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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 Third 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 third quarter ended 30 September 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 Third 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 28 October 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)

	30 September 2010	31 December 2009	Change (%)
Total assets	13,417,887	11,785,053	13.86
Total loans and advances to customers	6,571,512	5,728,626	14.71
Allowance for impairment losses on loans	159,158	145,452	9.42
Net investment in securities	3,750,638	3,599,173	4.21
Total liabilities	12,658,382	11,106,119	13.98
Due to customers	11,282,590	9,771,277	15.47
Due to banks and other financial institutions	1,009,438	1,001,634	0.78
Equity attributable to equity holders of the parent company	753,832	673,893	11.86
Net assets per share (in RMB Yuan)	2.26	2.02	11.88
		<b>Nine months ended 30 September 2010</b>	<b>Change as compared to the same period of last year (%)</b>
Net cash flow from operating activities		627,856	83.48
Net cash flow per share from operating activities (in RMB Yuan)		1.88	84.31

(In RMB millions, unless otherwise specified)

	<b>Three months ended 30 September 2010</b>	Nine months ended 30 September 2010	<b>Change as compared to the same period of last year<sup>(1)</sup> (%, percentage points)</b>
Net profit	<b>42,830</b>	127,795	26.64
Net profit attributable to equity holders of the parent company	<b>42,613</b>	127,216	26.84
Basic earnings per share ( <i>in RMB Yuan</i> )	<b>0.13</b>	0.38	30.00
Diluted earnings per share ( <i>in RMB Yuan</i> )	<b>0.13</b>	0.38	30.00
Return on weighted average equity (%)	<b>5.85</b>	17.77	An increase of 0.52 percentage points

Note: (1) “Change as compared to the same period of last year” refers to the comparison between relevant financial indicators for the three months ended 30 September 2010 and those for the three months ended 30 September 2009.

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

In respect of the financial statements of the Group prepared under PRC GAAP and those under IFRSs, there are no differences in the net profit attributable to equity holders of the parent company for the reporting period ended 30 September 2010 and the equity attributable to equity holders of the parent company as at the end of the reporting period.

## 2.3 Number of shareholders and particulars of shareholding

As at the end of the reporting period, the Bank had a total of 1,303,381 shareholders, including 161,185 holders of H shares and 1,142,196 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	1,303,381 (number of holders of A shares and H shares on the register of shareholders as at 30 September 2010)					
Particulars of shareholding of the top 10 shareholders (the following data are based on the register of shareholders as at 30 September 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	68,500,793,031	0	Unknown
The Goldman Sachs Group, Inc.	Foreign corporation	H shares	3.9	13,180,811,324	0	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	431,914,092	0	None
China Life Insurance Company Limited — Dividend distribution — Personal dividend — 005L — FH002 Hu	Other domestic entities	A shares	0.1	389,822,428	0	None
China Life Insurance (Group) Company — Traditional — Ordinary insurance products	Other domestic entities	A shares	0.1	230,205,612	0	None
E-Fund 50 Index Securities Investment Fund	Other domestic entities	A shares	0.1	196,918,659	0	None

*Notes:* (1) Central Huijin Investment Ltd. has increased its shareholding in the Bank through on-market purchase on the Shanghai Stock Exchange since October 2009. As at 8 October 2010, Central Huijin Investment Ltd. had completed its shareholding acquisition plan. For details, please refer to the announcements published by the Bank on the websites of The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange, respectively.

(2) The Goldman Sachs Group, Inc. carried out a transaction in respect of part of its shares in the Bank in late September 2010, and the transaction has not been completed by 30 September. The Goldman Sachs Group, Inc. submitted to The Stock Exchange of Hong Kong Limited the disclosure of interests form in relation to the transaction on 5 October 2010. Please refer to the website of The Stock Exchange of Hong Kong Limited for details.

China Life Insurance Company Limited is a controlled subsidiary of China Life Insurance (Group) Company. Apart from this, 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 THIRD 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 RMB127,795 million, representing an increase of 27.10% over the same period of last year. Net interest income was RMB221,663 million, representing an increase of 24.36% over the same period of last year, principally due to the increase in the scale of interest-generating assets and the continuously slight rise in net interest margin. Net fee and commission income was RMB54,563 million, representing an increase of 32.88% over the same period of last year. Net profit attributable to equity holders of the parent company was RMB127,216 million, representing an increase of 27.19% over the same period of last year. Cost-to-income ratio was 28.69%.

As at the end of the reporting period, total assets amounted to RMB13,417,887 million, representing an increase of RMB1,632,834 million or 13.86% as compared to the end of the previous year. Total loans and advances to customers amounted to RMB6,571,512 million, representing an increase of RMB842,886 million or 14.71% from the end of the previous year. In terms of the structure of loans and advances to customers, corporate loans amounted to RMB4,547,045 million, personal loans amounted to RMB1,550,095 million, discounted bills amounted to RMB134,215 million, and overseas loans and others amounted to RMB340,157 million. Loan-to-deposit ratio was 59.15%.

Total liabilities amounted to RMB12,658,382 million, representing an increase of RMB1,552,263 million or 13.98% as compared to the end of the previous year. Due to customers was RMB11,282,590 million, representing an increase of RMB1,511,313 million or 15.47% from the end of the previous year. In terms of the structure of deposits, time deposits amounted to RMB5,417,228 million, demand deposits amounted to RMB5,689,355 million and others amounted to RMB176,007 million.

Shareholders' equity was RMB759,505 million, representing an increase of RMB80,571 million or 11.87% 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 RMB75,731 million, representing a decrease of RMB12,736 million as compared to the end of the previous year. The NPL ratio was 1.15%, representing a decrease of 0.39 percentage point as compared to the end of the previous year. The ratio of allowance to NPL was 210.16%, an increase of 45.75 percentage points as compared to the end of the previous year.

The core capital adequacy ratio was 9.33% and the capital adequacy ratio was 11.57%, both meeting regulatory requirements. The capital adequacy ratio increased by 0.23 percentage point compared to the end of June 2010, primarily due to the replenishment of the Bank's supplementary capital by the issuance of convertible corporate bonds.

## 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>30 September 2010</b>	<b>31 December 2009</b>	<b>Increase/ Decrease (%)</b>	<b>Main reasons for change</b>
Cash and balances with central banks	<b>2,266,208</b>	1,693,048	33.85	Mandatory reserve deposits with central banks increased
Derivative financial assets	<b>10,254</b>	5,758	78.08	Valuation of derivative financial instruments increased
Other assets	<b>156,848</b>	109,115	43.75	Other receivables increased
Financial liabilities designated at fair value through profit or loss	<b>8,340</b>	15,831	(47.32)	Structured deposits designated at fair value decreased
Derivative financial liabilities	<b>10,416</b>	7,773	34.00	Valuation of derivative financial instruments increased
Repurchase agreements	<b>2,999</b>	36,060	(91.68)	Placement of pledged bonds decreased
Certificates of deposit and notes payable	<b>8,406</b>	1,472	471.06	Certificates of deposit and notes payable issued by overseas institutions increased
Retained profits	<b>189,081</b>	118,760	59.21	Profit for the period increased

*In RMB millions, except for percentages*

<b>Item</b>	<b>Nine months ended 30 September 2010</b>	Nine months ended 30 September 2009	<b>Increase/ Decrease (%)</b>	<b>Main reasons for change</b>
Net fee and commission income	<b>54,563</b>	41,061	32.88	The volume of settlement, clearing and cash management, bank card business, wealth management and asset custody businesses increased
Net trading income/ (expense)	<b>(566)</b>	161	(451.55)	Losses on hedging derivatives increased
Net gain on financial investments	<b>120</b>	6,507	(98.16)	Gains on investment in bonds and other financial instruments decreased
Other operating income/(expense), net	<b>2,048</b>	275	644.73	Income from exchange rate and foreign exchange products increased
Share of profits and losses of associates and jointly-controlled entities	<b>1,877</b>	1,387	35.33	Income of associates for the period increased
Income tax expense	<b>38,529</b>	28,440	35.47	Income tax expense increased due to the increase in profit for the period

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

√ Applicable       Not Applicable

### 4.2.1 Acquisition of Shares of ACL BANK Public Company Limited in Thailand

At the Second Extraordinary General Meeting of 2009 held on 27 November 2009, the implementation of the voluntary tender offer, and the possible delisting tender offer in respect of ACL BANK Public Company Limited (“ACL”) was approved. After the Bank obtained all necessary approvals, it had made the voluntary tender offer to ACL, and the completion of the settlement under the voluntary tender offer took place on 21 April 2010. The Bank has acquired 1,546,286,553 ordinary shares and 282,048 preference shares of ACL, representing approximately 97.24% of the total issued shares of ACL. The Bank had started the approval and implementation procedures for the delisting of ACL hereafter. As at the disclosure date of this Report, the delisting approval and implementation procedures are still underway.



#### ***4.2.2 Privatization of ICBC (Asia)***

On 28 July 2010, the Board of Directors of the Bank reviewed and approved the Proposal on the Privatization of Industrial and Commercial Bank of China (Asia) Limited (“ICBC (Asia)”). The Bank proposed to privatize the ICBC (Asia) by means of a scheme of arrangement. According to the scheme of agreement, the cancellation consideration per scheme share of ICBC (Asia) shall be HKD29.45. As at the disclosure date of this Report, ICBC (Asia) has issued 1,352,061,533 shares, of which 984,364,740 shares were held by the Bank, representing approximately 72.81% of the total shares of ICBC (Asia) and 367,696,793 shares were held by shareholders other than the Bank, representing approximately 27.19% of the total shares of ICBC (Asia). The total cash payment for the proposed privatization of ICBC (Asia) by the Bank will be approximately HKD10,828.67 million. On 8 October 2010, the Bank and ICBC (Asia) jointly issued the scheme document. The privatization of ICBC (Asia) by the Bank is still subject to the approval of the General Meeting of ICBC (Asia), (Hong Kong) Court Meeting, relevant regulatory authorities in Mainland China and Hong Kong and Hong Kong High Court.

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

In August 2010, with the approval from China Securities Regulatory Commission (Zhen Jian Xu Ke [2010] No.1155), the Bank issued the A share convertible corporate bonds with an aggregate nominal value of RMB25 billion, and the net proceeds, after deduction of the expenses relating to the issuance, was RMB24.87 billion. With the approval from China Banking Regulatory Commission (“CBRC”), the entire net proceeds will be used to replenish the supplementary capital of the Bank; and upon full conversion into shares by the convertible bonds holders, the entire amount which has been converted into will be used to replenish the core capital of the Bank.

The meeting of the Board of Directors of the Bank held on 28 July 2010 and the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 held on 21 September 2010 considered and approved the Proposed Rights Issue of A Shares and H Shares of Industrial and Commercial Bank of China Limited. It is expected that the gross proceeds of the rights issue will be no more than RMB45 billion and the final amount of gross proceeds shall be determined by the Board of Directors based on the subscription price and number of shares to be issued at the time of the rights issue and pursuant to the authorization of the shareholders’ meetings. All proceeds from the rights issue, after deduction of the expenses relating to the issuance, will be used to strengthen the capital base of the Bank. The Bank has received the approval from the CBRC on 29 September 2010 in respect of the proposed right issue of A shares and H shares of the Bank. Please refer to the relevant announcements of the Bank published at the websites of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited for detailed information on the approval and implementation of the Bank’s A shares and H shares rights issue.



The Bank successfully issued subordinated bonds in an amount of RMB22 billion in the China national inter-bank bond market during 10-14 September 2010. This issue of subordinated bonds was made on a revolving basis within the approved limit and is used to substitute for the redeemed portion of the subordinated bonds issued in 2005. The proceeds from this issue of subordinated bonds have been used to replenish the supplementary capital of the Bank in accordance with applicable laws and as approved by the regulatory authorities.

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

Applicable       Not Applicable

During the reporting period, the Ministry of Finance of the People's Republic of China and Central Huijin Investment Ltd., the controlling shareholders of the Bank, have made undertakings that they will subscribe in cash all the offered rights shares, which will be allotted to them in proportion to their respective shareholdings in the Bank according to the rights issue plan considered and approved by the Board of Directors of the Bank on 28 July 2010. The right issue plan was considered and approved by the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 of the Bank held on 21 September 2010. Such subscription undertakings shall only become exercisable upon approval by relevant regulatory authorities.

Except for the aforementioned, as at 30 September 2010, all of the commitments made by the shareholders were properly fulfilled.

#### **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**

## 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 third 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**

28 October 2010

*As at the date of this announcement, the Board of Directors comprises Mr. Jiang Jianqing, Mr. Yang Kaisheng, Ms. Wang Lili and Mr. Li Xiaopeng 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 nine months ended 30 September 2010**  
*(In RMB millions, unless otherwise stated)*

	Three months ended 30 September 2010 (unaudited)	Nine months ended 30 September 2010 (unaudited)	Three months ended 30 September 2009 (unaudited)	Nine months ended 30 September 2009 (unaudited)
Interest income	118,953	338,818	101,542	300,819
Interest expense	(40,602)	(117,155)	(39,331)	(122,570)
<b>NET INTEREST INCOME</b>	<b>78,351</b>	<b>221,663</b>	62,211	178,249
Fee and commission income	18,974	58,029	14,351	43,642
Fee and commission expense	(1,300)	(3,466)	(1,034)	(2,581)
<b>NET FEE AND COMMISSION INCOME</b>	<b>17,674</b>	<b>54,563</b>	13,317	41,061
Net trading income/(expense)	(244)	(566)	(327)	161
Net loss on financial assets and liabilities designated at fair value through profit or loss	(19)	(143)	(9)	(126)
Net gain on financial investments	31	120	3,158	6,507
Other operating income/(expense), net	964	2,048	(305)	275
<b>OPERATING INCOME</b>	<b>96,757</b>	<b>277,685</b>	78,045	226,127
Operating expenses	(33,549)	(95,418)	(30,699)	(83,747)
Impairment losses on:				
Loans and advances to customers	(8,243)	(17,986)	(4,405)	(13,653)
Others	116	166	(166)	(1,130)
<b>OPERATING PROFIT</b>	<b>55,081</b>	<b>164,447</b>	42,775	127,597
Share of profits and losses of associates and jointly-controlled entities	627	1,877	421	1,387
<b>PROFIT BEFORE TAX</b>	<b>55,708</b>	<b>166,324</b>	43,196	128,984
Income tax expense	(12,878)	(38,529)	(9,376)	(28,440)
<b>PROFIT FOR THE PERIOD</b>	<b>42,830</b>	<b>127,795</b>	33,820	100,544

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

**For the nine months ended 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	Three months ended 30 September 2010 (unaudited)	Nine months ended 30 September 2010 (unaudited)	Three months ended 30 September 2009 (unaudited)	Nine months ended 30 September 2009 (unaudited)
Attributable to:				
Equity holders of the parent company	42,613	127,216	33,595	100,019
Non-controlling interests	217	579	225	525
	<u>42,830</u>	<u>127,795</u>	<u>33,820</u>	<u>100,544</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT COMPANY</b>				
— Basic <i>(in RMB Yuan)</i>	0.13	0.38	0.10	0.30
— Diluted <i>(in RMB Yuan)</i>	<u>0.13</u>	<u>0.38</u>	<u>0.10</u>	<u>0.30</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 nine months ended 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	Three months ended 30 September 2010 (unaudited)	Nine months ended 30 September 2010 (unaudited)	Three months ended 30 September 2009 (unaudited)	Nine months ended 30 September 2009 (unaudited)
Profit for the period	42,830	127,795	33,820	100,544
Other comprehensive income/(loss) (after-tax, net):				
Net gain/(loss) on available-for-sale financial assets	1,325	5,816	(5,500)	(7,743)
Net loss on cash flow hedges	(59)	(129)	(1)	(2)
Share of other comprehensive income of associates and jointly-controlled entities	(433)	(527)	(54)	(1,115)
Foreign currency translation differences	3,144	1,387	1,811	7,354
Subtotal of other comprehensive income/(loss) for the period	<u>3,977</u>	<u>6,547</u>	<u>(3,744)</u>	<u>(1,506)</u>
Total comprehensive income for the period	<u><u>46,807</u></u>	<u><u>134,342</u></u>	<u><u>30,076</u></u>	<u><u>99,038</u></u>
Total comprehensive income attributable to:				
Equity holders of the parent company	46,568	133,756	29,684	98,062
Non-controlling interests	239	586	392	976
	<u><u>46,807</u></u>	<u><u>134,342</u></u>	<u><u>30,076</u></u>	<u><u>99,038</u></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 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	<b>30 September 2010 (unaudited)</b>	31 December 2009 (audited)
<b>ASSETS</b>		
Cash and balances with central banks	<b>2,266,208</b>	1,693,048
Due from banks and other financial institutions	<b>304,421</b>	235,301
Financial assets held for trading	<b>16,205</b>	18,976
Financial assets designated at fair value through profit or loss	<b>968</b>	1,171
Derivative financial assets	<b>10,254</b>	5,758
Reverse repurchase agreements	<b>366,015</b>	408,826
Loans and advances to customers	<b>6,412,354</b>	5,583,174
Financial investments	<b>3,733,465</b>	3,579,026
Investments in associates and jointly-controlled entities	<b>38,880</b>	36,278
Property and equipment	<b>94,734</b>	95,684
Deferred income tax assets	<b>17,535</b>	18,696
Other assets	<b>156,848</b>	109,115
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<b>TOTAL ASSETS</b>	<b>13,417,887</b>	11,785,053
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**Industrial and Commercial Bank of China Limited**  
**Consolidated Statement of Financial Position — Prepared in accordance**  
**with IFRSs (continued)**

**As at 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	<b>30 September 2010 (unaudited)</b>	31 December 2009 (audited)
<b>LIABILITIES</b>		
Financial liabilities designated at fair value through profit or loss	<b>8,340</b>	15,831
Derivative financial liabilities	<b>10,416</b>	7,773
Due to banks and other financial institutions	<b>1,009,438</b>	1,001,634
Repurchase agreements	<b>2,999</b>	36,060
Certificates of deposit and notes payable	<b>8,406</b>	1,472
Due to customers	<b>11,282,590</b>	9,771,277
Income tax payable	<b>26,602</b>	22,231
Deferred income tax liabilities	<b>218</b>	178
Bond payable	<b>96,949</b>	75,000
Other liabilities	<b>212,424</b>	174,663
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<b>12,658,382</b>	11,106,119
<b>EQUITY</b>		
Equity attributable to equity holders of the parent company		
Issued share capital	<b>334,019</b>	334,019
Reserves	<b>230,732</b>	221,114
Retained profits	<b>189,081</b>	118,760
	<hr/>	<hr/>
	<b>753,832</b>	673,893
Non-controlling interests	<b>5,673</b>	5,041
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>759,505</b>	678,934
	<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,417,887</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 nine months ended 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	<b>Nine months ended 30 September 2010 (unaudited)</b>	Nine months ended 30 September 2009 (unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>166,324</b>	128,984
Adjustments for:		
Share of profits and losses of associates and jointly-controlled entities	<b>(1,877)</b>	(1,387)
Depreciation	<b>8,061</b>	7,136
Amortisation	<b>950</b>	2,237
Amortisation of financial investments	<b>(5,813)</b>	(1,316)
Impairment losses on loans and advances to customers	<b>17,986</b>	13,653
Impairment losses on assets other than loans and advances to customers	<b>(166)</b>	1,130
Unrealised foreign exchange difference	<b>2,238</b>	4,357
Interest expense on bonds	<b>1,938</b>	1,136
Accreted interest on impaired loans	<b>(641)</b>	(984)
Gain on disposal of available-for-sale financial assets, net	<b>(76)</b>	(6,454)
Net trading gain on equity investments	<b>(9)</b>	(24)
Net gain on disposal of property and equipment and other assets (other than repossessed assets)	<b>(165)</b>	(220)
Dividend income	<b>(44)</b>	(54)
	<b>188,706</b>	148,194
Net decrease/(increase) in operating assets:		
Due from central banks	<b>(399,743)</b>	(209,559)
Due from banks and other financial institutions	<b>18,911</b>	27,619
Financial assets held for trading	<b>2,911</b>	8,066
Financial assets designated at fair value through profit or loss	<b>232</b>	397
Reverse repurchase agreements	<b>219,847</b>	(411,501)
Loans and advances to customers	<b>(855,646)</b>	(1,020,083)
Other assets	<b>(43,305)</b>	19,808
	<b>(1,056,793)</b>	(1,585,253)

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

**For the nine months ended 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	<b>Nine months ended 30 September 2010 (unaudited)</b>	Nine months ended 30 September 2009 (unaudited)
Net increase/(decrease) in operating liabilities:		
Financial liabilities designated at fair value through profit or loss	<b>(7,491)</b>	4,935
Due to banks and other financial institutions	<b>9,478</b>	317,957
Repurchase agreements	<b>(33,061)</b>	1,398
Certificates of deposit and notes payable	<b>(6,934)</b>	712
Due to customers	<b>1,517,188</b>	1,527,671
Other liabilities	<b>51,642</b>	(12,955)
	<b>1,530,822</b>	1,839,718
Net cash inflow from operating activities before tax	<b>662,735</b>	402,659
Income tax paid	<b>(34,879)</b>	(60,463)
Net cash inflow from operating activities	<b>627,856</b>	342,196
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment and other assets	<b>(7,759)</b>	(6,665)
Proceeds from disposal of property and equipment and other assets (other than repossessed assets)	<b>635</b>	456
Purchases of financial investments	<b>(1,746,518)</b>	(1,080,943)
Proceeds from sale and redemption of financial investments	<b>1,604,874</b>	740,187
Investments in associates and jointly-controlled entities	<b>(823)</b>	(5)
Dividends received	<b>999</b>	465
Disposal of a subsidiary	<b>(528)</b>	—
Acquisition of subsidiaries	<b>(2,929)</b>	—
Net cash outflow from investing activities	<b>(152,049)</b>	(346,505)

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

**For the nine months ended 30 September 2010**

*(In RMB millions, unless otherwise stated)*

	<b>Nine months ended 30 September 2010 (unaudited)</b>	Nine months ended 30 September 2009 (unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Capital contribution from non-controlling shareholders	230	—
Proceeds from issuance of convertible bonds	25,000	—
Proceeds from issuance of subordinated bonds	22,000	40,000
Interest paid on bonds	(2,597)	(1,168)
Repayment of debts issued	(22,000)	—
Cash paid for other financing activities	(128)	—
Dividends paid on ordinary shares	(56,783)	(55,113)
Dividends paid to non-controlling shareholders	(196)	(38)
	<u>(34,474)</u>	<u>(16,319)</u>
Net cash outflow from financing activities		
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	441,333	(20,628)
Cash and cash equivalents at beginning of the period	409,394	607,291
Effect of exchange rate changes on cash and cash equivalents	(2,850)	(294)
	<u>847,877</u>	<u>586,369</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES INCLUDES:</b>		
Interest received	327,353	294,517
Interest paid	(106,394)	(122,545)
	<u>(106,394)</u>	<u>(122,545)</u>

**Jiang Jianqing**  
*Chairman*

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

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