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BANK OF CHONGQING CO., LTD.*
重慶銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1963)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR 2017

The board of directors (the “**Board**”) of Bank of Chongqing Co., Ltd.* (the “**Bank**” or “**Bank of Chongqing**”) is pleased to announce the unaudited results report of the Bank and its subsidiaries (the “**Group**”) for the third quarter ended September 30, 2017 (the “**Reporting Period**”) prepared in accordance with the International Financial Reporting Standards (the “**IFRSs**”). This quarterly results announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

1. IMPORTANT NOTICE

- 1.1 The Board, the board of supervisors, the directors, supervisors and senior management of the Bank confirm that there are no misstatements, misleading representations or material omissions in this quarterly results announcement, and assume joint and several liability for the truthfulness, accuracy and completeness of this quarterly results announcement.
- 1.2 This quarterly results announcement has been reviewed and approved at the board meeting of the Bank held on October 26, 2017.
- 1.3 The financial information contained in this quarterly results announcement has not been audited.
- 1.4 The unaudited operating information for the third quarter is provided as additional information.

* *The Bank is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

2. CORPORATE INFORMATION

2.1 Company information

Stock name:	BCQ
Stock code:	1963
Listing Exchange for H shares:	The Stock Exchange of Hong Kong Limited
Authorized Representatives:	RAN Hailing WONG Wah Sing
Joint Company Secretaries:	WONG Wah Sing HO Wing Tsz Wendy
Registered Address:	No. 153 Zourong Road, Yu Zhong District, Chongqing, the People's Republic of China (the "PRC"), 400010
Principal Place of Business in Hong Kong:	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Telephone:	+86 (23) 6379 2129
Fax:	+86 (23) 6379 9024
E-mail:	ir@bankofchongqing.com

2.2 Financial highlights

The financial information set out in this quarterly results announcement was prepared on a consolidated basis according to IFRSs. Unless otherwise stated, the financial information of the Group is expressed in RMB.

In respect of the financial statements of the Group prepared under the PRC GAAP (China Accounting Standards) and those under the IFRSs, there is no difference between the net profit attributable to equity holders of the Bank for the Reporting Period ended September 30, 2017 and equity attributable to equity holders of the Bank as at the end of the Reporting Period.

Major financial data and indicators

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	September 30, 2017	December 31, 2016	Increase/ (decrease) at the end of the Reporting Period as compared to the end of the previous year (%)
Total assets	408,765,653	373,103,734	9.6
Loans and advances to customers, gross	170,339,942	151,020,641	12.8
Total liabilities	381,385,943	349,291,822	9.2
Customer deposits	238,501,406	229,593,793	3.9
Equity attributable to shareholders of the Bank	25,882,901	23,811,912	8.7
Total equity	27,379,710	23,811,912	15.0
Net assets per share attributable to shareholders of the Bank (RMB)	8.28	7.61	8.8

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	The Reporting Period (July – September 2017)	Increase/(decrease) in the Reporting Period as compared to the same period of the previous year (%)	The beginning of the year to the end of the Reporting Period (January – September 2017)	Increase/(decrease) in the period from the beginning of the year to the end of the Reporting Period as compared to the same period of the previous year (%)
Net profit	1,064,007	14.4	3,323,388	12.3
Net profit attributable to shareholders of the Bank	1,047,272	12.6	3,296,579	11.4

	The Reporting Period (July – September 2017)	Increase/(decrease) in the Reporting Period as compared to the same period of the previous year	The beginning of the year to the end of the Reporting Period (January – September 2017)	Increase/(decrease) in the period from the beginning of the year to the end of the Reporting Period as compared to the same period of the previous year
Basic earnings per share attributable to shareholders of the Bank (RMB)	0.33	0.03	1.05	0.10
Average annualized return on equity attributable to shareholders of the Bank (%)	16.39	0.34	17.74	0.13

2.3 Total number of shares and particulars of shareholdings as at the end of the Reporting Period

As at the end of the Reporting Period, the Bank had a total of 3,127,054,805 shares, comprising 1,548,033,993 domestic shares and 1,579,020,812 H shares.

Particulars of shareholdings of the top ten shareholders of domestic shares of the Bank

Unit: share

Name of shareholder	Nature of shareholder	Total number of shares held	Shareholding percentage (%)	Number of shares pledged
Chongqing Yufu Assets Management Group Co., Ltd.	State-owned	407,010,187	13.02	0
Chongqing Road & Bridge Co., Ltd.	Private	171,339,698	5.48	0
Chongqing Land Group	State-owned	139,838,675	4.47	0
Chongqing Water Conservancy Investment Group Co., Ltd.	State-owned	139,838,675	4.47	0
Lifan Industry (Group) Co., Ltd.	Private	129,564,932	4.14	0
Peking University Founder Group Co., Ltd.	State-owned	94,506,878	3.02	0
Chongqing South Group Limited	Private	68,602,362	2.19	68,600,000
Chongqing Transport and Travel Investment Group Limited	State-owned	37,456,522	1.20	0
Chongqing Expressway Co., Ltd.	State-owned	29,942,325	0.96	0
Minsheng Industrial (Group) Co., Ltd.	State-owned	24,191,310	0.77	0
Total		1,242,291,564	39.73	68,600,000

Interests and short positions of substantial shareholders and other persons

As at September 30, 2017, to the best knowledge of the Bank, the interests of substantial shareholders (as defined under the SFO), other than directors and supervisors of the Bank, in the H shares and the underlying shares of the Bank as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Unite: share

Name of shareholder	Capacity	Number of H Shares held	Percentage of the total number of H Shares of the Bank (%)	Percentage of the total share capital of the Bank (%)
Dah Sing Bank, Limited ⁽¹⁾	Beneficial owner	458,574,853 (long position)	29.04	14.66
Dah Sing Banking Group Limited ⁽¹⁾	Interest of a controlled corporation	458,574,853 (long position)	29.04	14.66
Dah Sing Financial Holdings Limited ⁽¹⁾	Interest of a controlled corporation	458,574,853 (long position)	29.04	14.66
HSBC International Trustee Limited ⁽⁵⁾	Interest of a trustee	458,574,853 (long position)	29.04	14.66
David Shou-Yeh WONG ⁽¹⁾	Settlor of a discretionary trust/interest of the beneficiary of a trust	458,574,853 (long position)	29.04	14.66
Christine Yen WONG ⁽¹⁾	Interest of spouse	458,574,853 (long position)	29.04	14.66
SAIC Motor HK Investment Limited ⁽²⁾	Beneficial owner	240,463,650 (long position)	15.23	7.69
SAIC Motor Corporation Limited ⁽²⁾	Interest of a controlled corporation	240,463,650 (long position)	15.23	7.69
Lifan International (Holdings) Limited ⁽³⁾	Beneficial owner	172,634,000 (long position)	10.93	5.52
Chongqing Lifan Industry (Group) Import and Export Co., Ltd. ⁽³⁾	Interest of a controlled corporation	172,634,000 (long position)	10.93	5.52
Lifan Industry (Group) Co., Ltd. ⁽³⁾	Interest of a controlled corporation	172,634,000 (long position)	10.93	5.52
Chongqing Lifan Holdings Co., Ltd. ⁽³⁾	Interest of a controlled corporation	172,634,000 (long position)	10.93	5.52
Chongqing Huiyang Holdings Co., Ltd. ⁽³⁾	Interest of a controlled corporation	172,634,000 (long position)	10.93	5.52

Name of shareholder	Capacity	Number of H Shares held	Percentage of the total number of H Shares of the Bank (%)	Percentage of the total share capital of the Bank (%)
YIN Mingshan ⁽³⁾	Interest of a controlled corporation	172,634,000 (long position)	10.93	5.52
CHEN Qiaofeng ⁽³⁾	Interest of spouse	172,634,000 (long position)	10.93	5.52
Funde Sino Life Insurance Co., Ltd. ⁽⁴⁾	Beneficial owner	150,000,000 (long position)	9.50	4.80
	Interest of a controlled corporation	67,570,150 (long position)	4.28	2.16
Chongqing Beiheng Investment & Development Limited	Beneficial owner	84,823,500 (long position)	5.37	2.71
Fund Resources Investment Holding Group Company Limited ⁽⁴⁾	Beneficial owner	67,570,150 (long position)	4.28	2.16

Notes:

- (1) Dah Sing Bank, Limited held 458,574,853 H shares of the Bank. Dah Sing Bank, Limited is wholly owned by Dah Sing Banking Group Limited, which is in turn owned as to approximately 74.47% by Dah Sing Financial Holdings Limited. Mr. David Shou-Yeh WONG is the beneficial owner of approximately 40.97% of the issued share capital of Dah Sing Financial Holdings Limited and Ms. Christine Yen WONG is the spouse of Mr. David Shou-Yeh WONG. For the purpose of the SFO, Dah Sing Banking Group Limited, Dah Sing Financial Holdings Limited, Mr. David Shou-Yeh WONG and Ms. Christine Yen WONG are deemed to be interested in the shares of the Bank held by Dah Sing Bank, Limited.
- (2) SAIC Motor HK Investment Limited held 240,463,650 H shares of the Bank. SAIC Motor HK Investment Limited is wholly owned by SAIC Motor Corporation Limited. For the purpose of the SFO, SAIC Motor Corporation Limited is deemed to be interested in the shares of the Bank held by SAIC Motor HK Investment Limited.
- (3) As confirmed by Chongqing Lifan Industrial (Group) Import and Export Co., Ltd., Lifan Industry (Group) Co., Ltd., Chongqing Lifan Holdings Co., Ltd., Chongqing Huiyang Holdings Co., Ltd., Mr. YIN Mingshan and Ms. CHEN Qiaofeng, as at September 30, 2017, Lifan International (Holdings) Limited held 172,634,000 H shares of the Bank. Lifan International (Holdings) Limited is wholly owned by Chongqing Lifan Industry (Group) Import and Export Co., Ltd., which is wholly owned by Lifan Industry (Group) Co., Ltd. Lifan Industry (Group) Co., Ltd. is owned as to 49.40% by Chongqing Lifan Holdings Co., Ltd., which is in turn owned as to 72% by Chongqing Huiyang Holdings Co., Ltd. Mr. YIN Mingshan is the beneficial owner of approximately 51% of the interest of Chongqing Huiyang Holdings Co., Ltd. and Ms. CHEN Qiaofeng is the spouse of Mr. YIN Mingshan. For the purpose of the SFO, Chongqing Lifan Industrial (Group) Import and Export Co., Ltd., Lifan Industry (Group) Co., Ltd., Chongqing Lifan Holdings Co., Ltd., Chongqing Huiyang Holdings Co., Ltd., Mr. YIN Mingshan and Ms. CHEN Qiaofeng are deemed to be interested in the shares of the Bank held by Lifan International (Holdings) Limited.

- (4) Funde Sino Life Insurance Co., Ltd. held 150,000,000 H shares of the Bank, and Fund Resources Investment Holding Group Company Limited held 67,570,150 H shares of the Bank. Fund Resources Investment Holding Group Company Limited is wholly owned by Funde Sino Life Insurance Co., Ltd. For the purpose of the SFO, Funde Sino Life Insurance Co., Ltd. is deemed to be interested in the shares of the Bank held by Fund Resources Investment Holding Group Company Limited.
- (5) HSBC International Trustee Limited, the trustee of a discretionary family trust established by Mr. David Shou-Yeh WONG (the grantor), held 37.66% interests in Dah Sing Financial Holdings Limited indirectly. For the purpose of the SFO, HSBC International Trustee Limited is deemed to be interested in the shares of the Bank held by Dah Sing Bank, Limited (see note (1) above).

3. HIGHLIGHTS OF QUARTERLY RESULTS

As at September 30, 2017, the Group's total assets amounted to RMB408,765.65 million, representing an increase of RMB35,661.92 million or 9.6% as compared to the end of the previous year. Of which:

- Customer deposits amounted to RMB238,501.41 million, representing an increase of RMB8,907.61 million or 3.9% as compared to the end of the previous year. Of which, time deposits, demand deposits, pledged deposits held as collateral and other deposits amounted to RMB140,843.96 million, RMB81,421.25 million, RMB7,563.14 million, and RMB8,673.06 million, respectively.
- Total loans and advances to customers amounted to RMB170,339.94 million, representing an increase of RMB19,319.30 million or 12.8% as compared to the end of the previous year. Of which, corporate loans, personal loans and discounted bills amounted to RMB107,450.29 million, RMB60,897.51 million and RMB1,992.14 million, respectively.
- The balance of non-performing loans amounted to RMB2,524.06 million, representing an increase of RMB1,081.57 million as compared to the end of the previous year; the non-performing loan ratio was 1.48%, representing an increase of 0.52 percentage point as compared to the end of the previous year; and the provision coverage ratio was 189.60%, representing a decrease of 103.75 percentage points as compared to the end of the previous year.
- The loan-to-deposit ratio was 71.42%, representing an increase of 5.64 percentage points as compared to the end of the previous year.

For the nine months ended September 30, 2017, the Group recorded a net profit of RMB3,323.39 million, representing an increase of RMB363.31 million or 12.3% as compared to the same period of the previous year. The average annualized return on total assets was 1.14%, representing a decrease of 0.03 percentage point as compared with the same period of the previous year. The average annualized return on equity attributable to shareholders of the Bank was 17.74%, representing an increase of 0.13 percentage point as compared with the same period of the previous year. The Bank recorded basic earnings per share attributable to shareholders of the Bank of RMB1.05, representing an increase of RMB0.10 as compared with the same period of the previous year.

- Interest-earning assets grew continuously and the net interest income increased steadily. Net interest income amounted to RMB6,124.38 million, representing an increase of RMB278.17 million or 4.8% as compared with the same period of the previous year. The annualized net interest margin was 2.14%, representing a decrease of 26 basis points as compared with the same period of the previous year.
- Net fee and commission income amounted to RMB1,241.30 million, representing a decrease of RMB191.18 million or 13.3% as compared with the same period of the previous year, mainly because the fee and commission expense increased significantly by 174.4% as compared to the same period of the previous year. Of which, commission expense from third party online product services increased 3,750.4% as compared to the same period of the previous year; commission expense from bank card services increased by 48.4% as compared to the same period of the previous year.
- Operating expenses amounted to RMB1,659.93 million, representing a decrease of RMB82.79 million or 4.8% as compared to the same period of the previous year. The cost-to-income ratio was 21.21%, representing an increase of 0.59 percentage point as compared to the same period of the previous year. The impairment losses of assets amounted to RMB1,832.38 million, representing an increase of RMB211.69 million or 13.1% as compared to the same period of the previous year.

In accordance with the “Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)”, as at the end of the Reporting Period, the Group’s Core Tier One capital adequacy ratio and Tier One capital adequacy ratio were 9.29% and 9.31%, respectively, representing a decrease of 0.53 and 0.51 percentage point respectively as compared to the end of the previous year, and the capital adequacy ratio was 12.81%, representing an increase of 1.02 percentage points as compared to the end of the previous year. The Bank’s capital adequacy ratios fulfilled the latest regulatory requirements on capital adequacy ratios applicable to the PRC banking industry.

4. SIGNIFICANT EVENTS

4.1 Particulars and reasons of material changes in major accounting statement items and financial indicators

Applicable Not applicable

The main reasons for material changes over 30% in the major accounting statement items and financial indicators as compared to the same period of the previous year or the end of the previous year are as follows:

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	January to September 2017	January to September 2016	Change rate as compared to the same period of the previous year (%)	Main reasons of the changes
Fee and commission expense	163,067	59,430	174.4	Mainly due to the increase in commission expense from bank card services and other commission expense
Net trading losses	(12,721)	(35,098)	(63.8)	Mainly due to the decrease in losses arising from fair value changes in the debt securities held in the Bank's trading accounts during the first three quarters of 2017 as compared to the same period of the previous year, and the additional exchange gains
Net gains on investment securities	142,035	7,302	1,845.2	Mainly due to partial disposal of profitable bonds, resulting in the gains on investment bonds
Share of profit of associates	99,767	1,329	7,406.9	Mainly due to the appointment of a director to the board of directors of Three Gorges Bank by the Bank this year, thereby making Three Gorges Bank become an associated company of the Bank

<i>(All amounts expressed in thousands of RMB unless otherwise stated)</i>	September 30, 2017	December 31, 2016	Change rate as compared to the end of the previous year (%)	Main reasons of the changes
Investments in associates	1,034,535	238,394	334.0	Mainly due to the appointment of a director to board of Three Gorges Bank by the Bank during the year, thereby making Three Gorges Bank become an associated company of the Bank
Debt securities issued	86,474,074	54,598,252	58.4	Mainly due to the increase in issuance balance of interbank certificates of deposit of RMB27,610 million in the third quarter of 2017 as compared to the end of the previous year; the successful issuance of Tier 2 Capital bonds of RMB6,000 million by the Bank in March 2017; and the one-off redemption of the whole 2012 subordinated bonds of Bank of Chongqing Co., Ltd. of RMB800 million
Non-controlling interests	1,496,809	–	N/A	Mainly due to the consolidation of financial statements as a result of the establishment of a new subsidiary of the Bank

4.2 The progress of significant events and their influence and analysis on the solutions

Applicable Not applicable

4.3 Status of performance of undertakings of the Company, shareholders and de facto controller

Applicable Not applicable

4.4 Implementation of the cash dividend policy during the Reporting Period

Applicable Not applicable

A final dividend of RMB0.291 per share (tax inclusive) (2015: RMB0.264 (tax inclusive)) for the year ended December 31, 2016 (“**2016 Final Dividend**”), amounting to a total dividend of RMB909,972,948.26 (tax inclusive) based on the profit and number of shares issued for the year ended December 31, 2016, was distributed by the Bank to all shareholders of the Bank upon consideration and approval at the 2016 annual general meeting held by the Bank on May 26, 2017. The 2016 Final Dividend was distributed to holders of H shares and domestic shares of the Bank on July 21, 2017.

4.5 Disclosure of, and reasons for, the warning in respect of forecast of a probable loss in respect of the accumulated net profit from the beginning of the year to the end of the next reporting period or any significant changes in profit as compared to the same period of the previous year

Applicable Not applicable

5. PUBLICATION OF QUARTERLY RESULTS ANNOUNCEMENT

The quarterly results announcement will be published on the website of The Hong Kong Stock Exchange Limited (the “**Stock Exchange**”) (www.hkexnews.hk) and the website of the Bank (www.cqcbank.com).

This quarterly results announcement was prepared in both Chinese and English versions, where there is a discrepancy between the Chinese and English versions, the Chinese version shall prevail.

6. RESUMPTION OF TRADING

At the request of the Bank, trading in the H shares of the Bank on the Stock Exchange was halted with effect from 9:00 a.m. on Friday, October 27, 2017 pending the release of this quarterly results announcement. Application has been made to the Stock Exchange for the resumption of trading in the H shares of the Bank on the Stock Exchange with effect from 1:00 p.m. on Friday, October 27, 2017.

By Order of the Board
Bank of Chongqing Co., Ltd.*
WONG Wah Sing
Joint Company Secretary

Chongqing, the PRC, October 27, 2017

As at the date of this announcement, the executive directors of the Bank are Mr. RAN Hailing, Mr. LIU Jianhua and Mr. WONG Wah Sing; the non-executive directors are Mr. WONG Hon Hing, Mr. DENG Yong, Ms. LV Wei and Mr. YANG Jun; and the independent non-executive directors are Mr. LI He, Mr. TO Koon Man Henry, Mr. KONG Xiangbin, Mr. WANG Pengguo and Dr. JIN Jingyu.

APPENDIX FINANCIAL STATEMENTS ACCORDING TO IFRS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2017

(All amounts expressed in thousands of RMB unless otherwise stated)

	For the nine months ended	
	30 September	
	2017	2016
	(Unaudited)	(Unaudited)
Interest income	13,967,175	12,215,932
Interest expense	(7,842,794)	(6,369,725)
Net interest income	6,124,381	5,846,207
Fee and commission income	1,404,367	1,491,909
Fee and commission expense	(163,067)	(59,430)
Net fee and commission income	1,241,300	1,432,479
Net trading losses	(12,721)	(35,098)
Net gains on investment securities	142,035	7,302
Other operating income	50,950	44,482
Operating income	7,545,945	7,295,372
Operating expenses	(1,659,929)	(1,742,715)
Impairment losses	(1,832,380)	(1,620,686)
Operating profit	4,053,636	3,931,971
Share of profit of associates	99,767	1,329
Profit before income tax	4,153,403	3,933,300
Income tax	(830,015)	(973,221)
Net profit for the period	3,323,388	2,960,079
Net profit attributable to:		
Shareholders of the Bank	3,296,579	2,960,079
Non-controlling interests	26,809	–
	3,323,388	2,960,079

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2017

(All amounts expressed in thousands of RMB unless otherwise stated)

	For the nine months ended	
	30 September	
	2017	2016
	(Unaudited)	(Unaudited)
Earnings per share attributable to the shareholders of the Bank (expressed in RMB per share)		
– Basic and diluted	<u>1.05</u>	<u>0.95</u>
Net profit for the period	3,323,388	2,960,079
Other comprehensive income		
<i>Items that may be reclassified to profit or loss:</i>		
Revaluation reserve for AFS recognised in other comprehensive (loss)/income	(422,292)	257,231
Less: Related income tax impact	<u>105,573</u>	<u>(64,308)</u>
Subtotal	(316,719)	192,923
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of retirement benefits	1,469	(1,340)
Less: Related income tax impact	<u>(367)</u>	<u>335</u>
Subtotal	1,102	(1,005)
Total other comprehensive (loss)/income, net of tax	(315,617)	<u>191,918</u>
Total comprehensive income for the period	3,007,771	<u>3,151,997</u>
Total comprehensive income attributable to:		
Shareholders of the Bank	2,980,962	3,151,997
Non-controlling interests	<u>26,809</u>	<u>–</u>
	3,007,771	<u>3,151,997</u>
Dividends		
Dividends declared during the period	<u>909,973</u>	<u>825,542</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2017

(All amounts expressed in thousands of RMB unless otherwise stated)

	30 September 2017 (Unaudited)	31 December 2016 (Audited)
ASSETS		
Cash and balances with central bank	39,831,570	42,813,488
Due from other banks and financial institutions	58,359,842	55,706,352
Financial assets at fair value through profit or loss	711,866	881,977
Loans and advances to customers	165,554,392	146,789,046
Investment securities		
– Loans and receivables	87,888,778	75,750,755
– Available-for-sale (“AFS”)	26,225,480	23,885,457
– Held-to-maturity (“HTM”)	20,826,154	19,794,542
Investment in associates	1,034,535	238,394
Property, plant and equipment	2,804,262	2,691,236
Deferred income tax assets	1,212,732	1,005,271
Other assets	4,316,042	3,547,216
Total assets	408,765,653	373,103,734
LIABILITIES		
Due to other banks and financial institutions	50,514,278	60,350,785
Customer deposits	238,501,406	229,593,793
Other liabilities	5,563,029	4,453,933
Current tax liabilities	333,156	295,059
Debt securities issued	86,474,074	54,598,252
Total liabilities	381,385,943	349,291,822
EQUITY		
Share capital	3,127,055	3,127,055
Capital surplus	4,680,638	4,680,638
Other reserves	6,520,925	6,145,647
Retained earnings	11,554,283	9,858,572
Equity attributable to shareholders of the bank	25,882,901	23,811,912
Non-controlling interests	1,496,809	–
Total equity	27,379,710	23,811,912
Total liabilities and equity	408,765,653	373,103,734

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2017
(All amounts expressed in thousands of RMB unless otherwise stated)

	For the nine months ended	
	30 September	
	2017	2016
	(Unaudited)	(Unaudited)
Cash flows from operating activities:		
Profit before income tax	4,153,403	3,933,300
Adjustments:		
Depreciation and amortisation	136,783	126,424
Impairment losses on loans	1,191,757	1,338,261
Impairment losses on other assets	640,623	282,440
Net gains on disposal of property, plant and equipment and foreclosed assets	(379)	(2)
Fair value losses	20,137	37,700
Net gains arising from financial investments	(164,577)	(7,302)
Share of profit of associates	(99,767)	(1,329)
Interest income arising from investment securities	(5,236,944)	(4,596,105)
Interest expense arising from debt securities issued	2,315,869	928,342
	<hr/>	<hr/>
Net increase in operating assets :		
Net increase in restricted deposits with central bank	(767,601)	(3,055,717)
Net increase in due from and placements with banks and other financial institutions	(7,380,944)	(6,550,727)
Net decrease in financial assets held under resale agreement	23,143,972	1,230,325
Net increase in loans and advances to customers	(20,075,837)	(22,588,638)
Net increase in other operating assets	(774,845)	(912,158)
Net decrease in operating liabilities:		
Net decrease in borrowings from central bank	(657,148)	(1,214,453)
Net increase in due to and loans from banks and other financial institutions	2,622,414	4,646,130
Net decrease in financial assets sold under repurchase agreement	(11,801,774)	(15,038,391)
Net increase in customer deposits	8,907,613	26,091,409
Net increase/(decrease) in other operating liabilities	1,177,468	(2,663,092)
Income tax paid	(883,466)	(1,144,884)
	<hr/>	<hr/>
Net cash outflows from operating activities	(3,533,243)	(19,158,467)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)*FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2017**(All amounts expressed in thousands of RMB unless otherwise stated)*

	For the nine months ended	
	30 September	
	2017	2016
	(Unaudited)	(Unaudited)
Cash flows from investing activities:		
Dividends received	22,542	21,193
Proceeds from disposal of property, plant and equipment, intangible assets and other long-term assets	25,241	18,866
Purchase of property, plant and equipment, intangible assets and other long-term assets	(258,193)	(159,772)
Proceeds from sale and redemption of investments	252,963,390	217,715,637
Purchase of securities investments	(264,665,101)	(208,726,136)
Net cash (outflows)/inflows from investing activities	(11,912,121)	8,869,788
Cash flows from financing activities:		
Capital contribution by non-controlling interests of a subsidiary	1,470,000	–
Proceeds from issuance of debt securities and inter-bank certificates of deposit	120,411,537	42,155,172
Cash paid to redeem debt securities and inter-bank certificates of deposit issued	(90,530,000)	(22,350,000)
Interest paid in relation to debt securities issued	(263,800)	(197,800)
Dividends paid to shareholders	(860,890)	(778,140)
Net cash inflows from financing activities	30,226,847	18,829,232
Impact from exchange rate changes on cash and cash equivalents	(114,484)	54,766
Net increase in cash and cash equivalents	14,666,999	8,595,319
Cash and cash equivalents at the beginning of the period	24,788,329	18,118,269
Cash and cash equivalents at the end of the period	39,455,328	26,713,588