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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 2016

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 2016. 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 2016 has been considered and approved at the meeting of the Board of Directors of the Bank held on 28 April 2016. There were 16 directors eligible for attending the meeting, of whom 14 directors attended the meeting in person and 2 directors by proxy. Mr. Wang Xiquan appointed Mr. Zhang Hongli and Sir Malcolm Christopher McCarthy appointed Mr. Kenneth Patrick Chung to attend the meeting and exercise the voting right on their behalf.
- 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

	Stock name	Stock code	Stock exchange on which shares are listed
A Share	工商銀行	601398	Shanghai Stock Exchange
H Share	ICBC	1398	The Stock Exchange of Hong Kong Limited
Offshore Preference Share	ICBC USDPREF1	4603	The Stock Exchange of Hong Kong Limited
	ICBC EURPREF1	4604	
	ICBC CNHPREF1-R	84602	
Domestic Preference Share	工行優 1	360011	Shanghai Stock Exchange

Board Secretary and 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 based on International Financial Reporting Standards ("IFRSs")

(In RMB millions, unless otherwise specified)

	31 March 2016	31 December 2015	Change (%)
Total assets	22,883,325	22,209,780	3.03
Total loans and advances to customers	12,345,706	11,933,466	3.45
Allowance for impairment losses on loans	289,001	280,654	2.97
Investment	5,275,444	5,009,963	5.30
Total liabilities	21,009,246	20,409,261	2.94
Due to customers	17,038,081	16,281,939	4.64
Due to banks and other financial institutions	2,049,534	2,265,860	(9.55)
Equity attributable to equity holders of the parent company	1,863,180	1,789,474	4.12
Net asset value per share (RMB yuan)	5.00	4.80	4.17

	Three months ended 31 March 2016	Three months ended 31 March 2015	Changes as compared to the same period of last year (%, percentage points)
Operating income	168,992	165,808	1.92
Net profit	74,904	74,457	0.60
Net profit attributable to equity holders of the parent company	74,764	74,324	0.59
Net cash flows from operating activities	199,614	518,295	(61.49)
Basic earnings per share (<i>RMB yuan</i>)	0.21	0.21	—
Diluted earnings per share (<i>RMB yuan</i>)	0.21	0.21	—
Return on weighted average equity (%, <i>annualised</i>)	17.12	19.35	A decrease of 2.23 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 based on IFRSs

In respect of the financial statements of the Group prepared under PRC GAAP and those based on IFRSs, net profit attributable to equity holders of the parent company for the reporting period ended 31 March 2016 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 617,258 ordinary shareholders, including 134,845 holders of H shares and 482,413 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 2016)

Unit: Share

Name of shareholder	Nature of shareholder	Class of shares	Shareholding percentage (%)	Total number of shares held	Number of pledged or locked-up shares	Increase/decrease of share during the reporting period
Central Huijin Investment Ltd.	State-owned	A share	34.71	123,717,852,951	None	—
Ministry of Finance of the People's Republic of China	State-owned	A share	34.60	123,316,451,864	None	—
HKSCC Nominees Limited/ Hong Kong Securities Clearing Company Limited ⁽³⁾	Foreign legal person	H share	24.14	86,051,362,374	Unknown	-8,195,239
		A share	0.10	347,517,224	None	39,193,047
China Securities Finance Co., Ltd.	State-owned legal person	A share	1.39	4,970,150,041	None	595,889,955
Ping An Life Insurance Company of China, Ltd. — Traditional — Ordinary insurance products	Other entities	A share	1.21	4,322,828,137	None	—
Sycamore Investment Platform Co., Ltd.	State-owned legal person	A share	0.40	1,420,781,042	None	—
Central Huijin Asset Management Co., Ltd. ⁽⁴⁾	State-owned legal person	A share	0.28	1,013,921,700	None	—
Anbang Life Insurance Co., Ltd. — Conservative investment portfolio	Other entities	A share	0.11	390,487,231	None	—
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	Other entities	A share	0.09	317,038,927	None	100
GIC PRIVATE LIMITED	Foreign legal person	A share	0.08	269,344,657	None	4,878,496

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 had no shares subject to restrictions on sales.

(3) HKSCC Nominees Limited held 86,051,362,374 H shares and Hong Kong Securities Clearing Company Limited held 347,517,224 A shares.

(4) Central Huijin Asset Management Co., Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd. Save as disclosed above, the Bank is not aware of any connected relations or concert party action among the afore-mentioned shareholders.

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 2016, the Bank had received notices from the following persons in relation to their interests or short positions held in the Bank's shares and relevant shares, which were recorded in the register which is required to be kept pursuant to Section 336 of the Securities and Futures Ordinance of Hong Kong as follows:

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	124,731,774,651	Long position	46.26	35.00

Notes: (1) According to the register of shareholders of the Bank as at 31 March 2016, 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 2016, Central Huijin Investment Ltd. held 123,717,852,951 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 (%)
Temasek Holdings (Private) Limited	Interest of controlled corporations	8,682,954,081	Long position	10.00	2.44
National Council for Social Security Fund	Beneficial owner	8,663,703,234	Long position	9.98	2.43
JPMorgan Chase & Co.	Beneficial owner	957,009,506	Long position	1.10	0.27
	Investment manager	504,502,036	Long position	0.58	0.14
	Trustee (excluding bare trustee)	90,880	Long position	0.00	0.00
	Custodian/ approved lending agent	3,734,395,964	Shares available for lending	4.30	1.05
	Total	5,195,998,386		5.99	1.46
	Beneficial owner	214,762,754	Short position	0.25	0.06
BlackRock, Inc.	Interest of controlled corporations	5,189,411,277	Long position	5.98	1.46
		9,616,000	Short position	0.01	0.00

2.5 Number of Preference Shareholders and Particulars of Shareholding

As at the end of the reporting period, the Bank had 28 preference shareholders (or proxies), including two offshore preference shareholders (or proxies) and 26 domestic preference shareholders.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 OFFSHORE PREFERENCE SHAREHOLDERS (OR PROXIES) OF THE BANK (The following data are based on the register of offshore preference shareholders as at 31 March 2016)

Unit: Share

No.	Name of shareholder	Nature of shareholder	Type of shares	Increase/decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged or locked-up shares
1	Cede & Co.	Foreign legal person	USD offshore preference shares	—	147,000,000	47.9	—	Unknown
2	The Bank of New York Depository (Nominees) Limited	Foreign legal person	RMB offshore preference shares	—	120,000,000	39.1	—	Unknown
			EUR offshore preference shares	—	40,000,000	13.0	—	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 placees.

(3) The Bank is not aware of any connected relations or concert party action among the afore-mentioned preference shareholders and among the afore-mentioned preference shares and top 10 ordinary shareholders.

(4) "Shareholding percentage" refers to the percentage of offshore preference shares held by preference shareholders in total number of offshore preference shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 DOMESTIC PREFERENCE SHAREHOLDERS OF THE BANK (The following data are based on the register of domestic preference shareholders as at 31 March 2016)

Unit: Share

No.	Name of shareholder	Nature of shareholder	Class of shares	Increase/decrease during the reporting period	Shares held at the end of the period	Shareholding percentage (%)	Number of shares subject to restrictions on sales	Number of pledged or locked-up shares
1	China Mobile Communications Corporation	Other entities	Domestic preference shares	—	200,000,000	44.4	—	None
2	China National Tobacco Corporation	Other entities	Domestic preference shares	—	50,000,000	11.1	—	None
3	China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	—	35,000,000	7.8	—	None
4	Ping An Life Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	—	30,000,000	6.7	—	None
5	CCB Trust Co., Ltd.	State-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
6	BOCOM Schrodgers Asset Management Co., Ltd.	Domestic non-state-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
7	China Resources SZITIC Trust Co., Ltd.	State-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
8	BOC International (China) Limited	Domestic non-state-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
9	China National Tobacco Corporation Shandong Branch	Other entities	Domestic preference shares	—	10,000,000	2.2	—	None
	China National Tobacco Corporation Heilongjiang Branch	Other entities	Domestic preference shares	—	10,000,000	2.2	—	None
	Ping An Property & Casualty Insurance Company of China Ltd.	Domestic non-state-owned legal person	Domestic preference shares	—	10,000,000	2.2	—	None

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) China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are both wholly-owned subsidiaries of China National Tobacco Corporation. Save as disclosed above, the Bank is not aware of any connected relations or concert party action among the afore-mentioned preference shareholders and among the afore-mentioned preference shares and top 10 ordinary shareholders.

(3) "Shareholding percentage" refers to the percentage of domestic preference shares held by preference shareholders in total number of domestic preference shares.

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 RMB74,904 million, representing an increase of 0.60% over the same period of last year, of which net profit attributable to equity holders of the parent company stood at RMB74,764 million, representing an increase of 0.59% over the same period of last year. Annualised return on average total assets and annualised return on weighted average equity were 1.33% and 17.12%, respectively.

Operating income amounted to RMB168,992 million, representing an increase of 1.92% compared with the same period of last year. Net interest income was RMB118,810 million, representing a decrease of 5.17% compared with the same period of last year. Under the continuing impact of five interest rate cuts by the People's Bank of China since 2015, annualised net interest margin was 2.28%, representing a decrease of 19 basis points from last year. Non-interest income amounted to RMB50,182 million, representing an increase of 23.83% compared with the same period of last year, of which net fee and commission income was RMB43,485 million, representing an increase of 16.86% compared with the same period of last year. Operating expenses stood at RMB47,910 million, representing a decrease of 2.05% compared with the same period of last year. Cost-to-income ratio was 22.33%.

As at the end of the reporting period, total assets amounted to RMB22,883,325 million, representing an increase of RMB673,545 million or 3.03% over the end of the previous year. Total loans and advances to customers amounted to RMB12,345,706 million, representing an increase of RMB412,240 million or 3.45% over the end of last year, of which RMB loans of domestic branches grew by RMB330,387 million or 3.12%. In terms of the structure of loans and advances to customers, corporate loans were RMB8,114,037 million, personal loans were RMB3,699,462 million and discounted bills were RMB532,207 million. Investments reached RMB5,275,444 million, representing an increase of RMB265,481 million or 5.30% over the end of last year.

Total liabilities amounted to RMB21,009,246 million, representing an increase of RMB599,985 million or 2.94% over the end of the previous year. Due to customers amounted to RMB17,038,081 million, representing an increase of RMB756,142 million or 4.64% over the end of the previous year. In terms of the structure of deposits, time deposits were RMB8,501,028 million, demand deposits were RMB8,310,721 million and other deposits were RMB226,332 million.

Shareholders' equity amounted to RMB1,874,079 million, representing an increase of RMB73,560 million or 4.09% over the end of last year.

According to the five-category classification of loans, the balance of non-performing loans (“NPLs”) amounted to RMB204,659 million. The NPL ratio was 1.66%. The allowance to NPL stood at 141.21%.

The core tier 1 capital adequacy ratio was 12.87%, the tier 1 capital adequacy ratio was 13.45% and the capital adequacy ratio was 14.66%, all meeting regulatory requirements.

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 2016	31 December 2015	Increase/ Decrease (%)	Main reasons for change
Financial assets held for trading	180,031	132,838	35.53	Interbank CD investment held for trading increased.
Reverse repurchase agreements	687,354	996,333	(31.01)	Balance of placements by bond pledge decreased.

In RMB millions, except for percentages

Item	Three months ended 31 March 2016	Three months ended 31 March 2015	Increase/ Decrease (%)	Main reasons for change
Net trading income	1,729	900	92.11	Income from investment held for trading increased.
Net gain/(loss) on financial assets and liabilities designated at fair value through profit or loss	36	(2,601)	N/A	Appraised fair value losses of liabilities designated at fair value decreased.
Net gain on financial investments	1,351	866	56.00	Income from investments available for sale increased.
Share of profits of associates and joint ventures	508	871	(41.68)	Net profit of associates and joint ventures decreased.

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

Applicable Not applicable

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 except for the afore-mentioned commitment. As at 31 March 2016, all of the continuing commitments made by the shareholders were properly fulfilled. For relevant commitments, please refer to the 2015 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. APPENDICES

5.1 Financial statements prepared based on IFRSs are attached in Appendix I to this announcement.

5.2 Capital adequacy ratios disclosed as per the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by the China Banking Regulatory Commission, leverage ratio disclosed as per the Administrative Measures for Leverage Ratio of Commercial Banks (Revised) promulgated by the China Banking Regulatory Commission and liquidity coverage ratio disclosed as per the Administrative Measures for Liquidity Coverage Ratio of Commercial Banks 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
28 April 2016

As at the date of this announcement, the Board of Directors comprises Mr. JIANG Jianqing, Mr. YI Huiman, Mr. ZHANG Hongli and Mr. WANG Xiquan as executive directors, Ms. WANG Xiaoya, Ms. GE Rongrong, Mr. FU Zhongjun, Mr. ZHENG Fuqing, Mr. FEI Zhoulin and Mr. CHENG Fengchao as non-executive directors, Sir Malcolm Christopher McCARTHY, Mr. Kenneth Patrick CHUNG, Mr. OR Ching Fai, Mr. HONG Yongmiao, Mr. Anthony Francis NEOH and Mr. YANG Siu Shun as independent non-executive directors.

Appendix I

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

Consolidated Statement of Profit or Loss — Based on IFRS

For the three months ended 31 March 2016

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
Interest income	200,475	216,836
Interest expense	(81,665)	(91,553)
NET INTEREST INCOME	118,810	125,283
Fee and commission income	47,744	40,728
Fee and commission expense	(4,259)	(3,518)
NET FEE AND COMMISSION INCOME	43,485	37,210
Net trading income	1,729	900
Net gain/(loss) on financial assets and liabilities designated at fair value through profit or loss	36	(2,601)
Net gain on financial investments	1,351	866
Other operating income, net	3,581	4,150
OPERATING INCOME	168,992	165,808
Operating expenses	(47,910)	(48,912)
Impairment losses on:		
— Loans and advances to customers	(23,123)	(20,803)
— Others	(545)	55
OPERATING PROFIT	97,414	96,148
Share of profits of associates and joint ventures	508	871
PROFIT BEFORE TAXATION	97,922	97,019
Income tax expense	(23,018)	(22,562)
PROFIT FOR THE PERIOD	74,904	74,457

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

Consolidated Statement of Profit or Loss — Based on IFRS

For the three months ended 31 March 2016 (continued)

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
Attributable to:		
Equity holders of the parent company	74,764	74,324
Non-controlling interests	140	133
	<hr/>	<hr/>
Profit for the period	74,904	74,457
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EARNINGS PER SHARE		
— Basic (RMB Yuan)	0.21	0.21
— Diluted (RMB Yuan)	0.21	0.21
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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 Profit or Loss and Other Comprehensive Income – Based on IFRS
For the three months ended 31 March 2016
(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
Profit for the period	<u>74,904</u>	<u>74,457</u>
Other comprehensive income (after tax, net)		
Items that will not be reclassified to profit or loss		
Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit or loss	(1)	—
Items that may be reclassified subsequently to profit or loss:		
Net loss from change in fair value of available-for-sale financial assets	(2,522)	(1,235)
Effective hedging portion of gains or losses arising from cash flow hedging instruments	(113)	13
Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss	(304)	277
Foreign currency translation differences	<u>1,600</u>	<u>(2,975)</u>
Subtotal of other comprehensive income for the period	<u>(1,340)</u>	<u>(3,920)</u>
Total comprehensive income for the period	<u><u>73,564</u></u>	<u><u>70,537</u></u>
Total comprehensive income attributable to:		
Equity holders of the parent company	73,701	70,229
Non-controlling interests	<u>(137)</u>	<u>308</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 — Based on IFRS

31 March 2016

(In RMB millions, unless otherwise stated)

	31 March 2016	31 December 2015
ASSETS		
Cash and balances with central banks	3,323,225	3,059,633
Due from banks and other financial institutions	636,404	683,793
Financial assets held for trading	180,031	132,838
Financial assets designated at fair value through profit or loss	248,589	210,434
Derivative financial assets	96,446	78,870
Reverse repurchase agreements	687,354	996,333
Loans and advances to customers	12,056,705	11,652,812
Financial investments	4,846,824	4,666,691
Investments in associates and joint ventures	25,213	24,185
Property and equipment	223,868	224,426
Deferred income tax assets	18,619	21,066
Other assets	540,047	458,699
TOTAL ASSETS	22,883,325	22,209,780
LIABILITIES		
Due to central banks	182	210
Financial liabilities designated at fair value through profit or loss	353,508	303,927
Derivative financial liabilities	97,339	76,826
Due to banks and other financial institutions	2,049,534	2,265,860
Repurchase agreements	328,210	337,191
Certificates of deposit	168,636	183,352
Due to customers	17,038,081	16,281,939
Income tax payable	74,309	63,266
Deferred income tax liabilities	898	995
Debt securities issued	311,938	306,622
Other liabilities	586,611	589,073
TOTAL LIABILITIES	21,009,246	20,409,261

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

Consolidated Statement of Financial Position — Based on IFRS

31 March 2016 (continued)

(In RMB millions, unless otherwise stated)

	31 March 2016	31 December 2015
EQUITY		
Equity attributable to equity holders of the parent company		
Share capital	356,407	356,407
Other equity instrument	79,375	79,375
Including: preference shares	79,375	79,375
Reserves	570,758	571,704
Retained profits	856,640	781,988
	<hr/>	<hr/>
	1,863,180	1,789,474
Non-controlling interests	10,899	11,045
	<hr/>	<hr/>
TOTAL EQUITY	1,874,079	1,800,519
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	22,883,325	22,209,780
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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 Cash Flow Statement — Based on IFRS

For the three months ended 31 March 2016

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	97,922	97,019
Adjustments for:		
Share of profits of associates and joint ventures	(508)	(871)
Depreciation	3,424	4,002
Amortisation	1,684	1,626
Amortisation of financial investments	(1,049)	(301)
Impairment losses on loans and advances to customers	23,123	20,803
Impairment losses/(reversal) on assets other than loans and advances to customers	545	(55)
Unrealised foreign exchange (gain)/loss	(9,439)	2,561
Interest expense on debt securities issued	3,312	3,124
Accreted interest on impaired loans	(1,185)	(957)
Gain on disposal of available-for-sale financial assets, net	(1,348)	(862)
Net trading gain on equity investments	(12)	(24)
Net (gain)/loss on financial assets and liabilities designated at fair value through profit or loss	(36)	2,601
Net gain on disposal and overage of property and equipment and other assets (other than repossessed assets)	(127)	(118)
Dividend income	(3)	(4)
	<u>116,303</u>	<u>128,544</u>
Net decrease/(increase) in operating assets:		
Due from central banks	(63,206)	65,548
Due from banks and other financial institutions	288,902	19,457
Financial assets held for trading	(47,076)	(42,413)
Financial assets designated at fair value through profit or loss	(37,098)	(41,354)
Reverse repurchase agreements	(128,877)	146,415
Loans and advances to customers	(439,525)	(334,253)
Other assets	(317,511)	(252,503)
	<u>(744,391)</u>	<u>(439,103)</u>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

Consolidated Cash Flow Statement — Based on IFRS

For the three months ended 31 March 2016 (continued)

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
Net increase/(decrease) in operating liabilities:		
Financial liabilities designated at fair value through profit or loss	49,842	62,780
Due to central banks	(28)	(298)
Due to banks and other financial institutions	(214,807)	253,547
Repurchase agreements	(8,981)	40,897
Certificates of deposit	(14,331)	(26,145)
Due to customers	759,324	292,090
Other liabilities	265,486	213,883
	<u>836,505</u>	<u>836,754</u>
Net cash flows from operating activities before tax	208,417	526,195
Income tax paid	(8,803)	(7,900)
	<u>199,614</u>	<u>518,295</u>
Net cash flows from operating activities	199,614	518,295
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and other assets	(4,258)	(3,460)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	198	240
Purchases of financial investments	(648,097)	(309,967)
Proceeds from sale and redemption of financial investments	454,097	228,566
Investments in associates and joint ventures	(239)	—
Dividends received	3	4
	<u>(198,296)</u>	<u>(84,617)</u>
Net cash flows from investing activities	(198,296)	(84,617)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

Consolidated Cash Flow Statement — Based on IFRS

For the three months ended 31 March 2016 (continued)

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2016	Three months ended 31 March 2015
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital injection by non-controlling shareholders	—	49
Proceeds from issuance of other debt securities	203,010	22,499
Interest paid on debt securities	(589)	(381)
Repayment of other debt securities	(201,539)	(15,907)
	<u>882</u>	<u>6,260</u>
Net cash flows from financing activities	882	6,260
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	2,200	439,938
Cash and cash equivalents at beginning of the period	1,441,298	994,263
Effect of exchange rate changes on cash and cash equivalents	1,864	(2,084)
	<u>1,445,362</u>	<u>1,432,117</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
	<u>1,445,362</u>	<u>1,432,117</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:		
Interest received	187,695	205,381
Interest paid	(76,396)	(86,813)
	<u>187,695</u>	<u>205,381</u>

Jiang Jianqing
Chairman

Yi Huiman
Vice Chairman, President

Liu Yagan
General Manager of the Finance
and Accounting Department

Appendix II Capital Adequacy Ratio, Leverage Ratio and Liquidity Coverage Ratio

I. Capital Adequacy Ratio

In RMB millions, except for percentages

Item	31 March 2016		31 December 2015	
	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	1,774,679	1,641,691	1,701,495	1,571,403
Net tier 1 capital	1,854,320	1,721,066	1,781,062	1,650,778
Net capital base	2,021,074	1,876,256	2,012,103	1,869,237
Core tier 1 capital adequacy ratio	12.87%	12.94%	12.87%	12.88%
Tier 1 capital adequacy ratio	13.45%	13.57%	13.48%	13.53%
Capital adequacy ratio	14.66%	14.79%	15.22%	15.32%
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	11.79%	12.07%	11.83%	12.09%
Capital adequacy ratio	14.67%	14.64%	14.75%	14.67%

II. Leverage Ratio

In RMB millions, except for percentages

Item	31 March 2016	31 December 2015	30 September 2015	30 June 2015
Net tier 1 capital	1,854,320	1,781,062	1,671,889	1,594,669
Balance of adjusted on- and off-balance sheet assets	24,599,374	23,813,992	23,706,602	24,015,488
Leverage ratio	7.54%	7.48%	7.05%	6.64%

III. Quantitative Information Disclosure of Liquidity Coverage Ratio

In RMB millions, except for percentages

No.		First quarter 2016	
		Total un-weighted value	Total weighted value
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		4,740,707
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	8,834,420	874,488
3	<i>Stable deposits</i>	146,496	5,696
4	<i>Less stable deposits</i>	8,687,924	868,792
5	Unsecured wholesale funding, of which:	9,664,798	3,299,461
6	<i>Operational deposits (excluding those generated from correspondent banking activities)</i>	5,496,294	1,354,324
7	<i>Non-operational deposits (all counterparties)</i>	4,011,935	1,788,568
8	<i>Unsecured debt</i>	156,569	156,569
9	Secured funding		41,726
10	Additional requirements, of which:	1,670,715	140,854
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	5,436	5,436
12	<i>Outflows related to loss of funding on debt products</i>	—	—
13	<i>Credit and liquidity facilities</i>	1,665,279	135,418
14	Other contractual funding obligations	38,107	38,101
15	Other contingent funding obligations	627,328	14,429
16	TOTAL CASH OUTFLOWS		4,409,059
CASH INFLOWS			
17	Secured lending (including reverse repos and securities borrowing)	1,074,238	457,728
18	Inflows from fully performing exposures	1,171,601	750,145
19	Other cash inflows	40,836	27,685
20	TOTAL CASH INFLOWS	2,286,675	1,235,558
			Total adjusted value
21	TOTAL HQLA		4,740,707
22	TOTAL NET CASH OUTFLOWS		3,173,501
23	LIQUIDITY COVERAGE RATIO (%)		149.51%

Note: Data of the above table are all the simple arithmetic means of the month-end figures of the recent quarter.