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**China Construction Bank (Asia) Announces  
Consolidated Net Profit after Tax of HKD604 million for 2007  
Earnings before Integration Expenses Increased by 12%**

**HONG KONG – April 28, 2008** – China Construction Bank (Asia) Corporation Limited [“CCB (Asia)”] today announced a consolidated net profit after tax of HKD603.6 million for the year ended December 31, 2007. The bank reported a net profit after tax of HKD616.0 million for the year of 2006.

Following the ownership change effective December 29, 2006, the bank became a wholly-owned subsidiary of China Construction Bank Corporation. With the strong support from the parent company, the bank has since made significant growth in its operation. During the year, four retail branches and the commercial banking business previously operating under the other China Construction Bank Corporation group entities in Hong Kong were integrated into the bank’s existing operation. After the integration, all retail and commercial businesses of China Construction Bank in Hong Kong and Macau now operate under the brand and management of CCB (Asia). In addition, three new branches were opened in the fourth quarter of 2007, including the Happy Valley and Mei Foo branches in Hong Kong and the Taipa branch in Macau. The branch network of the bank has increased from 17 to 24.

Despite all the changes and significant increase in expense as a result of the integration, the bank’s operating results continued to be very satisfactory in 2007. If the business integration and transition related expenses were excluded, the bank’s net profit for 2007 would have increased by 12% over 2006. Return on average assets also improved to 1.36% from 1.31% of the previous year.

Non-interest income in 2007 recorded a remarkable year-on-year growth of 48%. In addition to the launch of value-added services and products for customers, the buoyant investment sentiment worldwide and the equity market boom in the second half of 2007 brought about significant increase in revenue from wealth management and securities brokerage services. The prudent and effective use of the bank’s surplus funds to invest in short-term and high credit quality securities papers issued by other financial institutions also contributed to the favorable performance of non-interest income.

Total loans and customer deposits soared by 29% and 32% respectively as compared to the previous year. Despite this remarkable growth, net interest income of HKD839.6 million declined by 16% as compared to 2006. Overall loan spreads contracted by 60 basis points year-on-year, largely attributable to the intense market competition in loan pricing and higher funding costs along with the Hong Kong inter-bank market movements. The Hong Kong Interbank Offered Rate (HIBOR) stayed at a relatively high level particularly in the second half of the year arising from the very active IPO activities.

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Asset quality maintained at a very satisfactory level with all the key ratios showing improvements from the prior year. The ratio of total advances overdue for more than three months to total loans was only 0.06%, improved from 0.17% in the prior year. The classified loan ratio was also low at 0.15% which compared favorably with the prior year's 0.31%. The total loan impairment allowances recorded a net release of HKD65.7 million mainly attributable to the release in collective impairment allowances under the continued improvement in asset quality. Net charge-off for the year was only 0.01% of the year-end loan outstanding, further improved from 0.02% in the prior year. All these improvements were made possible by the prudent credit underwriting and close account monitoring supported by favorable economic and market conditions during the year.

Total operating expenses of HKD633.5 million increased by 14% during the year, mainly attributable to the transition and business integration related expenses as mentioned earlier. On a normalized basis, total operating expenses would have increased by only 5.5% as compared to 2006, mainly due to higher staff, premises and marketing costs.

Benefiting from the rapid economic growth and development in Macau, the bank's operation in Macau continued to expand and achieve very satisfactory results. After having reported a net earnings growth of 38% in the prior year, the net profit of China Construction Bank (Macau) Corporation Ltd., the bank's wholly-owned subsidiary, further improved by 13% to HKD59.2 million in 2007. Total loans and customer deposits also grew 29% and 9% respectively year-on-year.

As the bank's continuous effort to provide leading and enhanced services to the customers, a galore of new banking products, features and promotions were introduced in 2007.

Some of the new and innovative services included Interest Plus Savings which offer customers high interest rates plus withdrawal flexibility to capture investment opportunities and build their wealth. Pioneering the industry, the bank has also launched the complimentary China Concierge Service which enables their customers to enjoy unsurpassed cross-border convenience in banking, nationwide emergency assistances, travel treats and more. To address the needs of the commercial customers, the bank has presented Unsecured Business Loan and Overdraft Facilities to help them pursuing business expansion and making available standby funding to meet unexpected financial needs.

China Construction Bank (Asia) President and Chief Executive Officer Charles Ma said, "Despite the significant transition and business integration related expenses incurred during the year, our net earning for 2007 was satisfactory and in line with our expectation. The results once again proved the success of our business model of offering integrated consumer and commercial banking services to customers in our well-defined market segments."

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Ma added, "With the unwavering support of our parent company, we'll significantly extend our reach to our customers by expanding into a network of approximately 35 branches in 2008.

"We'll continue to pursue new lines of business, launch new products and services to serve the changing needs of our customers, increase our market share, and leverage upon our parent's extensive market presence and customer base in China to differentiate ourselves from other market players," Ma concluded.

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

Became a wholly-owned subsidiary of China Construction Bank Corporation ("CCB Corporation") on December 29, 2006, the bank, formerly known as Bank of America (Asia), was renamed to China Construction Bank (Asia) Corporation Limited ("CCB (Asia)") on December 30, 2006.

CCB (Asia) has 24 branches in Hong Kong and Macau. A wide array of consumer, retail and commercial banking products and services are offered to customers through these branches.

For Consumer Banking, CCB (Asia) offers conventional transactional, foreign exchange and cash services, as well as deposits, loans, investments, consolidated banking, insurance and electronic banking services. For Retail and Commercial Banking, the bank offers a variety of trade financing, factoring, foreign exchange, leasing, insurance, investment and electronic banking services. For more information, please visit [www.asia.ccb.com](http://www.asia.ccb.com).

**About China Construction Bank Corporation**

CCB Corporation, the parent company has a long history of operating in China. Its history dates back to 1954 when the People's Construction Bank of China was founded. This entity was renamed China Construction Bank in 1996. CCB Corporation was formed in September 2004 when it separated from its predecessor, China Construction Bank, and assumed its commercial banking business and related assets and liabilities. Headquartered in Beijing, CCB Corporation had a network of over 13,000 branches and sub-branches in Mainland China as of December 31, 2007, and maintained overseas branches in Hong Kong, Singapore, Frankfurt, Johannesburg, Tokyo and Seoul, and representative offices in London, New York and Sydney. CCB Corporation holds 100% interest of China Construction Bank (Asia) Corporation Limited and CCB International (Holdings) Co. Ltd., 75.1% interest of Sino-German Bausparkasse, 65% interest of CCB Principal Asset Management Co. Ltd. and 75.1% interest of CCB Financial Leasing Corporation Ltd. It has a staff count of approximately 300,000.

CCB Corporation began trading its H shares on the Stock Exchange of Hong Kong Limited on October 27, 2005 with Stock Code 0939. Its A shares started trading on the Shanghai Stock Exchange on September 25, 2007 with Stock Code 601939.

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*China Construction Bank (Asia) Corporation Limited*  
*2007 Financial Results*

Consolidated income statement  
for the year ended 31 December 2007

	2007 HK\$'000	2006 HK\$'000
Interest income	2,186,929	2,480,374
Interest expense	<u>(1,347,306)</u>	<u>(1,484,510)</u>
Net interest income	839,623	995,864
Net fees and commission income	249,841	199,723
Net gains from financial instruments at fair value through profit or loss	179,380	88,854
Other operating income	<u>2,227</u>	<u>2,162</u>
<b>Total operating income</b>	1,271,071	1,286,603
Operating expenses	<u>(633,486)</u>	<u>(555,171)</u>
<b>Operating profit before impairment losses</b>	637,585	731,432
Loan impairment released / (charged) and other credit risk provisions	<u>65,692</u>	<u>(19,107)</u>
<b>Operating profit</b>	703,277	712,325
Share of profits of an associate	<u>21,351</u>	<u>21,351</u>
<b>Profit before taxation</b>	724,628	733,676
Taxation	<u>(121,057)</u>	<u>(117,705)</u>
<b>Net profit attributable to shareholders</b>	<u>603,571</u>	<u>615,971</u>
	=====	=====

*China Construction Bank (Asia) Corporation Limited*  
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Consolidated balance sheet at 31 December 2007

	2007 HK\$'000	2006 HK\$'000 (restated)
<b>Assets</b>		
Cash and balances with banks	6,596,883	5,462,170
Placements with banks maturing between one and twelve months	17,347,784	544,320
Advances to financial institutions	-	100,000
Advances to customers	34,027,737	26,430,131
Financial instruments measured at fair value through profit or loss	2,397,206	1,760,554
Available-for-sale financial assets	1,813,192	1,701,736
Derivative financial instruments	358,621	218,488
Investment in an associate	104,577	102,351
Deferred tax assets	2,227	18,916
Property and equipment	151,557	64,287
Interest in leasehold land	76,670	45,290
Other assets	<u>1,099,865</u>	<u>446,642</u>
<b>Total assets</b>	<u><u>63,976,319</u></u>	<u><u>36,894,885</u></u>
<b>Liabilities</b>		
Deposits and balances of banks	17,824,020	158,318
Deposits from customers	34,480,361	26,131,999
Certificates of deposit issued	2,000,726	996,121
Derivative financial instruments	366,294	188,122
Current taxation	19,357	40,926
Other liabilities	<u>668,330</u>	<u>1,355,840</u>
<b>Total liabilities</b>	<u><u>55,359,088</u></u>	<u><u>28,871,326</u></u>
<b>Equity</b>		
Share capital	310,131	310,131
Reserves	<u>8,307,100</u>	<u>7,713,428</u>
<b>Total equity</b>	<u><u>8,617,231</u></u>	<u><u>8,023,559</u></u>
<b>Total equity and liabilities</b>	<u><u>63,976,319</u></u>	<u><u>36,894,885</u></u>

**China Construction Bank (Asia) Corporation Limited**  
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**Advances to customers**

(a) *Advances to customers less impairment*

	<i>Group</i>	
	<i>2007</i>	<i>2006</i>
	HK\$'000	HK\$'000 (restated)
Gross advances to customers	34,116,847	26,582,723
Less: Impairment allowances		
- collectively assessed	(55,380)	(121,418)
- individually assessed	<u>(33,730)</u>	<u>(31,174)</u>
Net advances to customers	<u>34,027,737</u>	<u>26,430,131</u>
	=====	=====
Included in advances to customers are:		
Trade bills	1,947,297	1,257,219
Less: Impairment allowances		
- collectively assessed	(25,662)	(13,801)
- individually assessed	<u>-</u>	<u>(19,411)</u>
	<u>1,921,635</u>	<u>1,224,007</u>
	=====	=====

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**Advances to customers (continued)**

**(b) Gross advances to customers by industry sectors**

	<i>Group</i>	
	<i>2007</i>	<i>% of</i>
	<i>Outstanding</i>	<i>advances</i>
	<i>balance</i>	<i>covered by</i>
	<i>HK\$'000</i>	<i>collateral</i>
Advances for use in Hong Kong:		
Industrial, commercial and financial		
- Property investment	11,371,149	95.37
- Financial concerns	451,422	82.15
- Stockbrokers	68,800	56.40
- Wholesale and retail trade	921,162	80.54
- Manufacturing	1,017,819	55.77
- Transport and transport equipment	627,339	9.77
- Recreational activities	15,979	100.00
- Information technology	98,519	50.10
- Others	<u>2,377,225</u>	72.97
	16,949,414	
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	19,755	100.00
- Loans for the purchase of other residential properties	10,127,087	100.00
- Others	<u>3,145,364</u>	85.54
	13,292,206	
Trade finance	1,518,409	29.77
Advances for use outside Hong Kong	<u>2,356,818</u>	67.93
Total gross advances to customers	<u>34,116,847</u> =====	

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**Advances to customers (continued)**

(c) **Gross advances to customers overdue for more than three months:**

	<i>Group</i>			
	2007		2006	
	HK\$'000	<i>% on total advances to customers</i>	HK\$'000	<i>% on total advances to customers</i>
Six months or less out over three months	3,991	0.01	16,401	0.06
One year or less but over six months	11,592	0.03	28,232	0.11
Over one year	<u>6,159</u>	<u>0.02</u>	<u>410</u>	<u>0.00</u>
Total gross amount of advances overdue for more than three months	21,742	0.06	45,043	0.17
Individually assessed impairment allowances made in respect of the above overdue advances	7,301		3,662	
Net realisable value of collateral held against the overdue advances	24,149		48,132	
Covered portion of overdue advances	18,395		39,501	
Uncovered portion of overdue advances	<u>3,347</u>		<u>5,542</u>	
	21,742		45,043	

(d) **Reschedules advances to customers:**

	<i>Group</i>			
	2007		2006	
	HK\$'000	<i>% on total advances to customers</i>	HK\$'000	<i>% on total advances to customers</i>
Reschedules advances to customers	25,931	0.07	11,820	0.04



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**Capital adequacy ratio and capital management**

(a) *Capital adequacy ratio*

	<i>Group</i>	
	<i>2007</i>	<i>2006</i>
Capital adequacy ratio as at 31 December	21.71%	32.96%
	=====	=====
Core capital adequacy ratio as at 31 December	21.54%	32.05%
	=====	=====

New approaches are used in the calculation of the regulatory capital and capital charges following the adoption of the Banking (Capital) Rules effective from 1 January 2007. Accordingly, the capital adequacy ratios of the two years are not directly comparable. The Group is not required to present comparative quantitative information in this respect.

At 31 December 2007, the capital adequacy ratio was computed on a consolidated basis, including the Bank and its subsidiary, China Construction Bank (Macau) Corporation Limited, in accordance with the Banking (Capital) Rules. Deductions from total capital base include investments in certain subsidiaries, namely CCB Securities Limited and CCB Nominees Limited, which conduct non-banking related businesses, and their risk weighted assets have not been consolidated into the total risk weighted assets of the Group.

In calculating the risk weighted assets, the Group adopted the Standardised (Credit Risk) Approach and the Standardised (Market Risk) Approach for credit risk and market risk respectively. For operational risk, the capital requirement is calculated by using the Basic Indicator Approach.

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**Capital adequacy ratio and capital management (continued)**

**(b) Capital base after deductions**

	<i>Group</i>	
	<u>2007</u>	<u>2006</u>
	HK\$'000	HK\$'000
<i>Core capital:</i>		
Paid-up ordinary share capital	310,131	310,131
Published reserves	7,286,318	6,865,470
Profit and loss account	575,381	582,582
Deduct: Deferred tax assets	<u>(2,644)</u>	<u>-</u>
Total core capital before deductions	8,169,186	7,758,183
Less: Deductions from core capital	<u>(258,205)</u>	<u>-</u>
Total core capital after deductions	7,910,981	7,758,183
<i>Supplementary capital:</i>		
Reserves attributable to fair value (losses)/gains on revaluation of holding of available-for-sale equities and debt securities	(1,598)	3
Regulatory reserve for general banking risks	265,435	112,000
Collectively assessed impairment allowances	<u>55,380</u>	<u>121,418</u>
Total supplementary capital before deductions	319,217	233,421
Less: Deductions from supplementary capital	<u>(258,206)</u>	<u>-</u>
Total supplementary capital after deductions	61,011	233,421
Total capital base before deductions	8,488,403	7,991,604
Total deductions from total capital base	<u>(516,411)</u>	<u>(26,412)</u>
Total capital base after deductions	<u>7,971,992</u>	<u>7,965,192</u>

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**Segmental information**

**(a) Gross advances to customers by geographical areas**

	<i>Group</i>	
	2007	2006
	HK\$'000	HK\$'000 (restated)
Hong Kong	31,576,996	25,170,167
Others	<u>2,539,851</u>	<u>1,412,556</u>
	<u>34,116,847</u>	<u>26,582,723</u>

**(b) Impaired advances by geographical areas**

	<i>Group</i>			
	2007		2006	
	<i>Gross impaired advances HK\$'000</i>	<i>Individually assessed impairment allowances HK\$'000</i>	<i>Gross impaired advances HK\$'000</i>	<i>Individually assessed impairment allowances HK\$'000</i>
Hong Kong	<u>49,581</u>	<u>33,730</u>	<u>76,716</u>	<u>31,174</u>

The geographical analysis is based on location of the customers and has not been taken account of transfer of risk.

**(c) Cross-border claims**

At 31 December 2007

	<i>Group</i>		
	<i>Banks HK\$'000</i>	<i>Others HK\$'000</i>	<i>Total HK\$'000</i>
Asia Pacific excluding Hong Kong	21,069,777	1,945,295	23,015,072
Europe	<u>6,256,642</u>	<u>57,301</u>	<u>6,313,943</u>

At 31 December 2006

	<i>Group</i>		
	<i>Banks HK\$'000</i>	<i>Others HK\$'000</i>	<i>Total HK\$'000</i>
Asia Pacific excluding Hong Kong	2,098,204	1,027,420	3,125,624
Europe	<u>6,172,005</u>	<u>53,460</u>	<u>6,225,465</u>

The geographical analysis has been taken account of transfer of risk.

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**Segmental information (continued)**

**(d) Geographical and business segments**

Segments information is presented in respect of the Group's geographical and business segments.

(i) Geographical segments

	<i>Group</i>				<i>Contingent liabilities and commitments</i>
	<i>Total operating income</i>	<i>Profit before taxation</i>	<i>Total assets</i>	<i>Total liabilities</i>	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 December 2007					
Hong Kong	1,189,459	657,321	63,353,644	54,671,004	4,943,870
Macau	107,884	67,307	3,615,635	2,862,444	501,596
Less: Intra-group items	<u>(26,272)</u>	<u>-</u>	<u>(2,992,960)</u>	<u>(2,174,360)</u>	<u>(106,127)</u>
	1,271,071	724,628	63,976,319	55,359,088	5,339,339
	=====	=====	=====	=====	=====
At 31 December 2006					
Hong Kong	1,206,930	674,308	35,446,301	27,781,791	2,796,482
Macau	86,058	59,368	2,994,830	2,592,105	443,420
Less: Intra-group items	<u>(6,385)</u>	<u>-</u>	<u>(1,546,246)</u>	<u>(1,502,570)</u>	<u>(131,202)</u>
	1,286,603	733,676	36,894,885	28,871,326	3,108,700
	=====	=====	=====	=====	=====

**Segmental information (continued)**

**(d) *Geographical and business segments (continued)***

(ii) Business segments

The Group comprises the following main business segments:

*Commercial banking*

This segment represents the provision of a range of financial products and services to corporations, securities firms and small and medium sized enterprises. The products and services include commercial loans, syndicated loans, residential and commercial mortgages, trade financing, machinery and equipment leasing, stockbroker financing and deposit taking activities.

*Consumer banking*

This segment represents the provision of a range of financial products and services to individual customers. The products and services comprise personal loans, residential mortgages, auto-financing, deposit-taking activities, wealth management, insurance and securities agency services.

*Treasury business*

This segment covers the Bank's treasury operations. The Treasury Department enters into inter-bank money market transactions and invests in debt instruments. It also trades in debt instruments, derivatives and foreign currency for its own account. The treasury carries out customer driven derivatives, such as foreign currency trading. Its function also includes the management of the Group's overall liquidity position, including the issuance of certificates of deposit.

*Others and unallocated*

These represent head office assets, liabilities, capital earnings, income and expenses that are not directly attributable to a segment or which cannot be allocated on a reasonable basis.

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**Segmental information (continued)**

**(d) Geographical and business segments (continued)**

(ii) Business segments (continued)

	<i>Group</i>				
	<i>2007</i>				
	<i>Commercial banking</i>	<i>Consumer banking</i>	<i>Treasury business</i>	<i>Others and unallocated</i>	<i>Total</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Total operating income	323,791	570,825	22,977	353,478	1,271,071
Operating profit before impairment losses	251,372	339,020	15,173	32,020	637,585
Operating profit	298,438	357,646	15,173	32,020	703,277
Profit before taxation	298,438	357,646	15,173	53,371	724,628
Total segment assets	18,078,369	16,526,247	28,504,204	867,499	63,976,319

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**Segmental information (continued)**

**(d) Geographical and business segments (continued)**

**(ii) Business segments (continued)**

	<i>Group</i>				
	<i>2006</i>				
	Commercial banking HK\$'000	Consumer banking HK\$'000	Treasury business HK\$'000	Others and unallocated HK\$'000	Total HK\$'000
Total operating income	315,880	573,080	28,650	368,993	1,286,603
Operating profit before impairment losses	252,639	389,435	21,737	67,621	731,432
Operating profit	218,640	404,327	21,737	67,621	712,325
Profit before taxation	218,640	404,327	21,737	88,972	733,676
Total segment assets	12,250,430	15,117,215	9,519,298	7,942	36,894,885

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**Currency concentrations**

	<i>Group</i>			
	<i>Total</i>	<i>Of which</i>		
	<i>HK\$'000</i>	<i>AUD HK\$'000</i>	<i>USD HK\$'000</i>	<i>MOP HK\$'000</i>
At 31 December 2007				
Spot assets	30,539,583	16,206	29,497,094	608,506
Spot liabilities	(30,016,124)	(1,589,284)	(26,271,098)	(380,332)
Forward purchases	12,166,352	2,220,293	5,794,462	-
Forward sales	<u>(12,444,189)</u>	<u>(640,394)</u>	<u>(8,814,690)</u>	<u>(1,069)</u>
Net long position	245,622	6,821	205,768	227,105
	=====	=====	=====	=====
Net structural position	423,447	-	-	423,447
	=====	=====	=====	=====

	<i>Group</i>			
	<i>Total</i>	<i>Of which</i>		
	<i>HK\$'000</i>	<i>AUD HK\$'000</i>	<i>USD HK\$'000</i>	<i>MOP HK\$'000</i>
At 31 December 2006				
Spot assets	10,524,824	6,626	9,803,494	468,610
Spot liabilities	(10,842,039)	(677,405)	(8,508,821)	(255,289)
Forward purchases	10,888,794	1,060,198	5,416,304	-
Forward sales	<u>(10,359,129)</u>	<u>(387,449)</u>	<u>(6,576,841)</u>	<u>-</u>
Net long position	212,450	1,970	134,136	213,321
	=====	=====	=====	=====
Net structural position	132,184	-	-	132,184
	=====	=====	=====	=====

The structural assets of the Group include investment in a subsidiary in Macau.