

**Industrial and Commercial Bank of China (Asia) Limited  
Announces 2015 First-half Results  
After-tax net profit rises steadily to HK\$3.081 billion**

28 August 2015, Hong Kong – Industrial and Commercial Bank of China (Asia) Limited (the “Bank”) today announced its unaudited operating results for the six months ended 30 June 2015 (the “Period”), posting an after-tax net profit of HK\$3.081 billion.

In the first half of 2015, the Bank implemented its operating strategies to cultivate growth and create opportunities, and to overcome obstacles with steady growth, as well as to adopt prudent risk management policy. These coordinated efforts led to a sustained increase in profitability.

**Overall profitability remained steadily robust:** During the first six months of 2015, the Bank focused on strengthening the profitability of its core businesses. As a result, the Bank was able to deliver substantial growth, posting an after-tax net profit of HK\$3.081 billion, an increase of HK\$2.70 % compared to the same period in 2014. The bank generated non-interest income of HK\$1.363 billion, accounting for 26.22 % of total income.

**Strong profit and total asset growth momentum:** The Bank continued to strengthen its asset liabilities portfolio management, attracting low-interest deposits and consolidating high-interest asset business, resulting in steady growth to the balance sheet. As at the end of June 2015, total assets of the Bank totaled HK\$712.1 billion, an increase of HK\$31.5 billion or 4.63 % from the end of 2014; Balance of loans was HK\$392.1 billion, an increase of 7.64 % from the end of 2014; Balance of securities investment amounted to HK\$140.2 billion, an increase of 57.94 % from the end of 2014; total liabilities were HK\$ 657.9 billion, an increase of HK\$28.8 billion or 4.57 % from the end of 2014; customers’ deposits (including certificates of deposit) totaled HK\$467.7 billion, an increase of 0.90 % from the end of 2014.

Capital adequacy ratios have been compiled in accordance with the Banking (Capital) Rules issued by Hong Kong Monetary Authority. As of 30 June 2015, the Bank’s Common Equity Tier 1 capital ratio and Tier 1 capital ratio was 10.03 %. Total capital ratio were 15.71 %. The Bank

maintained its sound levels in major financial ratios while implementing steady growth in total assets and profitability.

It is predicted that complexity and volatility in the market will continue into the second half of 2015. However, more channels connecting China market will present Hong Kong with new financial opportunities. The Bank will continue to monitor market changes, proactively seizing opportunities, and maximizing profitability using the advantages of its parent bank – Industrial and Commercial Bank of China’s vast network and resources in order to maintain the Bank’s steady growth.

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### **Industrial and Commercial Bank of China (Asia) Limited**

Industrial and Commercial Bank of China (Asia) Limited (“ICBC (Asia)”) is a licensed bank incorporated in Hong Kong. It has 57 branches, 24 “Elite Club” Wealth Management Centres and 3 commercial business centres in Hong Kong. It is principally engaged in banking, financial and other finance-related services with a focus on retail and commercial banking as well as corporate banking business. Chinese Mercantile Bank and ICBC (Asia) Investment Management Company Limited, two wholly owned subsidiaries of ICBC (Asia), are specialized in RMB services in Mainland China and the investment management businesses with a focus on Asia respectively. ICBC (Asia) is the flagship of overseas banking business of Industrial and Commercial Bank of China Limited (“ICBC”) – currently the largest commercial bank in China.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2015  
(UNAUDITED)

	Six months ended		Change %
	30 Jun 2015 HK\$'000	30 Jun 2014 HK\$'000	
Interest income	8,619,347	8,214,853	5%
Interest expense	(4,783,704)	(4,101,479)	17%
Net interest income	<u>3,835,643</u>	<u>4,113,374</u>	-7%
Fee and commission income	1,085,204	889,213	22%
Fee and commission expense	(174,836)	(156,286)	12%
Net fee and commission income	<u>910,368</u>	<u>732,927</u>	24%
Net trading income	414,306	341,269	21%
Net gain on financial assets and liabilities designated at fair value through profit or loss	1,372	4,345	-68%
Dividend income from financial investments	3,860	4,431	-13%
Other operating income	33,406	6,651	402%
Operating income	<u>5,198,955</u>	<u>5,202,997</u>	0%
Operating expenses	(1,226,461)	(1,262,079)	-3%
Operating profit before impairment losses	3,972,494	3,940,918	1%
Charge for impairment losses on loans and advances	(770,382)	(274,281)	181%
Operating profit after impairment losses	<u>3,202,112</u>	<u>3,666,637</u>	-13%
Net loss from property, plant and equipment	(813)	(1,985)	-59%
Gain on disposal of loans and advances	-	477	-100%
Net gain on disposal of available-for-sale financial investments	637,365	46,972	1257%
Operating profit	<u>3,838,664</u>	<u>3,712,101</u>	3%
Share of profit of associates	8,826	10,807	-18%
Profit before tax	<u>3,847,490</u>	<u>3,722,908</u>	3%
Income tax expense	(766,647)	(723,115)	6%
Profit for the period and attributable to equity holders	<u>3,080,843</u>	<u>2,999,793</u>	3%
Earnings per share – Basic and diluted	<u>HK\$1.49</u>	<u>HK\$1.45</u>	3%

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015  
(UNAUDITED)

	Unaudited 30 Jun 2015 HK\$'000	Audited 31 Dec 2014 HK\$'000	Change %	Unaudited 30 Jun 2014 HK\$'000	Change %
<b>Assets</b>					
Cash and balances with banks and other financial institutions	133,563,038	154,000,336	-13%	122,926,927	9%
Placements with banks and other financial institutions	28,213,181	53,105,030	-47%	34,372,871	-18%
Financial assets held for trading	3,234,052	323,257	900%	1,526,678	112%
Financial assets designated at fair value through profit or loss	-	211,429	-100%	215,139	-100%
Derivative financial instruments	6,232,778	6,120,758	2%	7,874,654	-21%
Advances and other accounts	392,139,870	364,297,815	8%	355,649,418	10%
Financial investments:	136,940,265	88,214,346	55%	73,215,745	87%
- Available-for-sale	71,262,537	58,681,195	21%	52,639,783	35%
- Held-to-maturity	65,677,728	29,533,151	122%	20,575,962	219%
Interest in associates	274,443	265,617	3%	260,535	5%
Goodwill and other intangible assets	1,048,188	1,060,528	-1%	1,074,960	-2%
Investment properties	69,977	69,977	0%	58,524	20%
Property, plant and equipment	897,886	912,860	-2%	827,887	8%
Current income tax assets	-	24,913	-100%	-	0%
Other assets	9,503,930	12,011,761	-21%	3,781,014	151%
<b>Total assets</b>	<b>712,117,608</b>	<b>680,618,627</b>	<b>5%</b>	<b>601,784,352</b>	<b>18%</b>
<b>Liabilities</b>					
Deposits from banks and other financial institutions	145,502,089	114,896,270	27%	78,976,895	84%
Derivative financial instruments	5,871,603	5,766,196	2%	7,360,781	-20%
Deposits from customers	417,672,426	420,892,240	-1%	394,506,276	6%
Certificates of deposit issued	50,039,870	42,661,120	17%	43,801,844	14%
Debt securities in issue measured at amortised cost	3,339,856	11,880,937	-72%	11,554,279	-71%
Current income tax liabilities	610,063	113,090	439%	588,527	4%
Deferred income tax liabilities	85,645	81,011	6%	39,625	116%
Subordinated debts measured at amortised cost	22,246,660	22,250,748	0%	9,574,273	132%
Other liabilities	12,495,836	10,552,439	18%	7,516,855	66%
<b>Total liabilities</b>	<b>657,864,048</b>	<b>629,094,051</b>	<b>5%</b>	<b>553,919,355</b>	<b>19%</b>
<b>Equity</b>					
Share capital and other statutory capital reserves	23,591,832	23,591,832	0%	23,591,832	0%
Retained earnings	26,596,754	24,277,846	10%	21,204,152	25%
Other reserves	4,064,974	3,654,898	11%	3,069,013	32%
<b>Total equity</b>	<b>54,253,560</b>	<b>51,524,576</b>	<b>5%</b>	<b>47,864,997</b>	<b>13%</b>
<b>Total equity and liabilities</b>	<b>712,117,608</b>	<b>680,618,627</b>	<b>5%</b>	<b>601,784,352</b>	<b>18%</b>