

The following information is disclosed in accordance with the former CBRC Notice on Issuing Regulatory Documents on Capital Regulation for Commercial Banks Appendix 2 Notice on Enhancing Disclosure Requirements for Composition of Capital.

## CAPITAL COMPOSITION

In RMB millions, except for percentages

S/N	Item	At 30 June 2018	At 31 December 2017	Reference <sup>(1)</sup>
<b>Core tier 1 capital:</b>				
1	Paid-in capital	356,407	356,407	X18
2	Retained earnings	1,614,261	1,594,378	
2a	Surplus reserve	233,080	232,660	X21
2b	General reserve	266,360	264,850	X22
2c	Retained profits	1,114,821	1,096,868	X23
3	Accumulated other comprehensive income (and other public reserves)	122,221	90,889	
3a	Capital reserve	151,958	151,952	X19
3b	Others	(29,737)	(61,063)	X24
4	Valid portion to core tier 1 capital during the transition period (only applicable to non-joint stock companies. Fill in 0 for joint stock banks)	-	-	
5	Valid portion of minority interests	2,996	2,716	X25
<b>6</b>	<b>Core tier 1 capital before regulatory adjustments</b>	<b>2,095,885</b>	<b>2,044,390</b>	
<b>Core tier 1 capital: Regulatory adjustments</b>				
7	Prudential valuation adjustments	-	-	
8	Goodwill (net of deferred tax liabilities)	8,508	8,478	X16
9	Other intangible assets other than land use rights (net of deferred tax liabilities)	1,776	1,532	X14-X15
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of deferred tax liabilities)	-	-	
11	Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet	(3,750)	(3,708)	X20
12	Shortfall of provision for loan impairment	-	-	
13	Gain on sale related to asset securitization	-	-	
14	Unrealised gains and losses due to changes in own credit risk on fair valued liabilities	-	-	

<sup>(1)</sup> For mapped components of the balance sheet under regulatory scope of consolidation to capital items, please refer to "Explanations for Detailed Items".

S/N	Item	At 30 June 2018	At 31 December 2017	Reference
15	Defined-benefit pension fund net assets (net of deferred tax liabilities)	-	-	
16	Direct or indirect investments in own ordinary shares	-	-	
17	Reciprocal cross-holdings in core tier 1 capital between banks or between banks and other financial institutions	-	-	
18	Deductible amount of non-significant minority investment in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
19	Deductible amount of significant minority investment in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
20	Mortgage servicing rights	N/A	N/A	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of deferred tax liabilities)	-	-	
22	Deductible amount exceeding the 15% threshold for significant minority capital investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation and undeducted portion of deferred tax assets arising from temporary differences (net of deferred tax liabilities)	-	-	
23	Including: Deductible amount of significant minority investments in core tier 1 capital instruments issued by financial institutions	-	-	
24	Including: Deductible amount of mortgage servicing rights	N/A	N/A	
25	Including: Deductible amount in deferred tax assets arising from temporary differences	-	-	
26a	Investments in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	7,980	7,980	X11
26b	Shortfall in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
26c	Others that should be deducted from core tier 1 capital	-	-	
27	Undeducted shortfall that should be deducted from additional tier 1 capital and tier 2 capital	-	-	
28	<b>Total regulatory adjustments to core tier 1 capital</b>	<b>14,514</b>	<b>14,282</b>	
29	<b>Core tier 1 capital</b>	<b>2,081,371</b>	<b>2,030,108</b>	
<b>Additional tier 1 capital:</b>				

S/N	Item	At 30 June 2018	At 31 December 2017	Reference
30	Additional tier 1 capital instruments and related premium	79,375	79,375	
31	Including: Portion classified as equity	79,375	79,375	X28
32	Including: Portion classified as liabilities	-	-	
33	Invalid instruments to additional tier 1 capital after the transition period	-	-	
34	Valid portion of minority interests	638	577	X26
35	Including: Invalid portion to additional tier 1 capital after the transition period	-	-	
<b>36</b>	<b>Additional tier 1 capital before regulatory adjustments</b>	<b>80,013</b>	<b>79,952</b>	
<b>Additional tier 1 capital: Regulatory adjustments</b>				
37	Direct or indirect investments in own additional tier 1 instruments	-	-	
38	Reciprocal cross-holdings in additional tier 1 capital between banks or between banks and other financial institutions	-	-	
39	Deductible amount of non-significant minority investment in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
40	Significant minority investments in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
41a	Investments in additional tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
41b	Shortfall in additional tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
41c	Others that should be deducted from additional tier 1 capital	-	-	
42	Undeducted shortfall that should be deducted from tier 2 capital	-	-	
<b>43</b>	<b>Total regulatory adjustments to additional tier 1 capital</b>	<b>-</b>	<b>-</b>	
<b>44</b>	<b>Additional tier 1 capital</b>	<b>80,013</b>	<b>79,952</b>	
<b>45</b>	<b>Tier 1 capital (core tier 1 capital + additional tier 1 capital)</b>	<b>2,161,384</b>	<b>2,110,060</b>	
<b>Tier 2 capital:</b>				
46	Tier 2 capital instruments and related premium	202,253	222,321	X17
47	Invalid instruments to tier 2 capital after the transition period	81,140	101,425	
48	Valid portion of minority interests	2,960	3,303	X27
49	Including: Invalid portion to tier 2 capital after the transition period	744	1,051	
50	Valid portion of surplus provision for loan impairment	118,764	71,736	X02+X04

S/N	Item	At 30 June 2018	At 31 December 2017	Reference
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>323,977</b>	<b>297,360</b>	
<b>Tier 2 capital: Regulatory adjustments</b>				
52	Direct or indirect investments in own tier 2 instruments	-	-	
53	Reciprocal cross-holdings in tier 2 capital between banks or between banks and other financial institutions	-	-	
54	Deductible portion of non-significant minority investment in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
55	Significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	500	X31
56a	Investments in tier 2 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
56b	Shortfall in tier 2 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
56c	Others that should be deducted from tier 2 capital	-	-	
57	<b>Total regulatory adjustments to tier 2 capital</b>	<b>-</b>	<b>500</b>	
58	<b>Tier 2 capital</b>	<b>323,977</b>	<b>296,860</b>	
59	<b>Total capital (tier 1 capital + tier 2 capital)</b>	<b>2,485,361</b>	<b>2,406,920</b>	
60	<b>Total risk-weighted assets</b>	<b>16,878,254</b>	<b>15,902,801</b>	
<b>Requirements for capital adequacy ratio and reserve capital</b>				
61	Core tier 1 capital adequacy ratio	12.33%	12.77%	
62	Tier 1 capital adequacy ratio	12.81%	13.27%	
63	Capital adequacy ratio	14.73%	15.14%	
64	Institution specific buffer requirement	4.00%	3.50%	
65	Including: Capital conservation buffer requirement	2.50%	2.50%	
66	Including: Countercyclical buffer requirement	-	-	
67	Including: G-SIB buffer requirement	1.50%	1.00%	
68	Percentage of core tier 1 capital meeting buffers to risk-weighted assets	7.33%	7.77%	
<b>Domestic minima for regulatory capital</b>				
69	Core tier 1 capital adequacy ratio	5%	5%	
70	Tier 1 capital adequacy ratio	6%	6%	
71	Capital adequacy ratio	8%	8%	
<b>Amounts below the thresholds for deduction</b>				
72	Undeducted portion of non-significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	29,844	35,059	X05+X07+X08+X09+X12+X29+X30

S/N	Item	At 30 June 2018	At 31 December 2017	Reference
73	Undeducted portion of significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	31,327	28,353	X06+X10+X13
74	Mortgage servicing rights (net of deferred tax liabilities)	N/A	N/A	
75	Deferred tax assets arising from temporary differences (net of deferred tax liabilities)	57,182	48,158	
<b>Valid caps of surplus provision for loan impairment in tier 2 capital</b>				
76	Provision for loan impairment under the weighted approach	23,999	17,943	X01
77	Valid cap of surplus provision for loan impairment in tier 2 capital under the weighted approach	14,411	9,937	X02
78	Surplus provision for loan impairment under the internal ratings-based approach	373,997	322,539	X03
79	Valid cap of surplus provision for loan impairment in tier 2 capital under the internal ratings-based approach	104,353	61,799	X04
<b>Capital instruments subject to phase-out arrangements</b>				
80	Valid cap to core tier 1 capital instruments for the current period due to phase-out arrangements	-	-	
81	Excluded from core tier 1 capital due to cap	-	-	
82	Valid cap to additional tier 1 capital instruments for the current period due to phase-out arrangements	-	-	
83	Excluded from additional tier 1 capital due to cap	-	-	
84	Valid cap to tier 2 capital instruments for the current period due to phase-out arrangements	81,140	101,425	
85	Excluded from tier 2 capital for the current period due to cap	67,110	46,822	

## BALANCE SHEET AT THE GROUP'S LEVEL

In RMB millions

Item	At 30 June 2018		At 31 December 2017	
	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation
<b>Assets</b>				
Cash and balances with central banks	3,818,453	3,818,453	3,613,872	3,613,872
Due from banks and other financial institutions	322,432	314,157	370,074	363,278
Precious metals	174,024	174,024	238,714	238,714

Item	At 30 June 2018		At 31 December 2017	
	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation
Placements with banks and other financial institutions	584,034	584,034	477,537	477,537
Derivative financial assets	87,287	87,287	89,013	89,013
Reverse repurchase agreements	687,913	686,823	986,631	981,553
Loans and advances to customers	14,536,141	14,535,524	13,892,966	13,892,372
Financial investments	6,257,681	6,174,419	5,756,704	5,669,906
-Financial investments measured at FVTPL	800,685	771,290	440,938	440,912
-Financial investments measured at FVOCI	1,450,163	1,432,782		
-Financial investments measured at amortised cost	4,006,833	3,970,347		
-Available-for-sale financial assets			1,496,453	1,465,021
-Held-to-maturity investments			3,542,184	3,536,757
-Receivables			277,129	227,216
Long-term equity investments	31,719	39,699	32,441	40,421
Fixed assets	224,604	224,542	216,156	216,088
Construction in progress	32,443	32,443	29,531	29,531
Deferred income tax assets	57,627	57,627	48,392	48,392
Other assets	488,722	473,624	335,012	318,891
<b>Total assets</b>	<b>27,303,080</b>	<b>27,202,656</b>	<b>26,087,043</b>	<b>25,979,568</b>
<b>Liabilities</b>				
Due to central banks	428	428	456	456
Due to banks and other financial institutions	1,423,229	1,423,229	1,214,601	1,214,601
Placements from banks and other financial institutions	500,853	500,853	491,948	491,948
Financial liabilities measured at FVTPL	86,667	86,665	89,361	89,359
Derivative financial liabilities	80,580	80,580	78,556	78,556
Repurchase agreements	556,277	551,810	1,046,338	1,044,481
Certificates of deposit	276,060	276,060	260,274	260,274
Due to customers	20,818,042	20,821,739	19,562,936	19,564,945
Employee benefits payable	25,467	25,215	33,142	32,820
Taxes payable	59,199	59,056	82,550	82,502
Debt securities issued	579,235	579,235	526,940	526,940
Deferred income tax liabilities	634	445	433	233
Other liabilities	704,208	609,938	558,452	456,349
<b>Total liabilities</b>	<b>25,110,879</b>	<b>25,015,253</b>	<b>23,945,987</b>	<b>23,843,464</b>
<b>Equity</b>				
Share capital	356,407	356,407	356,407	356,407
Other equity instruments	86,051	86,051	86,051	86,051
Capital reserve	151,958	151,958	151,952	151,952

Item	At 30 June 2018		At 31 December 2017	
	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation
Other comprehensive income	(30,540)	(29,737)	(62,058)	(61,063)
Surplus reserve	233,122	233,080	232,703	232,660
General reserve	266,402	266,360	264,892	264,850
Retained profits	1,115,199	1,114,821	1,097,544	1,096,868
<b>Equity attributable to equity holders of the parent company</b>	<b>2,178,599</b>	<b>2,178,940</b>	<b>2,127,491</b>	<b>2,127,725</b>
Minority interests	13,602	8,463	13,565	8,379
<b>Total equity</b>	<b>2,192,201</b>	<b>2,187,403</b>	<b>2,141,056</b>	<b>2,136,104</b>

Note: Prepared in accordance with PRC GAAP.

## EXPLANATIONS FOR DETAILED ITEMS

In RMB millions		
Item	At 30 June 2018 Balance sheet under regulatory scope of consolidation	Reference
<b>Loans and advances to customers</b>	<b>14,535,524</b>	
Total loans and advances to customers	14,933,520	
Less: Provision for loan impairment under the weighted approach	23,999	X01
Including: Valid cap of surplus provision for loan impairment in tier 2 capital under the weighted approach	14,411	X02
Less: Provision for loan impairment under the internal ratings-based approach	373,997	X03
Including: Valid cap of surplus provision for loan impairment in tier 2 capital under the internal ratings-based approach	104,353	X04
<b>Financial investments</b>		
<b>Financial investments measured at FVTPL</b>	<b>771,290</b>	
Including: Non-significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	132	X05

Item	At 30 June 2018 Balance sheet under regulatory scope of consolidation	Reference
Including: Significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	28	X06
Including: Non-significant minority investments in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	4,609	X07
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	12,815	X08
<b>Financial investments measured at FVOCI</b>	<b>1,432,782</b>	
Including: Non-significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	2,744	X09
Including: Significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	1,368	X10
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	5,931	X29
<b>Financial investments measured at amortised cost</b>	<b>3,970,347</b>	
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	3,507	X30
Including: Significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	X31
<b>Long-term equity investments</b>	<b>39,699</b>	



Item	At 30 June 2018 Balance sheet under regulatory scope of consolidation	Reference
Including: Investment in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	7,980	X11
Including: Undeducted portion of non-significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	106	X12
Including: Undeducted portion of significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	29,931	X13
<b>Other assets</b>	<b>473,624</b>	
Interest receivable	136,660	
Intangible assets	19,574	X14
Including: Land use rights	17,798	X15
Other receivables	313,323	
Goodwill	8,508	X16
Long term deferred expenses	3,299	
Repossessed assets	9,243	
Others	(16,983)	
<b>Debt securities issued</b>	<b>579,235</b>	
Including: Valid portion of tier 2 capital instruments and their premium	202,253	X17
<b>Share capital</b>	<b>356,407</b>	X18
<b>Other equity instruments</b>	<b>86,051</b>	
Including: Preference shares	79,375	X28
<b>Capital reserve</b>	<b>151,958</b>	X19
<b>Other comprehensive income</b>	<b>(29,737)</b>	X24
Reserve for changes in fair value of financial assets	2,676	
Reserve for cash flow hedging	(3,788)	
Including: Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet	(3,750)	X20

<b>Item</b>	<b>At 30 June 2018 Balance sheet under regulatory scope of consolidation</b>	<b>Reference</b>
Changes in share of other owners' equity of associates and joint ventures	(1,287)	
Foreign currency translation reserve	(27,750)	
Others	412	
<b>Surplus reserve</b>	<b>233,080</b>	X21
<b>General reserve</b>	<b>266,360</b>	X22
<b>Retained profits</b>	<b>1,114,821</b>	X23
<b>Minority interests</b>	<b>8,463</b>	
Including: Valid portion to core tier 1 capital	2,996	X25
Including: Valid portion to additional tier 1 capital	638	X26
Including: Valid portion to tier 2 capital	2,960	X27

MAIN FEATURES OF ELIGIBLE CAPITAL INSTRUMENTS AT 30 JUNE 2018

S/N	Main features of regulatory capital instrument	Ordinary shares (A share)	Ordinary shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
1	Issuer	The Bank	The Bank	The Bank	The Bank	The Bank	The Bank
2	Unique identifier	601398	1398	4603	4604	84602	360011
3	Governing law(s) of the instrument	Securities Law of the People's Republic of China/China	Securities and Futures Ordinance of Hong Kong/Hong Kong, China	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Guidance of the State Council on Launch of Preference Shares Pilot, Trial Administrative Measures on Preference Shares, Guidance on the Issuance of Preference Shares of Commercial Banks to Replenish Tier 1 Capital /China
	Regulatory treatment						
4	Including: Transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Core tier 1 capital	Core tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital

S/N	Main features of regulatory capital instrument	Ordinary shares (A share)	Ordinary shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
5	Including: Post-transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Core tier 1 capital	Core tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital
6	Including: Eligible to the parent company/group level	Parent company/Group	Parent company/Group	Parent company/Group	Parent company/Group	Parent company/Group	Parent company/Group
7	Instrument type	Core tier 1 capital instrument	Core tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument
8	Amount recognized in regulatory capital (in millions, as at the latest reporting date)	RMB339,126	RMB169,202	RMB equivalent 17,928	RMB equivalent 4,542	RMB11,958	RMB44,947
9	Par value of instrument (in millions)	RMB269,612	RMB86,795	USD2,940	EUR600	RMB12,000	RMB45,000
10	Accounting treatment	Share capital, Capital reserve	Share capital, Capital reserve	Other equity	Other equity	Other equity	Other equity
11	Original date of issuance	19 October 2006	19 October 2006	10 December 2014	10 December 2014	10 December 2014	18 November 2015
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Including: Original maturity date	No maturity date	No maturity date	No maturity date	No maturity date	No maturity date	No maturity date
14	Issuer call (subject to prior supervisory approval)	No	No	Yes	Yes	Yes	Yes
15	Including: Optional call date, contingent call dates and redemption amount	N/A	N/A	The First Redemption Date is 10 December 2019, in full or partial amount	The First Redemption Date is 10 December 2021, in full or partial amount	The First Redemption Date is 10 December 2019, in full or partial amount	The First Redemption Date is 18 November 2020, in full or partial amount

S/N	Main features of regulatory capital instrument	Ordinary shares (A share)	Ordinary shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
16	Including: Subsequent call dates, if applicable	N/A	N/A	10 December in each year after the First Redemption Date	10 December in each year after the First Redemption Date	10 December in each year after the First Redemption Date	Commences on the First Redemption Date (18 November 2020) and ends on the completion date of redemption or conversion of all the Domestic Preference Shares
	Coupons/dividends						
17	Including: Fixed or floating dividend/coupon	Floating	Floating	Fixed to floating	Fixed to floating	Fixed to floating	Fixed to floating
18	Including: Coupon rate and any related index	N/A	N/A	6% (dividend rate) before 10 December 2019	6% (dividend rate) before 10 December 2021	6% (dividend rate) before 10 December 2019	4.5% (dividend rate) before 18 November 2020
19	Including: Existence of a dividend stopper	N/A	N/A	Yes	Yes	Yes	Yes
20	Including: Fully discretionary, partially discretionary or mandatory cancellation of coupons/dividends	Fully discretionary	Fully discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21	Including: Redemption incentive mechanism	No	No	No	No	No	No
22	Including: Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	No	No	Yes	Yes	Yes	Yes
24	Including: If convertible, conversion trigger(s)	N/A	N/A	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event

<b>S/N</b>	<b>Main features of regulatory capital instrument</b>	<b>Ordinary shares (A share)</b>	<b>Ordinary shares (H share)</b>	<b>Preference Shares (Offshore)</b>	<b>Preference Shares (Offshore)</b>	<b>Preference Shares (Offshore)</b>	<b>Preference Shares (Domestic)</b>
25	Including: If convertible, fully or partially	N/A	N/A	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs
26	Including: If convertible, conversion rate	N/A	N/A	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the A shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan
27	Including: If convertible, mandatory or optional conversion	N/A	N/A	Mandatory	Mandatory	Mandatory	Mandatory
28	Including: If convertible, specify instrument type convertible into	N/A	N/A	Core tier 1 capital	Core tier 1 capital	Core tier 1 capital	Core tier 1 capital
29	Including: If convertible, specify issuer of instrument it converts into	N/A	N/A	The Bank	The Bank	The Bank	The Bank

S/N	Main features of regulatory capital instrument	Ordinary shares (A share)	Ordinary shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
30	Write-down feature	No	No	No	No	No	No
31	Including: If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	Including: If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	Including: If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	Including: If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to depositor, general creditor, creditor of the subordinated debts and preference shareholders	Subordinated to depositor, general creditor, creditor of the subordinated debts and preference shareholders	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Domestic Preference Shares, pari passu with the holders of Parity Obligations
36	Non-compliant transitioned features	No	No	No	No	No	No
	Including: If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A

MAIN FEATURES OF ELIGIBLE CAPITAL INSTRUMENTS AT 30 JUNE 2018 (CONTINUED)

S/N	Main features of regulatory capital instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds
1	Issuer	ICBC (Asia)	The Bank	The Bank	The Bank	The Bank
2	Unique identifier	ISIN:XS0976879279 BBGID:BBG005CMF4N6	1428009	Rule 144A ISIN: US455881AD47 Regulation S ISIN: USY39656AC06	1728021	1728022
3	Governing law(s) of the instrument	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with English law, except that the provision of the Notes relating to Subordination shall be governed by, and construed in accordance with, the laws of Hong Kong	Securities Law of the People's Republic of China/China	The Notes and the Fiscal Agency Agreement shall be governed by, and shall be construed in accordance with, New York law, except that the provisions of the Notes relating to subordination shall be governed by, and construed in accordance with, PRC law	Governed by the Commercial Banking Law of the People's Republic of China, the Regulation Governing Capital of Commercial Banks (Provisional) and the Measures for Administration of Financial Bond Issuance in China's Inter-bank Bond Market, as well as other applicable laws, regulations and normative documents	Governed by the Commercial Banking Law of the People's Republic of China, the Regulation Governing Capital of Commercial Banks (Provisional) and the Measures for Administration of Financial Bond Issuance in China's Inter-bank Bond Market, as well as other applicable laws, regulations and normative documents
	Regulatory treatment					
4	Including: Transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital



S/N	Main features of regulatory capital instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds
5	Including: Post-transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
6	Including: Eligible to the parent company/group level	Group	Parent company/Group	Parent company/Group	Parent company/Group	Parent company/Group
7	Instrument type	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument
8	Amount recognized in regulatory capital (in millions, as at the latest reporting date)	RMB equivalent 1,267	RMB19,999	RMB equivalent 13,113	RMB44,000	RMB44,000
9	Par value of instrument (in millions)	USD500	RMB20,000	USD2,000	RMB44,000	RMB44,000
10	Accounting treatment	Debt securities issued	Debt securities issued	Debt securities issued	Debt securities issued	Debt securities issued
11	Original date of issuance	10 October 2013	4 August 2014	21 September 2015	6 November 2017	20 November 2017
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Including: Original maturity date	10 October 2023	5 August 2024	21 September 2025	8 November 2027	22 November 2027
14	Issuer call (subject to prior supervisory approval)	Yes	Yes	No	Yes	Yes
15	Including: Optional call date, contingent call dates and redemption amount	10 October 2018, in full amount	5 August 2019, in full amount	N/A	8 November 2022, in full amount	22 November 2022, in full amount
16	Including: Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	Coupons/dividends					
17	Including: Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Including: Coupon rate and any related index	4.50%	5.80%	4.875%	4.45%	4.45%

<b>S/N</b>	<b>Main features of regulatory capital instrument</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>
19	Including: Existence of a dividend stopper	No	No	No	No	No
20	Including: Fully discretionary, partially discretionary or mandatory cancellation of coupons/dividends	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Including: Redemption incentive mechanism	No	No	No	No	No
22	Including: Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	No	No	No	No	No
24	Including: If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	Including: If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	Including: If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	Including: If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	Including: If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	Including: If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down feature	Yes	Yes	Yes	Yes	Yes

<b>S/N</b>	<b>Main features of regulatory capital instrument</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>
31	Including: If write-down, write-down trigger(s)	Non-viability of ICBC (Asia) or the Bank	Non-viability of the Bank	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become non-viable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become non-viable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become non-viable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable
32	Including: If write-down, full or partial	Full write-down	Full write-down	Full write-down	Full write-down	Full write-down
33	Including: If write-down, permanent or temporary	Permanent write-down	Permanent write-down	Permanent write-down	Permanent write-down	Permanent write-down
34	Including: If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A

<b>S/N</b>	<b>Main features of regulatory capital instrument</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to depositor and general creditor, pari passu with other subordinated debts	Subordinated to depositor and general creditor, pari passu with other subordinated debts	Subordinated to depositor and general creditor, pari passu with other subordinated debts	Subordinated to depositor and general creditor, but senior to equity capital, other tier 1 capital instruments and hybrid capital bonds; pari passu with other subordinated debts that have been issued by the Issuer and are pari passu with the present bonds; and pari passu with other tier 2 capital instruments that will possibly be issued in the future and are pari passu with the present bonds	Subordinated to depositor and general creditor, but senior to equity capital, other tier 1 capital instruments and hybrid capital bonds; pari passu with other subordinated debts that have been issued by the Issuer and are pari passu with the present bonds; and pari passu with other tier 2 capital instruments that will possibly be issued in the future and are pari passu with the present bonds
36	Non-compliant transitioned features	No	No	No	No	No
	Including: If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A

The following information is disclosed in accordance with the former CBRC Administrative Measures for Leverage Ratio of Commercial Banks (Revised) Appendix 3 Disclosure Templates of Leverage Ratio.

## COMPARISON OF REGULATORY LEVERAGE RATIO ITEMS AND ACCOUNTING ITEMS

In RMB millions

S/N	Item	At 30 June 2018
1	Total consolidated assets as per published financial statements	27,303,080
2	Consolidated adjustments for accounting purposes but outside the scope of regulatory consolidation	(100,424)
3	Adjustments for fiduciary assets	-
4	Adjustments for derivative financial instruments	55,248
5	Adjustment for securities financing transactions	57,070
6	Adjustment for off-balance sheet items	2,121,462
7	Other adjustments	(14,514)
8	Balance of adjusted on- and off-balance sheet assets	29,421,922

## LEVERAGE RATIO, NET TIER 1 CAPITAL, BALANCE OF ADJUSTED ON- AND OFF-BALANCE SHEET ASSETS AND RELATED INFORMATION

In RMB millions, except for percentages

S/N	Item	At 30 June 2018
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	26,778,716
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital	(14,514)
3	Balance of adjusted on-balance sheet assets (excluding derivatives and SFTs)	26,764,202
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	89,818
5	Add-on amounts for PFE associated with all derivatives transactions	61,833
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions	-
8	Less: Exempted CCP leg of client-cleared trade exposures	(18,783)
9	Effective notional amount of written credit derivatives	49,160

10	Less: Adjusted effective notional deductions for written credit derivatives	(39,490)
11	Total derivative exposures	142,538
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	336,650
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-
14	CCR exposure for SFT assets	57,070
15	Agent transaction exposures	-
16	Total securities financing transaction exposures	393,720
17	Off-balance sheet exposure at gross notional amount	4,384,309
18	Less: Adjustments for conversion to credit equivalent amounts	(2,262,847)
19	Balance of adjusted off-balance sheet assets	2,121,462
20	Net tier 1 capital	2,161,384
21	Balance of adjusted on- and off-balance sheet assets	29,421,922
22	Leverage ratio	7.35%

The following information is disclosed in accordance with the former CBRC Guidelines on the LCR Disclosure of Commercial Banks Appendix I Quantitative Information Disclosure of Liquidity Coverage Ratio Using Advanced Approaches.

## QUANTITATIVE INFORMATION DISCLOSURE OF LIQUIDITY COVERAGE RATIO USING ADVANCED APPROACHES

*In RMB millions, except for percentages*

S/N	Item	Second quarter 2018	
		Total un-weighted value	Total weighted value
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		4,956,187
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	9,672,239	964,002
3	<i>Stable deposits</i>	50,417	1,820
4	<i>Less stable deposits</i>	9,621,822	962,182
5	Unsecured wholesale funding, of which:	11,438,110	3,887,662
6	<i>Operational deposits (excluding those generated from correspondent banking activities)</i>	6,368,344	1,545,465
7	<i>Non-operational deposits (all counterparties)</i>	5,013,053	2,285,484
8	<i>Unsecured debt</i>	56,713	56,713
9	Secured funding		47,665
10	Additional requirements, of which:	4,182,809	1,517,561
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	1,280,880	1,280,880
12	<i>Outflows related to loss of funding on debt products</i>	-	-
13	<i>Credit and liquidity facilities</i>	2,901,929	236,681
14	Other contractual funding obligations	54,669	54,343
15	Other contingent funding obligations	2,967,561	121,121
16	<b>TOTAL CASH OUTFLOWS</b>		<b>6,592,354</b>
<b>CASH INFLOWS</b>			
17	Secured lending (including reverse repos and securities borrowing)	686,919	243,218
18	Inflows from fully performing exposures	1,287,886	886,893
19	Other cash inflows	1,294,810	1,287,792
20	<b>TOTAL CASH INFLOWS</b>	<b>3,269,615</b>	<b>2,417,903</b>
			<b>Total adjusted value</b>
21	<b>TOTAL HQLA</b>		<b>4,956,187</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>4,174,451</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>118.36%</b>

Note: Data of the above table are all the simple arithmetic means of the 91 natural days' figures of the recent quarter.