Industrial and Commercial Bank of China (Asia) Limited
 Announces Results for the First Half of 2018
 After-tax net profit grows by 13.27% year on year to HK$4.095 billion

30 August 2018, Hong Kong — Industrial and Commercial Bank of China (Asia) Limited (“ICBC (Asia)” or the “Bank”) today announces its unaudited operating results for the first six months ended 30 June 2018 (the “Period”). It recorded after-tax net profit of HK$4.095 billion.

In the first half of 2018, Hong Kong’s economy was performing well. However, the city’s banking industry was faced with higher risks and more challenges posed by such external factors as heightened international trade tensions and tighter monetary policy. To adapt itself to the complicated external environment, the Bank kept abreast of the trends in economy and financial systems and matched the changing needs of customers. Internally, it forged ahead with the strategic transformation of its business and stepped up innovation in its business operations, products and services. It also raised the standards of risk control. All these measures resulted in consistent, relatively fast growth in the Bank’s overall operating results and its various core businesses.

**Steadily rising operational effectiveness:** During the Period, the Bank continued to enhance its adaptability in a complicated external environment and, at the same time, capitalized on government policies and grasped opportunities that arose in the market. It also actively enhanced the profitability of its core businesses. As a result, the indicators of the Bank’s profitability reached new highs. In the first half of 2018, the Bank’s after-tax net profit increased by HK$480 million year on year, or 13.27% year on year, to HK$4.095 billion. Its net interest income grew by HK$1.249 billion year on year, or 27.63% year on year, to HK5.768 billion. Its net non-interest income was HK$1.537 billion, accounting for 21.04% of the total operating income.

**Consistently growing total assets:** In the first half of 2018, the Bank actively expanded its businesses of taking deposits and lending while strengthening the management of its balance sheet. It also consolidated its local business consistently in Hong Kong and expanded steadily the markets in Asia Pacific. These measures led to steady growth in the Bank’s total assets. As at
June 2018, the Bank’s total assets increased by HK$77.1 billion, or by 8.58%, to HK$975.2 billion compared with that at the end of 2017. In particular, its balance of loans grew by 5.64% to HK$485.7 billion compared with that at the end of 2017; the balance of securities investment increased by 3.48% to HK$179.6 billion compared with that at the end of 2017. Total liabilities were HK$860.8 billion, up by HK$54.3 billion or 6.74% compared with that at the end of 2017. In particular, customers’ deposits were HK$523.3 billion, up by 5.45% compared with that at the end of 2017.

Capital adequacy ratio has been compiled according to the Banking (Capital) Rules published by the Hong Kong Monetary Authority. As at 30 June 2018, the Bank had a common equity tier 1 capital ratio of 11.91%, a tier 1 capital ratio of 16.03% and a total capital ratio of 18.31%. The Bank maintained the key indicators of its ability to withstand credit risks at healthy levels while achieving steady growth in profitability.

In the second half of 2018, interest rate hikes in the United States and the trade conflicts between the country and China will continue to pose challenges to business. Nevertheless, Hong Kong’s deep involvement in China’s grand plans for national development such as the development of the Guangdong-Hong Kong-Macao Bay Area will present opportunities. The Bank will grasp the opportunities and take on the challenges. It will adopt a customer-oriented strategy for its business transformation and step up financial innovation, paving the way for the high-quality and leapfrog development of the Bank.

End

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 is the flagship of overseas banking business of Industrial and Commercial Bank of China Limited (“ICBC”) – currently the largest commercial bank in China. It has 56 retail outlets (including 29 “Elite Club” Wealth Management Centres) in Hong Kong. It is engaged in commercial banking, investment banking and other financial services, including those of securities, insurance and funds, with a focus on commercial and retail banking as well as the global market business. The total assets of ICBC (Asia) amounted to HK$975.2 billion at the end of June 2018. Chinese Mercantile Bank and ICBC Asset Management (Global) Company Limited, two wholly-owned subsidiaries of ICBC (Asia), specialize in Renminbi services in mainland China and ICBC’s global asset management business respectively.