



中信銀行

CHINA CITIC BANK



2015 Interim Results Announcement

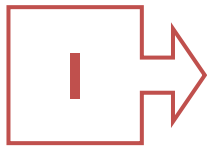
August 2015





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Financial Performance



Business Development



Outlook



Overview of Major Financial Indicators during the First Half Year of 2015

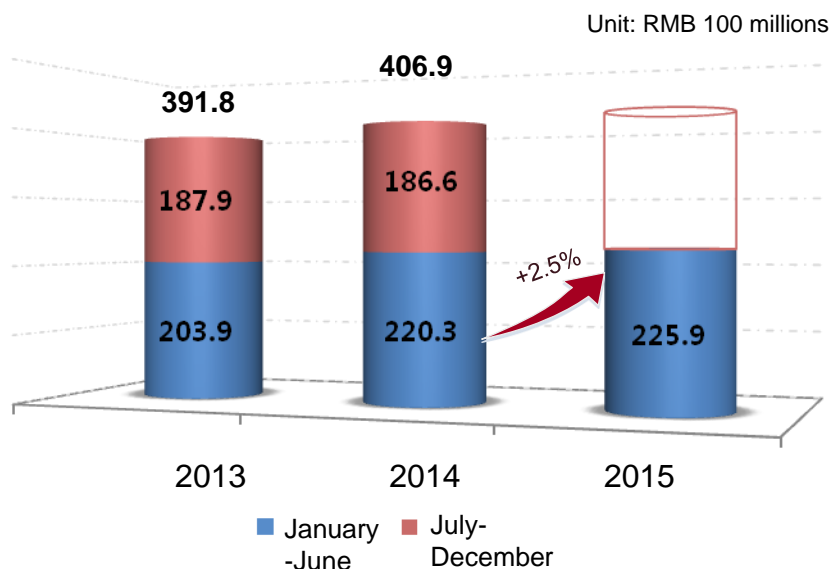
Unit: RMB 100 millions

Earnings indicator	January-June, 2015	Year-on year increase	Growth Rate
Net profit attributable to shareholders	225.9	5.5	↑ 2.5%
Profit before provision	468.1	56.9	↑ 13.8%
Operating income	700.4	79.3	↑ 12.8%
Net interest income	497.4	41.3	↑ 9.1%
Non-interest income	202.9	38.0	↑ 23.1%
Percentage of non-interest income	29.0%	Up 2.4 percentage points	
Net interest margin	2.32%	Down 0.04 percentage point	
Cost/income ratio	25.9%	Down 0.9 percentage point	
Scale indicator	As at the end of June, 2015	Increase over the end of last year	Growth Rate
Total assets	45613	4225	↑ 10.2%
Deposits from customer	30815	2319	↑ 8.1%
Loans to customer	23080	1201	↑ 5.5%
Quality indicator	As at the end of June, 2015	As at the end of last year	Increase/(decrease) over the end of last year
NPL balance	304.8	284.5	20.3
NPL ratio	1.32%	1.30%	Up 0.02 percentage point
Provision coverage ratio	178.5%	181.3%	Down 2.8 percentage points
Allowance/loan ratio	2.36%	2.36%	Stable
Regulatory indicator	As at the end of June, 2015	As at the end of last year	Increase/(decrease) over the end of last year
Capital adequacy ratio	11.88%	12.33%	Down 0.45 percentage point
Loan/deposit ratio (the Bank, period-end)	71.14%	73.08%	Down 1.94 percentage points



Steady growth of profitability

Net profit attributable to shareholders of the Bank



Item	January-June, 2015	January-June, 2014
Profit before provision (RMB 100 millions)	468.1	411.2
Y-o-Y growth	13.8%	28.0%

Returns and net asset per share

	January-June, 2015	2014	Increase/(decrease)
ROA	1.06%	1.07%	Down 0.01 percentage points
ROE	16.79%	16.84%	Down 0.05 percentage points
Basic EPS (RMB)	0.48	0.87	-
Net asset per share (RMB)	6.05	5.55	+0.50



Operating income realized rapid growth

Net interest income

January-June, 2015

RMB49.74 billion
up 9.1% over the same period of last year

January-June, 2014

RMB45.61 billion,
up 12.7% over the same period of last year

Fee & commission income

Unit: RMB 100 millions

0 10 20 30 40 50 60 70

Bank card service fee

Consulting service fee

Wealth management service fee

Guarantee service fee

Settlement service fee

Agency service fee

Plan and other entrustment business

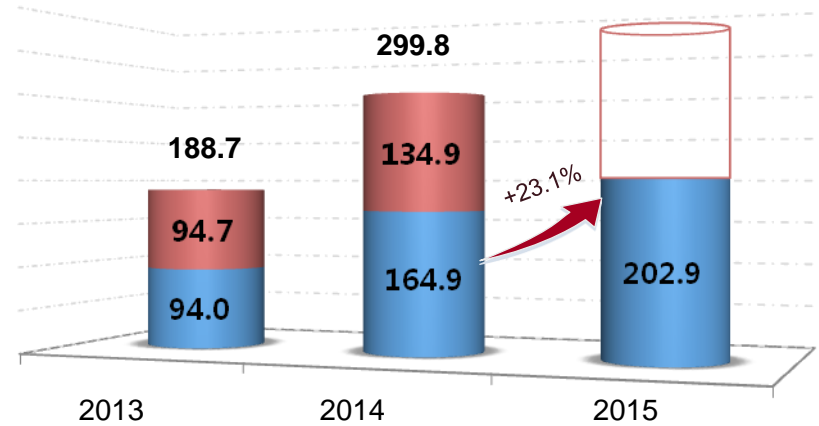
January-June, 2015

January-June, 2014

Net fee & commission income was RMB17.48 billion, representing an increase of RMB4.67 billion or 36.5% over the same period of last year

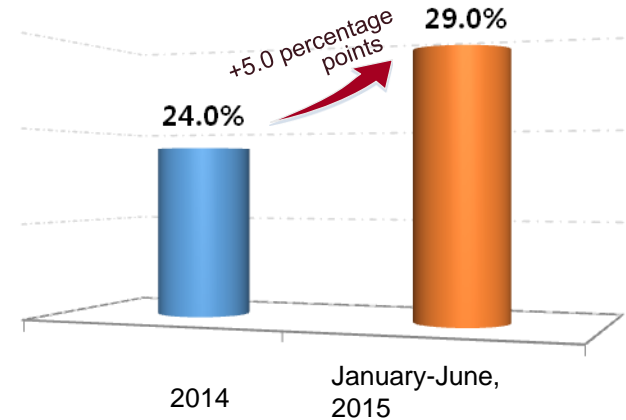
Non-interest income

Unit: RMB 100 millions



January -June July-December

Percentage of non-interest income continued to increase



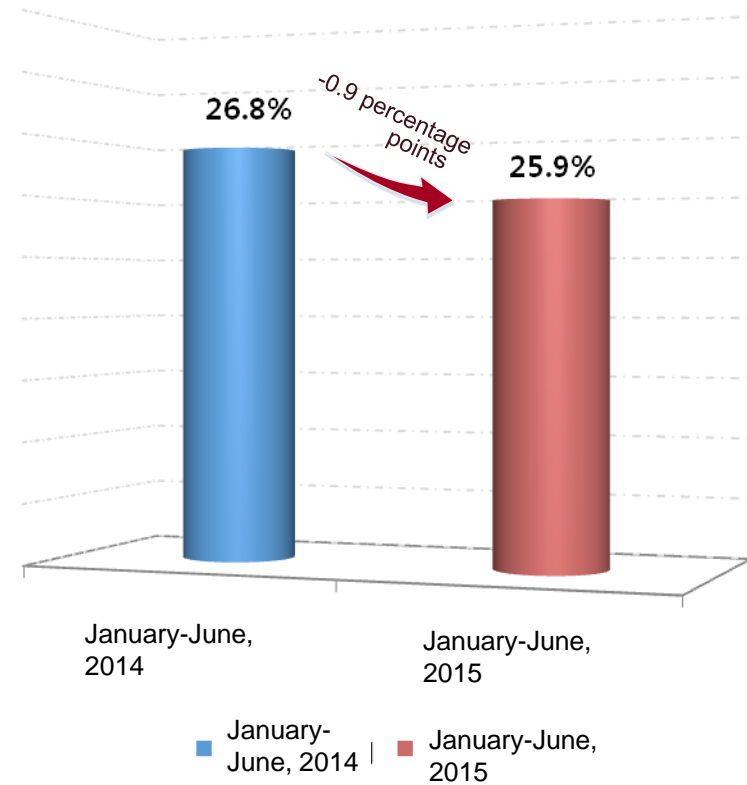
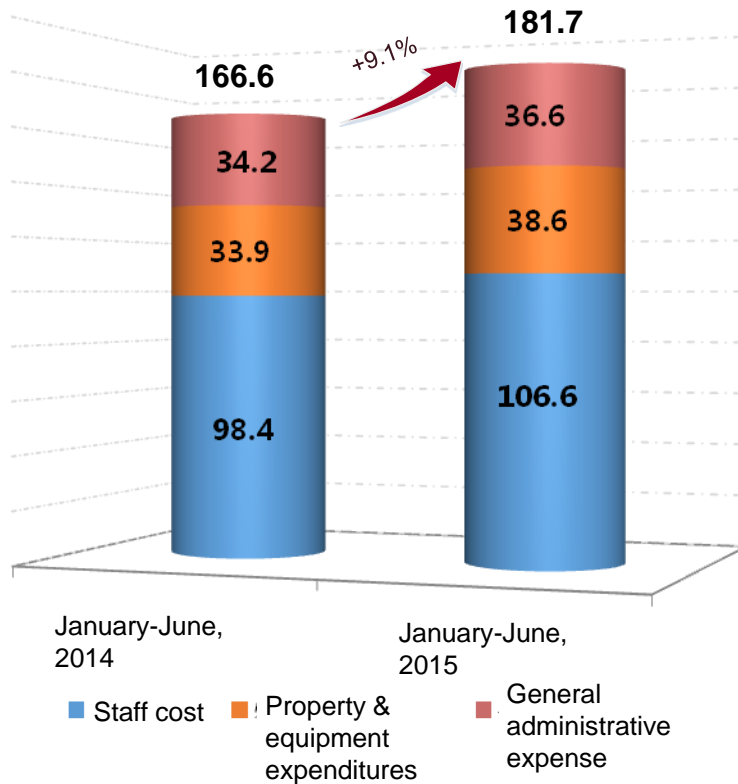


Operating expenses grew reasonably; input-output efficiency improved

● Operating expenses grew reasonably

● Input-output efficiency improved

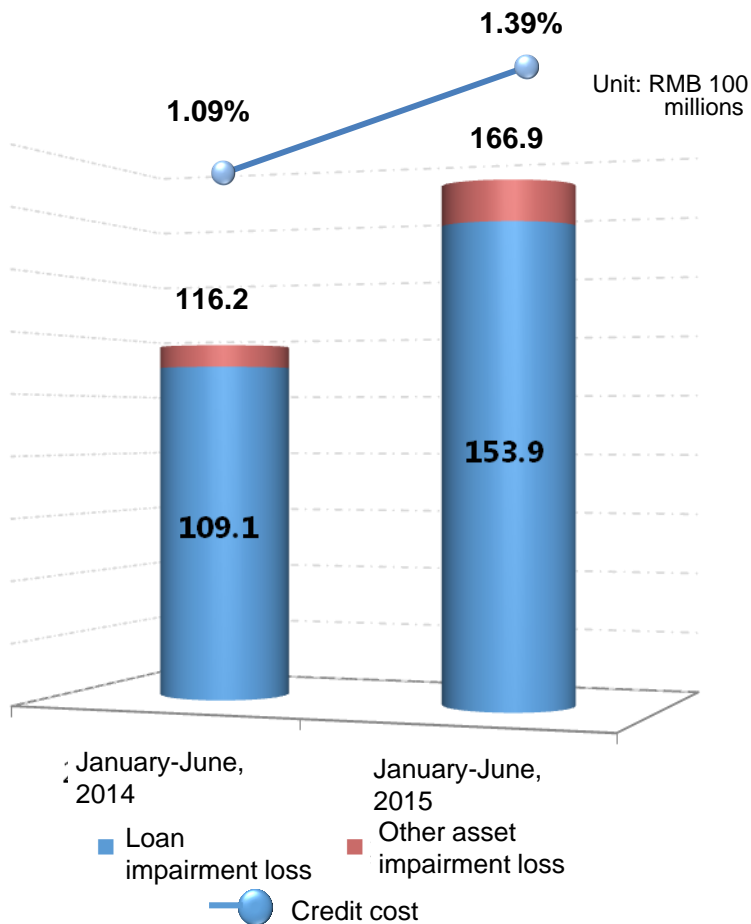
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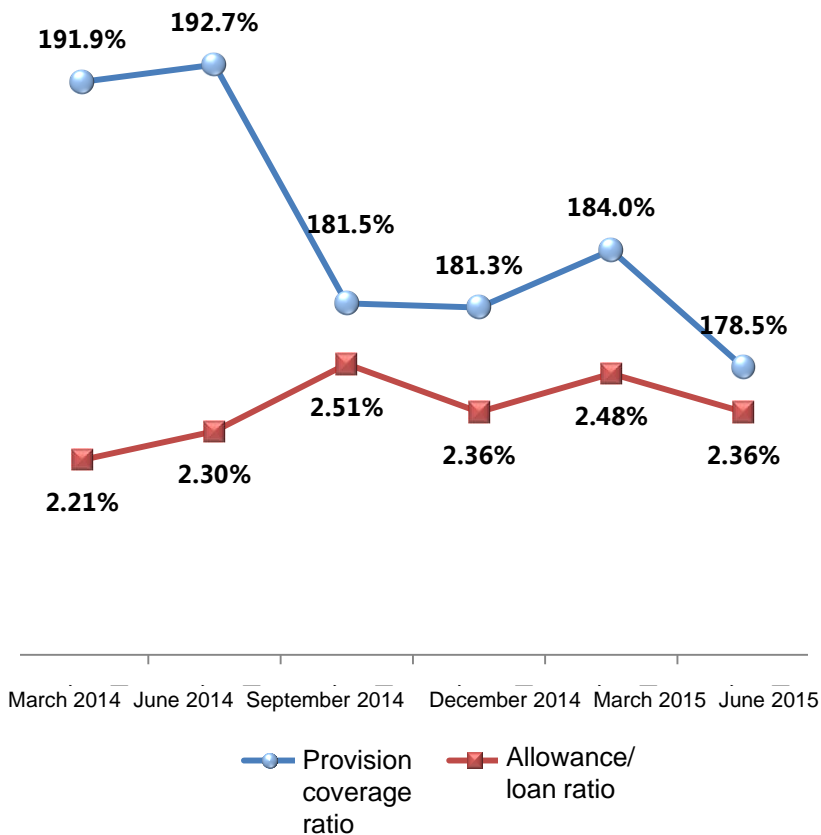


Provision increased over the same period of last year; provision ratio slightly declined

● Provision and credit cost



● Provision coverage ratio and allowance/loan ratio





I

Financial Performance

II



Business Development

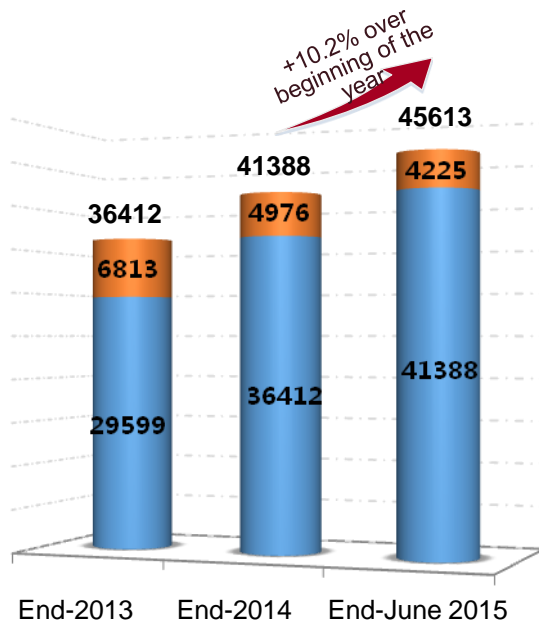
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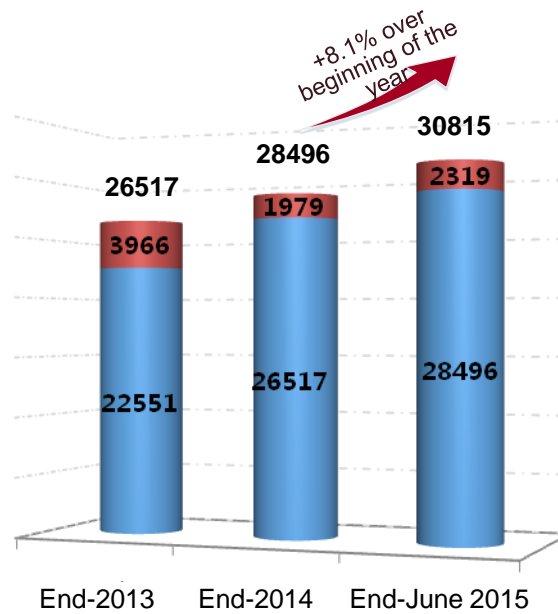


Steady growth of business scale

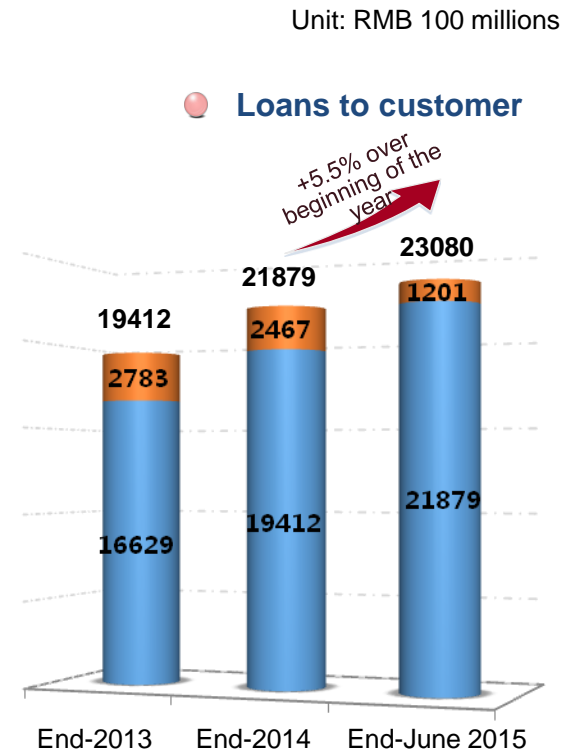
Total assets



Deposits from customer



Loans to customer



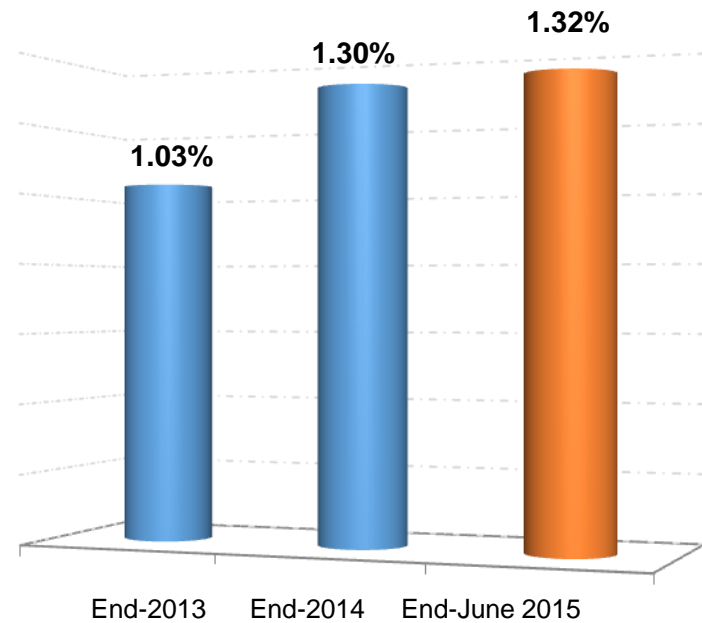
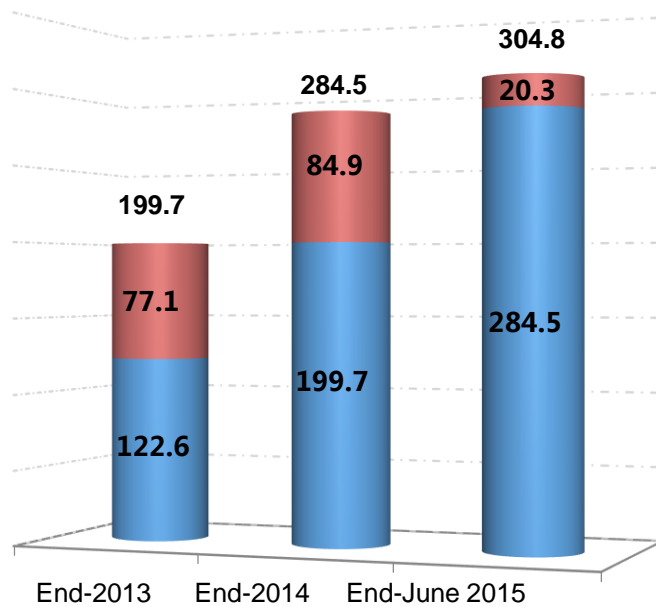


Asset quality was controllable overall

 NPL balance increased

 NPL ratio edged up

Unit: RMB 100 millions





Structural adjustment achieved effective success

Profitability structure

- Non-interest income accounted for 29.0%, representing an increase of 5.0 percentage points over the last year
- Retail business accounted for 23.2% of total operating income, representing an increase of 4.8 percentage points over the same period of last year
- Intermediary income from retail business grew 76.0% over the same period of last year

Business structure

- Growth rate of personal loans was 4.7 percentage points higher than that of corporate loans, and its proportion in total loans grew to 26%, wherein credit card loans increased by RMB27.6 billion over beginning of the year
- Real estate loans increased by RMB36.2 billion over beginning of the year, accounting for 51% of total incremental corporate loans
- Loans to the steel trade, PV and overcapacity industries declined by RMB6.1 billion cumulatively
- Percentage of personal demand deposits increased by 4.4 percentage points over the beginning of the year
- Percentage of inter-bank demand settlement deposits was 23.5%, representing an increase of 7.6 percentage points over the beginning of the year

Customer structure

- The Bank had 600,000 corporate customers, representing an increase of 8.3% over the end of last year; valuable corporate customers amounted to 170,000
- The number of the Bank's VIP retail customers and private banking customers grew by 29,000 and 2013 respectively, with the growth rate of 8% and 15% respectively. Mobile banking customers increased by 2.29 million, with the growth rate of 35%.
- The number of the Bank's financial institution customers increased by 1285



Marketing of great individual items made breakthroughs

1

Corporate Banking

Cash management: Transactions amounted to RMB23.6 trillion, up 34.8% year on year. The Bank became the major fund sweep partner bank of large enterprises, and successfully rolled out the “liquidity manager” service

Trade finance: Financing balance was RMB259.1 billion, up 14.4% year-on-year. Of it, the Bank kept the largest auto finance business in the industry

Asset custody: Assets under the Bank’s custody exceeded RMB4 trillion, representing an increase of 17.8% compared with end of the previous year. The Bank was the third largest custodian bank of mutual funds and the largest custodian bank of securities companies in China

E-commerce: The Bank was the first to launch a B2B e-commerce smart service platform

2

Retail Banking

Going-Abroad finance: The Bank held 0.37 million VISA business and successfully converted 5,700 customers that obtained a US VISA

Xin Jin Bao: The Bank signed 1.20 million customers, and new customers accounted for 57% of the total. The fund scale increased by RMB13.3 billion

Loans Backed with Home Mortgage: The Bank granted RMB42.7 billion loans, and the loan balance exceeded RMB100 billion

Credit card business: Income and the number of new customers grew 45% and 62% respectively over the same period of last year, refreshing historical high

3

Financial Market

M&A loans: The largest scale among joint stock banks; the Bank set up various private equity investment funds worth over RMB17 billion

Public debt financing tools: The Bank continued to keep a leading position among joint stocks banks in aspect of the scale, and underwrote RMB131.9 billion bonds

International foreign exchange paying/receiving: With USD191.5 billion, holding the largest scale among joint stock banks

Foreign exchange business: Scale of market-making transactions ranked the Top3 in the market

Bill discount and bill finance: The third largest among joint stock banks



Comprehensive platform construction and domestic and overseas strategic promotion accelerate

Business synergy

- The Bank improved the synergic business management system, took the lead in setting up 6 working teams to promote business synergy in integrated financing, bank-securities, bank-trust, bank-insurance, bank-bank and industry-finance businesses, and successfully forged typical integrated financing models for BAIC Motor, Henan Investment Group etc

Integrated operation

- The financial leasing company came into operation
- The Board of Directors approved corporate restructuring of the credit card company and establishment of CITIC Credit Card Co., Ltd.
- The Bank signed equity cooperation agreement with Taiwan-based CTBC Financial Holding
- China Investment and Finance Limited successfully acquired Rock (Asia) Capital Group to build the Bank's overseas investment banking arm

Strategic planning

- The Bank set up the London Representative Office, and started application for establishment of the London Branch and Sydney Branch
- The Bank set up a bank-bank cooperation working team together with China CITIC Bank International to vigorously enhance interaction of domestic and overseas business
- The Bank stepped up strategic support to Beijing-Tianjin-Hebei areas, and regions along the "One Belt ,One Road"



Internet finance business achieved new progress

Accelerate iteration and development of mobile banking apps

- Expanded application scenarios of the electronic channels, rolled out products such as treasury bonds, certificate of deposits and “Xin Jin Bao”, and significantly increased proportion of the wealth management products and fund marketed through electronic channels

Enhance cross-industry business cooperation

- Launched the “CITIC E-Payment” B2C supply chain finance platform and the “Zhao cai bao” Internet investment & financing platform, and realized turnover of RMB2,243 million and RMB1,511 million, respectively
- The Credit Card Center entered into strategic cooperation agreement with Baidu, Xiaomi and SF Express

Internet Finance



Accelerate development of innovative payment business

- Intermediary income relating to electronic payment business grew rapidly

Strengthen data platform construction

- Launched user behavior analysis and dormant customer activation to profoundly excavate the customer appetite and potential value; improved the capability of precision marketing



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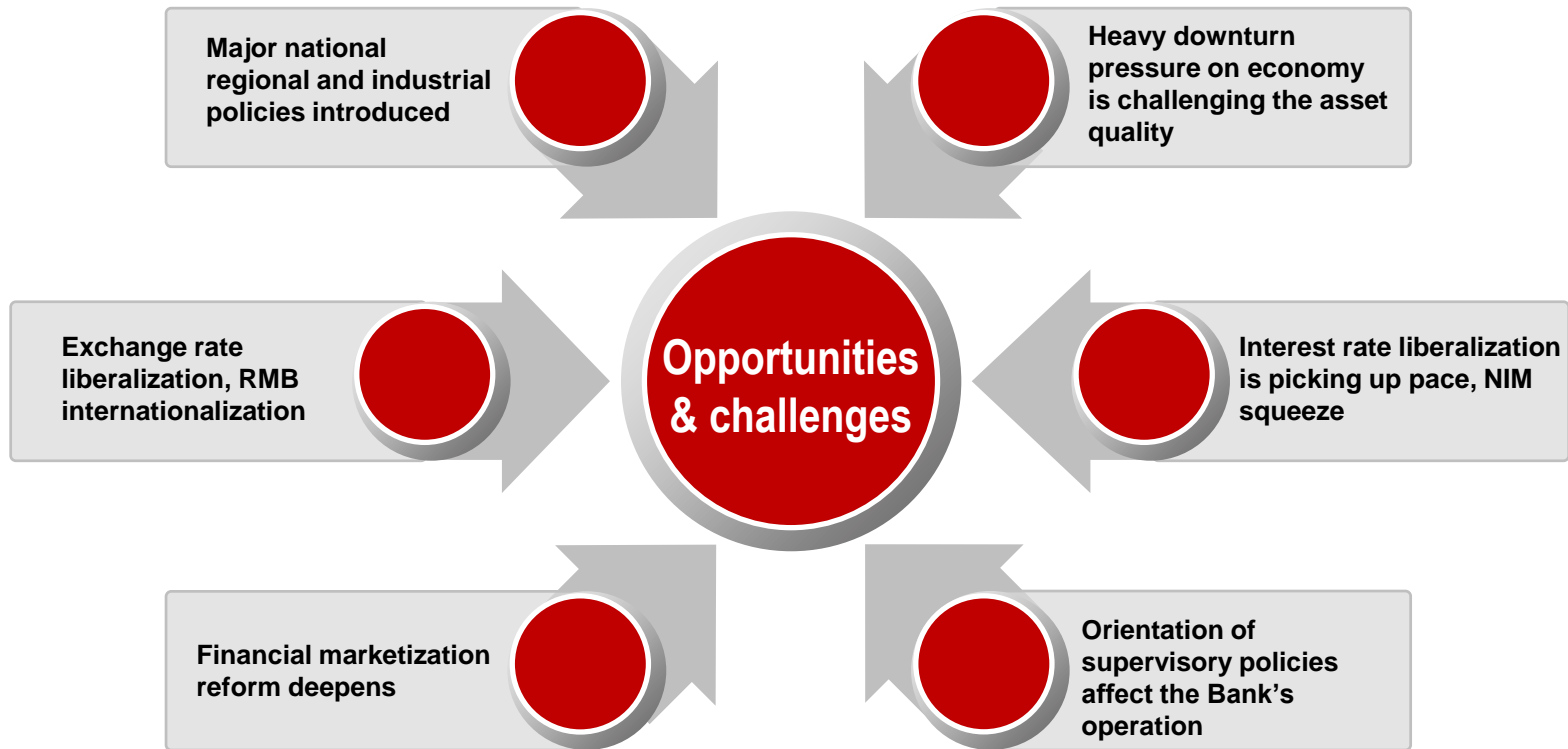
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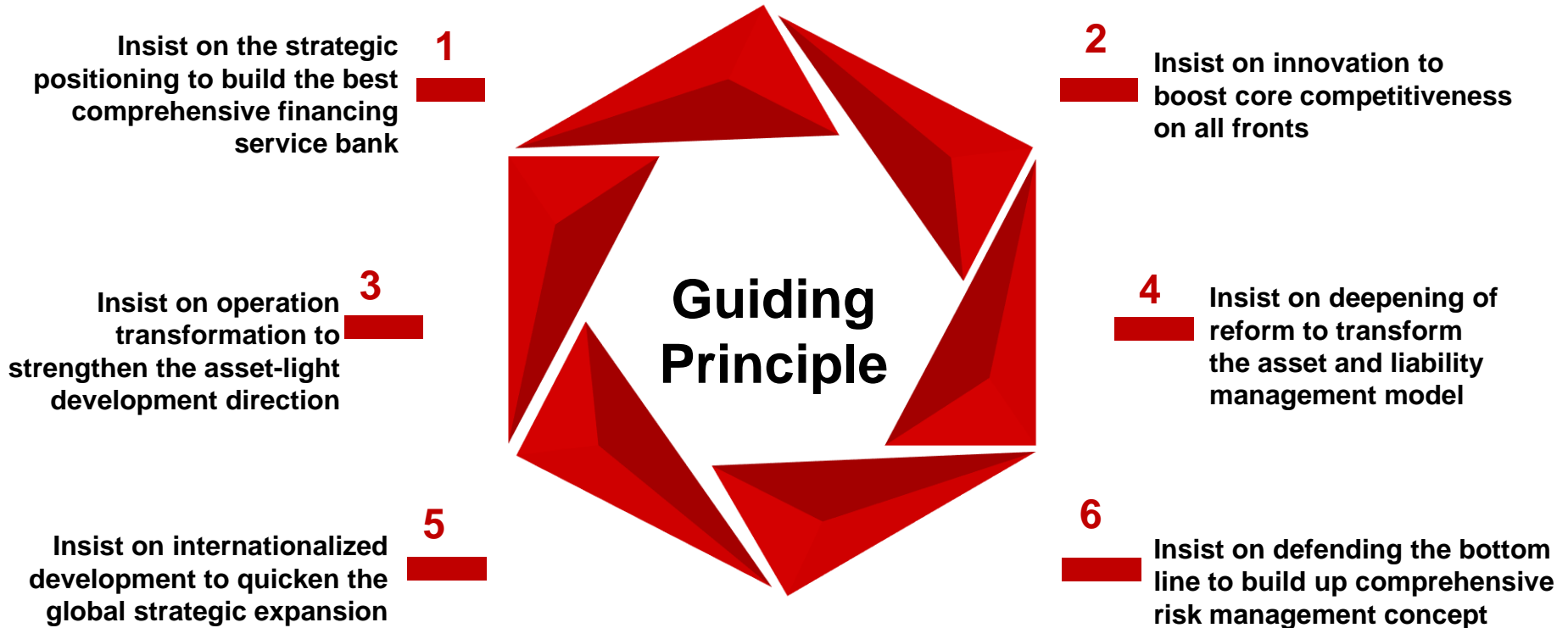


Opportunities & Challenges





Guiding Principle





Working Arrangement for the Second Half Year

- 1** Deepen business transformation to improve the quality and efficiency of development
- 2** Implement innovation-driven strategy to enhance market competitiveness
- 3** Enhance business synergy to comprehensively promote integrated operation
- 4** Accelerate internationalized development to promote interaction of domestic and overseas operations
- 5** Strengthen comprehensive risk control to defend the bottom line of risks
- 6** Step up delicacy management to consolidate the technology foundation for the Bank's development



Thank You