



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 2007

The Board of Directors of China CITIC Bank Corporation Limited (the “Company” or the “Bank”) announces the unaudited results of the Company and its subsidiaries (the “Group”) for the third quarter ended September 30, 2007. 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 Company's Board of Directors, Board of Supervisors and directors, supervisors and senior management undertake that the information contained in this report has no false records, misleading statements or major omissions, and separately and jointly accept responsibilities for the authenticity, accuracy and completeness of the information contained in this report.
- 1.2 The 10th session of the first Board of directors approved this quarterly report by casting votes through communications.
- 1.3 The quarterly financial report of the company has not been audited.
- 1.4 Mr. Kong Dan, Chairman of the Board, Mr. Chen Xiaoxian, President of the Bank , Mr. Cao Guoqiang, assistant to President of the Bank in charge of finance and Mr. Wang Kang, who is in charge of the Budget and Finance Department hereby warrant the authenticity and completeness of the information contained in this quarterly report.

2 Company Profile

2.1 Corporate Information

Stock name	中信銀行
Stock code	601998 (A share)
Place of listing	Shanghai Stock Exchange
Stock name	CITIC BANK
Stock code	0998 (H share)
Place of listing	Stock Exchange of Hong Kong Limited
Secretary to the Board	Mr. Luo Yan
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2.2 Major Financial and Accounting Indicators

2.2.1 Financial highlights prepared according to the International Financial Reporting Standards (“IFRS”)

Unit: RMB million

ITEM	July-September, 2007	January-September, 2007
Net profit	2,048	5,271
Net profit attributable to shareholders	2,048	5,271
Net cash flows from operations	23,147	56,561
Net cash flows from operations on per share basis	0.59	1.59

ITEM	July-September, 2007	January-September, 2007
Basic earning per share (RMB)	0.05	0.15
Diluted earning per share (RMB)	0.05	0.15
Return of average equity (annualized)	14.84%	12.48%

Unit: RMB million

ITEM	September 30, 2007	December 31, 2006	September, 30 2007 YTD change (%)
Total assets	928,806	706,723	31.42
Total shareholders' equity	80,924	31,689	155.37
Net asset per share at end of the reporting period (RMB)	2.07	1.02	103.27

2.2.2 Reconciliation between PRC GAAP and IFRS on net profit attributable to shareholders and change in shareholders' equity for the reporting period ended on September 30, 2007

Unit: RMB million

	Net assets		Net profit	
	September 30, 2007	December 31, 2006	July- September, 2007	January- September, 2007
The amount reported by the Bank according to the "International Financial Reporting Standards"	80,924	31,689	2,048	5,271
Difference in fixed assets and other differences arising from the revaluation of assets	112	136	(6)	(24)
The amount reported by the Bank, according to the "Corporate Accounting Standards" of China	81,036	31,825	2,042	5,247

2.3 Number of shareholders and top 10 public shareholders at the end of the reporting period

2.3.1 Total number of shareholders

The total number of shareholders at the end of the reporting period was 593,556, including 538,999 shareholders of A share and 54,557 shareholders of H share.

2.3.2 Shareholding of top 10 shareholders

No	Name of Shareholder	Nature of shareholder	Type of share	Total number of shares held	Shareholding percentage (%)	Shares being pledged or frozen
1	CITIC Group	State-owned	A share	24,329,608,919	62.33	0
2	CITIC International Financial Holdings Limited	Foreign	H share	5,855,002,200	15.00	NA
3	Hong Kong Securities Clearing Company (Nominees) Limited	Foreign	H share	4,839,787,000	12.40	NA
4	Banco Bilbao Vizcaya Argentaria SA ¹	Foreign	H share	1,885,311,281	4.83	NA
5	Mizuho Corporate Bank	Foreign	H share	68,259,000	0.17	NA
6	National Council for Social Security Fund	State-owned	H share	68,259,000	0.17	NA
7	PICC Property And Casualty Company Limited	State-owned	H share	68,259,000	0.17	NA
8	China Life Insurance (Group) Company Limited	State-owned	H share	34,129,000	0.09	NA
9	China Life Insurance Company Limited	State-owned	H share	34,129,000	0.09	NA
10	China State Shipbuilding Corporation	State-owned	A share	29,310,000	0.08	0

¹ or “BBVA” mentioned hereinafter

At the end of September 30, 2007, CITIC Group held 55.18% of shares in CIFH, and was its controlling shareholder; BBVA held 14.52% of shares in CIFH. Except for the above disclosure, the Bank is not aware of any other connected relations among the above shareholders.

2.3.3 Shareholding of Top 10 public shareholders (Shareholders that are not subject to restrictions on sale)

No	Name of shareholder	Shares not subject to restrictions on sale (share)	Type of shares
1	Hong Kong Securities Clearing (Nominees) Company Limited	4,839,787,000	H SHARE
2	China Life Insurance Company Limited — traditional — ordinary insurance product — 005L — CT001 Hu	15,360,465	A SHARE
3	Bank of Communication — Yifangda 50 stock index fund	13,499,909	A SHARE
4	China Marine Finance Co., Ltd	10,954,916	A SHARE
5	Shanghai Automotive Industry Corporation Finance Co., Ltd	10,954,916	A SHARE
6	Bank of China — Harvest SHSE — SZSE 300 Indexed Fund	10,261,897	A SHARE
7	China Huaneng Finance Co., Ltd.	9,024,754	A SHARE
8	COFCO Finance Co., Ltd.	8,204,792	A SHARE
9	Xinhua Life Insurance Co., Ltd. — Dividends- Dividends to individuals — 018L — FH002 Hu	7,832,000	A SHARE
10	Xinhua Life Insurance Co., Ltd — Dividends — Dividends to Group — 018L — FH001 Hu	7,068,000	A SHARE

Note: Except that some shareholders are under unified management of legal persons, the Bank is unaware of any affiliation or concerted actions among the aforementioned shareholders.

3 Significant Items

3.1 Significant changes in major accounts and financial indicators and the reasons

Applicable Not applicable

Significant changes in major accounts of the balance sheet and the reasons thereby:

Unit: RMB million

Major changes of accounts on balance sheet	September 30, 2007	Change in Percentage compared with the end of last year	Major reasons for change
Amounts receivebale from banks and other financial institutions	107,967	149.63%	Sufficient funding due to substantial increase in interbank money
Investment in securities	166,186	66.69%	Increase in the investment driven by IPO financing and increase in interbank deposits
Marketable assets	8,110	71.65%	Increase in the investment driven by IPO financing and increase in interbank deposits
Positive value of derivatives	767	69.86%	Increase in derivative trading volume, increase in fair value at revaluation
Deferred tax assets	914	(58.62%)	Deferred tax assets reduced due to write off of non-performing assets and carry backward arising from change in tax rate

Amounts payable to banks and other financial institutions	110,121	204.49%	Increase in interbank deposits driven by the active stock market
Taxes payable	2,726	121.68%	Increase in Income taxes due to rapid growth in profit
Negative value of derivatives	1,031	78.94%	Increase in derivative trading volume, increase in fair value at revaluation
Marketable debts	1,795	2,172.14%	Increase in short selling of debt securities

3.2 Explanations of significant event, its impact and solutions

Applicable Not applicable

3.3 Fulfillment of undertakings made by the Company, its shareholders and actual controller

Applicable Not applicable

Shareholders made no new undertakings in the reporting period, and the undertakings that continue to be valid during the reporting period were the same as those disclosed in the Prospectus and the 2007 Interim Report. As at June 30, 2007, all undertakings made by the shareholders were fulfilled.

3.4 Warnings and explanations on loss forecast or significant changes in net accumulative profit from the beginning of the year to the end of next reporting period

Applicable Not applicable

3.5 Other significant issues bearing explanation

3.5.1 Shareholding in other listed companies by the company

Applicable Not applicable

3.5.2 Equities held by the Company of unlisted financial enterprises or the companies that are going to be listed

Applicable Not applicable

Company name	Initial investment amount (RMB)	Shares amount (share)	Percentage (%)	Book value at end of reporting period (RMB)
China UnionPay Co., Ltd.	70,000,000	87,500,000	4.24	113,750,000

4. Appendix: Financial Statements Prepared in Accordance with IFRS

Financial statements prepared under IFRS is set out in the appendix of this announcement.

5. Release of Results Announcement

This announcement will be released on the websites of Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Company (bank.ecitic.com) simultaneously. The quarterly report prepared in accordance with the PRC GAAP will be released simultaneously on the websites of Shanghai Stock Exchange (www.sse.com.cn) and the Company (bank.ecitic.com).

By order of the Board of
China CITIC Bank Corporation Limited
Kong Dan
Chairman

Beijing, The PRC
29 October 2007

As at the date of this announcement, the executive directors of the Company are Dr. Chen Xiaoxian and Mr. Wu Beiying; the non-executive directors of the Company are Mr. Kong Dan, Mr. Chang Zhenming, Mr. Wang Chuan, Mr. Dou Jianzhong, Ms. Chan Hui Dor Lam Doreen, Mr. Ju Weimin, Mr. Zhang Jijing and Mr. José Ignacio Goirigolzarri; and the independent non-executive directors of the Company are Dr. Bai Chong-En, Dr. John Dexter Langlois, Dr. Ai Hongde, Dr. Xie Rong and Mr. Wang Xiangfei.

Unaudited Consolidated Income Statement

(Expressed in millions of Renminbi unless otherwise stated)

	July - September 2007	January - September 2007
Interest income	10,902	29,025
Interest expense	(3,986)	(10,853)
Net Interest income	6,916	18,172
Fee and commission income	518	1,233
Fee and commission expense	(69)	(179)
Net Fee and commission income	449	1,054
Net trading (loss) / gain	(51)	(128)
Net gain from investment securities	68	110
Other operating income	48	137
Operating income	7,430	19,345
General and administrative expenses	(2,924)	(8,067)
Provisions for impairment losses on		
Loans and advances to customers	(768)	(1,912)
Others	(16)	(34)
Profit before taxation	3,722	9,332
Income tax	(1,674)	(4,061)
Net profit	2,048	5,271
Attributable to:		
Shareholders of the Bank	2,048	5,271
Minority interests	—	—
Net profit	2,048	5,271
Profit appropriations	—	726
Earning per share attributable to shareholders of the Bank		
— basic and diluted (RMB)	0.05	0.15

Unaudited Consolidated Balance Sheet

(Expressed in millions of Renminbi unless otherwise stated)

	September 30, 2007	September 30, 2006
Assets		
Cash and balances with central bank	93,709	90,620
Amounts due from banks and other financial institutions	107,967	43,250
Loans and advances to customers	537,808	453,381
Trading assets	8,110	4,725
Derivatives	767	452
Investment securities	166,186	99,699
Property and equipment	8,586	8,745
Deferred tax assets	914	2,210
Other assets	4,759	3,641
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Total assets	928,806	706,723
	<hr/> <hr/>	<hr/> <hr/>
Liabilities		
Amounts due to central bank	—	201
Amounts due to banks and other financial institutions	110,121	36,166
Trading liabilities	1,795	79
Derivatives	1,031	576
Deposits from customers	711,608	618,412
Current tax liabilities	2,726	1,230
Deferred tax liabilities	6	141
Other liabilities and provisions	8,590	6,224
Subordinated debts / bonds issued	12,000	12,000
	<hr/>	<hr/>
Total liabilities	847,877	675,029
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Equity

Share capital	39,033	31,113
Reserves	36,467	(303)
Retained earnings	5,424	879
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Total equity attributable to shareholders of the Bank	80,924	31,689
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Minority interests	5	5
	<hr/>	<hr/>
Total equity	80,929	31,694
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Total equity and liabilities	928,806	706,723
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Unaudited Consolidated Statement of Changes in Equity

(Expressed in millions of RMB unless otherwise stated)

	Share capital / owners' equity	Capital reserve	Surplus reserve	Investment revaluation reserve	Properties revaluation reserve	Retailed earnings	Minority interests	Total equity
January 1, 2007	31,113	(391)	—	(14)	102	879	5	31,694
Share issued	7,920	36,916	—	—	—	—	—	44,836
Net profit	—	—	—	—	—	5,271	—	5,271
Net change in fair value of available-for-sale investment	—	—	—	(140)	—	—	—	(140)
Realized on disposal of available-for-sale investment	—	—	—	(6)	—	—	—	(6)
Profit appropriation	—	—	—	—	—	(726)	—	(726)
September 30, 2007	<u>39,033</u>	<u>36,525</u>	<u>—</u>	<u>(160)</u>	<u>102</u>	<u>5,424</u>	<u>5</u>	<u>80,929</u>
January 1, 2006	26,661	—	—	181	2,772	(6,394)	5	23,225
Capital injection	7,400	—	—	—	—	—	—	7,400
Net profit	—	—	—	—	—	3,858	—	3,858
Net change in fair value of available-for-sale investment	—	—	—	(14)	—	—	—	(14)
Revaluation gain of bank premises	—	—	—	—	123	—	—	123
Transfer of revaluation gain realized through disposal	—	—	—	—	(21)	21	—	—
Transfer of welfare payable to capital reserve	—	102	—	—	—	—	—	102
Profit appropriation	—	—	—	—	—	(3,000)	—	(3,000)
Shares issued upon incorporation and elimination of owner's capital, reserves and accumulated losses as at December 31, 2005	<u>(2,948)</u>	<u>(493)</u>	<u>—</u>	<u>(181)</u>	<u>(2,772)</u>	<u>6,394</u>	<u>—</u>	<u>—</u>
As at December 31, 2006	<u>31,113</u>	<u>(391)</u>	<u>—</u>	<u>(14)</u>	<u>102</u>	<u>879</u>	<u>5</u>	<u>31,694</u>

Unaudited consolidated cash flow statement

(Expressed in millions of RMB unless otherwise stated)

Nine months ended on
September 30, 2007

Operating activities

Profit before taxation	9,332
Adjustments for:	
– Revaluation gain / (loss) on investment and derivatives	236
– Net gain on disposal of fixed assets	2
– Unrealized foreign exchange gain	301
– Impairment losses	1,946
– Depreciation and amortization	542
– Interest expense on subordinated debts / bonds issued	427
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	12,785
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Changes in operating assets and liabilities:

Increase in balance with central bank	(12,987)
Decrease / (increase) in amounts due from banks and other financial institutions	(28,192)
Increase in loans and advances to customers	(86,167)
Other (increase) / decrease in operating assets	(1,181)
Decrease in amounts due to central bank	(201)
Increase / (decrease) in amounts due to banks and other financial institutions	74,179
Increase in deposits from customers	92,994
Income tax paid	(1,375)
Increase in other operating liabilities	6,705
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Net cash flows from operating activities	56,561
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Investing activities

Proceeds from disposal and redemption of investments	206,910
Proceeds from disposal of property and equipment, land use rights and other assets	4
Payments on acquisition of investment	(245,855)
Payments on acquisition of property and equipment, and land use rights	(569)
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Net cash used in investing activities	(39,509)
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Financing activities

Proceeds from share issuance, including interest income received and net of cost of issuing shares paid	44,987
Interest paid on subordinated debts / bonds issued	(551)
Profit paid to CITIC Group	(726)
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Net cash from financing activities 43,710

Net increase / (decrease) in cash and cash equivalents 60,761

Cash and cash equivalents as at January 1 53,027

Effects of exchange rates on cash and cash equivalents (251)

Cash and cash equivalents as at September 30 113,537

Cash flow from operating activities including:

Interest received 28,504

Interest paid, excluding interest expense on subordinated debts / bonds issued (9,712)