

FOR IMMEDIATE RELEASE



**China Construction Bank (Asia) Announces  
Consolidated Net Profit after Tax of HKD2,346 Million for the First Half Year of 2018**

**Hong Kong – September 26, 2018** –China Construction Bank (Asia) Corporation Limited [“CCB (Asia)”] today announced its consolidated net profit after tax reached HKD2,346 million for the first six months ended June 30, 2018, an increase of HKD660 million or 39.1%, as compared with the same period in 2017. Set out below are the highlights:

Total operating income of CCB (Asia) for the first half year of 2018 amounted to HKD4,203 million, an improvement of 18.0% as compared with the first half year of 2017. Net interest income was HKD3,129 million, an increase of 28.3% as compared with the same period in 2017, which included interest income of trading advances to customers and trade bills of HKD80 million, and hedging currency and interest rate swap expense of HKD96 million (an income of HKD112 million for the same period in 2017). Non-interest income after excluding the aforesaid interest income of trading advances to customers and trade bills and hedging income was HKD1,075 million, a decrease of 4.4% as compared with the same period in 2017. It was mainly attributable to rises in net fees and commission income of HKD140 million. It was balanced by a reduction in related trading income of HKD156 million due to a reduction in customer-driven currency contracts. In view of an expectation of the growth in interest rate, the pricing of debt securities has become less favourable for disposal compared with that in the first half year of 2017. Net gains from disposal of financial assets at fair value through other comprehensive income (formerly known as available-for-sale financial assets) decreased by HKD48 million.

Total operating expenses increased by HKD74 million to HKD1,496 million and the cost-to-income ratio dropped by 4.3 percentage points to 35.6%.

A release of impairment allowances of HKD170 million was recorded in the first half year of 2018 versus a charge of HKD154 million for the first half year of 2017, mainly resulted from downsize of loan portfolio of HKD9.6 billion, leading to a decrease in collective provision for the first half year of 2018. For the first half year of 2018, impaired advances to customers of the total advances to customers increased by 12 basis points to 0.34%, as compared with that at the end of year of 2017. Asset quality was maintained continuously at a satisfactory level.

- Continued from Page 1 -



Taxation expenses increased by 54.6% to HKD499 million. It was mainly due to an increment in profit before tax which contributes the impact of HKD147 million, and an increment in withholding tax provision of HKD29 million from interest income in the Mainland.

Total consolidated assets of CCB (Asia) stood at HKD517.3 billion as at June 30, 2018, a mild decrease of 0.7% from HKD521.0 billion at the end of year of 2017. In view of business needs, cash, balances with banks and central banks, and placements with banks increased by HKD8.5 billion to HKD108.2 billion when compared with that at the end of 2017. Advances to customers and trade bills reduced by HKD9.6 billion to HKD278.4 billion, prominently caused by the cutback of retail customer loans by 10.5% under intense market competition. Besides, certain commercial loans held-for-sale (HKD4.0 billion) were reclassified into financial assets at fair value through profit or loss in accordance with newly implemented Hong Kong Financial Reporting Standard No. 9. Financial assets at fair value through other comprehensive income (formerly known as available-for-sale financial assets) decreased by 6.2% to HKD92.8 billion, in view of diminishing investment opportunities.

Deposits from customers diminished by HKD7.7 billion to HKD345.6 billion as compared with that at the end of year of 2017, as CCB (Asia) actively controlled the cost of deposit under sufficient liquidity and downsize of loan portfolio. Correspondingly, the Bank replenished part of the funds through an increment in the deposits and balances of other banks by 2.9% and an uplift of certificates of deposit and other debt securities issued by 6.4%.

As at June 30, 2018, CCB (Asia)'s Common Equity Tier 1 Capital Ratio and Tier 1 Capital Ratio were 14.0% and 16.2% respectively, while the Total Capital Ratio was 18.6%. As at June 30, 2018, the Net Stable Funding Ratio was 128.0%. The average liquidity coverage ratios for the two quarters of 2018 were 144.7% and 169.0% respectively. All these ratios were maintained at sound levels and above the regulatory requirements.

CCB (Asia)'s interim financial disclosure statements of 2018 have been compiled in compliance with the Banking (Disclosure) Rules and are available on the Bank's website at [www.asia.ccb.com](http://www.asia.ccb.com).

-More-

- Continued from Page 2-



**About China Construction Bank (Asia) Corporation Limited**

China Construction Bank (Asia) Corporation Limited ["CCB (Asia)"] is the comprehensive and integrated commercial banking business platform of China Construction Bank Corporation in Hong Kong. Currently, CCB (Asia) has over 50 outlets in Hong Kong and offers a wide array of banking products and services to customers, including consumer banking services, commercial banking services, corporate banking services, private banking services, treasury business and cross-border financial services, etc.

For more information about CCB (Asia), please visit [www.asia.ccb.com](http://www.asia.ccb.com).

-END-

**Media Enquiries:**

Thomas Poon  
SVP - Corporate Communication & Culture  
General Management Office  
China Construction Bank (Asia)  
Tel: (852) 3718 2233  
Email: [thomas.hy.poon@asia.ccb.com](mailto:thomas.hy.poon@asia.ccb.com)  
Website: [www.asia.ccb.com](http://www.asia.ccb.com)

Christine Fong  
VP - Corporate Communication & Culture  
General Management Office  
China Construction Bank (Asia)  
Tel: (852) 3718 2247  
Email: [christine.st.fong@asia.ccb.com](mailto:christine.st.fong@asia.ccb.com)  
Website: [www.asia.ccb.com](http://www.asia.ccb.com)