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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)

## **INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED FIRST QUARTERLY REPORT OF 2010**

The Board of Directors of Industrial and Commercial Bank of China Limited (“the Bank”) is pleased to announce the results of the Bank and its subsidiaries (“the Group”) for the first quarter ended 31 March 2010. This announcement is made in accordance with 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 liabilities to the authenticity, accuracy and completeness of the information in this report.
- 1.2 The First Quarterly Report of 2010 of the Bank has been considered and approved at the meeting of the Board of Directors of the Bank held on 29 April 2010. All directors were present at the meeting.
- 1.3 These quarterly financial statements have not been audited.
- 1.4 Mr. Jiang Jianqing, Legal Representative of the Bank, Mr. Yang Kaisheng, President in charge of finance of the Bank, and Mr. Shen Rujun, 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 and complete.

## 2. CORPORATE INFORMATION

### 2.1 Basic information

A share:

Stock name 工商銀行  
Stock code 601398  
Stock exchange on which shares are listed Shanghai Stock Exchange

H share:

Stock name ICBC  
Stock code 1398  
Stock exchange on which shares are listed The Stock Exchange of Hong Kong Limited

Board Secretary, Company Secretary:

Name Gu Shu  
Address No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, People's Republic of China (Postal code: 100140)  
Telephone 86-10-66108608  
Facsimile 86-10-66106139  
E-mail ir@icbc.com.cn

### 2.2 Major accounting data and financial indicators

#### 2.2.1 Major accounting data and financial indicators prepared in accordance with International Financial Reporting Standards ("IFRSs")

(In RMB millions, unless otherwise specified)

	31 March 2010	31 December 2009	Change (%)
Total assets	12,553,385	11,785,053	6.52
Total loans and advances to customers	6,062,793	5,728,626	5.83
Allowance for impairment losses on loans	146,699	145,452	0.86
Net investment in securities	3,508,770	3,599,173	(2.51)
Total liabilities	11,829,184	11,106,119	6.51
Due to customers	10,332,616	9,771,277	5.74
Due to banks and other financial institutions	1,167,614	1,001,634	16.57
Equity attributable to equity holders of the parent company	719,089	673,893	6.71
Net assets per share (in RMB Yuan)	2.15	2.02	6.44

(In RMB millions, unless otherwise specified)

	<b>Three months ended 31 March 2010</b>	<b>Change as compared to the same period of last year (%)</b>
Net cash flow from operating activities	<b>284,578</b>	N/A
Net cash flow per share from operating activities (in RMB Yuan)	<b>0.85</b>	N/A

(In RMB millions, unless otherwise specified)

	<b>Three months ended 31 March 2010</b>	<b>From the beginning of the year to the end of the reporting period</b>	<b>Change as compared to the same period of last year (% , percentage points)</b>
Net profit	<b>41,725</b>	41,725	18.24
Net profit attributable to equity holders of the parent company	<b>41,547</b>	41,547	18.19
Basic earnings per share (in RMB Yuan)	<b>0.12</b>	0.12	9.09
Diluted earnings per share (in RMB Yuan)	<b>0.12</b>	0.12	9.09
Return on weighted average equity (%)	<b>5.97</b>	5.97	An increase of 0.29 percentage points

### ***2.2.2 Differences in financial statements prepared under IFRSs and Generally Accepted Accounting Principles of the People's Republic of China ("PRC GAAP")***

There is no difference in net profit attributable to equity holders of the parent company for the reporting period ended 31 March 2010 or equity attributable to equity holders of the parent company as at the end of the reporting period presented under PRC GAAP and IFRSs.

### **2.3 Number of shareholders and particulars of shareholding of the top 10 shareholders not subject to restrictions on sales as at the end of the reporting period**

As at the end of the reporting period, the Bank had a total of 1,357,247 shareholders, including 163,166 holders of H shares and 1,194,081 holders of A shares.

**Particulars of shareholding of the top 10 shareholders of the Bank (particulars of shareholding of holders of H shares were based on the number of shares set out in the Bank's register of shareholders maintained at the H share registrar)**

*Unit: Share*

Total number of shareholders 1,357,247 (number of holders of A shares and H shares on the register of shareholders as at 31 March 2010)

Particulars of shareholding of the top 10 shareholders (the following data are based on the register of shareholders as at 31 March 2010)

Name of shareholder	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of shares subject to restrictions on sales	Number of pledged or locked-up shares
Central Huijin Investment Ltd.	State-owned	A shares	35.4	118,316,816,139	0	None
Ministry of Finance of the People's Republic of China	State-owned	A shares	35.3	118,006,174,032	0	None
HKSCC Nominees Limited	Foreign corporation	H shares	20.5	68,577,667,687	0	Unknown
The Goldman Sachs Group, Inc.	Foreign corporation	H shares	3.9	13,180,811,324	13,180,811,324	None
American Express Company	Foreign corporation	H shares	0.2	638,061,117	0	None
China Huarong Asset Management Corporation	Other domestic entities	A shares	0.1	480,769,000	0	None
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	Other domestic entities	A shares	0.1	404,323,429	0	None
China Life Insurance Company Limited — Dividend distribution — Personal dividend — 005L — FH002 Hu	Other domestic entities	A shares	0.1	305,830,817	0	None
Fortune SGAM Selected Sectors Fund	Other domestic entities	A shares	0.1	252,080,472	0	None
E-Fund 50 Index Securities Investment Fund	Other domestic entities	A shares	0.1	246,918,659	0	None

*Notes:* (1) The number of shares held by HKSCC Nominees Limited represents the total number of H shares held by it as nominee of all the institutional and individual investors opening an account with and registering in HKSCC Nominees Limited as at 31 March 2010, including H shares of the Bank held by National Council for Social Security Fund.

(2) The shares of the Bank subject to restrictions on sales held by The Goldman Sachs Group, Inc. became tradable on 28 April 2010.

(3) The Bank is not aware of any connections between the above shareholders or whether they are parties acting in concert.

**Particulars of shareholding of the top 10 shareholders not subject to restrictions on sales (the following data are based on the register of shareholders as at 31 March 2010)**

*Unit: Share*

<b>Name of shareholder</b>	<b>Number of shares not subject to restrictions on sales</b>	<b>Type of shares</b>
Central Huijin Investment Ltd.	118,316,816,139	A shares
Ministry of Finance of the People's Republic of China	118,006,174,032	A shares
HKSCC Nominees Limited	68,577,667,687	H shares
American Express Company	638,061,117	H shares
China Huarong Asset Management Corporation	480,769,000	A shares
China Life Insurance Company Limited — Traditional — Ordinary insurance products — 005L — CT001 Hu	404,323,429	A shares
China Life Insurance Company Limited — Dividend distribution — Personal dividend — 005L — FH002 Hu	305,830,817	A shares
Fortune SGAM Selected Sectors Fund	252,080,472	A shares
E-Fund 50 Index Securities Investment Fund	246,918,659	A shares
China AMC Return Fund	225,270,284	A shares

*Note:* The Bank is not aware of any connections between the above shareholders or whether they are parties acting in concert.

### **3. BRIEF ANALYSIS ON OVERALL OPERATING ACTIVITIES IN THE FIRST 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 RMB41,725 million, representing an increase of 18.24% over the same period of last year. Net interest income was RMB68,401 million, representing an increase of 18.45% over the same period of last year, principally due to the increase in interest-generating assets. Net fee and commission income was RMB18,256 million, representing an increase of 34.75% over the same period of last year. Net profit attributable to equity holders of the parent company was RMB41,547 million, representing an increase of 18.19% over the same period of last year. Cost-to-income ratio was 28.07%.

As at the end of the reporting period, total assets amounted to RMB12,553,385 million, representing an increase of RMB768,332 million or 6.52% as compared to the end of the previous year. Total loans and advances to customers amounted to RMB6,062,793 million, representing an increase of RMB334,167 million or 5.83% from the end of the previous year. In terms of the structure of balance, corporate loans amounted to RMB4,245,331 million, personal loans amounted to RMB1,338,361 million, discounted bills amounted to RMB205,057 million, and overseas loans and others amounted to RMB274,044 million. Loan-to-deposit ratio was 59.36%.

Total liabilities amounted to RMB11,829,184 million, representing an increase of RMB723,065 million or 6.51% as compared to the end of the previous year. Due to customers was RMB10,332,616 million, representing an increase of RMB561,339 million or 5.74% from the end of the previous year. In terms of the structure of balance, time deposits amounted to RMB4,985,116 million, demand deposits amounted to RMB5,225,493 million and others amounted to RMB122,007 million.

Shareholders' equity was RMB724,201 million, representing an increase of RMB45,267 million or 6.67% as compared to the end of the previous year.

According to the five-tier classification of loans, the balance of non-performing loans (NPLs) amounted to RMB81,609 million, representing a decrease of RMB6,858 million as compared to the end of the previous year. The NPL ratio was 1.35%, representing a decrease of 0.19 percentage point as compared to the end of the previous year. The ratio of allowance to NPL was 179.76%, representing an increase of 15.35 percentage points as compared to the end of the previous year.

The core capital adequacy ratio was 9.58% and the capital adequacy ratio was 11.98%, both meeting regulatory requirements.

## 4. SIGNIFICANT EVENTS

### 4.1 Significant changes in major financial statements items and financial indicators and the reasons thereof

Applicable       Not Applicable

*In RMB millions, except for percentages*

<b>Item</b>	<b>31 March 2010</b>	<b>31 December 2009</b>	<b>Increase/ Decrease (%)</b>	<b>Main reasons for change</b>
Due from banks and other financial institutions	<b>372,457</b>	235,301	58.29	For the purpose of improving yields and optimizing the use of funds, the Bank increased amount due from banks
Financial assets held for trading	<b>10,459</b>	18,976	(44.88)	Investments in bonds held for trading decreased
Repurchase agreements	<b>617</b>	36,060	(98.29)	Repurchase agreements of bonds decreased
Certificates of deposit and notes payable	<b>2,007</b>	1,472	36.35	Certificates of deposit and notes payable issued by overseas institutions increased
Deferred income tax liabilities	<b>236</b>	178	32.58	Deferred income tax liabilities of subsidiaries increased
Retained profits	<b>160,284</b>	118,760	34.96	Profit for the period increased

*In RMB millions, except for percentages*

<b>Item</b>	<b>Three months ended 31 March 2010</b>	Three months ended 31 March 2009	<b>Increase/ Decrease (%)</b>	<b>Main reasons for change</b>
Net fee and commission income	<b>18,256</b>	13,548	34.75	The volume of cash management, asset management, investment banking, agency insurance and bank card businesses increased
Net trading income	<b>31</b>	259	(88.03)	Gains on investment in trading bonds decreased and losses on hedging derivatives increased
Net loss on financial assets and liabilities designated at fair value through profit or loss	<b>(58)</b>	(27)	114.81	Interest expense of structured deposits designated at fair value increased
Net gain on financial investments	<b>48</b>	271	(82.29)	Gains on disposal of bonds investment decreased
Other operating income, net	<b>275</b>	831	(66.91)	Income from exchange rate and foreign exchange products decreased
Share of profits and losses of associates and a jointly-controlled entity	<b>601</b>	405	48.40	Income from investment in Standard Bank Group Limited increased under equity accounting method
Net profit attributable to non-controlling interests	<b>178</b>	136	30.88	Profit for the period of non-wholly owned subsidiaries increased

## **4.2 Progress of significant events and analysis on their effects and solutions**

Applicable       Not Applicable

### **4.2.1 Acquisition of shares in The Bank of East Asia (Canada) and sale of shares in ICEA**

On 4 June 2009, the Bank and The Bank of East Asia (“BEA”) entered into two agreements for the acquisition of 70% of total shares in The Bank of East Asia (Canada) and the sale of all the shares held by the Bank in Industrial and Commercial East Asia Finance Holdings Limited (“ICEA”) (accounting for 75% of total issued share capital of ICEA), respectively. Such transactions were completed on 28 January 2010.



#### ***4.2.2 Acquisition of Shares of ACL BANK Public Company Limited in Thailand***

At the Second Extraordinary General Meeting for the Year 2009 held on 27 November 2009, the implementation of the voluntary tender offer in respect of ACL BANK Public Company Limited in Thailand (“ACL”) and the possible delisting tender offer were approved. After obtaining all regulatory approvals necessary for the voluntary tender offer, the Bank had made the voluntary tender offer and completed delivery of shares and paid proceeds on 21 April 2010. As a result, the Bank acquired 1,546,286,553 ordinary shares and 282,048 preference shares of ACL (collectively representing about 97.24% of total issued shares of ACL). According to applicable provisions of the voluntary tender offer documents, the Bank will have ACL delisted upon obtaining relevant approvals, with the specific time and method to be determined based on market conditions and other factors.

#### ***4.2.3 Matters relating to Fund Raising***

On 25 March 2010, the Board of Directors of the Bank considered and approved the proposals relating to the Bank’s fund raising activities and will submit the relevant resolutions for shareholders’ consideration at the Annual General Meeting to be held on 18 May 2010.

#### **4.3 Fulfillment of commitments made by the Bank, its shareholders and de facto controllers**

Applicable             Not Applicable

As at 31 March 2010, all of the commitments made by the shareholders were properly fulfilled. During the reporting period, the shareholders holding 5% shares or above did not make any new commitments. The commitment of The Goldman Sachs Group, Inc. to a new lock-up was the same as the one disclosed in the 2009 Annual Report.

#### **4.4 Implementation of cash dividend policy 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. APPENDIX: FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRSs**

**5.1 The financial statements prepared in accordance with IFRSs are attached as an appendix to this announcement.**

### **5.2 Changes in the scope of consolidated statements**

During the reporting period, the Bank completed the sale of shares in ICEA and the acquisition of shares in The Bank of East Asia (Canada). As a result, the scope of consolidated statements is adjusted accordingly.

## **6. RELEASE OF RESULTS ANNOUNCEMENT**

The announcement will be published simultaneously on the “HKExnews” website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Bank ([www.icbc.com.cn](http://www.icbc.com.cn), [www.icbc-ltd.com](http://www.icbc-ltd.com)). The first quarterly report prepared in accordance with PRC GAAP will also be published simultaneously on the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the website of the Bank ([www.icbc.com.cn](http://www.icbc.com.cn), [www.icbc-ltd.com](http://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.

**The Board of Directors of  
Industrial and Commercial Bank of China Limited**

29 April 2010

*As at the date of this announcement, the Board of Directors comprises Mr. Jiang Jianqing, Mr. Yang Kaisheng, Mr. Zhang Furong and Ms. Wang Lili as executive directors, Mr. Huan Huiwu, Mr. Gao Jianhong, Ms. Li Chunxiang, Mr. Li Jun, Mr. Li Xiwen and Mr. Wei Fusheng as non-executive directors, and Mr. Leung Kam Chung, Antony, Mr. Qian Yingyi, Mr. Xu Shanda, Mr. Wong Kwong Shing, Frank, Sir Malcolm Christopher McCarthy and Mr. Kenneth Patrick Chung as independent non-executive directors.*

# Industrial and Commercial Bank of China Limited

## Consolidated Income Statement — Prepared in accordance with IFRSs

For the three months ended 31 March 2010

(In RMB millions, unless otherwise stated)

	Three months ended 31 March 2010 (unaudited)	Three months ended 31 March 2009 (unaudited)
Interest income	106,036	100,066
Interest expense	(37,635)	(42,318)
<b>NET INTEREST INCOME</b>	<b>68,401</b>	<b>57,748</b>
Fee and commission income	19,281	14,239
Fee and commission expense	(1,025)	(691)
<b>NET FEE AND COMMISSION INCOME</b>	<b>18,256</b>	<b>13,548</b>
Net trading income	31	259
Net loss on financial assets and liabilities designated at fair value through profit or loss	(58)	(27)
Net gain on financial investments	48	271
Other operating income, net	275	831
<b>OPERATING INCOME</b>	<b>86,953</b>	<b>72,630</b>
Operating expenses	(29,523)	(23,208)
Impairment losses on:		
Loans and advances to customers	(3,973)	(3,925)
Others	57	(278)
<b>OPERATING PROFIT</b>	<b>53,514</b>	<b>45,219</b>
Share of profits and losses of associates and a jointly-controlled entity	601	405
<b>PROFIT BEFORE TAX</b>	<b>54,115</b>	<b>45,624</b>
Income tax expense	(12,390)	(10,335)
<b>PROFIT FOR THE PERIOD</b>	<b>41,725</b>	<b>35,289</b>

	<b>Three months ended 31 March 2010 (unaudited)</b>	Three months ended 31 March 2009 (unaudited)
Attributable to:		
Equity holders of the parent company	<b>41,547</b>	35,153
Non-controlling interests	<b>178</b>	136
	<u><b>41,725</b></u>	<u>35,289</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>		
Basic and diluted (in RMB Yuan)	<u><b>0.12</b></u>	<u>0.11</u>

**Jiang Jianqing**  
*Chairman*

**Yang Kaisheng**  
*Vice Chairman, President*

**Shen Rujun**  
*General Manager of the Finance  
and Accounting Department*

**Industrial and Commercial Bank of China Limited**  
**Consolidated Statement of Comprehensive Income — Prepared in**  
**accordance with IFRSs**

*For the three months ended 31 March 2010*

*(In RMB millions, unless otherwise stated)*

	<b>Three months ended 31 March 2010 (unaudited)</b>	Three months ended 31 March 2009 (unaudited)
Profit for the period	41,725	35,289
Other comprehensive income (after-tax, net):		
Changes in fair value of available-for-sale financial investments	3,836	(734)
Cash flow hedges	(11)	—
Share of change in other owners' equity of associates and a jointly-controlled entity	(372)	(514)
Foreign currency translation differences	243	(537)
Subtotal of other comprehensive income for the period	<u>3,696</u>	<u>(1,785)</u>
Total comprehensive income for the period	<u><u>45,421</u></u>	<u><u>33,504</u></u>
Total comprehensive income attributable to:		
Equity holders of the parent company	45,196	33,369
Non-controlling interests	<u>225</u>	<u>135</u>

**Jiang Jianqing**  
*Chairman*

**Yang Kaisheng**  
*Vice Chairman, President*

**Shen Rujun**  
*General Manager of the Finance  
and Accounting Department*

**Industrial and Commercial Bank of China Limited**  
**Consolidated Statement of Financial Position — Prepared in accordance**  
**with IFRSs**

*As at 31 March 2010*

*(In RMB millions, unless otherwise stated)*

	<b>31 March 2010 (unaudited)</b>	31 December 2009 (audited)
<b>ASSETS</b>		
Cash and balances with central banks	<b>2,017,335</b>	1,693,048
Due from banks and other financial institutions	<b>372,457</b>	235,301
Financial assets held for trading	<b>10,459</b>	18,976
Financial assets designated at fair value through profit or loss	<b>1,115</b>	1,171
Derivative financial assets	<b>5,172</b>	5,758
Reverse repurchase agreements	<b>452,383</b>	408,826
Loans and advances to customers	<b>5,916,094</b>	5,583,174
Financial investments	<b>3,497,196</b>	3,579,026
Investments in associates and a jointly-controlled entity	<b>35,900</b>	36,278
Property and equipment	<b>95,222</b>	95,684
Deferred income tax assets	<b>15,944</b>	18,696
Other assets	<b>134,108</b>	109,115
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>12,553,385</b>	11,785,053
	<hr/> <hr/>	<hr/> <hr/>

	<b>31 March 2010 (unaudited)</b>	31 December 2009 (audited)
<b>LIABILITIES</b>		
Financial liabilities designated at fair value through profit or loss	<b>20,314</b>	15,831
Derivative financial liabilities	<b>7,151</b>	7,773
Due to banks and other financial institutions	<b>1,167,614</b>	1,001,634
Repurchase agreements	<b>617</b>	36,060
Certificates of deposit and notes payable	<b>2,007</b>	1,472
Due to customers	<b>10,332,616</b>	9,771,277
Income tax payable	<b>28,445</b>	22,231
Deferred income tax liabilities	<b>236</b>	178
Subordinated bonds	<b>75,000</b>	75,000
Other liabilities	<b>195,184</b>	174,663
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<b>TOTAL LIABILITIES</b>	<b>11,829,184</b>	11,106,119
	<hr/>	<hr/>
<b>EQUITY</b>		
Equity attributable to equity holders of the parent company		
Issued share capital	<b>334,019</b>	334,019
Reserves	<b>224,786</b>	221,114
Retained profits	<b>160,284</b>	118,760
	<hr/>	<hr/>
	<b>719,089</b>	673,893
Non-controlling interests	<b>5,112</b>	5,041
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>724,201</b>	678,934
	<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,553,385</b>	11,785,053
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**Jiang Jianqing**  
*Chairman*

**Yang Kaisheng**  
*Vice Chairman, President*

**Shen Rujun**  
*General Manager of the Finance  
and Accounting Department*

**Industrial and Commercial Bank of China Limited**  
**Consolidated Statement of Cash Flows — Prepared in accordance with IFRSs**

*For the three months ended 31 March 2010*

*(In RMB millions, unless otherwise stated)*

	<b>Three months ended 31 March 2010 (unaudited)</b>	Three months ended 31 March 2009 (unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>54,115</b>	45,624
<b>Adjustments for:</b>		
Share of profits and losses of associates and a jointly- controlled entity	<b>(601)</b>	(405)
Depreciation	<b>2,358</b>	2,329
Amortisation	<b>997</b>	738
Amortisation of financial investments	<b>(946)</b>	(487)
Impairment losses on loans and advances to customers	<b>3,973</b>	3,925
Impairment losses on assets other than loans and advances to customers	<b>(57)</b>	278
Unrealised foreign exchange gain	<b>(699)</b>	(477)
Interest expense on subordinated bonds	<b>641</b>	303
Accreted interest on impaired loans	<b>(202)</b>	(292)
Gain on disposal of available-for-sale investments, net	<b>(48)</b>	(261)
Net loss on financial assets and liabilities designated at fair value through profit or loss	<b>58</b>	27
Net gain on disposal of property and equipment and other assets (other than repossessed assets)	<b>(75)</b>	(46)
Dividend income	<b>—</b>	(10)
	<b>59,514</b>	51,246



	<b>Three months ended 31 March 2010 (unaudited)</b>	Three months ended 31 March 2009 (unaudited)
Net decrease/(increase) in operating assets:		
Due from central banks	<b>(220,306)</b>	(93,514)
Due from banks and other financial institutions	<b>(8,483)</b>	(15,263)
Financial assets held for trading	<b>8,656</b>	4,991
Financial assets designated at fair value through profit or loss	<b>79</b>	174
Reverse repurchase agreements	<b>89,420</b>	(618,037)
Loans and advances to customers	<b>(337,577)</b>	(640,655)
Other assets	<b>(25,450)</b>	(28,256)
	<u><b>(493,661)</b></u>	<u>(1,390,560)</u>
Net increase/(decrease) in operating liabilities:		
Financial liabilities designated at fair value through profit or loss	<b>4,483</b>	(837)
Due to banks and other financial institutions	<b>166,019</b>	284,813
Repurchase agreements	<b>(35,443)</b>	309
Certificates of deposit	<b>(535)</b>	(309)
Due to customers	<b>561,550</b>	890,321
Other liabilities	<b>27,490</b>	36,256
	<u><b>723,564</b></u>	<u>1,210,553</u>
Net cash inflow/(outflow) from operating activities before tax	<b>289,417</b>	(128,761)
Income tax paid	<b>(4,839)</b>	(3,920)
Net cash inflow/(outflow) from operating activities	<u><b>284,578</b></u>	<u>(132,681)</u>

	<b>Three months ended 31 March 2010 (unaudited)</b>	Three months ended 31 March 2009 (unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment and other assets	<b>(2,288)</b>	(820)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	<b>95</b>	101
Purchases of financial investments	<b>(331,243)</b>	(185,714)
Proceeds from sale and redemption of financial investments	<b>415,811</b>	204,230
Dividends received	<b>—</b>	16
Proceeds from disposal of a subsidiary	<b>(528)</b>	—
Acquisition of a subsidiary	<b>(228)</b>	—
	<hr/>	<hr/>
Net cash inflow from investing activities	<b>81,619</b>	17,813
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid on subordinated bonds	<b>(119)</b>	(184)
	<hr/>	<hr/>
Net cash outflow from financing activities	<b>(119)</b>	(184)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	<b>366,078</b>	(115,052)
Cash and cash equivalents at beginning of the period	<b>409,394</b>	607,291
Effect of exchange rate changes on cash and cash equivalents	<b>(450)</b>	(978)
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	<b>775,022</b>	491,261
	<hr/> <hr/>	<hr/> <hr/>
Net cash inflow/(outflow) from operating activities includes:		
Interest received	<b>98,897</b>	96,968
Interest paid	<b>(34,430)</b>	(41,593)
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**Jiang Jianqing**  
*Chairman*

**Yang Kaisheng**  
*Vice Chairman, President*

**Shen Rujun**  
*General Manager of the Finance  
and Accounting Department*