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中信銀行
CHINA CITIC BANK

中信銀行股份有限公司
China CITIC Bank Corporation Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 998)

REPORT FOR THE FIRST QUARTER OF 2018

The board of directors (the “**Board of Directors**”) of China CITIC Bank Corporation Limited (the “**Bank**” or the “**Company**”) is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (collectively, the “**Group**”) for the first quarter ended 31 March 2018 (the “**reporting period**”), which have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This report is made in Chinese and English. Should there be any discrepancies between the two versions, the Chinese version shall prevail.

1. IMPORTANT NOTICE

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Bank ensure that the information contained in the Report for the First Quarter of 2018 does not contain any false records, misleading statements or material omissions, and assume several and joint liabilities for its truthfulness, accuracy and completeness.

The meeting of the Board of Directors of the Bank adopted the Bank’s Report for the First Quarter of 2018 on 26 April 2018. 10 out of the 10 eligible directors attended the meeting, with 9 of them attending the meeting on site, and Chairperson Ms. Li Qingping entrusting Director Mr. Sun Deshun to attend and vote on her behalf as proxy. The supervisors and senior management members of the Bank attended the meeting as non-voting delegates.

Ms. Li Qingping as Chairperson of the Board of Directors, Mr. Sun Deshun as President of the Bank, Mr. Fang Heying as Vice President and concurrently Chief Financial Officer of the Bank, and Ms. Li Peixia as General Manager of the Finance and Accounting Department of the Bank, hereby guarantee the truthfulness, accuracy and completeness of the financial statements contained in the Report for the First Quarter of 2018.

This quarterly report was prepared in accordance with the IFRS and is unaudited.

The term the “Bank” mentioned in the report refers to China CITIC Bank Corporation Limited and the “Group” refers to China CITIC Bank Corporation Limited and its subsidiaries.

For the purpose of this report, amounts are expressed in Renminbi (**RMB**) unless otherwise stated.

2. BASIC INFORMATION ON THE COMPANY

2.1 Principal Accounting Data

Unit: RMB million

Item	31 March 2018	31 December 2017	Increase (decrease) over the end of the previous year (%)
Total assets	5,624,705	5,677,691	(0.93)
Total loans and advances to customers	3,298,496	3,196,887	3.18
Total liabilities	5,205,163	5,265,258	(1.14)
Total deposits from customers	3,477,528	3,407,636	2.05
Deposits from banks and non-bank financial institutions	651,904	798,007	(18.31)
Placements from banks	66,487	77,595	(14.32)
Total equity attributable to the equity holders of the Bank	406,762	399,638	1.78
Total equity attributable to the ordinary shareholders of the Bank	371,807	364,683	1.95
Net asset per share attributable to the ordinary shareholders of the Bank (RMB)	7.60	7.45	2.01
	Jan-Mar 2018	Jan-Mar 2017	Year-on-year increase (decrease) (%)
Net cash flow generated from/(used in) operating activities	(56,207)	(158,595)	64.56
Net cash flow generated from/(used in) operating activities per share (RMB)	(1.15)	(3.24)	64.51

Item	Jan-Mar 2018	Jan-Mar 2017	Year-on-year increase (decrease) (%)
Operating income	39,792	37,850	5.13
Profit before tax	15,746	14,810	6.32
Net profit attributable to equity holders of the Bank	12,166	11,389	6.82
Annualized return on average assets	0.89%	0.79%	Up 0.10 percentage point
Annualized return on average equity	13.51%	13.25%	Up 0.26 percentage point
Basic earnings per share (RMB)	0.25	0.23	8.70
Diluted earnings per share (RMB)	0.25	0.23	8.70

Note: All data in the above table are consolidated data of the Group.

2.2 Note on Differences between the Financial Statements Respectively Prepared in accordance with the PRC Accounting Standards and the IFRS

There is no difference between the net assets as at the end of the reporting period and the net profit for the reporting period calculated by the Group according to the PRC accounting standards and those calculated by the Group as per the IFRS.

2.3 Analysis of Capital Adequacy Ratio

The Group calculates and discloses its capital adequacy ratios according to the Provisional Measures for Capital Management of Commercial Banks promulgated by the China Banking Regulatory Commission (now the China Banking and Insurance Regulatory Commission) (effective as of 1 January 2013). During the reporting period, the Group met the relevant regulatory requirements on capital for the transition period. As at the end of the reporting period, the Group recorded a core tier-one capital adequacy ratio of 8.58%, a tier-one capital adequacy ratio of 9.42% and a capital adequacy ratio of 11.85%, up 0.09, 0.08 and 0.20 percentage point from the end of the previous year, respectively.

Unit: RMB million

Item	Regulatory value	31 March 2018	31 December 2017	Increase (decrease) over the end of the previous year (%)
Net core tier-one capital	–	373,690	366,567	1.94
Net tier-one capital	–	410,449	403,378	1.75
Net capital	–	516,029	502,821	2.63
Total risk-weighted assets	–	4,355,184	4,317,502	0.87
Core tier-one capital adequacy ratio	≥7.50%	8.58%	8.49%	Up 0.09 percentage point
Tier-one capital adequacy ratio	≥8.50%	9.42%	9.34%	Up 0.08 percentage point
Capital adequacy ratio	≥10.50%	11.85%	11.65%	Up 0.20 percentage point

Note: All data in the above table are consolidated data of the Group.

2.4 Analysis of Leverage Ratio

Unit: RMB million

Item	Regulatory value	31 March 2018	31 December 2017	30 September 2017	30 June 2017
Leverage ratio	≥4%	6.15%	5.91%	6.01%	5.66%
Net tier-one capital	–	373,545	364,617	361,412	353,267
Adjusted balances of on- and off-balance sheet assets	–	6,071,847	6,170,846	6,012,349	6,241,459

Note: All data in the above table are unconsolidated data of the Bank.

2.5 Analysis of Liquidity Coverage Ratio

Unit: RMB million

Item	Regulatory value	31 March 2018	31 December 2017
Liquidity coverage ratio	≥100%	99.46%	97.98%
Qualified premium liquid assets	–	469,083	507,004
Net cash outflow in the coming 30 days	–	471,653	517,472

Notes: (1) All data in the above table are consolidated data of the Group.

- (2) As per the requirements of the Rules on Liquidity Risk Management of Commercial Banks (Provisional), the liquidity coverage ratio of commercial banks should reach 100% by the end of 2018 and shall, during the transition period, reach 60%, 70%, 80% and 90% at the end of 2014, the end of 2015, the end of 2016 and the end of 2017, respectively.

2.6 Management Discussion and Analysis

As at the end of the reporting period, the Group's total assets registered RMB5,624.705 billion, a decrease of 0.93% from the end of the previous year; total loans and advances to customers stood at RMB3,298.496 billion, a growth of 3.18% over the end of the previous year; total liabilities recorded RMB5,205.163 billion, a decline of 1.14% from the end of the previous year; and total deposits from customers registered RMB3,477.528 billion, up 2.05% from the end of the previous year.

For the reporting period, the Group realized net profit attributable to the Bank's shareholders of RMB12.166 billion, a year-on-year increase of 6.82%; and operating income of RMB39.792 billion, a year-on-year growth of 5.13%, of which net interest income recorded RMB24.211 billion, a drop of 3.57% year on year, and non-interest income was RMB15.581 billion, a jump of 22.28% year on year. Net interest margin stood at 1.87%, a rise of 0.08 percentage point year on year. The proportion of net non-interest income registered 39.16%, up 5.49 percentage points year on year.

As at the end of the reporting period, the Group's balance of non-performing loans recorded RMB56.008 billion, an increase of RMB2.36 billion over the end of the previous year; its non-performing loan ratio recorded 1.70%, up 0.02 percentage point over the end of the previous year; its allowance coverage ratio stood at 187.84%, a rise of 18.40 percentage points over the end of the previous year, and its ratio of allowance for impairment of loans to total loans was 3.19%, up 0.35 percentage point from the end of the previous year.

2.7 Total Number of Ordinary Shareholders and Shareholdings of the Top 10 Ordinary Shareholders and the Top 10 Ordinary Shareholders Not Subject to Restrictions on Sale as at the End of the Reporting Period

Unit: Share

Total number of ordinary shareholders (account) 180,451

Including: A-share ordinary shareholders (account) 150,022

H-share ordinary shareholders (account) 30,429

Shareholdings of the top 10 ordinary shareholders

Name of Shareholder	Number of shares held at the end of the reporting period	Percentage (%)	Balance of shares subject to restrictions on sale	Shares pledged or frozen	Pledged or frozen Number	Nature of shareholder
CITIC Corporation Limited	31,988,728,773	65.37	None	None	–	State-owned legal person
Hong Kong Securities Clearing Company Nominee Limited	12,125,353,721	24.78	None	Unknown	–	Overseas legal person
China Tobacco Corporation	2,147,469,539	4.39	2,147,469,539	None	–	State-owned legal person
China Securities Finance Corporation Limited	1,008,097,624	2.06	None	None	–	State-owned legal person
Central Huijin Asset Management Limited	272,838,300	0.56	None	None	–	State-owned legal person
China Construction Bank Corporation	168,599,268	0.34	None	Unknown	–	State-owned legal person
Macao Monetary Authority – proprietary fund	65,937,648	0.13	None	None	–	Overseas legal person
Hong Kong Securities Clearing Company Limited	43,411,407	0.09	None	None	–	Overseas legal person
National Social Security Fund 412 Portfolio	38,193,500	0.08	None	None	–	State-owned legal person
Mao Tian Capital Limited	31,034,400	0.06	None	None	–	State-owned legal person

Shareholdings of the top 10 ordinary shareholders not subject to restrictions on sale

Name of shareholder	Balance of shares not subject to restrictions on sale	Class of shares	Number of shares
CITIC Corporation Limited	31,988,728,773	A Share	28,938,928,294
		H Share	3,049,800,479
Hong Kong Securities Clearing Company Nominee Limited	12,125,353,721	H Share	12,125,353,721
China Securities Finance Corporation Limited	1,008,097,624	A Share	1,008,097,624
Central Huijin Asset Management Limited	272,838,300	A Share	272,838,300
China Construction Bank Corporation	168,599,268	H Share	168,599,268
Macao Monetary Authority-proprietary fund	65,937,648	A Share	65,937,648
Hong Kong Securities Clearing Company Limited	43,411,407	A Share	43,411,407
National Social Security Fund 412 Portfolio	38,193,500	A Share	38,193,500
Mao Tian Capital Limited	31,034,400	A Share	31,034,400
Kuwait Government Investment Authority – proprietary fund	29,989,618	A Share	29,989,618
Note on preference shareholders with restored voting right and their shareholdings	N/A		

Notes: (1) Except for CITIC Corporation Limited, the shareholdings of A-share shareholders and H-share shareholders were calculated based on the Bank's share registers respectively maintained with China Securities Depository and Clearing Corporation Limited Shanghai Branch and Computershare Hong Kong Investor Services Limited.

(2) Hong Kong Securities Clearing Company Nominees Limited is a wholly owned subsidiary of Hong Kong Securities Clearing Company Limited. The total number of shares held by Hong Kong Securities Clearing Company Nominees Limited was the aggregate number of H shares it held in its capacity as nominee on behalf of all institutional and individual investors registered with the company as at the end of the reporting period. Hong Kong Securities Clearing Company Limited is an institution that is designated by others to hold shares, including the Shanghai Stock Connect shares held by Hong Kong and overseas investors, on behalf of others in its capacity as nominee shareholder.

(3) CITIC Corporation Limited is a wholly owned subsidiary of CITIC Limited. CITIC Corporation Limited confirmed that, as at the end of the reporting period, CITIC Limited and its subsidiaries (including CITIC Corporation Limited) together owned 32,284,227,773 shares of the Bank, accounting for 65.97% of the Bank's total share capital, including 28,938,928,294 A shares and 3,345,299,479 H shares. CITIC Corporation Limited directly owned 31,988,728,773 shares of the Bank, accounting for 65.37% of the Bank's total share capital, including 28,938,928,294 A shares and 3,049,800,479 H shares.

(4) Summit Idea Limited confirmed that, as at the end of the reporting period, it held via Hong Kong Securities Clearing Company Nominee Limited 2,292,579,000 H shares of the Bank, accounting for 4.685% of the Bank's total share capital. Summit Idea Limited is a wholly owned affiliate of Xinhua Zhongbao Co., Ltd. (Xinhua Zhongbao). In addition to the afore-mentioned stake, Xinhua Zhongbao also directly owned 153,686,000 H shares of the Bank via its wholly owned subsidiary, Hong Kong Xinhua Investment Co., Ltd., taking up 0.314% of the Bank's total share capital.

- (5) Note on connected relations or concerted actions of the above ordinary shareholders: Hong Kong Securities Clearing Company Nominees Limited is a wholly owned subsidiary of Hong Kong Securities Clearing Company Limited. According to the 2017 Annual Report of China Construction Bank Corporation, as at 31 December 2017, Central Huijin Investment Limited and its wholly owned subsidiary, Central Huijin Asset Management Limited, together owned 57.31% equity of China Construction Bank Corporation. Except for these, the Bank was not aware of any connected relation or concerted action between the above-mentioned shareholders.

2.8 Total Number of Preference Shareholders and Shareholdings of the Top 10 Preference Shareholders and the Top 10 Preference Shareholders not Subject to Restrictions on Sale as at the End of the Reporting Period

Applicable Not applicable

Unit: Share

Total number of preference shareholders (account) 31

Name of shareholder	Nature of Shareholder	Changes in shareholding during the reporting period (+, -)	Shareholdings of the top 10 preference shareholders (also the top 10 preference shareholders not subject to restrictions on sale)					
			Number of shares held at the end of the period	Shareholding percentage (%)	Class of shares held	Number of shares subject to restrictions on sale	Shares pledged or frozen Pledged or frozen	Number
China Mobile Communications Group Corporation	State-owned legal person	-	43,860,000	12.53	Onshore preference share	-	-	-
China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai	Other	-	38,430,000	10.98	Onshore preference share	-	-	-
China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai	Other	-	38,400,000	10.97	Onshore preference share	-	-	-
China Ping An Life Insurance Co., Ltd. – Universal – Individual Universal Insurance	Other	-	30,700,000	8.77	Onshore preference share	-	-	-
China Ping An Life Insurance Company Limited – Dividends – Dividends for Individual Insurance	Other	-	30,700,000	8.77	Onshore preference share	-	-	-
BOCOM International Trust Co., Ltd. – Jin Sheng Tian Li No. 1 Single Fund Trust	Other	-	30,700,000	8.77	Onshore preference share	-	-	-
Puyin Ansheng Fund Company – SPDB – Shanghai Pudong Development Bank Shanghai Branch	Other	-	21,930,000	6.27	Onshore preference share	-	-	-
Xing Quan Rui Zhong Total Assets – Ping An Bank – Ping An Bank Co., Ltd	Other	-	15,350,000	4.39	Onshore preference share	-	-	-
Chuang Jin He Xin Fund – China Merchants Bank – China Merchants Bank Co., Ltd.	Other	-	10,960,000	3.13	Onshore preference share	-	-	-
Bank of Communications Schroder Fund – Minsheng Bank – China Minsheng Bank Co., Ltd.	Other	-	8,770,000	2.51	Onshore preference share	-	-	-
China Resources Shenzhen Investment Trust Co., Ltd. – No. 1 Single Investment Trust Fund	Other	-	8,770,000	2.51	Onshore preference share	-	-	-

- Notes:* (1) The shareholdings of the preference shareholders were calculated based on the preference-share register of the Bank.
- (2) Note on connected relations or concerted actions of the above shareholders: Based on publicly available information, the Bank came to the preliminary conclusion that there was connected relation between China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai and China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai and between China Ping An Life Insurance Co., Ltd. – Universal – Individual Universal Insurance and China Ping An Life Insurance Company Limited – Dividends – Dividends for Individual Insurance. Except for these, the Bank was not aware of any other connected relation or concerted action between the above-mentioned preference shareholders or between the above-mentioned preference shareholders and the top 10 ordinary shareholders.
- (3) The Bank had no preference shareholders with restored voting right.

3. SIGNIFICANT EVENTS

3.1 Material Changes in Principal Accounting Items and Financial Indicators of the Group and the Underlying Reasons

Applicable Not applicable

Material changes in principal accounting items and financial indicators for the first quarter of 2018 and the underlying reasons are set out in the table below.

Unit: RMB million

Item	31 March 2018/ January-March 2018	Changes over the end of the previous year/ year on year (%)	Reasons for change
Deposits with banks and non-bank financial institutions	86,078	(30.78)	Decrease in deposits with other domestic banks
Precious metals	6,410	91.46	Growth in precious metal business
Financial assets held under resale agreements	107,917	97.56	Increase in domestic debt securities held under resale agreements
Financial assets sold under repurchase agreements	54,126	(59.76)	Decrease in domestic debt securities sold under repurchase agreements
Provisions	5,033	532.29	The implementation of the new standards on financial instruments resulted in the increase of allowance of impairment losses of off-balance-sheet business
Other comprehensive income	(6,385)	45.82	Impact of beginning-of-period conversions carried out as per the classification and measurement requirements of the new standards on financial instruments and increase in revaluation reserves for investment in investment financial assets for the current period
Net gain from investment securities	3,462	2,077.36	1. Increase in investment gains from asset-backed securitization 2. Change in the measurement method for some businesses due to the implementation of the new standards on financial instruments, changing from recognition of interest income to recognition of investment gains

Note: All data in the above table are consolidated data of the Group.

3.2 Impacts of Changes to Accounting Policies

In March 2017, the Ministry of Finance revised the Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, No. 23 – Transfer of Financial Assets, No. 24 – Hedging and No. 37 – Presentation of Financial Instruments (collectively referred to as the “**new standards on financial instruments**”), and required companies listed both at home and abroad to implement the standards as of 1 January 2018. In response, the Bank issued the Announcement of China CITIC Bank Corporation Limited on Accounting Policy Changes on 16 December 2017 and made corresponding changes to its accounting policies in accordance with the requirements of the above accounting standards. The Bank has disclosed these changes in Note 4 (27) “Impact of adopting the new standards” in the financial report of its 2017 annual report.

The Bank prepared the financial statements for the first quarter of 2018 in line with the requirements of the new standards on financial instruments, adjusting the retained earnings and other comprehensive income for the beginning of 2018 in consideration of the effects of the conversion from the old to the new standards, without restating the data for the comparable period of 2017. On 1 January 2018, the Group’s adoption of the new standards on financial instruments resulted in the reduction of shareholders’ equity by an amount of RMB6.132 billion (RMB4.903 billion for the Bank), including a decrease in net assets due to the use of the expected credit loss approach to accrue impairment allowances, which was partly offset by the changes in the classification and valuation of financial assets.

In July 2017, the Ministry of Finance revised the Accounting Standard for Business Enterprises No. 14 – Revenues (“**the revenue standard**”), and required companies listed both at home and abroad to implement the standard as of 1 January 2018. According to the convergence regulations of the Ministry of Finance, in terms of the cumulative effect amount resulting from the first implementation of the revenue standard and the amounts of adjustments made to the retained earnings and other relevant items on the financial statements at the beginning of the period, information for the comparable periods shall not be adjusted. Accordingly, the Bank changed its accounting policy at the beginning of 2018 and prepared the financial statements for the first quarter of 2018 according to the revenue standard. Implementation of the standard did not involve significant changes in the revenue recognition approach of the Bank and was of insignificant impact on its financial statements.

3.3 Analysis and Explanations regarding Progress and Impacts of Significant Events and Their Solutions

Applicable

Not applicable

The Bank proposed to make a public offering of up to RMB40 billion A-share convertible corporate bonds. The plan on this public offering and its associated proposals were deliberated and adopted at the meetings of the Board of Directors respectively convened on 25 August 2016, 19 December 2016 and 18 January 2017, and were adopted via voting by poll at the 1st Extraordinary General Meeting in 2017, the 1st A Shareholders Class Meeting in 2017 and the 1st H Shareholders Class Meeting in 2017 convened on 7 February 2017. The China Banking Regulatory Commission (now the China Banking and Insurance Regulatory Commission) issued the Reply of the China Banking Regulatory Commission on Approving the Relevant Matters relating to CITIC Bank's Issuance of A-Share Convertible Corporate Bonds (CBRC Reply [2017] No.193) in July 2017. After submitting the application documents to the China Securities Regulatory Commission ("CSRC"), the Bank received, on 28 September 2017, from the CSRC the Notification of the CSRC on Its One-Time Feedback regarding the Review of the Administrative Licensing Project (No. 171748) in connection with the Bank's proposed issuance of A share convertible corporate bonds. On 24 November 2017, the Bank disclosed the Announcement of China CITIC Bank Corporation Limited on Its Reply to the Feedback on the Application Documents relating to Its Public Issuance of A-share Convertible Corporate Bonds (Provisional No. 2017-48) and submitted to the CSRC its reply to the CSRC feedback.

To ensure smooth issuance of the A-share convertible corporate bonds, the Bank convened a meeting of the Board of Directors on 21 December 2017, and reviewed and adopted the Proposal Regarding the Extension of the Validity Period of the Resolution of the General Meeting in Respect of Public Issuance of A-Share Convertible Corporate Bonds and the Proposal to the General Meeting Regarding the Extension of the Authorization period to the Board of Directors for Handling Matters in Relation to the Issuance and Listing of A-Share Convertible Bonds at the 1st Extraordinary General Meeting in 2018, the 1st A Shareholders Class Meeting in 2018 and the 1st H Shareholders Class Meeting in 2018 convened on 6 February 2018. The aforementioned convertible corporate bonds may only be issued with approval of the CSRC.

Please refer to the relevant announcements published on the official websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for details of the relevant documents on the proposed public issuance of A-share convertible corporate bonds.

3.4 Uncompleted Performance of Overdue Undertakings by the Company's *de facto* Controller, Shareholders, Related Parties, Acquirers and the Company Itself

Applicable Not applicable

3.5 Warnings on the Forecast of Possible Losses or Substantial Year-on-Year Changes to be Recorded in Cumulative Net Profit from Beginning of the Year to the End of the Next Reporting Period and the Underlying Reasons

Applicable Not applicable

Consolidated statement of profit or loss and other comprehensive income (Unaudited)*(Amounts in millions of Renminbi unless otherwise stated)*

	January-March 2018	January-March 2017
Interest income	54,982	54,894
Interest expense	(30,771)	(29,786)
Net interest income	24,211	25,108
Fee and commission income	11,614	11,732
Fee and commission expense	(1,141)	(927)
Net fee and commission income	10,473	10,805
Net trading gain	1,678	1,697
Net gain from investment securities	3,462	159
Net hedging gain	5	–
Other net operating income (loss)	(37)	81
Operating income	39,792	37,850
Operating expenses	(11,481)	(10,228)
Operating profit before impairment	28,311	27,622
Impairment losses on		
– Loans and advances to customers	(11,612)	(11,971)
– Others	(845)	(819)
Total impairment losses	(12,457)	(12,790)
Share of profit/(loss) of associates and joint ventures	(108)	(22)
Profit before tax	15,746	14,810
Income tax expense	(3,317)	(3,418)
Net profit	12,429	11,392
Net profit attributable to:		
– Equity holders of the Bank	12,166	11,389
– Non-controlling interests	263	3

	<u>January-March 2018</u>	<u>January-March 2017</u>
Other comprehensive (loss)/income, net of tax:		
(1) Other comprehensive income items to be reclassified into profit or loss when satisfying set conditions in later accounting periods (presented as net amounts after deduction of income tax effect)		
– Changes in fair value of financial assets measured at fair value through other comprehensive income	2,278	–
– Reclassification through profit and loss upon disposal of financial assets measured at fair value through other comprehensive income	13	–
– Impairment allowance for financial assets measured at fair value through other comprehensive income	22	–
– Profit (loss) from changes in fair value of available-for-sale financial assets	–	(2,420)
– Exchange difference on translating foreign operations	<u>(1,501)</u>	<u>(297)</u>
Other comprehensive income, net of tax	<u>812</u>	<u>(2,717)</u>
Total comprehensive income	<u>13,241</u>	<u>8,675</u>
Total comprehensive income attributable to:		
– Equity holders of the Bank	13,021	8,672
– Non-controlling interests	220	3
Earnings per share attributable to the ordinary shareholders of the Bank		
Basic and diluted earnings per share (RMB yuan)	<u>0.25</u>	<u>0.23</u>

Consolidated Statement of Financial Position (Unaudited)

(Amounts in millions of Renminbi unless otherwise stated)

	The Group	
	<u>31 March 2018</u>	<u>31 March 2017</u>
Assets		
Cash and balances with central banks	493,448	568,300
Deposits with banks and non-bank financial institutions	86,078	124,350
Precious metals	6,410	3,348
Placements with and loans to banks and non-bank financial institutions	207,836	172,069
Trading financial assets	99,430	–
Financial assets measured at fair value through profit or loss	–	65,904
Derivative financial assets	73,771	65,451
Financial assets held under resale agreements	107,917	54,626
Interest receivables	28,208	32,643
Loans and advances to customers	3,193,307	3,105,984
Investment financial assets	1,216,815	–
Available-for-sale financial assets	–	631,690
Held-to-maturity investments	–	216,586
Investments classified as receivables	–	531,118
Investment in associates and joint ventures	2,193	2,341
Fixed assets	20,896	21,330
Intangible assets	1,064	1,139
Investment properties	283	295
Goodwill	815	849
Deferred tax assets	24,367	21,825
Other assets	61,867	57,843
Total assets	<u>5,624,705</u>	<u>5,677,691</u>
Liabilities		
Borrowings from central banks	259,550	237,600
Deposits from banks and non-bank financial institutions	651,904	798,007
Placements from banks and non-bank financial institutions	66,487	77,595
Trading financial liabilities	874	–
Derivative financial liabilities	74,455	64,937
Financial assets sold under repurchase agreements	54,126	134,500
Deposits from customers	3,477,528	3,407,636
Accrued staff costs	6,958	8,838
Taxes payable	8,964	8,858
Interest payable	43,974	39,323
Provisions	5,033	796
Debt securities issued	524,723	441,244
Deferred tax liabilities	8	8
Other liabilities	30,579	45,916
Total liabilities	<u>5,205,163</u>	<u>5,265,258</u>

	The Group	
	<u>31 March 2018</u>	<u>31 March 2017</u>
Equity		
Share capital	48,935	48,935
Preference shares	34,955	34,955
Capital reserve	58,977	58,977
Other comprehensive (loss) income	(6,385)	(11,784)
Surplus reserve	30,244	31,183
General reserve	74,251	74,251
Retained earnings	<u>165,785</u>	<u>163,121</u>
Total equity attributable to the equity holders of the Bank	<u>406,762</u>	<u>399,638</u>
Non-controlling interests	<u>12,780</u>	<u>12,795</u>
Total equity	<u>419,542</u>	<u>412,433</u>
Total liabilities and equity	<u><u>5,624,705</u></u>	<u><u>5,677,691</u></u>

Approved and authorised for issue by the Board of Directors on 26 April 2018.

Li Qingping
Legal Representative
(Chairperson)

Sun Deshun
President

Fang Heying
Vice-President & Chief
Financial Officer

Li Peixia
General Manager of the Finance
and Accounting Department

Company Seal

Consolidated Statement of Changes in Equity (Unaudited)

(Amounts in millions of Renminbi unless otherwise stated)

	Equity attributable to shareholders of the Bank						Non-controlling interests		Total equity	
	Share capital	Preference shares	Capital reserve	Other comprehensive income/(loss)	Surplus reserve	General reserve	Retained earnings	Ordinary shareholders in subsidiaries		Other equity instruments holders
31 December 2017	48,935	34,955	58,977	(11,784)	31,183	74,251	163,121	7,646	5,149	412,433
Add: Changes in accounting policies	-	-	-	4,544	(939)	-	(9,502)	(235)	-	(6,132)
1 January 2018	48,935	34,955	58,977	(7,240)	30,244	74,251	153,619	7,411	5,149	406,301
Movements during the current period										
(I) Net profit	-	-	-	-	-	-	12,166	263	-	12,429
(II) Other comprehensive (loss) income	-	-	-	855	-	-	-	(43)	-	812
Total comprehensive income	-	-	-	855	-	-	12,166	220	-	13,241
31 March 2018	<u>48,935</u>	<u>34,955</u>	<u>58,977</u>	<u>(6,385)</u>	<u>30,244</u>	<u>74,251</u>	<u>165,785</u>	<u>7,631</u>	<u>5,149</u>	<u>419,542</u>
1 January 2017	48,935	34,955	58,636	(1,142)	27,263	73,911	136,666	123	5,149	384,496
Movements during the current period										
(I) Net profit	-	-	-	-	-	-	42,566	22	290	42,878
(II) Other comprehensive income	-	-	-	(10,642)	-	-	-	-	-	(10,642)
Total comprehensive income	-	-	-	(10,642)	-	-	42,566	22	290	32,236
(III) Capital input by owners										
1. Capital input from minority shareholders of subsidiaries	-	-	341	-	-	-	-	7,506	-	7,847
(IV) Profit appropriation										
1. Appropriation to surplus reserve	-	-	-	-	3,920	-	(3,920)	-	-	-
2. Appropriation to general reserve	-	-	-	-	-	340	(340)	-	-	-
3. Dividend distribution to ordinary shareholders of the Bank	-	-	-	-	-	-	(10,521)	-	-	(10,521)
4. Dividend distribution to preference shareholders of the Bank	-	-	-	-	-	-	(1,330)	-	-	(1,330)
5. Dividend distribution to minority shareholders of subsidiaries	-	-	-	-	-	-	-	(5)	-	(5)
6. Profit distribution to other equity instrument holders	-	-	-	-	-	-	-	-	(290)	(290)
31 December 2017	<u>48,935</u>	<u>34,955</u>	<u>58,977</u>	<u>(11,784)</u>	<u>31,183</u>	<u>74,251</u>	<u>163,121</u>	<u>7,646</u>	<u>5,149</u>	<u>412,433</u>

Consolidated Statement of Cash Flows (Unaudited)

(Amounts in millions of Renminbi unless otherwise stated)

	January-March 2018	January-March 2017
Operating activities		
Profit before tax	15,746	14,810
Adjustments for:		
– revaluation loss/(gain) on investments, derivatives and investment properties	4,508	(699)
– net investment gain	(176)	(70)
– net (gain)/loss on disposal of property, plant and equipment, intangible assets and other assets	3	4
– unrealised foreign exchange loss/(gain)	17	(68)
– impairment loss	12,457	12,790
– depreciation and amortization	703	689
– interest expense on debt securities issued	5,190	3,713
– dividend income from equity investment	(27)	(12)
– Income tax paid	(4,305)	(3,955)
	<u>34,116</u>	<u>27,202</u>
Changes in operating assets and liabilities:		
Decrease in balances with central banks	15,728	5,604
Decrease in deposits with banks and non-bank financial institutions	6,905	1,510
Decrease in placements with and loans to banks and non-bank financial institutions	43,858	14,604
Increase in trading financial assets	(3,268)	–
Decrease in financial assets measured at fair value through profit or loss	–	8,248
(Increase)/decrease in financial assets held under resale agreements	(53,393)	141,557
Increase in loans and advances to customers	(112,580)	(82,851)
Decrease in investment financial assets	173,900	–
Increase in investments classified as receivables	–	(27,966)
Increase/(decrease) in borrowings from central bank	21,950	(10,450)
(Decrease)/increase in deposits from banks and non-bank financial institutions	(145,996)	92,285
Decrease in placements from banks and non-bank financial institutions	(10,394)	(23,188)
Increase in trading financial liabilities	874	–
Decrease in financial assets sold under repurchase agreements	(80,370)	(79,538)
(Decrease)/increase in deposits from customers	78,826	(206,664)
Decrease/(increase) in other operating assets	(6,117)	2,488
Decrease in other operating liabilities	(20,246)	(21,436)
Net cash flow used in operating activities	<u>(56,207)</u>	<u>(158,595)</u>

	January-March 2018	January-March 2017
Investing activities		
Proceeds from disposal and redemption of investments	253,283	239,061
Proceeds from disposal of property, plant and equipment, land use rights and other assets	55	1
Cash received from equity investment income	38	14
Payments on acquisition of investments	(289,049)	(227,263)
Payments on acquisition of property, plant and equipment, land use rights and other assets	(165)	(1,783)
Receipt of cash payments from associates and other business units	-	(1,401)
Net cash flow (used in)/generated from investing activities	<u>(35,838)</u>	<u>8,629</u>
Financing activities		
Cash received from debt certificates issued	282,361	209,867
Cash paid for redemption of debt certificates issued	(198,324)	(131,423)
Interest paid on debt certificates issued	(3,294)	(2,416)
Cash payment of dividends	-	(5)
Net cash flow generated from financing activities	<u>80,743</u>	<u>76,023</u>
Net (decrease) in cash and cash equivalents	(11,302)	(73,943)
Cash and cash equivalents as at 1 January	337,915	385,356
Effect of exchange rate changes on cash and cash equivalents	<u>(4,232)</u>	<u>(871)</u>
Cash and cash equivalents as at 31 March	<u>322,381</u>	<u>310,542</u>
Cash flows from operating activities include:		
Interest received	<u>51,115</u>	<u>51,921</u>
Interest paid, excluding interest paid for issued debt certificates	<u>(22,764)</u>	<u>(25,732)</u>

By Order of the Board
China CITIC Bank Corporation Limited
Li Qingping
Chairperson

Beijing, the PRC
26 April 2018

As at the date of this announcement, the executive directors of the Bank are Ms. Li Qingping (Chairperson) and Mr. Sun Deshun (President); the non-executive directors are Mr. Zhu Gaoming, Ms. Huang Fang and Mr. Wan Liming; and the independent non-executive directors are Ms. Wu Xiaoqing, Mr. Wong Luen Cheung Andrew, Mr. He Cao, Ms. Chen Lihua and Mr. Qian Jun.