

Financial Highlights

The table below sets forth the consolidated financial summary of China Construction Bank Corporation (the “Bank”) and its subsidiaries (collectively the “Group”).

	Six months ended	Six months ended
	30 June 2006	30 June 2005
Current period	(In millions of RMB)	
Operating income	70,864	62,922
Profit before tax	32,814	31,743
Net profit	23,223	28,349
Adjusted net profit ¹	23,223	20,501
Net profit attributable to shareholders	23,223	28,351
Adjusted net profit attributable to shareholders ¹	23,223	20,503
Per share	(In RMB)	
Net asset value per share	1.36	1.03
Earnings per share	0.10	0.15
Profitability indicators	(%)	
Annualised return on average assets ²	0.95	1.39
Adjusted annualised return on average assets ³	0.95	1.01
Annualised return on average equity ⁴	15.67	28.61
Adjusted annualised return on average equity ³	15.67	20.69
Net interest spread	2.59	2.80
Net interest margin	2.70	2.85
Net fee and commission income to operating income	8.85	6.21
Cost-to-income ratio ⁵	41.65	38.93

1. Calculated by excluding the effect of the tax exemption granted by the People’s Republic of China (“PRC”) government in relation to the restructuring of the Bank from net profit or net profit attributable to shareholders.
2. Calculated by dividing net profit by the average of total assets as at the beginning and end of the periods and then multiplying two.
3. Calculated by dividing adjusted net profit or adjusted net profit attributable to shareholders by the average of total assets or total equity attributable to shareholders as at the beginning and end of the periods and then multiplying two.
4. Calculated by dividing net profit attributable to shareholders by the average of total equity attributable to shareholders as at the beginning and end of the periods and then multiplying two.
5. Calculated by dividing general and administrative expenses by operating income.

	30 June 2006	31 December 2005	30 June 2005
As at period end		(In millions of RMB)	
Total equity attributable to shareholders	305,139	287,579	200,907
Issued and paid-up capital	224,689	224,689	194,230
Total assets	5,166,242	4,585,742	4,224,088
Capital adequacy indicators		(%)	
Core capital adequacy ratio ¹	10.77	11.08	8.11
Capital adequacy ratio ¹	13.15	13.57	10.71
Total equity to total assets	5.91	6.27	4.76
Asset quality indicators		(%)	
Non-performing loan ratio	3.51	3.84	3.91
Allowances to non-performing loans ²	71.37	66.78	63.52
Allowances to gross loans ³	2.50	2.57	2.48

1. Core capital adequacy ratio and capital adequacy ratio are calculated on a solo basis in accordance with the Regulation Governing Capital Adequacy of Commercial Banks issued by China Banking Regulatory Commission ("CBRC") which came into effect on 1 March 2004.
2. Calculated by dividing the allowances for impairment losses on loans and advances to customers by total non-performing loans and advances to customers.
3. Calculated by dividing the allowances for impairment losses on loans and advances to customers by gross loans and advances to customers.