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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 Third Quarter of 2017

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 third quarter ended 30 September 2017 (the “**reporting period**”), which have been prepared in accordance with the International Financial Reporting Standards. 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 Third Quarter of 2017 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 Third Quarter of 2017 on 24 October 2017. 11 out of the 11 eligible directors attended the meeting, with 10 of them attending the meeting on site, and Director Mr. Qian Jun entrusting Director Ms. Wu Xiaoqing to attend and vote on his 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 report contained in the Report for the Third Quarter of 2017.

This quarterly report was prepared in accordance with International Financial Reporting Standards 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

Item	30 September 2017	31 December 2016	<i>Unit: RMB million</i>
			Increase (decrease) over the end of the previous year (%)
Total assets	5,536,973	5,931,050	(6.64)
Total loans and advances to customers	3,168,318	2,877,927	10.09
Total liabilities	5,135,751	5,546,554	(7.41)
Total deposits from customers	3,316,743	3,639,290	(8.86)
Deposits from banks and non-bank financial institutions	852,540	981,446	(13.13)
Placements from banks	79,538	83,723	(5.00)
Total equity attributable to equity holders of the Bank	395,944	379,224	4.41
Total equity attributable to the ordinary shareholders of the Bank	360,989	344,269	4.86
Net asset per share attributable to the ordinary shareholders of the Bank (RMB yuan)	7.38	7.04	4.86

Item	Jan-Sep 2017	Jan-Sep 2016	Year-on-year increase (decrease) (%)
Net cash flow generated from/(used in) operating activities	(4,541)	(29,242)	84.47
Net cash flow generated from/(used in) operating activities per share (RMB yuan)	(0.09)	(0.60)	84.47

Item	Jan-Sep 2017	Jan-Sep 2016	Year-on-year increase (decrease) (%)
Operating income	115,518	115,606	(0.08)
Profit before tax	44,434	45,609	(2.58)
Net profit attributable to equity holders of the Bank	34,738	34,543	0.56
Annualized return on average assets	0.81%	0.87%	Down 0.06 percentage point
Annualized return on average equity	12.67%	13.98%	Down 1.31 percentage points
Basic earnings per share (RMB yuan)	0.68	0.71	(4.23)
Diluted earnings per share (RMB yuan)	0.68	0.71	(4.23)

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

(2) The decrease of ROA and ROE compared with these of the previous year was mainly due to factors like the increase of provision and the payout of preference share interest.

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

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 International Financial Reporting Standards.

2.3 Analysis of Capital Adequacy Ratio

The Group calculates and discloses capital adequacy ratio according to the Regulation Governing Capital of Commercial Banks (provisional), effective since 1 January 2013, issued by the China Banking Regulatory Committee. In the reporting period, the Group has met the regulatory requirements on capital during the transitional period. As at the end of the reporting period, the Group's core tier-one capital adequacy ratio, tier-one capital adequacy ratio, and capital adequacy ratio were 8.56%, 9.52% and 11.75%, respectively, down by 0.08 percentage point, 0.13 percentage point and 0.23 percentage point, respectively, from these of the end of last year.

Item	Regulatory value	Unit: RMB million		
		30 September 2017	31 December 2016	Increase (decrease) over the end of the previous year (%)
Net core tier-one capital	–	357,943	342,563	4.49%
Net tier-one capital	–	398,051	382,670	4.02%
Net capital	–	491,017	475,008	3.37%
Total risk-weighted assets	–	4,179,564	3,964,448	5.43%
Core tier-one capital adequacy ratio	≥7.50%	8.56%	8.64%	Down 0.08 percentage point
Tier-one capital adequacy ratio	≥8.50%	9.52%	9.65%	Down 0.13 percentage point
Capital adequacy ratio	≥10.50%	11.75%	11.98%	Down 0.23 percentage point

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

2.4 Analysis of Leverage Ratio

Item	Regulatory value	Unit: RMB million			
		30 September 2017	30 June 2017	31 March 2017	31 December 2016
Leverage ratio	≥4%	6.01%	5.66%	5.51%	5.19%
Net tier-one capital	–	361,412	353,267	353,684	345,613
Adjusted balances of on and off-balance sheet assets	–	6,012,349	6,241,459	6,419,615	6,661,463

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

2.5 Analysis of Liquidity Coverage Ratio

Item	Unit: RMB million		
	Regulatory value	30 September 2017	31 December 2016
Liquidity coverage ratio	≥100%	97.46%	91.12%
Qualified premium liquid assets	–	482,731	398,555
Net cash outflow in the coming 30 days	–	495,311	437,403

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

In the reporting period, the Group continued to adhere to the strategy of “slow down growth, expedite turnover, and adjust structure” formulated at the beginning of this year, and maintained its strategic focus. The Group’s profit continued to grow, its asset quality improved, and risk-fending capability strengthened. The asset growth and business restructuring were in line with the overall plan, and the Group achieved balanced development in terms of profit, quality and scale.

As at the end of the reporting period, the Group’s total assets registered RMB5,536.973 billion, a decrease of 6.64% over the end of the previous year; total loans and advances to customers stood at RMB3,168.318 billion, a growth of 10.09% over the end of the previous year; total liabilities recorded RMB5,135.751 billion, a decline of 7.41% over the end of the previous year; and total deposits from customers registered RMB3,316.743 billion, a decrease of 8.86% over the end of the previous year.

For the reporting period, the Group realized RMB34.738 billion net profit attributable to the Bank’s shareholders, a year-on-year increase of 0.56%; and RMB115.518 billion operating income, a year-on-year decrease of 0.08%, of which net interest income recorded RMB74.273 billion, a drop of 6.60% year on year, and non-interest income was RMB41.245 billion, an increase of 14.31% year on year. The proportion of net non-interest income registered 35.70%, a rise of 4.49 percentage points year on year. Net interest margin stood at 1.78%, a drop of 0.23 percentage point year on year.

As at the end of the reporting period, the Group’s balance of non-performing loans recorded RMB52.579 billion, up 8.23% over the end of the previous year; its non-performing loan ratio recorded 1.66%, a drop of 0.03 percentage point over the end of the previous year; its allowance coverage ratio stood at 160.98%, a rise of 5.48 percentage points over the end of the previous year, and its ratio of allowance for impairment of loans to total loans was 2.67%, up 0.05 percentage point over 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): 199,726

Shareholdings of the top 10 ordinary shareholders

Name of Shareholder	Total number of shares held at the end of the reporting period	Percentage	Balance of shares subject to restrictions on sale	Shares pledged or frozen		Nature of shareholder
				Pledged or frozen	Number	
CITIC Corporation Limited	31,988,728,773	65.37	None	None	-	State-owned legal person
Hong Kong Securities Clearing Company Nominee Limited	12,117,436,738	24.76	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	910,728,649	1.86	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
Hong Kong Securities Clearing Company Limited	43,403,158	0.09	None	None	-	Overseas legal person
Hebei Construction & Investment (Group) Limited	31,034,400	0.06	None	None	-	State-owned legal person
Zhuhai Hengqin Liangxing Investment Management Co, Ltd.	28,300,000	0.06	None	None	-	Other
Huitianze Investment Co, Ltd.	27,824,359	0.06	None	None	-	Other

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	12,117,436,738	H Share	12,117,436,738
China Securities Finance Corporation Limited	910,728,649	A Share	910,728,649
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
Hong Kong Securities Clearing Company Limited	43,403,158	A Share	43,403,158
Hebei Construction & Investment (Group) Limited	31,034,400	A Share	31,034,400
Zhuhai Hengqin Liangxing Investment Management Co, Ltd.	28,300,000	A Share	28,300,000
Huitianze Investment Co, Ltd.	27,824,359	A Share	27,824,359
China Poly Group Corporation	27,216,400	A Share	27,216,400
Note on connected relations or concerted actions of the above shareholders	As per the 2017 Interim Report of China Construction Bank Corporation, as at 30 June 2017, Central Huijin Investment Limited together with its wholly owned subsidiary Central Huijin Asset Management Limited owned a combined 57.31% stake in China Construction Bank Corporation. Hong Kong Securities Clearing Company Nominee Limited is a wholly owned subsidiary of Hong Kong Securities Clearing Company Limited. Except for these, as at the end of the reporting period, the Bank was not aware of any other connected relation or concerted action between the above-mentioned shareholders.		
Note on preference shareholders with restored voting right and their shareholdings	N/A		

- Notes:* (1) The above ordinary shareholdings of the shareholders were calculated based on the Bank's ordinary share registers maintained with the A-share and H-share registrars of the Bank and the shareholding data provided by CITIC Corporation Limited.
- (2) CITIC Corporation Limited is a wholly owned subsidiary of CITIC Limited. As at the end of the reporting period, CITIC Limited and its subsidiaries together owned 32,284,227,773 ordinary shares of the Bank, accounting for 65.97% of the Bank's total ordinary shares, including 28,938,928,294 ordinary A shares and 3,345,299,479 ordinary H shares.
- (3) 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 ordinary H shares of the Bank, accounting for 4.68% of the Bank's total ordinary shares. Summit Idea Limited is a wholly owned affiliate of Xinhua Zhong Bao Co., Ltd. In addition to the afore-mentioned stake, Xinhua Zhong Bao Co., Ltd. also owned 137,586,000 ordinary H shares of the Bank via its wholly owned subsidiary Hong Kong Xinhua Investment Co., Ltd, taking up 0.28% of the Bank's total ordinary shares.

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

Shareholdings of the top 10 preference shareholders (also the top 10 preference shareholders not subject to restrictions on sale)

Name of shareholder	Nature of Shareholder	Changes in shareholding during the reporting period (+, -)	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 publically 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. Significant Events

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

Applicable Not applicable

Material changes in principal accounting items and financial indicators for the Third Quarter of 2017 and the reasons thereof are set out in the table below.

Unit: RMB million

Item	30 September 2017/Jan-Sep 2017	Changes over the end of the previous year/year on year (%)	Reasons for change
Deposits with banks and non-bank financial institutions	136,452	(34.60)	Decrease in deposits with other domestic banks
Financial assets held under resale agreements	1,827	(98.93)	Decrease in interbank debt securities held under resale agreements
Investments classified as receivables	581,887	(43.82)	Decrease in investments in wealth management products sold by other financial institutions and in investment management products managed by securities companies
Investments in associates	2,441	119.71	New investment in CITIC aiBank Corporation Limited (中信百信銀行股份有限公司)
Deferred tax assets	16,887	33.00	Increase in deductible temporary differences
Financial assets sold under repurchase agreements	73,415	(38.99)	Decrease in central bank and interbank debt securities sold under repurchase agreements
Other comprehensive income	(7,309)	(540.02)	Decrease in revaluation reserve for investment in available-for-sale financial assets
Net trading gain	5,191	60.17	Increase in yield on derivative financial instruments

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

3.2 Analysis and Explanations regarding Progress and Impacts of Significant Events and the Solutions Thereto

Applicable Not applicable

The Bank planned to make a public offering of up to RMB40 billion A Share convertible corporate bonds. The plan was 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 was 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 (CBRC) issued the Approval of the CBRC on the Issuance of A Share Convertible Corporate Bonds of CITIC Bank (CBRC Approval [2017] No.193) in July 2017. Issuance of the A share convertible bonds is still subject to the approval of the China Securities Regulatory Commission (CSRC).

Please refer to the relevant announcements published on the official websites of the Shanghai Stock Exchange (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on 25 August 2016, 19 December 2016, 18 January 2017, 7 February 2017 and 11 July 2017 for details of the relevant documents on the proposed public issuance of A Share Convertible Corporate Bonds.

The Bank approved the 2017 Dividend Distribution Plan of Preference Shares at the Board meeting convened on 24 August 2017, approving the distribution of preference shares dividends accrued between 26 October 2016 and 25 October 2017, on 26 October 2017. The Bank will distribute dividends on the preference shares to all its shareholders of “CNCB Excellent 1” (code: 360025) registered with China Securities Depository and Clearing Corporation Limited Shanghai Branch after the close of trading at the SSE on 25 October 2017. The Bank will pay a preference dividend of RMB3.80 per share (tax inclusive), calculated according to a nominal dividend rate of 3.80%, with a total dividend payment of RMB1.330 billion (pre-tax). Please refer to the relevant announcements published on the official websites of the Shanghai Stock Exchange (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on 24 August 2017 and 17 October 2017 for details.

3.3 Uncompleted Performance of Overdue Undertakings for the Reporting Period

Applicable Not applicable

3.4 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 Thereof

Applicable Not applicable

Consolidated Statement of Comprehensive Income (Unaudited)

(Expressed in millions of Renminbi unless otherwise stated)

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016
Interest income	54,971	52,408	165,256	160,093
Interest expense	(30,192)	(26,320)	(90,983)	(80,569)
Net interest income	24,779	26,088	74,273	79,524
Fee and commission income	12,703	10,439	37,452	32,792
Fee and commission expense	(1,248)	(762)	(3,236)	(1,819)
Net fee and commission income	11,455	9,677	34,216	30,973
Net trading gain	1,737	989	5,191	3,241
Net gain from investment securities	810	354	1,553	1,556
Net hedging gain	–	1	–	–
Other net operating income	28	115	285	312
Operating income	38,809	37,224	115,518	115,606
Operating expenses	(10,431)	(11,371)	(31,599)	(34,545)
Net operating profit before impairment	28,378	25,853	83,919	81,061
Asset impairment losses				
– loans and advances to customers	(14,238)	(10,547)	(35,712)	(30,343)
– Others	(824)	(965)	(3,764)	(5,053)
Total asset impairment losses	(15,062)	(11,512)	(39,476)	(35,396)
(Loss)/gain arising from revaluation of investment properties	(1)	–	15	–
Share of profit/(loss) from associates	3	(13)	(24)	(56)
Profit before tax	13,318	14,328	44,434	45,609
Income tax expense	(2,587)	(3,382)	(9,539)	(10,986)
Net profit	10,731	10,946	34,895	34,623

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016
Other comprehensive income for the current period:				
(1) Other comprehensive income items to be recategorized 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 available- for-sale financial assets	(192)	1,160	(4,503)	(436)
– Exchange difference on translating foreign operations	(685)	124	(1,656)	687
– Others	(1)	4	(8)	–
Other comprehensive income, net of tax	(878)	1,288	(6,167)	251
Total comprehensive income for the current period	9,853	12,234	28,728	34,874
Net profit attributable to:				
– Equity holders of the Bank	10,727	10,943	34,738	34,543
– Non-controlling interests	4	3	157	80
	10,731	10,946	34,895	34,623
Total comprehensive income attributable to:				
– Equity holders of the Bank	9,849	12,230	28,571	34,793
– Non-controlling interests	4	4	157	81
	9,853	12,234	28,728	34,874
Earnings per share attributable to ordinary shareholders of the Bank:				
Basic and diluted earnings per share (RMB yuan)	0.19	0.22	0.68	0.71

Consolidated Statement of Financial Position (Unaudited)

(Expressed in millions of Renminbi)

	30 September 2017	31 December 2016
Assets		
Cash and balances with central bank	492,285	553,328
Deposits with banks	136,452	208,641
Precious metals	3,042	3,372
Placements with banks and non-bank financial institutions	163,042	167,208
Financial assets measured at fair value through profit or loss for the current period	57,581	64,911
Financial derivative assets	51,664	47,366
Financial assets held under resale agreements	1,827	170,804
Interest receivable	32,250	32,922
Loans and advances to customers	3,083,676	2,802,384
Available-for-sale financial assets	622,817	534,533
Held-to-maturity investments	209,655	217,498
Investments classified as receivables	581,887	1,035,728
Investments in associates	2,441	1,111
Property and equipment	17,563	17,834
Intangible assets	743	840
Investment properties	287	305
Goodwill	867	914
Deferred tax assets	16,887	12,697
Other assets	62,007	58,654
Total assets	5,536,973	5,931,050
Liabilities		
Borrowings from central bank	222,600	184,050
Deposits from banks and non-bank financial institutions	852,540	981,446
Placements from banks and non-bank financial institutions	79,538	83,723
Financial liabilities measured at fair value through profit or loss for the current period	332	–
Financial derivative liabilities	49,655	45,059
Financial assets sold under repurchase agreements	73,415	120,342
Deposits from customers	3,316,743	3,639,290
Accrued staff costs	7,664	8,819
Taxes payable	6,897	6,364
Interest payable	38,332	37,155
Provisions	244	244
Issued debt certificates	448,286	386,946
Deferred tax liabilities	19	11
Other liabilities	39,486	53,105
Total liabilities	5,135,751	5,546,554

	30 September 2017	31 December 2016
Equity		
Share capital	48,935	48,935
Preference shares	34,955	34,955
Capital reserve	58,636	58,636
Other comprehensive income	(7,309)	(1,142)
Surplus reserve	27,263	27,263
General reserve	73,911	73,911
Retained earnings	159,553	136,666
Total equity attributable to equity holders of the Bank	395,944	379,224
Non-controlling interests	5,278	5,272
Total equity	401,222	384,496
Total liabilities and equity	5,536,973	5,931,050

Approved and authorised for issue by the Board of Directors on 24 October 2017

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 Cash Flow Statement (Unaudited)

(Expressed in millions of Renminbi)

	9-month period ended	
	30 September	
	2017	2016
	<u> </u>	<u> </u>
Operating activities		
Profit before tax	44,434	45,609
Adjustments for:		
– Revaluation (gain)/loss on investments, derivatives and investment properties	(1,685)	300
– Net investment gain	(717)	(885)
– Net gain from disposal of fixed assets	(2)	(40)
– Unrealised foreign exchange (gain)/loss	(409)	245
– Impairment loss	39,476	35,396
– Depreciation and amortization	2,084	1,978
– Interest expense on issued debt certificates	13,955	10,187
– Dividend income from equity securities	(10)	(49)
– Income tax paid	(12,110)	(10,873)
	<u> </u>	<u> </u>
After adjustment	<u>85,016</u>	<u>81,868</u>
Changes in operating assets and liabilities:		
Decrease/(increase) in balances with central bank	24,312	(43,078)
Decrease in deposits with banks	2,624	8,610
Decrease/(increase) in placements with banks and non-bank financial institutions	32,077	(4,983)
Decrease/(increase) in financial assets measured at fair value through profit or loss for the current period	24,020	(37,439)
Decrease in financial assets held under resale agreements	168,977	106,372
Increase in loans and advances to customers	(326,259)	(329,796)
Decrease in investments classified as receivables	453,180	33,714
Increase in borrowings from central bank	38,550	41,550
Decrease in deposits from banks and non-bank financial institutions	(128,819)	(6,085)
(Decrease)/Increase in placements from banks and non-bank financial institutions	(3,315)	8,790
Increase in financial liabilities measured at fair value through profit or loss for the current period	333	–
Decrease in financial assets sold under repurchase agreements	(46,925)	(53,581)
(Decrease)/increase in deposits from customers	(311,324)	204,449
Decrease/(increase) in other operating assets	565	(39,879)
(Decrease)/increase in other operating liabilities	(17,553)	246
	<u> </u>	<u> </u>
Net cash flow used in operating activities	<u>(4,541)</u>	<u>(29,242)</u>

	9-month period ended	
	30 September	
	2017	2016
	<u> </u>	<u> </u>
Investing activities		
Proceeds from disposal and redemption of investments	848,459	378,083
Receipts from return on investing in investment securities	138	49
Proceeds from disposal of properties and equipment, land use rights and other assets	50	104
Payments on acquisition of investments	(943,222)	(489,759)
Payments on acquisition of properties and equipment, land use rights and other assets	(3,611)	(5,075)
Receipt of cash payments from associates	(1,402)	(100)
	<u> </u>	<u> </u>
Net cash flow used in investing activities	(99,588)	(116,698)
	<u> </u>	<u> </u>
Financing activities		
Proceeds from issuance of debt certificates	628,737	522,893
Principal repayment for issued debt certificates	(562,497)	(342,890)
Interest paid on issued debt certificates	(13,187)	(10,465)
Payment of dividends	(10,672)	(10,456)
	<u> </u>	<u> </u>
Net cash flow generated from financing activities	42,381	159,082
	<u> </u>	<u> </u>
Net (decrease)/increase in cash and cash equivalents	(61,748)	13,142
Cash and cash equivalents as at 1 January	385,356	226,364
Effect of exchange rate changes on cash and cash equivalents	(4,750)	2,746
	<u> </u>	<u> </u>
Cash and cash equivalents as at 30 September	318,858	242,252
	<u> </u>	<u> </u>
Cash flows from operating activities include:		
Interest received	171,387	153,859
	<u> </u>	<u> </u>
Interest paid, excluding interest paid for issued subordinated debts	(76,586)	(71,734)
	<u> </u>	<u> </u>

Consolidated Statement of Equity Changes (Unaudited)

(Expressed in millions of Renminbi)

	Equity attributable to equity holders 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 of subsidiaries	Other equity instruments holders	
1 January 2017	48,935	34,955	58,636	(1,142)	27,263	73,911	136,666	123	5,149	384,496
(I) Net profit	-	-	-	-	-	-	34,738	11	146	34,895
(II) Other comprehensive income	-	-	-	(6,167)	-	-	-	-	-	(6,167)
Total comprehensive income	-	-	-	(6,167)	-	-	34,738	11	146	28,728
(III) Profit distribution										
1. Dividend distribution to ordinary shareholders of the Bank	-	-	-	-	-	-	(10,521)	-	-	(10,521)
2. Dividend distribution to preference shareholders of the Bank	-	-	-	-	-	-	(1,330)	-	-	(1,330)
3. Dividend distribution to minority shareholders of subsidiaries	-	-	-	-	-	-	-	(5)	-	(5)
4. Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	-	(146)	(146)
30 September 2017	<u>48,935</u>	<u>34,955</u>	<u>58,636</u>	<u>(7,309)</u>	<u>27,263</u>	<u>73,911</u>	<u>159,553</u>	<u>129</u>	<u>5,149</u>	<u>401,222</u>

	Equity attributable to equity holders 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 of subsidiaries	Other equity instruments holders	
1 January 2016	48,935	-	58,636	3,584	23,362	64,555	118,668	121	1,825	319,686
(I) Net profit	-	-	-	-	-	-	41,629	11	146	41,786
(II) Other comprehensive income	-	-	-	(4,726)	-	-	-	1	-	(4,725)
Total comprehensive income	-	-	-	(4,726)	-	-	41,629	12	146	37,061
(III) Issuance of preference shares	-	34,955	-	-	-	-	-	-	-	34,955
(IV) Input from holders of other equity instruments	-	-	-	-	-	-	-	-	3,324	3,324
(V) Profit appropriation										
1. Appropriation to surplus reserve	-	-	-	-	3,901	-	(3,901)	-	-	-
2. Appropriation to general reserve	-	-	-	-	-	9,356	(9,356)	-	-	-
3. Dividend distribution to ordinary shareholders of the Bank	-	-	-	-	-	-	(10,374)	-	-	(10,374)
4. Dividend distribution to minority shareholders of subsidiaries	-	-	-	-	-	-	-	(10)	-	(10)
5. Profit distribution to holders of other equity instruments	-	-	-	-	-	-	-	-	(146)	(146)
31 December 2016	<u>48,935</u>	<u>34,955</u>	<u>58,636</u>	<u>(1,142)</u>	<u>27,263</u>	<u>73,911</u>	<u>136,666</u>	<u>123</u>	<u>5,149</u>	<u>384,496</u>

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

Beijing, the PRC
24 October 2017

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. Chang Zhenming, 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.