ICBC
Stock code	1398
Stock exchange on which shares are listed	The Stock Exchange of Hong Kong Limited
Offshore preference share:	
Stock name	ICBC USDPREF1
Stock code	4603
Stock name	ICBC EURPREF1
Stock code	4604
Stock name	ICBC CNHPREF1-R
Stock code	84602
Stock exchange on which shares are listed	The Stock Exchange of Hong Kong Limited
Board Secretary, Company Secretary:	
Name	Hu Hao
Address	No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, People's Republic of China (Postal code: 100140)
Telephone	86-10-66108608
Facsimile	86-10-66107571
E-mail	ir@icbc.com.cn

2.2 Major accounting data and financial indicators

2.2.1 Major accounting data and financial indicators prepared in accordance with International Financial Reporting Standards (“IFRSs”)

(In RMB millions, unless otherwise specified)

	31 March 2015	31 December 2014	Change (%)
Total assets	21,396,633	20,609,953	3.82
Total loans and advances to customers	11,319,842	11,026,331	2.66
Allowance for impairment losses on loans	262,585	257,581	1.94
Investment	4,602,939	4,433,237	3.83
Total liabilities	19,775,373	19,072,649	3.68
Due to customers	15,848,171	15,556,601	1.87
Due to banks and other financial institutions	1,792,461	1,539,239	16.45
Equity attributable to equity holders of the parent company	1,611,328	1,530,859	5.26
Net asset value per share (RMB yuan)	4.52	4.33	4.39

	Three months ended 31 March 2015	Three months ended 31 March 2014	Changes as compared to the same period of last year (%, percentage points)
Operating income	165,808	156,863	5.70
Net profit	74,457	73,461	1.36
Net profit attributable to equity holders of the parent company	74,324	73,302	1.39
Net cash flows from operating activities	518,295	247,991	109.00
Basic earnings per share (<i>RMB yuan</i>)	0.21	0.21	0.00
Diluted earnings per share (<i>RMB yuan</i>)	0.21	0.21	0.00
Return on weighted average equity (%, <i>annualised</i>)	19.35	22.27	A decrease of 2.92 percentage points

2.2.2 Differences between the financial statements prepared under Generally Accepted Accounting Principles of the People's Republic of China ("PRC GAAP") and those under IFRSs

In respect of the financial statements of the Group prepared under PRC GAAP and those under IFRSs, net profit attributable to equity holders of the parent company for the reporting period ended 31 March 2015 and equity attributable to equity holders of the parent company as at the end of the reporting period have no differences.

2.3 Number of shareholders and particulars of shareholding

As at the end of the reporting period, the Bank had a total of 896,547 ordinary shareholders, including 141,727 holders of H shares and 754,820 holders of A shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 ORDINARY SHAREHOLDERS OF THE BANK (The following data are based on the register of shareholders as at 31 March 2015)

Unit: Share

Name of shareholder	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of shares subject to restrictions on sales	Number of pledged or locked-up shares
Central Huijin Investment Ltd.	State-owned	A shares	34.84	124,155,852,951	—	None
Ministry of Finance of the People's Republic of China	State-owned	A shares	34.60	123,316,451,864	—	None
Hong Kong Securities Clearing Company Limited/HKSCC Nominees Limited ⁽³⁾	Foreign legal person	A shares	0.16	564,128,108	—	None
		H shares	24.14	86,031,244,291	—	Unknown
Ping An Life Insurance Company of China, Ltd. — Traditional — Ordinary insurance products	Other domestic entities	A shares	1.21	4,322,828,137	—	None
ICBC Credit Suisse Asset Management Co., Ltd. — Asset management for specific customers	Other domestic entities	A shares	0.26	912,211,882	—	None
Guarantee securities accounts for customer unsecured transactions of China Galaxy Securities Co., Ltd.	Other domestic entities	A shares	0.11	402,400,554	—	None
GIC PRIVATE LIMITED	Other domestic entities	A shares	0.10	373,223,649	—	None
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	Other domestic entities	A shares	0.09	317,038,827	—	None
Guotai Junan Securities Co. Ltd.	Other domestic entities	A shares	0.07	260,241,167	—	None

Notes: (1) Particulars of shareholding of H shareholders were based on the number of shares set out in the Bank's register of shareholders maintained at the H share registrar.

(2) The Bank is not aware of any connected relations or concert party action among the afore-mentioned shareholders.

(3) Hong Kong Securities Clearing Company Limited held 564,128,108 A shares and HKSCC Nominees Limited held 86,031,244,291 H shares.

2.4 Interests and short positions held by substantial shareholders and other persons

Substantial Shareholders and Persons Having Notifiable Interests or Short Positions Pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance of Hong Kong

As at 31 March 2015, the Bank had received notices from the following persons stating that they had interests or short positions in the shares or underlying shares of the Bank as recorded in the register required to be kept pursuant to Section 336 of the Securities and Futures Ordinance of Hong Kong:

HOLDERS OF A SHARES

Name of substantial shareholder	Capacity	Number of A shares held (share)	Nature of interests	Percentage of A shares (%)	Percentage of total ordinary shares (%)
Ministry of Finance of the People's Republic of China ⁽¹⁾	Beneficial owner	118,006,174,032	Long position	43.77	33.11
Central Huijin Investment Ltd. ⁽²⁾	Beneficial owner	118,006,174,032	Long position	43.77	33.11

Notes: (1) According to the register of shareholders of the Bank as at 31 March 2015, the Ministry of Finance of the People's Republic of China held 123,316,451,864 shares in the Bank.

(2) According to the register of shareholders of the Bank as at 31 March 2015, Central Huijin Investment Ltd. held 124,155,852,951 shares in the Bank.

HOLDERS OF H SHARES

Name of substantial shareholder	Capacity	Number of H shares held (share)	Nature of interests	Percentage of H shares (%)	Percentage of total ordinary shares (%)
National Council for Social Security Fund	Beneficial owner	8,663,703,234	Long position	9.98	2.43
Temasek Holdings (Private) Limited	Interest of controlled corporations	7,812,951,355	Long position	9.00	2.19
JPMorgan Chase & Co.	Beneficial owner	981,208,567	Long position	1.13	0.28
	Investment manager	655,207,259	Long position	0.75	0.18
	Trustee (excluding bare trustee)	99,300	Long position	0.00	0.00
	Custodian-corporation/ approved lending agent	3,954,514,159	Shares available for lending	4.56	1.11
	Total	5,591,029,285		6.44	1.57
	Beneficial owner	416,834,931	Short position	0.48	0.12
Blackrock, Inc.	Interest of controlled corporations	5,239,506,203	Long position	6.04	1.47
		12,070,000	Short position	0.01	0.00

2.5 Particulars of convertible corporate bonds

Given that the closing price of A shares of the Bank from 19 November 2014 to 30 December 2014 is not less than 130% (i.e., RMB4.25 per share) of the prevailing conversion price of the ICBC Convertible Bonds (RMB3.27 per share) for 15 trading days out of 30 consecutive trading days, the redemption clause of convertible bonds was triggered. The Board of Directors of the Bank resolved to exercise the right of early redemption of the ICBC Convertible Bonds to redeem all outstanding ICBC Convertible Bonds which appeared on the register on the redemption record date. The abovementioned redemption record date was 12 February 2015. As at 12 February 2015, a total amount of RMB24,985,764,000 ICBC Convertible Bonds were converted into A shares of the Bank, and unconverted ICBC Convertible Bonds of RMB14,236,000 were redeemed by the Bank. The redemption payment date was 26 February 2015 and the delisting date of ICBC Convertible Bonds was 26 February 2015. For the redemption results, payment and delisting details, please refer to the Announcement on Results of Redemption and Delisting of ICBC Convertible Bonds issued by the Bank on 16 February 2015.

2.6 Number of preference shareholders and particulars of shareholding

As at the end of the reporting period, the Bank had two preference shareholders (or proxies).

PARTICULARS OF SHAREHOLDING OF THE TOP 10 PREFERENCE SHAREHOLDERS (OR PROXIES) OF THE BANK (The following data are based on the register of shareholders as at 31 March 2015)

Unit: Share

Name of shareholder	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of shares subject to restrictions on sales	Number of pledged or locked-up shares
Cede & Co.	Foreign legal person	USD preference shares	47.9	147,000,000	—	Unknown
The Bank of New York Depository (Nominees) Limited	Foreign legal person	RMB preference shares	39.1	120,000,000	—	Unknown
The Bank of New York Depository (Nominees) Limited	Foreign legal person	EUR preference shares	13.0	40,000,000	—	Unknown

Notes: (1) Particulars of shareholding of preference shareholders were based on the number of shares set out in the Bank's register of preference shareholders maintained.

(2) As the issuance was private offering, the register of preference shareholders presented the information on proxies of places.

(3) The Bank is not aware of any connected relations or concert party action among the afore-mentioned preference shareholders.

3. BRIEF ANALYSIS ON OVERALL OPERATING ACTIVITIES IN THE FIRST QUARTER

(The financial data herein are presented in RMB unless otherwise indicated.)

Set out below are the highlights of the operating results of the Group for the reporting period:

Net profit amounted to RMB74,457 million, representing an increase of 1.36% over the same period of last year. Annualised return on average total assets and annualised return on weighted average equity were 1.42% and 19.35%, respectively.

Operating income amounted to RMB165,808 million, representing an increase of 5.70% compared with the same period of last year. Net interest income was RMB125,283 million, representing an increase of 8.17% compared with the same period of last year. Net fee and commission income was RMB37,210 million, representing a decrease of 1.25% compared with the same period of last year. Cost-to-income ratio was 23.00%.

As at the end of the reporting period, total assets amounted to RMB21,396,633 million, representing an increase of RMB786,680 million or 3.82% over the end of the previous year. Total loans and advances to customers amounted to RMB11,319,842 million, representing an increase of RMB293,511 million or 2.66% over the end of last year, of which RMB loans of domestic branches grew by RMB260,565 million or 2.68%. In terms of the structure of loans and advances to customers, corporate loans were RMB7,829,607 million, personal loans were RMB3,150,597 million and discounted bills were RMB339,638 million. Loan-to-deposit ratio was 68.59%.

Total liabilities amounted to RMB19,775,373 million, representing an increase of RMB702,724 million or 3.68% over the end of the previous year. Due to customers amounted to RMB15,848,171 million, representing an increase of RMB291,570 million or 1.87% over the end of the previous year. In terms of the structure of deposits, time deposits were RMB8,195,508 million, demand deposits were RMB7,356,530 million and others were RMB296,133 million.

Shareholders' equity amounted to RMB1,621,260 million, representing an increase of RMB83,956 million or 5.46% over the end of last year.

According to the five-category classification of loans, the balance of non-performing loans ("NPLs") amounted to RMB145,548 million. The NPL ratio was 1.29%. The allowance to NPL stood at 180.41%.

The core tier 1 capital adequacy ratio was 12.24%, the tier 1 capital adequacy ratio was 12.51% and the capital adequacy ratio was 14.41%¹, all meeting regulatory requirements.

¹ Calculated based on the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by China Banking Regulatory Commission.

4. SIGNIFICANT EVENTS

4.1 Significant changes in major financial statements items and financial indicators and the reasons thereof

Applicable

Not Applicable

In RMB millions, except for percentages

Item	31 March 2015	31 December 2014	Increase/Decrease (%)	Main reasons for change
Financial assets held for trading	76,809	34,373	123.46	Interbank CDs and bond investment held for trading increased.
Derivative financial assets	81,494	24,048	238.88	The increase of derivative financial assets was mainly due to the consolidation of a newly-acquired subsidiary into the consolidated statements.
Reverse repurchase agreements	659,421	468,462	40.76	Placements by bond pledge increased.
Borrowings from central bank	333	631	(47.23)	Some overseas branches repaid the borrowings from the central bank.
Derivative financial liabilities	80,685	24,191	233.53	The increase of derivative financial liabilities was mainly due to the consolidation of a newly-acquired subsidiary into the consolidated statements.
Non-controlling interests	9,932	6,445	54.10	The Bank acquired a new non-wholly-owned subsidiary.

In RMB millions, except for percentages

Item	Three months ended 31 March 2015	Three months ended 31 March 2014	Increase/Decrease (%)	Main reasons for change
Net trading income	900	493	82.56	The increase of trading investment interest income.
Net gain on financial investments	866	268	223.13	The increase of income from disposal of available-for-sale financial instruments.
Impairment losses on: — Loans and advances to customers	(20,803)	(13,672)	52.16	The increase of recognition of loan impairment losses.
Impairment losses on: — Others	55	(104)	N/A	The reverse of some assets impairment losses.

4.2 Progress of significant events and analysis of their effects and solutions

Applicable Not applicable

4.2.1 Acquisition of 60% Shares in Standard Bank PLC

On 29 January 2014, the Bank entered into a share purchase agreement to acquire 60% of the existing issued shares in Standard Bank PLC (“Target Bank”) from Standard Bank London Holdings Limited (“SBLH”). In addition, the Bank also has a five-year option to acquire additional 20% of the existing issued shares of Target Bank exercisable from the second anniversary of the date that the transaction is completed (the “Call Option”). SBLH will have a put option, exercisable six months following the date on which the Bank’s Call Option is exercised, to require the Bank to purchase all shares of the Target Bank that are held by SBLH and its related parties. This transaction was completed on 1 February 2015 (Beijing time) after obtaining approval from domestic and overseas regulatory authorities and complying with relevant preconditions for completion.

4.2.2 Acquisition of 75.5% Shares of Tekstilbank

On 29 April 2014, the Bank entered into a share purchase agreement to acquire 75.5% of the existing issued shares in Tekstilbank from GSD Holding A.Ş. of Turkey. According to the capital markets law of Turkey, this transaction will trigger the provision that a mandatory tender offer shall be issued to purchase all the remaining shares of Tekstilbank that are traded on the Istanbul Stock Exchange. The Board of Directors of the Bank has authorized the Bank to issue a mandatory tender offer for the remaining shares at a proper time. The abovementioned transaction has been approved by the regulatory authorities of China and Turkey and will be completed based on the abovementioned agreement upon the satisfaction of other preconditions for completion.

4.2.3 Acquisition of 20% Shares in Bank SinoPac

On 2 April 2013, the Bank, SinoPac Financial Holdings Co., Ltd. (“SinoPac Holdings”) and Bank SinoPac Co., Ltd. (“Bank SinoPac”) entered into a share subscription agreement, pursuant to which the Bank shall subscribe 20% shares of SinoPac Holdings or Bank SinoPac. On 27 February 2014, the Bank, SinoPac Holdings and Bank SinoPac entered into a supplemental agreement on the extension of the transaction waiting period (the “First Supplemental Agreement”). The transaction will be carried out after the limit of shareholding percentage of a commercial bank from Mainland China is relaxed to 20% by the Taiwan’s financial regulator. At that time, the Bank will subscribe for shares of Bank SinoPac. On 1 April 2015, the Bank, SinoPac Holdings and Bank SinoPac entered into another supplemental agreement on the further extension of the transaction waiting period under the share subscription agreement to 1 October 2015, without limiting the effect of other provisions of the share subscription agreement and the First Supplemental Agreement. The final completion of the abovementioned transaction is subject to approvals of relevant regulatory authorities.

4.2.4 Particulars of Issuance of Domestic Preference Shares

The Bank has submitted the plan regarding issuance of domestic preference shares to regulatory authorities for approval according to relevant provisions. On 9 March 2015, the Bank received the Approval of China Banking Regulatory Commission (“CBRC”) on ICBC’s Issuance of Domestic Preference Shares (Y.J.F. [2015] No.189). CBRC has approved the Bank’s issuance of no more than 450 million preference shares, with funds raised up to RMB45.0 billion, which will be added to additional tier 1 capital of the Bank according to relevant provisions.

4.3 Fulfillment of commitments made by the Bank or its shareholders holding 5% shares or above

Applicable Not applicable

During the reporting period, the Bank and the shareholders holding 5% shares or above did not make any new commitments. As at 31 March 2015, all of the continuing commitments made by the shareholders were properly fulfilled. For relevant commitments, please refer to the 2014 Annual Report of the Bank.

4.4 Implementation of cash dividend policy during the reporting period

Applicable Not applicable

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

Applicable Not applicable

5. APPENDIX

5.1 Financial statements prepared in accordance with IFRSs are attached in Appendix I to this announcement

5.2 Change of scope of consolidated statements

During the reporting period, the Bank included ICBC Standard Bank Plc into the scope of consolidated statements.

5.3 Capital adequacy ratios disclosed as per the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by the China Banking Regulatory Commission and leverage ratios disclosed as per the Administrative Measures for Leverage Ratio of Commercial Banks (Revision) promulgated by the China Banking Regulatory Commission are attached in Appendix II to this announcement

6. RELEASE OF QUARTERLY REPORT

The report will be published simultaneously on the “HKExnews” website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Bank (www.icbc-ltd.com). The quarterly report prepared in accordance with PRC GAAP will also be published simultaneously on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Bank (www.icbc-ltd.com).

This report is prepared in both Chinese and English. In case of any discrepancy between the two versions, the Chinese version shall prevail.

**By Order of
The Board of Directors of
Industrial and Commercial Bank of China Limited**

Beijing, PRC
29 April 2015

As at the date of this announcement, the Board of Directors comprises Mr. Jiang Jianqing and Mr. Yi Huiman as executive directors, Ms. Wang Xiaoya, Ms. Ge Rongrong, Mr. Fu Zhongjun, Mr. Zheng Fuqing, Mr. Fei Zhoulun and Mr. Cheng Fengchao as non-executive directors, Sir Malcolm Christopher McCarthy, Mr. Kenneth Patrick Chung, Mr. Or Ching Fai, Mr. Hong Yongmiao, Mr. Yi Xiqun and Mr. Anthony Francis Neoh as independent non-executive directors.

Appendix I

Industrial and Commercial Bank of China Limited

Consolidated Statement of Income — Prepared in accordance with IFRSs

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
Interest income	216,836	203,145
Interest expense	<u>(91,553)</u>	<u>(87,320)</u>
NET INTEREST INCOME	125,283	115,825
Fee and commission income	40,728	40,550
Fee and commission expense	<u>(3,518)</u>	<u>(2,868)</u>
NET FEE AND COMMISSION INCOME	37,210	37,682
Net trading income	900	493
Net loss on financial assets and liabilities designated at fair value through profit or loss	(2,601)	(2,221)
Net gain on financial investments	866	268
Other operating income, net	<u>4,150</u>	<u>4,816</u>
OPERATING INCOME	165,808	156,863
Operating expenses	(48,912)	(47,928)
Impairment losses on:		
— Loans and advances to customers	(20,803)	(13,672)
— Others	<u>55</u>	<u>(104)</u>
OPERATING PROFIT	96,148	95,159
Share of profits of associates and joint ventures	<u>871</u>	<u>498</u>
PROFIT BEFORE TAXATION	97,019	95,657
Income tax expense	<u>(22,562)</u>	<u>(22,196)</u>
PROFIT FOR THE PERIOD	74,457	73,461

Industrial and Commercial Bank of China Limited

Consolidated Statement of Income — Prepared in accordance with IFRSs (continued)

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
Attributable to:		
Equity holders of the parent company	74,324	73,302
Non-controlling interests	133	159
Net Profit	<u>74,457</u>	<u>73,461</u>
EARNINGS PER SHARE		
— Basic (RMB yuan)	0.21	0.21
— Diluted (RMB yuan)	<u>0.21</u>	<u>0.21</u>

Jiang Jianqing
Chairman

Yi Huiman
Vice Chairman, President

Liu Yagan
*General Manager of the Finance
and Accounting Department*

Industrial and Commercial Bank of China Limited

Consolidated Statement of Comprehensive Income — Prepared in accordance with IFRSs

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
Net profit for the period	<u>74,457</u>	<u>73,461</u>
Other comprehensive income (after tax, net)		
Items that may be reclassified subsequently to profit or loss:		
Net gain/(loss) from change in fair value of available-for-sale financial assets	(1,235)	8,903
Effective hedging portion of gains or losses arising from cash flow hedging instruments	13	22
Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss	277	42
Foreign currency translation differences	(2,975)	2,037
Others	<u>—</u>	<u>(12)</u>
Subtotal of other comprehensive income for the period	<u>(3,920)</u>	<u>10,992</u>
Total comprehensive income for the period	<u><u>70,537</u></u>	<u><u>84,453</u></u>
Total comprehensive income attributable to:		
Equity holders of the parent company	70,229	84,347
Non-controlling interests	<u>308</u>	<u>106</u>
	<u><u>70,537</u></u>	<u><u>84,453</u></u>

Jiang Jianqing
Chairman

Yi Huiman
Vice Chairman, President

Liu Yagan
*General Manager of the Finance
and Accounting Department*

Industrial and Commercial Bank of China Limited

Consolidated Statement of Financial Position — Prepared in accordance with IFRSs

31 March 2015

(In RMB millions, unless otherwise stated)

	31 March 2015 (unaudited)	31 December 2014 (audited)
ASSETS		
Cash and balances with central banks	3,537,667	3,523,622
Due from banks and other financial institutions	784,207	782,776
Financial assets held for trading	76,809	34,373
Financial assets designated at fair value through profit or loss	353,350	312,455
Derivative financial assets	81,494	24,048
Reverse repurchase agreements	659,421	468,462
Loans and advances to customers	11,057,257	10,768,750
Financial investments	4,172,780	4,086,409
Investments in associates and joint ventures	27,408	28,919
Property and equipment	197,605	199,280
Deferred income tax assets	24,665	24,758
Other assets	423,970	356,101
TOTAL ASSETS	21,396,633	20,609,953
LIABILITIES		
Due to central banks	333	631
Financial liabilities designated at fair value through profit or loss	653,230	589,385
Derivative financial liabilities	80,685	24,191
Due to banks and other financial institutions	1,792,461	1,539,239
Repurchase agreements	421,854	380,957
Certificates of deposit	150,025	176,248
Due to customers	15,848,171	15,556,601
Income tax payable	73,869	60,666
Deferred income tax liabilities	443	451
Debt securities issued	280,771	279,590
Other liabilities	473,531	464,690
TOTAL LIABILITIES	19,775,373	19,072,649

Industrial and Commercial Bank of China Limited

Consolidated Statement of Financial Position — Prepared in accordance with IFRSs (continued)

31 March 2015

(In RMB millions, unless otherwise stated)

	31 March 2015 (unaudited)	31 December 2014 (audited)
EQUITY		
Equity attributable to equity holders of the parent company		
Share capital	356,407	353,495
Other equity instrument	34,428	34,428
Equity component of convertible bonds	—	388
Reserves	496,616	492,312
Retained profits	723,877	650,236
	<hr/>	<hr/>
	1,611,328	1,530,859
Non-controlling interests	9,932	6,445
	<hr/>	<hr/>
TOTAL EQUITY	1,621,260	1,537,304
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	21,396,633	20,609,953
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Jiang Jianqing
Chairman

Yi Huiman
Vice Chairman, President

Liu Yagan
*General Manager of the Finance
and Accounting Department*

Industrial and Commercial Bank of China Limited

Consolidated Statement of Cash Flows — Prepared in accordance with IFRSs

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	97,019	95,657
Adjustments for:		
Share of profits of associates and joint ventures	(871)	(498)
Depreciation	4,002	3,602
Amortisation	1,626	1,575
Amortisation of financial investments	(301)	150
Impairment losses on loans and advances to customers	20,803	13,672
Impairment losses on assets other than loans and advances to customers	(55)	104
Unrealised foreign exchange loss/(gain)	2,561	(3,803)
Interest expense on debt securities issued	3,124	2,751
Accreted interest on impaired loans	(957)	(566)
Gain on disposal of available-for-sale financial assets, net	(862)	(260)
Net trading (gain)/loss on equity investments	(24)	11
Net loss on financial assets and liabilities designated at fair value through profit or loss	2,601	2,221
Net gain on disposal of property and equipment and other assets (other than repossessed assets)	(118)	(218)
Dividend income	(4)	(8)
	<u>128,544</u>	<u>114,390</u>
Net decrease/(increase) in operating assets:		
Due from central banks	65,548	(139,920)
Due from banks and other financial institutions	19,457	99,923
Financial assets held for trading	(42,413)	9,456
Financial assets designated at fair value through profit or loss	(41,354)	8,052
Reverse repurchase agreements	146,415	(10,703)
Loans and advances to customers	(334,253)	(434,096)
Other assets	(252,503)	(74,729)
	<u>(439,103)</u>	<u>(542,017)</u>

Industrial and Commercial Bank of China Limited

Consolidated Statement of Cash Flows — Prepared in accordance with IFRSs (continued)

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
Net increase/(decrease) in operating liabilities:		
Financial liabilities designated at fair value through profit or loss	62,780	7,508
Due to central banks	(298)	(38)
Due to banks and other financial institutions	253,547	176,405
Repurchase agreements	40,897	(66,096)
Certificates of deposit	(26,145)	34,047
Due to customers	292,090	525,043
Other liabilities	213,883	4,606
	836,754	681,475
Net cash flows from operating activities before tax	526,195	253,848
Income tax paid	(7,900)	(5,857)
Net cash flows from operating activities	518,295	247,991
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and other assets	(3,460)	(7,771)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	240	261
Purchases of financial investments	(309,967)	(246,393)
Proceeds from sale and redemption of financial investments	228,566	219,005
Dividends received	4	2
Net cash flows from investing activities	(84,617)	(34,896)

Industrial and Commercial Bank of China Limited

Consolidated Statement of Cash Flows — Prepared in accordance with IFRSs (continued)

For the three months ended 31 March 2015

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2015 (unaudited)	Three months ended 31 March 2014 (unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital injection by non-controlling shareholders	49	—
Proceeds from issuance of other debt securities	22,499	9,439
Interest paid on debt securities	(381)	(292)
Repayments of other debt securities	(15,907)	(15,564)
	<u>6,260</u>	<u>(6,417)</u>
Net cash flows from financing activities		
	<u>6,260</u>	<u>(6,417)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	439,938	206,678
Cash and cash equivalents at beginning of the period	994,263	957,402
Effect of exchange rate changes on cash and cash equivalents	(2,084)	10,316
	<u>(2,084)</u>	<u>10,316</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
	<u>1,432,117</u>	<u>1,174,396</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:		
Interest received	205,381	192,941
Interest paid	(86,813)	(78,634)
	<u>(86,813)</u>	<u>(78,634)</u>

Jiang Jianqing
Chairman

Yi Huiman
Vice Chairman, President

Liu Yagan
General Manager of the Finance
and Accounting Department

Appendix II Capital Adequacy Ratio and Leverage Ratio

I. Capital adequacy ratio

In RMB millions, except for percentages

	31 March 2015		31 December 2014	
Item	Group	Parent Company	Group	Parent Company
Calculated in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by China Banking Regulatory Commission:				
Net core tier 1 capital	1,567,084	1,465,886	1,486,733	1,393,120
Net tier 1 capital	1,601,623	1,500,314	1,521,233	1,427,548
Net capital base	1,845,386	1,725,718	1,812,137	1,699,357
Core tier 1 capital adequacy ratio	12.24%	12.46%	11.92%	12.05%
Tier 1 capital adequacy ratio	12.51%	12.75%	12.19%	12.35%
Capital adequacy ratio	14.41%	14.67%	14.53%	14.70%
Calculated in accordance with the Regulation Governing Capital Adequacy of Commercial Banks and related regulations promulgated by China Banking Regulatory Commission:				
Core capital adequacy ratio	11.54%	11.91%	11.49%	11.82%
Capital adequacy ratio	14.23%	14.29%	14.29%	14.35%

II. Leverage ratio

As at the end of the reporting period, net tier 1 capital of the Bank was RMB1,601,623 million, adjusted on- and off-balance sheet assets was RMB23,050,001 million, and the leverage ratio was 6.95%.