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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 of the Third Quarter of 2010

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 30 September 2010. This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

§1 Important Notice

- 1.1** The Board of Directors, the Board of Supervisors, directors, supervisors and senior management of the Bank undertake that materials included in this report contain no untruthful record, misleading statements or significant omissions and are individually or jointly liable for the truthfulness, accuracy, and completeness of the content thereof.
- 1.2** The Bank’s Report of the Third Quarter of 2010 was approved at the fifteenth meeting of the Second Board of Directors of the Bank. A total of 16 directors were eligible to attend the meeting, and all of them attended in person. Supervisors of the Bank attended the meeting as non-voting delegates.
- 1.3** The Bank’s financial statement for the reporting period is unaudited.
- 1.4** The Bank’s Chairman Kong Dan, President Chen Xiaoxian, Vice President in charge of financial affairs Cao Guoqiang and the General Manager of Budget and Finance Department Wang Kang undertake that the financial statement set out in the Bank’s Report of the Third Quarter of 2010 is true and complete.

§2 Company Profile

2.1 The Bank's basic information

Stock Name	CNCB
Stock code	601998 (A-share)
Listing venue	Shanghai Stock Exchange
Stock Name	CITIC Bank
Stock code	0998 (H-share)
Listing venue	The Stock Exchange of Hong Kong Limited
Secretary to the Board of Directors	
Name	Luo Yan
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2.2 Principal accounting data and financial indicators

2.2.1 The Group's Principal accounting data and financial indicators prepared based on the International Financial Reporting Standards (IFRS)

Unit: RMB million

Items	End of reporting period (30 September 2010)	End of the previous year (31 December 2009)	Changes compared with the previous year-end (%)
Total assets	1,947,615	1,775,031	9.72
Total loans and advances to customers	1,200,479	1,065,649	12.65
Total liabilities	1,826,575	1,668,023	9.51
Total customer deposits	1,638,068	1,341,927	22.07
Total equity attributable to shareholders of the Bank	116,662	102,798	13.49
Net assets per share attributable to shareholders of listed companies (RMB)	2.99	2.63	13.49
	Year beginning to end of reporting period (January to September 2010)	Same period of the previous year (January to September 2009)	Year-on-year changes (%)
Net cash flows from operating activities	13,388	(85,219)	—
Net cash flows per share from operating activities (RMB)	0.34	(2.18)	—
	Reporting period (July to September 2010)	Year beginning to end of reporting period (January to September 2010)	Changes compared with the same period of the previous year (%) (July to September)
Operating income	14,686	40,253	35.68
Profit before taxation	8,717	22,998	53.44
Net profit attributable to shareholders of listed companies	6,508	17,193	51.45
Basic earnings per share (RMB)	0.17	0.44	51.45
Diluted earnings per share (RMB)	0.17	0.44	51.45
Return on average assets (ROAA) (annualized)	1.35%	1.25%	Up by 0.23 percentage point
Return on average equity (ROAE) (annualized)	22.97%	20.89%	Up by 7.50 percentage points

Note: (1) The Group acquired 70.32% equity interest in CITIC International Financial Holdings Ltd. (CIFH) on 23 October 2009. Therefore, relevant accounting data and financial indicators for the periods from July to September 2009 and January to September 2009 have been restated.

(2) According to the opinion regarding the permission of using valuations of special events occurred over the period covered by the first IFRS report as the deemed cost, which is included in the “Improvements to International Financial Reporting Standards” promulgated by the International Accounting Standards Board (IASB) in May 2010, the Group decided to take the valuation of the Bank during its reorganization in 2005 as the initial cost, and change the measurement of properties and buildings to cost model. Accordingly, the relevant accounting data and financial indicators as of the end of 2009, and the periods from July to September 2009 and from January to September 2009 have been restated.

2.2.2 Management discussion and analysis

As of 30 September 2010, the Group’s total assets amounted to RMB1,947.615 billion, an increase of 9.72% compared to the end of the previous year; the total liabilities amounted to RMB1,826.575 billion, up by 9.51% compared to the end of the previous year. The total loans and advances to customers amounted to RMB1,200.479 billion, a growth of 12.65% over the end of the previous year. Customer deposits amounted to RMB1,638.068 billion, an increase of 22.07% compared to the end of the previous year.

From the beginning of 2010 to the end of the reporting period, the Group realized a net profit of RMB17.42 billion, an increase of 48.19% on a year-on-year basis, of which, the net profit attributable to shareholders of the Bank was RMB17.193 billion, an increase of 47.60% on a year-on-year basis. In the third quarter of this year, the Group realized a net profit of RMB6.581 billion, an increase of 53.98% on a year-on-year basis, of which, the net profit attributable to shareholders of the Bank was RMB6.508 billion, an increase of 51.45% on a year-on-year basis. The main reasons for the increase of net profit include: (1) the credit issuance was increased properly with the prerequisite of strictly controlled credit risk and the interest-earning assets increased significantly year on year; in addition, the net interest margin increased steadily due to structure adjustment, as a result the net interest income went up by over 37.35% compared to the same period of previous year; (2) the intermediary business was significantly strengthened with the net non-interest income increasing by 49.61% on a year-on-year basis; and (3) Growth in costs were strictly controlled with the cost-to-income ratio down by 3.10 percent points year on year.

As of the end of the reporting period, the Group’s non-performing loan ratio was 0.81%, a decrease of 0.14 percentage point compared to the end of the previous year; the provision coverage ratio reached 176.13%, an increase of 26.77 percentage points compared with that at the end of the previous year.

As of the end of the reporting period, the Group’s capital adequacy ratio was 11.66%, an increase of 0.94 percentage points compared with that at the end of the previous year; the core capital adequacy ratio was 8.80%, a decrease of 0.37 percentage point compared with that at the end of the previous year.

2.3 Total number of shareholders and top 10 shareholders that are not subject to restrictions on sale at the end of the reporting period

Unit: share

*Total number of shareholders (accounts)
at the end of the reporting period* 480,111

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

No.	Name of shareholders	Number of Shares not subject to restrictions on sale	Types of shares
1	CITIC Group	24,115,773,578	A-share
2	Hong Kong Securities Clearing Company Nominees Limited	6,106,172,003	H-share
3	Banco Bilbao Vizcaya Argentaria, S.A.	3,930,657,746	H-share
4	China Construction Bank Corporation	168,599,268	H-share
5	Mizuho Corporate Bank	68,259,000	H-share
6	The National Council for Social Security Council Fund	68,259,000	H-share
7	PICC Property and Casualty Company Limited	68,259,000	H-share
8	China Life Insurance Co., Ltd. — Dividends — Individual Dividends — 005L — FH002 Shanghai	41,352,077	A-share
9	Agricultural Bank of China — FullGoal Tianrui Favorable Regions Selected Hybrid Open-ended Securities Investment Fund	40,645,992	A-share
10	China Life Insurance (Group) Company	34,129,000	H-share
10	China Life Insurance Co., Ltd.	34,129,000	H-share

As of the end of the reporting period, China Life Insurance Co., Ltd. is a controlled subsidiary of China Life Insurance (Group) Company. Save for the above, the Bank is not aware of any other connected relations or concerted actions among the other shareholders. (Shareholding of the holders of H shares is calculated based on the number of shares listed in the Bank's share register maintained at the Bank's H Share Registrar).

The five cornerstone investors of H shares of the Bank, i.e. Mizuho Corporate Bank, The National Council for Social Security Council Fund, PICC Property and Casualty Company Limited, China Life Insurance (Group) Company and China Life Insurance Co., Ltd., undertook to notify the Bank in writing before they sell any H shares purchased pursuant to the placing agreement after expiry of the lock-up period.

§3 Significant Events

3.1 The Group's material changes in principal accounting items and financial indicators of the Bank and the reasons

Applicable Not applicable

The Group's items with material changes in this quarter and the reasons:

Unit: RMB million

Items	30 September 2010/ January to September 2010	31 December 2009/ January to September 2009	Changes compared with the previous year-end/year on year (%)	Reasons for the changes
Net interest income	34,800	25,336	37.35	Growth in asset scale and expansion of net interest margin
Net fee and commission income	4,133	3,070	34.63	Substantial increase in bank card fees and financial consulting service fees
Net trading gain	890	468	90.17	Increase in gains from settlement and sales of foreign exchanges
Asset impairment losses	2,616	1,976	32.39	Increase of impairment provision for benchmark credit asset portfolio charged
Income tax	5,578	3,786	47.33	Growth of taxable income
Deposits with banks and non-bank financial institutions	61,302	26,319	132.92	Abundant fund, bringing along the increase in the deposits with banks and non-bank financial institutions
Placements with banks and non-bank financial institutions	78,838	55,489	42.08	Active market, where the placement with domestic banks and non-bank financial institutions increased
Trading financial assets	6,282	4,449	41.20	Abundant fund bringing along stronger investment capacity
Derivative financial assets	5,050	3,182	58.71	Increase in positive value for revaluation of derivatives
Financial assets held under resale agreements	122,367	185,203	(33.93)	Decrease in assets held under resale agreements after expiry
Available-for-sale financial assets	127,922	94,345	35.59	Abundant fund bringing along stronger investment capacity
Deposits from banks and non-bank financial institutions	108,665	275,049	(60.49)	Structural adjustment, and the decrease in deposits from banks and non-bank financial institutions after expiry

Trading financial liabilities	13,093	2,755	375.25	Increase in financial liabilities measured by fair value as specified
Bonds payable	34,283	18,422	86.10	Supplementary capital replenished by issuing subordinated bonds
Investment revaluation reserve	66	(236)	—	Increase in positive fair value of investment for sales
Retained earnings	31,479	17,721	77.64	Substantial increase in net profit

3.2 Progress and impacts of significant events and the analysis on solutions

Applicable Not applicable

The proposal on rights issue of A shares and H shares of the Bank was approved at the 13th meeting of the second Board of Directors of the Bank on 11 August 2010, and was deliberated and adopted at the third Extraordinary General Meeting for 2010, the first A Shareholders Class Meeting and the first H Shareholders Class Meeting held on 30 September 2010. According to the approved plan, the Bank will issue a total of 8,587,335,691 shares to all shareholders on the basis of up to 2.2 rights shares for every ten existing shares and on the same basis for A-share and H-share. The final basis for rights issue shall be determined by the Board of Directors or its authorized director or authorized senior management through consultation with the sponsors/lead-underwriters based on the market conditions prior to the issuance. Among others, the number of rights shares for A shares shall be no more than 5,858,939,146, while that for H shares shall be no more than 2,728,396,545.

The Bank has received the approval from the Ministry of Finance (MOF) and China Banking Regulatory Commission (CBRC) on the rights issue, and shall submit the application to China Securities Regulatory Commission (CSRC), The Stock Exchange of Hong Kong Limited and other domestic and offshore regulatory authorities for approval. Currently, all necessary approvals for this issuance from regulatory authorities are followed up and promoted.

3.3 Performance of undertakings by the Bank, shareholders and de facto controller

Applicable Not applicable

During the reporting period, the shareholders did not make any new undertakings. Undertakings as of the end of the reporting period are the same as those disclosed in the Bank's prospectus and the 2010 interim report. The undertakings made by the shareholders have been performed duly.

3.4 Forecast warning that the accumulated net profit from the beginning of the year up to the end of the next reporting period may turn to loss or have significant changes compared with the corresponding period of the previous year and the reasons

Applicable Not applicable

3.5 Securities investments

3.5.1 The Group's shareholding in non-listed financial companies and companies that intend to go public

Applicable Not applicable

Name	Initial investment (RMB)	Number of shares held (share)	Shareholding percentage of the company's total equity	Book value at the end of the reporting period (RMB)	Gain or loss during the reporting period (RMB)	Changes in shareholders' equity during the reporting period (RMB)	Accounting items	Sources of shares
China UnionPay	70,000,000.00	87,500,000	4.24%	113,750,000.00	2,362,500.00	—	Available-for-sale financial assets	Cash purchase
SWIFT	161,127.66	22	—	149,385.50	—	—	Available-for-sale financial assets	Bonus share
Joint Electronic Teller Services	4,535,347.33	16 (Class B)	—	4,447,888.50	—	—	Available-for-sale financial assets	Bonus share
Electronic payment Services Company (HK) Ltd.	14,263,759.80	2	—	13,988,700.00	—	—	Available-for-sale financial assets	Bonus share
Total	88,960,234.79			132,335,974.00	2,362,500.00	—		

3.5.2 Stocks and securities of other listed companies held by the Group

Applicable Not applicable

Unit: RMB

Stock code	Stock name	Initial investment	Shareholding percentage of the company's total equity	Book value at the end of the reporting period	Gain or loss during the reporting period	Book value at the beginning of the reporting period	Changes in shareholders' equity during the reporting period	Accounting items	Sources of shares
00762	China Unicom (HK)	15,795,000.00	—	8,828,189.37	—	8,146,189.74	681,999.63	Available-for-sale financial assets	Cash Purchase
V	Visa Inc.	7,509,605.39	—	25,299,016.06	—	30,438,932.12	(5,139,916.06)	Available-for-sale financial assets	Acquired for free/bonus share
MA	Mastercard International	201,629.69	—	1,138,093.00	—	1,325,120.90	(187,027.90)	Available-for-sale financial assets	Bonus share
Total		23,506,235.08		35,265,298.43	—	39,910,242.76	(4,644,944.33)		

Note: As of the end of the reporting period, in addition to its equity investment in China Unicom (HK) as set out above, China Investment and Finance Limited, a subsidiary of the Bank, also held private equity funds with a net value of RMB311 million.

3.6 Execution of cash Dividend policies during the reporting period

The Bank's profit distribution proposal for the year 2009 was deliberated and adopted at the Bank's 2009 Annual General Meeting which was held on 23 June 2010. During the reporting period, dividends for the year 2009 have been distributed to all the A-share holders of the Bank who appeared on the share register at China Securities Depository and Clearing Corporation Limited Shanghai Branch as of the afternoon of 21 July 2010 after Shanghai Stock Exchange was closed, and to all of the H-share holders of the Bank who appeared on the share register on 22 May 2010. The dividends for every 10 shares were RMB0.88 in cash (pre-tax), totaling RMB3.435 billion in cash (payment to H-share holders was made in Hong Kong dollars).

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

Beijing, the PRC
29 October 2010

As at the date of this announcement, the executive directors of the Bank are Dr. Chen Xiaoxian and Dr. Zhao Xiaofan; the non-executive directors are Mr. Kong Dan, Mr. Chang Zhenming, Mr. Dou Jianzhong, Mr. Ju Weimin, Mr. Zhang Jijing, Mr. Guo Ketong, Mrs. Chan Hui Dor Lam Doreen, Mr. Ángel Cano Fernández and Mr. José Andrés Barreiro Hernandez; and the independent non-executive directors are Dr. Bai Chong-En, Dr. Ai Hongde, Dr. Xie Rong, Mr. Wang Xiangfei and Mr. Li Zheping.

Consolidated Statement of Comprehensive Income (Unaudited)

(Expressed in millions of Renminbi unless otherwise stated)

	July to <u>September 2010</u>	July to <u>September 2009</u> (restated)	January to <u>September 2010</u>	January to <u>September 2009</u> (restated)
Interest income	18,791	14,507	52,279	40,657
Interest expense	<u>(6,354)</u>	<u>(4,897)</u>	<u>(17,479)</u>	<u>(15,321)</u>
Net interest income	12,437	9,610	34,800	25,336
Fee and commission income	1,758	1,251	4,559	3,411
Fee and commission expense	<u>(154)</u>	<u>(121)</u>	<u>(426)</u>	<u>(341)</u>
Net fee and commission income	1,604	1,130	4,133	3,070
Net trading gain/(loss)	460	(41)	890	468
Net gain/(loss) from investment securities	56	34	127	(3)
Net hedging gain/(loss)	1	—	—	(2)
Other net operating income	<u>128</u>	<u>92</u>	<u>303</u>	<u>259</u>
Operating income	14,686	10,825	40,253	29,128
Operating expense	<u>(5,201)</u>	<u>(4,454)</u>	<u>(14,684)</u>	<u>(11,531)</u>
Net operating profit before impairment	9,485	6,371	25,569	17,597
Impairment losses on				
— loans and advances to customers	(771)	(535)	(2,442)	(1,906)
— others	<u>(21)</u>	<u>18</u>	<u>(174)</u>	<u>(70)</u>
Total impairment losses	(792)	(517)	(2,616)	(1,976)
Revaluation gain on investment properties	—	—	11	18
Share of profit/(loss) of associates	<u>24</u>	<u>(173)</u>	<u>34</u>	<u>(98)</u>
Profit before taxation	8,717	5,681	22,998	15,541
Income tax	<u>(2,136)</u>	<u>(1,407)</u>	<u>(5,578)</u>	<u>(3,786)</u>
Net profit	<u>6,581</u>	<u>4,274</u>	<u>17,420</u>	<u>11,755</u>

	<u>July to September 2010</u>	July to September 2009 (restated)	<u>January to September 2010</u>	January to September 2009 (restated)
Other comprehensive income:				
Available-for-sale financial assets				
— Changes in fair value	441	148	429	190
— (loss)/gain on disposal transferred to current profit or loss	(10)	(35)	(58)	68
Income tax impact related to available-for-sale financial assets	<u>(42)</u>	<u>(9)</u>	<u>(42)</u>	<u>(30)</u>
Other comprehensive income for available-for-sale financial assets, net of tax	389	104	329	228
Other reserves	(9)	—	(9)	—
Foreign exchange translation difference	(150)	(11)	(281)	(37)
Other comprehensive income/(loss) of associates	<u>7</u>	<u>(34)</u>	<u>8</u>	<u>(20)</u>
Other comprehensive income/(loss), net of tax	<u>237</u>	<u>59</u>	<u>47</u>	<u>171</u>
Total comprehensive income	<u>6,818</u>	<u>4,333</u>	<u>17,467</u>	<u>11,926</u>
Net profit attributable to:				
— Shareholders of the Bank	6,508	4,297	17,193	11,648
— Minority interests	<u>73</u>	<u>(23)</u>	<u>227</u>	<u>107</u>
	6,581	4,274	17,420	11,755
Total comprehensive income attributable to:				
— Shareholders of the Bank	6,711	4,342	17,299	11,773
— Minority interests	<u>107</u>	<u>(9)</u>	<u>168</u>	<u>153</u>
	6,818	4,333	17,467	11,926
Basic and diluted earnings per share (RMB)	<u>0.17</u>	<u>0.11</u>	<u>0.44</u>	<u>0.30</u>

Statement of Financial Position (Unaudited)

(Expressed in millions of Renminbi)

	The Group		The Bank	
	30 September 2010	31 December 2009 (restated)	30 September 2010	31 December 2009 (restated)
Assets				
Cash and balances with central bank	231,275	224,003	230,558	223,529
Deposits with banks and non-bank financial institutions	61,302	26,319	56,692	20,898
Placements with banks and non-bank financial institutions	78,838	55,489	57,325	42,892
Trading financial assets	6,282	4,449	5,716	3,383
Positive fair value of derivatives	5,050	3,182	3,338	2,166
Financial assets held under resale agreements	122,367	185,203	122,428	185,271
Interest receivable	5,288	4,135	4,783	3,748
Loans and advances to customers	1,183,276	1,050,479	1,110,162	985,854
Available-for-sale financial assets	127,922	94,345	106,643	76,342
Held-to-maturity investments	106,424	107,466	106,685	107,715
Investment in associates	2,136	2,140	—	—
Investment in subsidiaries	—	—	9,884	9,884
Fixed assets	10,131	10,321	9,370	9,563
Investment properties	136	161	—	—
Goodwill	870	887	—	—
Intangible assets	186	165	186	165
Deferred tax assets	1,682	2,095	1,545	1,995
Other assets	4,450	4,192	3,911	3,744
Total assets	1,947,615	1,775,031	1,829,226	1,677,149
Liabilities				
Deposits from banks and non-bank financial institutions	108,665	275,049	109,269	275,124
Placements from banks and non-bank financial institutions	4,375	4,553	2,676	2,236
Trading financial liabilities	13,093	2,755	13,093	2,755
Negative fair value of derivatives	4,231	3,628	3,150	2,652
Financial assets sold under repurchase agreements	4,332	4,100	4,332	4,100
Deposits from customers	1,638,068	1,341,927	1,539,990	1,259,064
Accrued staff costs	5,928	6,987	5,732	6,812
Taxes payable	1,389	1,004	1,254	981
Interest payable	8,347	6,538	7,996	6,269
Provisions	40	50	40	50
Bonds payable	34,283	18,422	22,500	12,000
Deferred tax liabilities	1	—	—	—
Other liabilities	3,823	3,010	3,153	2,483
Total liabilities	1,826,575	1,668,023	1,713,185	1,574,526

	The Group		The Bank	
	30 September 2010	31 December 2009 (restated)	30 September 2010	31 December 2009 (restated)
Equity				
Share capital	39,033	39,033	39,033	39,033
Share premium and other reserve	31,550	31,555	33,706	33,706
Investment revaluation reserve	66	(236)	214	(23)
Surplus reserve	3,535	3,535	3,535	3,535
General reserve	12,562	12,562	12,526	12,526
Retained earnings	31,479	17,721	27,027	13,846
Foreign exchange translation difference	(1,563)	(1,372)	—	—
Total equity attributable to shareholders of the bank	116,662	102,798	116,041	102,623
Minority interests	4,378	4,210	—	—
Total equity	121,040	107,008	116,041	102,623
Total liabilities and equity	1,947,615	1,775,031	1,829,226	1,677,149

Approved by the Board of Directors on 29 October 2010

Kong Dan
Chairman

Chen Xiaoxian
President

Cao Guoqiang
*Vice President
in charge of financial affairs*

Wang Kang
*General Manager of Budget
and Finance Department*

Company Chop

Consolidated Statement of Equity Changes (Unaudited)

(Expressed in millions of Renminbi)

	Share capital/ Owner's capital	Share premium	Other reserve	Properties Revaluation reserve	Investment Revaluation reserve	Surplus reserve	General reserve	Retained earnings	Foreign exchange translation difference	Minority interest	Total equity
As at 1 January 2010 (before restatement)	39,033	30,910	221	1,451	(236)	3,535	12,562	17,939	(1,372)	4,210	108,253
Changes in accounting policies	—	391	33	(1,451)	—	—	—	(218)	—	—	(1,245)
As at 1 January 2010 (restated)	39,033	31,301	254	—	(236)	3,535	12,562	17,721	(1,372)	4,210	107,008
Movements during the period											
(I) Comprehensive income	—	—	(5)	—	302	—	—	17,193	(191)	168	17,467
(II) Profit appropriation											
1. Appropriation to surplus reserve	—	—	—	—	—	—	—	—	—	—	0
2. Appropriation to general reserve	—	—	—	—	—	—	—	—	—	—	0
3. Appropriation to shareholders	—	—	—	—	—	—	—	(3,435)	—	—	(3,435)
As at 30 September 2010	<u>39,033</u>	<u>31,301</u>	<u>249</u>	<u>—</u>	<u>66</u>	<u>3,535</u>	<u>12,562</u>	<u>31,479</u>	<u>(1,563)</u>	<u>4,378</u>	<u>121,040</u>
As at 1 January 2009 (before restatement)	39,033	55,865	2,571	520	(354)	2,161	7,746	13,135	(1,311)	10,008	129,374
Changes in accounting policies	—	391	33	(520)	—	—	—	(219)	—	—	(315)
As at 1 January 2009 (restated)	39,033	56,256	2,604	—	(354)	2,161	7,746	12,916	(1,311)	10,008	129,059
Movements during the period											
(I) Comprehensive income	—	—	(19)	—	118	—	—	14,325	(61)	230	14,593
(II) Prior to business combination under common control, the acquired subsidiary:											
1. made appropriation to its original shareholders	—	(13,002)	(2,331)	—	—	—	—	—	—	(6,473)	(21,806)
2. issued shares to its original shareholders	—	1,054	—	—	—	—	—	—	—	445	1,499
(III) Consideration paid for the business combination under common control	—	(13,007)	—	—	—	—	—	—	—	—	(13,007)
(IV) Profit appropriation											
1. Appropriation to surplus reserve	—	—	—	—	—	1,374	—	(1,374)	—	—	—
2. Appropriation to general reserve	—	—	—	—	—	—	4,816	(4,816)	—	—	—
3. Appropriation to shareholders	—	—	—	—	—	—	—	(3,330)	—	—	(3,330)
As at 31 December 2009	<u>39,033</u>	<u>31,301</u>	<u>254</u>	<u>—</u>	<u>(236)</u>	<u>3,535</u>	<u>12,562</u>	<u>17,721</u>	<u>(1,372)</u>	<u>4,210</u>	<u>107,008</u>

Consolidated Cash Flow Statement (Unaudited)
(Expressed in millions of Renminbi)

For the nine months ended
30 September
2010 2009
(restated)

Operating activities

Profit before tax	22,998	15,541
Adjustments for:		
— Revaluation (gain)/loss on investments and derivatives	(109)	140
— Net investment (gains)	(150)	(62)
— Net loss/(gain) on disposal of fixed assets	1	(34)
— Unrealised foreign exchange losses	128	8
— Impairment losses	2,616	1,976
— Depreciation and amortization	895	828
— Interest expense on subordinated debts/bonds issued	760	550
— Dividend income from equity securities	(6)	(3)
	27,133	18,944
Changes in operating assets and liabilities:		
(Increase) in balances with central bank	(50,312)	(31,849)
(Increase) in deposits with banks and non-bank financial institutions	(23,387)	(2,447)
(Increase) in placements with banks and non-bank financial institutions	(2,315)	(4,953)
(Increase)/decrease in trading financial assets	(1,785)	352
Decrease in financial assets held under resale agreements	62,823	30,246
(Increase) in loans and advances to customers	(136,836)	(322,946)
(Decrease) in deposits from banks and non-bank financial institutions	(166,191)	(19,124)
(Decrease)/increase in placements from banks and non-bank financial institutions	(165)	3,075
Increase/(decrease) in trading financial liabilities	10,470	(101)
Increase in financial assets sold under repurchase agreements	258	6,357
Increase in deposits from customers	298,683	249,000
Income tax paid	(5,259)	(5,981)
(Increase) in other operating assets	(4,388)	(1,949)
Increase/(decrease) in other operating liabilities	4,659	(3,843)
	13,388	(85,219)
Net cash flows from/(used in) operating activities		

