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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 THIRD QUARTERLY REPORT OF 2018

The Board of Directors of Industrial and Commercial Bank of China Limited (hereinafter referred to as “the Bank”) announces the results of the Bank and its subsidiaries (hereinafter referred to as “the Group”) for the third quarter ended 30 September 2018. This report 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 Third Quarterly Report of 2018 has been considered and approved at the meeting of the Board of Directors of the Bank held on 30 October 2018. All the directors of the Bank attended the meeting.
- 1.3 These quarterly financial statements have not been audited.
- 1.4 Mr. Yi Huiman, Legal Representative of the Bank, Mr. Gu Shu, President in charge of finance of the Bank, and Mr. Zhang Wenwu, 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 shares	ICBC USDPREF1	4603	The Stock Exchange of Hong Kong Limited
	ICBC EURPREF1	4604	
	ICBC CNHPREF1-R	84602	
Domestic preference shares	工行優 1	360011	Shanghai Stock Exchange

Board Secretary, Company Secretary	
Name	Guan Xueqing
Address	No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, China (Postal code:100140)
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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)

	30 September 2018	31 December 2017	Changes as compared to the end of last year (%)
Total assets	28,198,135	26,087,043	8.09
Total loans and advances to customers	15,263,939	14,233,448	7.24
Allowance for impairment losses on loans ⁽¹⁾	403,595	340,482	18.54
Investment	6,552,801	5,756,704	13.83
Total liabilities	25,917,274	23,945,987	8.23
Due to customers	21,307,707	19,562,936	8.92
Due to banks and other financial institutions	2,032,966	1,706,549	19.13
Equity attributable to equity holders of the parent company	2,266,963	2,127,491	6.56
Net asset value per share (RMB yuan)	6.12	5.73	6.81

Note: (1) Refers to the sum of allowance for impairment losses on loans and advances to customers measured at amortised cost and loans and advances to customers measured at fair value through other comprehensive income.

	Three months ended 30 September 2018	Changes as compared to the three months ended 30 September 2017 (%)	Nine months ended 30 September 2018	Changes as compared to the nine months ended 30 September 2017 (%)
Operating income	178,578	5.34	539,880	6.64
Net profit	79,463	5.39	240,120	4.82
Net profit attributable to equity holders of the parent company	79,185	5.57	239,627	5.10
Net cash flows from operating activities	N/A	N/A	882,902	23.17
Basic earnings per share (<i>RMB yuan</i>)	0.22	4.76	0.67	4.69
Diluted earnings per share (<i>RMB yuan</i>)	0.22	4.76	0.67	4.69
Return on weighted average equity (%, <i>annualised</i>)	14.82	A decrease of 0.43 percentage points	15.15	A decrease of 0.38 percentage points

2.2.2 Differences between the financial statements prepared based on 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 based on PRC GAAP and those based on IFRSs, net profit attributable to equity holders of the parent company for the reporting period ended 30 September 2018 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 557,481 ordinary shareholders, including 123,468 holders of H shares and 434,013 holders of A shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 ORDINARY SHAREHOLDERS OF THE BANK

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	Changes of shares during the reporting period
Central Huijin Investment Ltd.	State-owned	A shares	34.71	123,717,852,951	None	—
Ministry of Finance of the People's Republic of China	State-owned	A shares	34.60	123,316,451,864	None	—
HKSCC Nominees Limited/ Hong Kong Securities Clearing Company Limited ⁽⁴⁾	Foreign legal person	H shares	24.17	86,142,987,591	Unknown	43,137,163
		A shares	0.24	860,762,193	None	390,911,725
Ping An Life Insurance Company of China, Ltd. — Traditional — Ordinary insurance products	Other entities	A shares	1.03	3,687,330,676	None	-44,000,000
China Securities Finance Co., Ltd.	State-owned legal person	A shares	0.68	2,411,024,669	None	-1,565,055,217
Wutongshu Investment Platform Co., Ltd.	State-owned legal person	A shares	0.40	1,420,781,042	None	—
Central Huijin Asset Management Co., Ltd.	State-owned legal person	A shares	0.28	1,013,921,700	None	—
China Life Insurance Company Limited — Dividends Distribution — Dividends Distribution to Individuals — 005L — FH002 Hu	Other entities	A shares	0.21	738,806,900	None	607,004,555
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	Other entities	A shares	0.14	481,235,789	None	118,527,962
Anbang Property & Casualty Insurance Co., Ltd. — Traditional products	Other entities	A shares	0.06	207,691,297	None	—

Notes: (1) The above data are based on the Bank's register of shareholders as at 30 September 2018.

(2) The Bank had no shares subject to restrictions on sales.

(3) Central Huijin Asset Management Co., Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd. Both the "China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu" and the "China Life Insurance Company Limited — Dividends Distribution — Dividends Distribution to Individuals — 005L — FH002 Hu" are managed by China Life Insurance Company Limited. Save as disclosed above, the Bank is not aware of any connected relations or concert party action among the afore-mentioned shareholders.

(4) HKSCC Nominees Limited held 86,142,987,591 H shares and Hong Kong Securities Clearing Company Limited held 860,762,193 A 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 30 September 2018, the Bank received notices from the following persons about their interests or short positions held in the Bank's ordinary shares and underlying shares, which were recorded in the register 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 30 September 2018, 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 30 September 2018, Central Huijin Investment Ltd. held 123,717,852,951 shares in the Bank. Central Huijin Asset Management Co., Ltd., a subsidiary of Central Huijin Investment Ltd. held 1,013,921,700 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	7,317,475,731	Long position	8.43	2.05
Ping An Asset Management Co., Ltd. ⁽¹⁾	Investment manager	8,707,776,000	Long position	10.03	2.44
BlackRock, Inc.	Interest of controlled corporations	4,397,641,191	Long position	5.07	1.23
		1,679,000	Short position	0.00	0.00

Note: (1) As confirmed by Ping An Asset Management Co., Ltd., such shares were held by Ping An Asset Management Co., Ltd. on behalf of certain customers (including but not limited to Ping An Life Insurance Company of China, Ltd.) in its capacity as investment manager and the interests in such shares were disclosed based on the latest disclosure of interests form filed by Ping An Asset Management Co., Ltd. for the period ended 30 September 2018 (the date of relevant event being 7 September 2018). Both Ping An Life Insurance Company of China, Ltd. and Ping An Asset Management Co., Ltd. are subsidiaries of Ping An Insurance (Group) Company of China, Ltd. As Ping An Asset Management Co., Ltd. is in a position to fully exercise the voting rights in respect of such shares on behalf of customers and independently exercise the rights of investment and business management in its capacity as investment manager, and is completely independent from Ping An Insurance (Group) Company of China, Ltd., Ping An Insurance (Group) Company of China, Ltd. is exempted from aggregating the interests in such shares as a holding company under the aggregation exemption and disclosing the holding of the same in accordance with the Securities and Futures Ordinance of Hong Kong.

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. During the reporting period, the Bank did not restore any voting right of the preference shares.

PARTICULARS OF SHAREHOLDING OF THE TOP 10 OFFSHORE PREFERENCE SHAREHOLDERS (OR PROXIES) OF THE BANK

Unit: Share

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
Cede & Co.	Foreign legal person	USD offshore preference shares	—	147,000,000	47.9	—	Unknown
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) The above data are based on the Bank's register of offshore preference shareholders as at 30 September 2018.
- (2) As the issuance of the offshore preference shares above 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 and among the afore-mentioned preference shareholders and the 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

Unit: Share

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
China Mobile Communications Corporation	Other entities	Domestic preference shares	—	200,000,000	44.4	—	None
China National Tobacco Corporation	Other entities	Domestic preference shares	—	50,000,000	11.1	—	None
China Life Insurance Company Limited	State-owned legal person	Domestic preference shares	—	35,000,000	7.8	—	None
Ping An Life Insurance Company of China, Ltd.	Domestic non-state-owned legal person	Domestic preference shares	—	30,000,000	6.7	—	None
CCB Trust Co., Ltd.	State-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
BOCOM Schroder Asset Management Co., Ltd.	Domestic non-state-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
China Resources SZITIC Trust Co., Ltd.	State-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
BOC International (China) Limited	Domestic non-state-owned legal person	Domestic preference shares	—	15,000,000	3.3	—	None
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) The above data are based on the Bank's register of domestic preference shareholders as at 30 September 2018.

(2) China National Tobacco Corporation Shandong Branch and China National Tobacco Corporation Heilongjiang Branch are both wholly-owned subsidiaries of China National Tobacco Corporation. Both the “China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu” and the “China Life Insurance Company Limited — Dividends Distribution — Dividends Distribution to Individuals — 005L — FH002 Hu” are managed by China Life Insurance Company Limited. The “Ping An Life Insurance Company of China, Ltd. — Traditional — Ordinary insurance products” is managed by Ping An Life Insurance Company of China, Ltd. Ping An Life Insurance Company of China, Ltd. and Ping An Property & Casualty Insurance Company of China Ltd. have connected relations. 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 shareholders 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 THIRD 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 RMB240,120 million, representing an increase of 4.82% over the same period of last year. Annualised return on average total assets and annualised return on weighted average equity were 1.18% and 15.15%, respectively.

Operating income amounted to RMB539,880 million, representing an increase of 6.64% compared with the same period of last year. Net interest income was RMB423,630 million, representing an increase of 10.28% compared with the same period of last year. Annualised net interest margin rose by 0.13 percentage points to 2.30% compared to the same period of last year. Non-interest income was RMB116,250 million, representing a decrease of 4.80% compared with the same period of last year. Specifically, net fee and commission income was RMB113,739 million, representing an increase of 5.66% compared with the same period of last year. Operating expenses (exclusive of taxes and surcharges) were RMB122,530 million, representing an increase of 1.85% compared with the same period of last year. Cost-to-income ratio was 22.70%.

As at the end of the reporting period, total assets amounted to RMB28,198,135 million, representing an increase of RMB2,111,092 million or 8.09% over the end of the previous year. Total loans and advances to customers amounted to RMB15,263,939 million, representing an increase of RMB1,030,491 million or 7.24% over the end of last year, of which RMB loans of domestic branches grew by RMB919,904 million or 7.40%. In terms of the structure of loans and advances to customers, corporate loans were RMB9,450,112 million, personal loans were RMB5,496,399 million and discounted bills were RMB317,428 million. Investment was RMB6,552,801 million, representing an increase of RMB796,097 million or 13.83% over the end of last year.

Total liabilities amounted to RMB25,917,274 million, representing an increase of RMB1,971,287 million or 8.23% over the end of the previous year. Due to customers amounted to RMB21,307,707 million, representing an increase of RMB1,744,771 million or 8.92% over the end of the previous year. In terms of the structure of deposits, time deposits were RMB10,793,046 million, demand deposits were RMB10,256,987 million and others were RMB257,674 million.

Shareholders' equity amounted to RMB2,280,861 million, representing an increase of RMB139,805 million or 6.53% over the end of last year.

According to the five-category classification of loans, the balance of non-performing loans (“NPLs”) amounted to RMB234,042 million, representing an increase of RMB13,054 million over the end of the previous year. The NPL ratio was 1.53%, representing a decrease of 0.02 percentage points over the end of the previous year. The allowance to NPL ratio stood at 172.45%, representing an increase of 18.38 percentage points over the end of the previous year.

The core tier 1 capital adequacy ratio was 12.48%, the tier 1 capital adequacy ratio was 12.94% and the capital adequacy ratio was 14.81%¹, all meeting regulatory requirements.

4. SIGNIFICANT EVENTS

4.1 Significant changes in major financial data and financial indicators and the reasons thereof

Applicable Not applicable

In RMB millions, except for percentages

Item	30 September 2018	31 December 2017	Increase/Decrease (%)	Main reasons for change
Repurchase agreements	564,483	1,046,338	(46.05)	Balance of deposits from bond pledge decreased.
Other liabilities	823,324	603,500	36.42	Business clearing increased.

In RMB millions, except for percentages

Item	Nine months ended 30 September 2018	Nine months ended 30 September 2017	Increase/Decrease (%)	Main reasons for change
Other operating (expense)/income, net	(976)	8,815	(111.07)	Exchange rate changed.

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

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

Applicable Not applicable

4.2.1 Issuance of Tier 2 Capital Instruments

On the basis of capital replenishment by retained profits, the Bank proactively expanded the channels for external capital replenishment and continuously promoted the issuance of new types of capital instruments. On 30 August 2018, the Board of Directors of the Bank convened a meeting, at which the proposal on issuing the eligible tier 2 capital instruments with the total amount up to an equivalent of RMB110 billion by the end of 2020 was reviewed and approved. The proposal is still to be presented to the shareholders' general meeting for consideration. Please refer to the announcements published by the Bank on the websites of The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange for details on the issuance of tier 2 capital instruments by the Bank.

4.2.2 Issuance of Preference Shares

On 30 August 2018, the Board of Directors of the Bank reviewed and approved the Proposal on the Domestic Preference Share Issuance Plan of Industrial and Commercial Bank of China Limited and the Proposal on the Offshore Preference Share Issuance Plan of Industrial and Commercial Bank of China Limited. The Bank plans to issue preference shares with a total amount up to an equivalent of RMB100 billion on the domestic and offshore markets. Among which, preference shares up to RMB100 billion will be issued in a single or multiple series in the domestic market and preference shares up to an equivalent of RMB44 billion will be issued in the offshore market. The specific issuance amount will be determined within the above-mentioned limits by the Board of Directors as authorized by the shareholders' general meeting (sub-authorization is available). All the funds raised from the domestic and offshore issuance of preference shares after deducting the issuance costs will be used to replenish additional tier 1 capital of the Bank. The preference share issuance plan is still subject to the review and approval by the shareholders' general meeting of the Bank, after which it also needs to be approved by relevant regulatory authorities. Please refer to the announcements published by the Bank on the websites of The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange for details on the Bank's planned issuance of domestic and offshore preference shares.

4.3 Implementation of cash dividend policy during the reporting period

Applicable Not applicable

Upon the approval at the Annual General Meeting for the Year 2017 held on 26 June 2018, the Bank has distributed cash dividends of about RMB85,823 million, or RMB2.408 per ten shares (pre-tax), for the period from 1 January 2017 to 31 December 2017 to the ordinary shareholders whose names appeared on the register of shareholders upon the close of market on 12 July 2018.

During the reporting period, the Bank did not distribute any dividend on the preference shares. The Bank considered and approved the implementation of dividend distribution for preference shares at the meeting of the Board of Directors convened on 30 October 2018, and decided to distribute total dividends of RMB2,025 million for domestic preference shares on 23 November 2018 at a dividend rate of 4.5% (pre-tax, and tax payable arising from dividend income gained by domestic preference shareholders shall be borne by them in accordance with relevant laws and regulations); and to distribute total dividends equivalent to about RMB2,469 million (estimated based on the exchange rate at the end of September, and the actual sum will depend on the exchange rate on the day of announcement) for offshore preference shares on 10 December 2018 at a dividend rate of 6% (post-tax, i.e., actual dividend rate received by offshore preference shareholders).

4.4 Unfulfilled commitments 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 report

5.2 Capital adequacy ratios disclosed as per the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by the former China Banking Regulatory Commission, leverage ratio disclosed as per the Administrative Measures for Leverage Ratio of Commercial Banks (Revised) promulgated by the former China Banking Regulatory Commission and liquidity coverage ratio disclosed as per the Administrative Measures for the Information Disclosure of Liquidity Coverage Ratio of Commercial Banks promulgated by the former China Banking Regulatory Commission are attached in Appendix II to this report

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, China
30 October 2018

As at the date of this announcement, the Board of Directors comprises Mr. YI Huiman and Mr. GU Shu as executive directors, Mr. CHENG Fengchao, Mr. ZHENG Fuqing, Ms. MEI Yingchun, Mr. DONG Shi and Mr. YE Donghai as non-executive directors, Mr. OR Ching Fai, Mr. HONG Yongmiao, Mr. Anthony Francis NEOH, Mr. YANG Siu Shun, Ms. Sheila Colleen BAIR and Mr. SHEN Si 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 nine months ended 30 September 2018
(In RMB millions, unless otherwise stated)

	Three months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2018 (Unaudited)	Three months ended 30 September 2017 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
Interest income	243,243	700,050	218,279	636,632
Interest expense	(97,229)	(276,420)	(85,050)	(252,481)
NET INTEREST INCOME	146,014	423,630	133,229	384,151
Fee and commission income	38,227	125,930	35,571	120,973
Fee and commission expense	(3,748)	(12,191)	(4,598)	(13,330)
NET FEE AND COMMISSION INCOME	34,479	113,739	30,973	107,643
Net trading income	1,825	4,869	1,507	4,419
Net (loss)/gain on financial investments	(3,311)	(1,382)	606	1,237
Other operating (expense)/income, net	(429)	(976)	3,211	8,815
OPERATING INCOME	178,578	539,880	169,526	506,265
Operating expenses	(46,508)	(128,466)	(45,653)	(125,923)
Impairment losses on:				
— Loans and advances to customers	(30,429)	(107,981)	(27,115)	(88,116)
— Others	(3,046)	(8,952)	(1,158)	(1,500)
OPERATING PROFIT	98,595	294,481	95,600	290,726
Share of profits of associates and joint ventures	712	2,042	661	2,033
PROFIT BEFORE TAXATION	99,307	296,523	96,261	292,759
Income tax expense	(19,844)	(56,403)	(20,862)	(63,673)
PROFIT FOR THE PERIOD	79,463	240,120	75,399	229,086

Industrial and Commercial Bank of China Limited
Consolidated Statement of Profit or Loss — Based on IFRS (continued)
For the nine months ended 30 September 2018
(In RMB millions, unless otherwise stated)

	Three months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2018 (Unaudited)	Three months ended 30 September 2017 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
Attributable to:				
Equity holders of the parent company	79,185	239,627	75,004	227,999
Non-controlling interests	<u>278</u>	<u>493</u>	<u>395</u>	<u>1,087</u>
Profit for the period	<u><u>79,463</u></u>	<u><u>240,120</u></u>	<u><u>75,399</u></u>	<u><u>229,086</u></u>
EARNINGS PER SHARE				
— Basic (<i>RMB yuan</i>)	0.22	0.67	0.21	0.64
— Diluted (<i>RMB yuan</i>)	<u>0.22</u>	<u>0.67</u>	<u>0.21</u>	<u>0.64</u>

Yi Huiman
Chairman

Gu Shu
President

Zhang Wenwu
*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 nine months ended 30 September 2018
(In RMB millions, unless otherwise stated)

	Three months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2018 (Unaudited)	Three months ended 30 September 2017 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
Profit for the period	<u>79,463</u>	<u>240,120</u>	<u>75,399</u>	<u>229,086</u>
Other comprehensive income (after tax, net):				
Items that will not be reclassified to profit or loss				
Net gain from equity instruments designated as at fair value through other comprehensive income	1,066	1,395		
Share of the other comprehensive income of investees accounted for using equity method which will not be reclassified to profit or loss	—	6	—	(11)
Others	(3)	(6)	(1)	—
Items that may be reclassified subsequently to profit or loss:				
Net gain from debt instruments measured at fair value through other comprehensive income	2,639	13,149		
Net loss from change in fair value of available-for-sale financial assets			(871)	(19,116)
Effective hedging portion of gains or losses arising from cash flow hedging instruments	(258)	(298)	205	309
Share of the other comprehensive income of investees accounted for using equity method which may be reclassified subsequently to profit or loss	(69)	326	153	(27)
Foreign currency translation differences	6,687	4,328	(4,420)	(7,400)
Others	(723)	(953)	385	356
Subtotal of other comprehensive income for the period	<u>9,339</u>	<u>17,947</u>	<u>(4,549)</u>	<u>(25,889)</u>
Total comprehensive income for the period	<u>88,802</u>	<u>258,067</u>	<u>70,850</u>	<u>203,197</u>
Total comprehensive income attributable to:				
Equity holders of the parent company	88,368	257,451	70,651	202,697
Non-controlling interests	<u>434</u>	<u>616</u>	<u>199</u>	<u>500</u>

Yi Huiman
Chairman

Gu Shu
President

Zhang Wenwu
General Manager of the Finance
and Accounting Department

Industrial and Commercial Bank of China Limited
Consolidated Statement of Financial Position — Based on IFRS

30 September 2018

(In RMB millions, unless otherwise stated)

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
ASSETS		
Cash and balances with central banks	3,720,360	3,613,872
Due from banks and other financial institutions	1,097,688	847,611
Derivative financial assets	101,653	89,013
Reverse repurchase agreements	851,849	986,631
Loans and advances to customers	14,860,753	13,892,966
Financial investments	6,552,801	5,756,704
— Financial investments measured at fair value through profit or loss	829,315	440,938
— Financial investments measured at fair value through other comprehensive income	1,428,352	
— Financial investments measured at amortised cost	4,295,134	
— Available-for-sale financial assets		1,496,453
— Held-to-maturity investments		3,542,184
— Receivables		277,129
Investments in associates and joint ventures	32,055	32,441
Property and equipment	276,861	247,744
Deferred income tax assets	57,534	48,392
Other assets	646,581	571,669
TOTAL ASSETS	<u>28,198,135</u>	<u>26,087,043</u>

Industrial and Commercial Bank of China Limited
Consolidated Statement of Financial Position — Based on IFRS (continued)
30 September 2018
(In RMB millions, unless otherwise stated)

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
LIABILITIES		
Due to central banks	437	456
Financial liabilities designated as at fair value through profit or loss	102,194	89,361
Derivative financial liabilities	96,406	78,556
Due to banks and other financial institutions	2,032,966	1,706,549
Repurchase agreements	564,483	1,046,338
Certificates of deposit	317,147	260,274
Due to customers	21,307,707	19,562,936
Income tax payable	66,083	70,644
Deferred income tax liabilities	951	433
Debt securities issued	605,576	526,940
Other liabilities	823,324	603,500
TOTAL LIABILITIES	25,917,274	23,945,987
EQUITY		
Equity attributable to equity holders of the parent company		
Share capital	356,407	356,407
Other equity instruments	86,051	86,051
Reserves	630,568	587,489
Retained profits	1,193,937	1,097,544
	2,266,963	2,127,491
Non-controlling interests	13,898	13,565
TOTAL EQUITY	2,280,861	2,141,056
TOTAL EQUITY AND LIABILITIES	28,198,135	26,087,043

Yi Huiman
Chairman

Gu Shu
President

Zhang Wenwu
*General Manager of the Finance
and Accounting Department*

Industrial and Commercial Bank of China Limited

Consolidated Cash Flow Statement — Based on IFRS

For the nine months ended 30 September 2018

(In RMB millions, unless otherwise stated)

	Nine months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	296,524	292,758
Adjustments for:		
Share of profits of associates and joint ventures	(2,042)	(2,033)
Depreciation	9,376	9,760
Amortisation	4,474	4,455
Amortisation of financial investments	(115)	17,842
Impairment losses on loans and advances to customers	107,981	88,116
Impairment losses on assets other than loans and advances to customers	8,952	1,500
Unrealised loss on foreign exchange	24,637	3,517
Interest expense on debt securities issued	17,213	11,783
Accreted interest on impaired loans	(2,019)	(2,451)
Net loss/(gain) on disposal of financial investments	1,577	(1,416)
Net trading gain on equity investments	(455)	(399)
Net loss on financial assets and liabilities designated as at fair value through profit or loss	5,727	394
Net gain on disposal and overage of property and equipment and other assets (other than repossessed assets)	(1,361)	(989)
Dividend income	(195)	(215)
	<u>470,274</u>	<u>422,622</u>

Industrial and Commercial Bank of China Limited
Consolidated Cash Flow Statement — Based on IFRS (continued)
For the nine months ended 30 September 2018
(In RMB millions, unless otherwise stated)

	Nine months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
Net decrease/(increase) in operating assets:		
Due from central banks	127,341	(190,683)
Due from banks and other financial institutions	(171,499)	84,229
Financial investments measured at fair value through profit or loss	(285,657)	20,097
Reverse repurchase agreements	185,600	64,664
Loans and advances to customers	(879,358)	(1,149,029)
Other assets	(98,279)	(13,552)
	<u>(1,121,852)</u>	<u>(1,184,274)</u>
Net increase/(decrease) in operating liabilities:		
Financial liabilities designated as at fair value through profit or loss	3,309	9,620
Due to central banks	(19)	(68)
Due to banks and other financial institutions	284,165	(269,200)
Repurchase agreements	(481,855)	94,357
Certificates of deposit	41,845	61,364
Due to customers	1,675,361	1,663,976
Other liabilities	77,048	(15,147)
	<u>1,599,854</u>	<u>1,544,902</u>
Net cash flows from operating activities before tax	948,276	783,250
Income tax paid	(65,374)	(66,454)
Net cash flows from operating activities	<u>882,902</u>	<u>716,796</u>

Industrial and Commercial Bank of China Limited
Consolidated Cash Flow Statement — Based on IFRS (continued)
For the nine months ended 30 September 2018
(In RMB millions, unless otherwise stated)

	Nine months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and other assets	(37,761)	(8,586)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	1,385	1,538
Purchases of financial investments	(1,644,217)	(1,930,271)
Proceeds from sale and redemption of financial investments	1,162,575	1,687,422
Investments in associates and joint ventures	(1,660)	(1,579)
Dividends received	1,698	1,403
	<u>(517,980)</u>	<u>(250,073)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital injection by non-controlling shareholders	76	792
Proceeds from issuance of debt securities	802,249	643,117
Interest paid on debt securities	(13,197)	(10,716)
Repayment of debt securities	(739,451)	(584,569)
Dividends paid on ordinary shares	(85,823)	(83,506)
Dividends paid to non-controlling shareholders	(327)	(309)
	<u>(36,473)</u>	<u>(35,191)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of the period	1,520,330	1,189,368
Effect of exchange rate changes on cash and cash equivalents	35,744	(21,281)
	<u>1,884,523</u>	<u>1,599,619</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:		
Interest received	717,986	674,805
Interest paid	(265,605)	(239,654)
	<u>(265,605)</u>	<u>(239,654)</u>

Yi Huiman
Chairman

Gu Shu
President

Zhang Wenwu
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	30 September 2018		31 December 2017	
	Group	Parent Company	Group	Parent Company
Calculated in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by the former China Banking Regulatory Commission:				
Net core tier 1 capital	2,169,954	1,981,940	2,030,108	1,856,054
Net tier 1 capital	2,249,959	2,043,854	2,110,060	1,935,429
Net capital base	2,575,235	2,352,508	2,406,920	2,216,707
Core tier 1 capital adequacy ratio	12.48%	12.71%	12.77%	12.88%
Tier 1 capital adequacy ratio	12.94%	13.11%	13.27%	13.44%
Capital adequacy ratio	14.81%	15.09%	15.14%	15.39%
Calculated in accordance with the Regulation Governing Capital Adequacy of Commercial Banks and related regulations promulgated by the former China Banking Regulatory Commission:				
Core capital adequacy ratio	11.38%	11.60%	11.65%	11.96%
Capital adequacy ratio	14.01%	14.04%	14.56%	14.67%

II. Leverage Ratio

In RMB millions, except for percentages

Item	30 September 2018	30 June 2018	31 March 2018	31 December 2017
Net tier 1 capital	2,249,959	2,161,384	2,154,625	2,110,060
Balance of adjusted on- and off-balance sheet assets	30,363,117	29,421,922	28,551,949	28,084,967
Leverage ratio	7.41%	7.35%	7.55%	7.51%

III. Quantitative Information Disclosure of Liquidity Coverage Ratio

In RMB millions, except for percentages

No.		Third quarter 2018	
		Total un-weighted value	Total weighted value
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		4,973,338
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	9,787,465	975,698
3	<i>Stable deposits</i>	47,640	1,716
4	<i>Less stable deposits</i>	9,739,825	973,982
5	Unsecured wholesale funding, of which:	11,841,891	3,975,228
6	<i>Operational deposits (excluding those generated from correspondent banking activities)</i>	6,714,289	1,630,262
7	<i>Non-operational deposits (all counterparties)</i>	5,064,097	2,281,461
8	<i>Unsecured debt</i>	63,505	63,505
9	Secured funding		30,640
10	Additional requirements, of which:	4,122,818	1,541,367
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	1,312,324	1,312,324
12	<i>Outflows related to loss of funding on debt products</i>	—	—
13	<i>Credit and liquidity facilities</i>	2,810,494	229,043
14	Other contractual funding obligations	49,356	49,002
15	Other contingent funding obligations	2,916,258	120,122
16	TOTAL CASH OUTFLOWS		6,692,057
CASH INFLOWS			
17	Secured lending (including reverse repos and securities borrowing)	826,569	334,358
18	Inflows from fully performing exposures	1,291,643	919,100
19	Other cash inflows	1,310,972	1,307,290
20	TOTAL CASH INFLOWS	3,429,184	2,560,748
			Total adjusted value
21	TOTAL HQLA		4,973,338
22	TOTAL NET CASH OUTFLOWS		4,131,309
23	LIQUIDITY COVERAGE RATIO (%)		120.36%

Note: Data of the above table are all the simple arithmetic means of the 92 natural days' figures of the recent quarter.