

FOR IMMEDIATE RELEASE



**China Construction Bank (Asia) Announces
Consolidated Net Profit after Tax of HKD1,302 Million for the First Half of 2015**

HONG KONG – September 16, 2015 – China Construction Bank (Asia) Corporation Limited [“CCB (Asia)”] today announced its consolidated results for the first six months ended June 30, 2015. Set out below are the highlights:

Total operating income of CCB (Asia) for the first half of 2015 amounted to HKD3,080 million, an increase of 33.2% as compared with the first half of 2014. Net interest income and non-interest income were HKD2,733 million and HKD347 million, represented an increase of 28.6% and 84.4% respectively. Under stringent control, total operating expenses slightly increased by 2.3% to HKD1,332 million and the cost to income ratio was 43.2%. In the first half of 2015, the loan impairment charges reduced by 42.4% to HKD54 million mainly due to continuing improvement in credit quality of commercial loans.

Total consolidated assets of CCB (Asia) stood at HKD549 billion as at June 30, 2015, an increase of 9.8% from the HKD500.2 billion at the end of 2014. Advances to customers and trade bills grew by 8.1% to HKD265.2 billion. Asset quality was maintained at a satisfactory level continually. Impaired advances to customers represented 0.1% of total advances to customers. Deposits from customers fell by 5.3% to HKD259.9 billion whereas certificates of deposit and other debt securities issued rose by 6.2% to HKD71.2 billion respectively.

As at June 30, 2015, CCB (Asia)’s Common Equity Tier 1 Capital Ratio and Tier 1 Capital Ratio were both 12.9% while the Total Capital Ratio was 15.6%. The leverage ratio as at June 30, 2015 was 7.4%. The average liquidity coverage ratio for the first and second quarters of 2015 were 150.5% and 143.2% respectively. All these ratios were maintained at sound levels and above the regulatory requirements.

CCB (Asia)’s interim financial disclosure statements of 2015 have been compiled in compliance with the Banking (Disclosure) Rules and published on the Bank’s website at www.asia.ccb.com.

– END –



Continued from Page 1



For news enquiry, please contact:

Asta Leung
Vice President
Corporate Communication & Culture
China Construction Bank (Asia)
Tel : (852) 3718 2234
Email : asta.wl.leung@asia.ccb.com
Web site : www.asia.ccb.com

Sarah Tsang
Manager
Corporate Communication & Culture
China Construction Bank (Asia)
Tel : (852) 3718 2125
Email : sarah.sw.tsang@asia.ccb.com
Web site : www.asia.ccb.com

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	6 months ended June 30, 2015	6 months ended June 30, 2014
Interest income		6,949,001	5,173,292
Interest expense		(4,216,006)	(3,048,571)
Net interest income	8	2,732,995	2,124,721
Net fees and commission income	9	546,069	514,617
Net trading losses	10	(231,082)	(347,859)
Net gains from financial instruments designated at fair value through profit or loss	11	180	5,474
Net gains from disposal of available-for-sale financial instruments		14,674	-
Other operating income	12	17,463	16,075
Total operating income		3,080,299	2,313,028
Operating expenses	13	(1,331,884)	(1,302,461)
Operating profit before impairment losses		1,748,415	1,010,567
Impairment allowances released /(charged) on advances to banks		563	(567)
Impairment allowances charged on loans and advances	14	(54,671)	(92,908)
Impairment allowances released /(charged) on repossessed assets		28	(355)
Operating profit		1,694,335	916,737
Loss on sale of subsidiaries	29	-	(53,661)
Share of profits of an associate		17,045	16,846
Share of profits of a jointly controlled entity		23,042	18,297
Profit before taxation		1,734,422	898,219
Taxation	15	(432,784)	(196,565)
Profit for the period		1,301,638	701,654
Other comprehensive income for the period net of tax			
Items that may be classified subsequently to profit or loss:			
Net movement in investment revaluation reserve	17	161,163	72,424
Net movement in exchange reserve	17	-	121
Total comprehensive income for the period		1,462,801	774,199

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2015	December 31, 2014
Assets			
Cash and balances with banks and central banks	18	88,916,128	56,747,605
Placements with banks maturing between one and twelve months		103,188,870	107,302,864
Advances to banks		10,344,949	19,707,016
Advances to customers and trade bills	19	265,216,188	245,169,462
Financial instruments measured at fair value through profit or loss	20	4,960	51,036
Available-for-sale financial assets	21	67,281,134	59,649,364
Derivative financial instruments	22	1,531,297	1,060,654
Interest in a joint venture		1,916,944	1,893,902
Interest in an associate		254,473	237,428
Deferred tax assets		110,667	116,732
Fixed assets	23	3,557,234	3,627,061
Other assets		6,725,200	4,670,744
Total assets		549,048,044	500,233,868
Liabilities			
Deposits and balances of banks		154,933,637	101,946,271
Deposits from customers	24	259,875,203	274,504,268
Certificates of deposit and other debt securities issued	25	71,179,867	67,018,583
Derivative financial instruments	22	1,856,567	1,053,151
Current tax payable		380,337	168,676
Deferred tax liabilities		20,042	20,042
Other liabilities		10,281,281	6,463,486
Subordinated debts measured at amortised cost		5,765,035	5,766,117
Total liabilities		504,291,969	456,940,594
Equity			
Share capital		28,827,843	28,827,843
Reserves	26	15,928,232	14,465,431
Total equity		44,756,075	43,293,274
Total equity and liabilities		549,048,044	500,233,868

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		6 months ended June 30, 2015								
		Share capital	General reserve	Investment revaluation reserve and hedging reserve	Exchange reserve	Regulatory reserve	Other reserve	Merger Reserve	Retained profits	Total
	Note									
Balance at										
January 1, 2015		28,827,843	750,956	37,637	-	2,360,788	15,913	62,262	11,237,875	43,293,274
Changes in equity for										
2015:										
Profit for the period		-	-	-	-	-	-	-	1,301,638	1,301,638
Other comprehensive	17	-	-	161,163	-	-	-	-	-	161,163
income										
Total comprehensive										
income		-	-	161,163	-	-	-	-	1,301,638	1,462,801
Regulatory reserve		-	-	-	-	(52,864)	-	-	52,864	-
Balance at										
June 30, 2015		28,827,843	750,956	198,800	-	2,307,924	15,913	62,262	12,592,377	44,756,075

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

		6 months ended June 30, 2014								
		Share capital	General reserve	Investment revaluation reserve and hedging reserve	Exchange reserve	Regulatory reserve	Other reserve	Merger Reserve	Retained profits	Total
Note										
	Balance at January 1, 2014	28,827,843	750,956	(18,127)	(237)	2,467,044	15,913	62,262	9,422,235	41,527,889
	Changes in equity for 2014:									
	Profit for the period	-	-	-	-	-	-	-	701,654	701,654
17	Other comprehensive income	-	-	72,424	121	-	-	-	-	72,545
	Total comprehensive income	-	-	72,424	121	-	-	-	701,654	774,199
	Regulatory reserve	-	-	-	-	11,220	-	-	(11,220)	-
	Disposal of a subsidiary	-	-	533	116	(117,476)	-	-	116,827	-
	Balance at June 30, 2014	28,827,843	750,956	54,830	-	2,360,788	15,913	62,262	10,229,496	42,302,088

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended June 30, 2015	6 months ended June 30, 2014
Net cash inflow from operations	24,072,773	23,262,555
Hong Kong Profits Tax paid	(72,040)	(40,541)
People's Republic of China ("PRC") withholding tax paid	(143,018)	(37,494)
Net cash inflow from operating activities	23,857,715	23,184,520
Purchase of available-for-sale financial instruments	(36,606,184)	(12,376,723)
Proceeds received from redemption and disposal of available-for-sale financial assets	26,761,055	7,599,922
Purchase of property and equipment	(46,013)	(140,692)
Dividends received from listed and unlisted investments	2,887	2,736
Net cash outflow from disposal of subsidiaries (net of cash and cash equivalents disposed) (Note (a))	-	(1,460,342)
Net cash outflow from investing activities	(9,888,255)	(6,375,099)
Interest paid on subordinated debts measured at amortised cost	(123,622)	-
Net cash outflow from financing activities	(123,622)	-
Increase in cash and cash equivalents	13,845,838	16,809,421
Cash and cash equivalents at January 1	59,496,073	50,936,509
Effect of foreign exchange rate changes	(34,577)	(601,239)
Cash and cash equivalents at June 30	73,307,334	67,144,691
Cash flows from operating activities include:		
Interest received	6,699,488	5,861,797
Interest paid	(4,455,240)	(3,563,394)

- (a) On June 7, 2014, China Construction Bank (Macau) Corporation Limited ("CCBM") was disposed with a consideration of HK\$914.8 million based on its net book value as at June 6, 2014. Net cash outflow amounted to HK\$1.46 billion after netting of the cash and cash equivalents disposed of, with respect to the disposal of CCBM is included in investing activities.

**CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT

(1) BASIS OF PREPARATION

These condensed consolidated interim financial information disclosure statement were authorised for issue on August 21, 2015 and have been prepared in accordance with the Banking (Disclosure) Rules issued by the Hong Kong Monetary Authority ("HKMA") and in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants.

(2) BASIS OF CONSOLIDATION

The condensed consolidated interim financial information disclosure statement cover the consolidated positions of the China Construction Bank (Asia) Corporation Limited ("the Bank") and its subsidiaries (together referred to as "the Group"), the Group's interest in an associate and a joint venture up to June 30, 2015.

Unless otherwise stated, all financial information contained are prepared according to the consolidation basis for accounting purposes.

In preparing the capital adequacy ratio of the Group, they are prepared according to the basis of consolidation for regulatory purposes. The main difference between the consolidation basis for accounting and regulatory purposes is that the former includes the Bank and all its subsidiaries, an associate and a joint venture whereas the latter excludes CCB Securities Limited ("CCBS"), CCB Nominee Limited ("CCBN") and CCB (Asia) Trustee Company Limited ("CCBT") which conduct non-banking related business. Details of the subsidiaries which are not included in consolidation for regulatory purposes are as follows:

Name of company	Principal activities	Total assets		Total equity	
		June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
CCBS	Securities brokerage	677,498	643,656	607,125	606,163
CCBN	Nominee services	39,715	39,699	39,019	39,036
CCBT	Trustee services	7,013	7,474	(3,896)	(146)

(3) STATEMENT OF COMPLIANCE

In preparing the unaudited condensed consolidated interim financial information disclosure statement for the first half of 2015, the Bank has fully complied with the disclosure provisions of the Banking (Disclosure) Rules.

(4) ACCOUNTING POLICIES

The accounting policies which have become effective and adopted are consistent with those of the previous financial year December 31, 2014 except as described below.

Annual improvements 2010-2012 cycle

These amendments include changes from the 2010-2012 cycle of the annual improvements project, that affect the below standards:

**CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE
STATEMENT (CONTINUED)**

(4) ACCOUNTING POLICIES (Continued)

Annual improvements 2010-2012 cycle (Continued)

- Hong Kong Financial Reporting Standard (“HKFRS”) 8, ‘Operating segments’

The standard is amended to require disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity’s assets when segment assets are reported.

- HKAS 16, ‘Property, plant and equipment’ and HKAS 38, ‘Intangible assets’

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

- HKAS 24, ‘Related Party Disclosures’

The reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to management entity’s employee or director, but it is required to disclose the amount charged to the reporting entity by the management entity for services provided.

The above amendments do not have any material financial impact on the Group.

Annual improvements 2011-2013 cycle

These amendments include changes from the 2011-2013 cycle of the annual improvements project, that affect the below standard:

- HKFRS 13, ‘Fair value measurement’

It clarifies that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9.

The above amendments do not have any material financial impact on the Group.

(5) ESTIMATES

The preparation of consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2014.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(6) FINANCIAL RISK MANAGEMENT

Maturity analysis

The table below sets out the maturity profile of assets and liabilities analysed by the remaining period to repayment as at the reporting date:

At June 30, 2015

	Repayable on demand	1 month or less	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total
Assets								
Cash and balances with banks and central banks	11,203,406	77,712,722	-	-	-	-	-	88,916,128
Placements with banks maturing between one and twelve months	-	-	60,586,123	42,602,747	-	-	-	103,188,870
Advances to banks	-	2,007,871	4,850,015	3,487,063	-	-	-	10,344,949
Advances to customers and trade bills	8,607,919	31,684,577	31,444,732	92,749,523	67,844,592	32,884,845	-	265,216,188
Financial instruments measured at fair value through profit or loss	-	-	437	3,018	1,505	-	-	4,960
Available-for-sale financial assets	-	3,572,572	5,431,113	24,583,806	31,283,961	2,378,061	31,621	67,281,134
Derivative financial instruments	-	499,326	272,424	735,616	23,747	184	-	1,531,297
Interest in a joint venture	-	-	-	-	-	-	1,916,944	1,916,944
Interest in an associate	-	-	-	-	-	-	254,473	254,473
Deferred tax assets	-	-	-	-	-	-	110,667	110,667
Fixed assets	-	-	-	-	-	-	3,557,234	3,557,234
Other assets	4,063	4,272,845	966,507	940,279	472,089	48,906	20,511	6,725,200
Total assets	19,815,388	119,749,913	103,551,351	165,102,052	99,625,894	35,311,996	5,891,450	549,048,044

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(6) FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturity analysis (Continued)

At June 30, 2015 (Continued)

	Repayable on demand	1 month or less	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total
Liabilities								
Deposits and balances of banks	2,711,850	68,828,446	48,551,906	34,841,435	-	-	-	154,933,637
Deposits from customers	55,634,021	76,474,189	55,160,052	71,655,129	951,812	-	-	259,875,203
Certificates of deposit and other debt securities issued	-	8,169,504	9,720,429	31,849,487	19,446,795	1,993,652	-	71,179,867
Derivative financial instruments	-	576,623	439,624	803,027	36,176	1,117	-	1,856,567
Current tax payable	-	-	-	380,337	-	-	-	380,337
Deferred tax liabilities	-	-	-	-	-	-	20,042	20,042
Other liabilities	9,755	5,171,794	1,001,468	1,089,716	164,958	9,635	2,833,955	10,281,281
Subordinated debts measured at amortised cost	-	-	-	-	-	5,765,035	-	5,765,035
Total liabilities	58,355,626	159,220,556	114,873,479	140,619,131	20,599,741	7,769,439	2,853,997	504,291,969
Net (liabilities)/assets gap	(38,540,238)	(39,470,643)	(11,322,128)	24,482,921	79,026,153	27,542,557	3,037,453	44,756,075
Of which:								
Debt securities included in trading assets	-	-	437	3,018	1,505	-	-	4,960
included in financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
included in available-for-sale financial assets	-	3,572,572	5,431,113	24,583,806	31,283,961	2,378,061	-	67,249,513

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(6) FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturity analysis (Continued)

The table below sets out the maturity profile of assets and liabilities analysed by the remaining period to repayment as at the reporting date:

At December 31, 2014

	Repayable on demand	1 month or less	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total
Assets								
Cash and balances with banks and central banks	9,800,544	46,947,061	-	-	-	-	-	56,747,605
Placements with banks maturing between one and twelve months	-	-	52,168,245	55,134,619	-	-	-	107,302,864
Advances to banks	-	6,140,077	8,554,044	5,012,895	-	-	-	19,707,016
Advances to customers and trade bills	8,474,850	19,086,185	45,622,649	87,500,450	53,407,792	31,077,536	-	245,169,462
Financial instruments measured at fair value through profit or loss	-	-	38,990	4,551	7,495	-	-	51,036
Available-for-sale financial assets	-	7,238,801	8,439,383	21,481,962	20,103,432	2,354,499	31,287	59,649,364
Derivative financial instruments	-	558,139	271,922	180,201	50,392	-	-	1,060,654
Interest in a joint venture	-	-	-	-	-	-	1,893,902	1,893,902
Interest in an associate	-	-	-	-	-	-	237,428	237,428
Deferred tax assets	-	-	-	-	-	-	116,732	116,732
Fixed assets	-	-	-	-	-	-	3,627,061	3,627,061
Other assets	2,442	2,704,063	735,183	675,420	507,837	44,971	828	4,670,744
Total assets	18,277,836	82,674,326	115,830,416	169,990,098	74,076,948	33,477,006	5,907,238	500,233,868

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(6) FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturity analysis (Continued)

At December 31, 2014 (Continued)

	Repayable on demand	1 month or less	3 months or less but over 1 month	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total
Liabilities								
Deposits and balances of banks	2,742,758	41,612,540	43,676,467	13,914,506	-	-	-	101,946,271
Deposits from customers	38,654,886	67,505,592	90,693,080	75,963,716	1,686,994	-	-	274,504,268
Certificates of deposit and other debt securities issued	-	2,258,667	5,437,068	37,615,022	19,716,564	1,991,262	-	67,018,583
Derivative financial instruments	-	420,910	128,718	162,361	341,162	-	-	1,053,151
Current tax payable	-	-	-	168,676	-	-	-	168,676
Deferred tax liabilities	-	-	-	-	-	-	20,042	20,042
Other liabilities	5,753	1,033,557	1,114,251	1,265,552	201,691	9,618	2,833,064	6,463,486
Subordinated debts measured at amortised cost	-	-	-	-	-	5,766,117	-	5,766,117
Total liabilities	41,403,397	112,831,266	141,049,584	129,089,833	21,946,411	7,766,997	2,853,106	456,940,594
Net (liabilities)/assets gap	(23,125,561)	(30,156,940)	(25,219,168)	40,900,265	52,130,537	25,710,009	3,054,132	43,293,274
Of which:								
Debt securities included in trading assets	-	-	-	4,551	7,495	-	-	12,046
included in financial assets designated at fair value through profit or loss	-	-	38,990	-	-	-	-	38,990
included in available-for-sale financial assets	-	7,238,801	8,439,383	21,481,962	20,103,432	2,354,499	-	59,618,077

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(7) SEGMENTAL INFORMATION

(a) Reportable segments

The Group manages its businesses by divisions, which are organised by products services and customer types. In a manner consistent with the way in which information is reported internally to the executive management for the purposes of resource allocation and performance assessment, the Group has presented the following 4 reportable segments.

(i) Corporate and commercial banking

This segment mainly represents the provision of a range of financial products and services to corporations, including 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.

(ii) Consumer banking

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

(iii) Treasury business

This segment covers the Bank's treasury operations. The Treasury Division 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 transactions. Its function also includes the management of the Group's overall liquidity position, including the issuance of certificates of deposit.

(iv) Others

This segment mainly represents management of shareholders' funds and investments in premises and other unallocated units.

Segment assets and liabilities are mainly composed of placement with banks, advances to banks and customers, investment securities, derivatives financial instruments, deposits and certificates of deposit and other debt securities issued.

Revenue and expenses are allocated to the reportable segments with reference to interest and fee and commission income generated by those segments and the expenses incurred by these segments or which otherwise arise from the depreciation or amortisation of assets attributable to these segments.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(7) SEGMENTAL INFORMATION (CONTINUED)

(a) Reportable segments (Continued)

	6 months end June 30, 2015					Total
	Corporate and Commercial Banking	Retail Banking	Treasury	Others	Inter-segment elimination	
Net interest income	1,223,045	674,197	342,199	493,554	-	2,732,995
Total operating income /(loss)						
– External	2,370,764	(248,712)	734,311	223,936	-	3,080,299
– Inter-segment	(941,507)	1,249,926	(797,986)	489,567	-	-
Total operating income /(loss)	1,429,257	1,001,214	(63,675)	713,503	-	3,080,299
Depreciation and amortisation	(25,883)	(55,725)	(4,122)	(30,093)	-	(115,823)
Total operating expenses	(322,697)	(718,826)	(60,299)	(230,062)	-	(1,331,884)
Operating profit /(loss) before impairment losses	1,106,560	282,388	(123,974)	483,441	-	1,748,415
Charge on impairment	(23,195)	(30,885)	-	-	-	(54,080)
Non-operating income	-	-	-	40,087	-	40,087
Profit /(loss) before taxation	1,083,365	251,503	(123,974)	523,528	-	1,734,422
Total assets as at June 30, 2015	237,499,510	40,193,207	262,304,162	9,208,559	(157,394)	549,048,044
Total liabilities as at June 30, 2015	129,461,000	136,284,086	233,677,014	5,027,263	(157,394)	504,291,969

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(7) SEGMENTAL INFORMATION (CONTINUED)

(a) Reportable segments (Continued)

	6 months ended June 30, 2014					Total
	Corporate and Commercial Banking	Retail Banking	Treasury	Others	Inter-segment elimination	
Net interest income	699,609	588,848	601,297	234,967	-	2,124,721
Total operating income/ (loss)						
– External	2,587,527	5,528	85,280	(365,307)	-	2,313,028
– Inter-segment	(1,634,894)	830,727	571,058	233,109	-	-
Total operating income / (loss)	952,633	836,255	656,338	(132,198)	-	2,313,028
Depreciation and amortisation	(19,836)	(45,539)	(9,076)	(22,865)	-	(97,316)
Total operating expenses	(296,417)	(748,190)	(70,586)	(187,268)	-	(1,302,461)
Operating profit/ (loss) before impairment losses	656,216	88,065	585,752	(319,466)	-	1,010,567
(Charge on)/ release of impairment	(106,629)	12,799	-	-	-	(93,830)
Non-operating loss	-	-	-	(18,518)	-	(18,518)
Profit/(loss) before taxation	549,587	100,864	585,752	(337,984)	-	898,219
Total assets as at December 31, 2014	230,628,022	35,755,836	226,550,978	7,465,414	(166,382)	500,233,868
Total liabilities as at December 31, 2014	137,549,187	141,958,634	173,650,035	3,949,120	(166,382)	456,940,594

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(7) SEGMENTAL INFORMATION (CONTINUED)

(b) Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers, profit before taxation, total assets, total liabilities, specified non-current assets, contingent liabilities and commitments. The geographical location of customers is based on the location at which the services were provided. Specified non-current assets comprise fixed assets, interests in leasehold land, interest in a joint venture and interest in an associate and the geographical location is based on the physical location of the asset for fixed assets, and the location of the operation to which they are allocated for intangible assets, interest in a joint venture and interest in an associate.

	6 months ended June 30, 2015		At June 30, 2015			
	Revenue from external customers	Profit before taxation	Total assets	Total liabilities	Specified non- current assets	Contingent liabilities and commitments
Hong Kong (place of domicile)	<u>3,080,299</u>	<u>1,734,422</u>	<u>549,048,044</u>	<u>504,291,969</u>	<u>5,728,651</u>	<u>58,929,622</u>

	6 months ended June 30, 2014		At December 31, 2014			
	Revenue from external customers	Profit before taxation	Total assets	Total liabilities	Specified non- current assets	Contingent liabilities and commitments
Hong Kong (place of domicile)	2,263,807	893,197	500,233,868	456,940,594	5,758,391	54,502,440
Macau	49,221	5,022	-	-	-	-
	<u>2,313,028</u>	<u>898,219</u>	<u>500,233,868</u>	<u>456,940,594</u>	<u>5,758,391</u>	<u>54,502,440</u>

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(8) NET INTEREST INCOME

	6 months ended June 30, 2015	6 months ended June 30, 2014
Interest income		
<i>Interest income arising from financial assets that are not measured at fair value through profit or loss</i>		
Placements and advances to banks	2,437,815	1,272,984
Advances to customers and trade bills	3,662,121	3,611,023
Available-for-sale financial assets	849,065	289,285
	6,949,001	5,173,292
Interest expense		
<i>Interest expense arising from financial liabilities that are not measured at fair value through profit or loss</i>		
Deposits and balances of banks	1,034,922	860,084
Deposits from customers	2,217,561	1,658,240
Certificates of deposit and other debt securities issued	837,751	530,247
Subordinated debt measured at amortised cost	125,772	-
	4,216,006	3,048,571
Net interest income	2,732,995	2,124,721

There were no interest income accrued on impaired financial assets for the six months ended June 30, 2015 and June 30, 2014. Interest income from available-for-sale financial assets include \$672,650 from listed debt securities (Six months ended June 30, 2014: \$160,037) and \$176,415 from unlisted debt securities (Six months ended June 30, 2014: \$129,248).

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(9) NET FEES AND COMMISSION INCOME

	6 months ended June 30, 2015	6 months ended June 30, 2014
Fees and commission income	619,908	565,940
Fees and commission expense	(73,839)	(51,323)
Net fees and commission income	546,069	514,617
Of which:		
Net fee and commission income, other than amounts included in determining the effective interest rate, arising from financial assets or financial liabilities that are neither held for trading nor designated at fair value through profit or loss		
- fee and commission income	154,275	199,164
- fee and commission expense	(21,110)	(23,935)

(10) NET TRADING LOSSES

	6 months ended June 30, 2015	6 months ended June 30, 2014
Foreign exchange	(259,955)	(380,518)
Interest rate contracts	2,319	(8,276)
Options	25,597	39,991
Interest income from listed debt securities	190	173
Net gains of debt securities	767	771
	(231,082)	(347,859)

(11) NET GAINS FROM FINANCIAL INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	6 months ended June 30, 2015	6 months ended June 30, 2014
Listed debt securities interest income	394	24,265
net losses	(214)	(18,791)
	180	5,474

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(12) OTHER OPERATING INCOME

	6 months ended June 30, 2015	6 months ended June 30, 2014
Dividend income from available-for-sale equity financial assets		
unlisted	2,850	2,700
listed	37	36
	2,887	2,736
Others	14,576	13,339
	17,463	16,075

(13) OPERATING EXPENSES

	6 months ended June 30, 2015	6 months ended June 30, 2014
Staff costs		
salaries and other benefits	694,255	657,440
pension and provident fund costs	46,933	47,332
	741,188	704,772
Premises and equipment expenses excluding depreciation		
rental of premises	180,681	181,680
loss on disposal of fixed assets	20	-
reversal of impairment on fixed assets	(2)	(10)
maintenance	35,178	50,034
leasing of equipment	13,556	12,274
others	47,469	45,171
	276,902	289,149
Auditors' remuneration	3,264	2,608
Depreciation	115,822	95,838
Marketing expenses	93,913	113,386
Other operating expenses	100,795	96,708
	313,794	308,540
	1,331,884	1,302,461

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(14) IMPAIRMENT ALLOWANCES (CHARGED)/RELEASED ON LOANS AND ADVANCES

	6 months ended June 30, 2015	6 months ended June 30, 2014
Individually assessed impairment allowances charged	(12,517)	(1,503)
Collectively assessed impairment allowances charged	(42,154)	(91,405)
Impairment allowances charged on loans and advances	(54,671)	(92,908)
Included in the above impairment allowances on loans and advances charged:		
New and additional charges	(118,904)	(120,176)
Releases	40,984	9,506
Recoveries	23,249	17,762
	(54,671)	(92,908)

(15) TAXATION

(a) Taxation in the consolidated statement of comprehensive income represents:

	6 months ended June 30, 2015	6 months ended June 30, 2014
Current tax – Hong Kong Profits Tax		
Provision for the period	308,202	164,813
Current tax – Overseas		
Withholding tax in the PRC	118,517	34,268
Provision for the period		
– Macau Complementary Tax	-	593
	118,517	34,861
Deferred tax		
Origination and reversal of temporary differences	6,065	(3,109)
	432,784	196,565

The provision for Hong Kong Profits Tax is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the period. Taxation for the subsidiary in Macau is calculated at the appropriate current tax rates ruling in Macau.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(15) TAXATION (CONTINUED)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	6 months ended June 30, 2015	6 months ended June 30, 2014
Profit before taxation	<u>1,734,422</u>	<u>898,219</u>
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	286,180	147,954
Income not subject to taxation	(12,617)	(984)
Expenses not deductible for taxation purposes	40,704	15,327
Foreign withholding tax	118,517	34,268
Actual tax expense	<u>432,784</u>	<u>196,565</u>

(16) NET HEDGING RESULT

	6 months ended June 30, 2015	6 months ended June 30, 2014
Loss on hedging instrument	2,879	(30,898)
Gain on hedged items	(3,862)	30,898
Net hedging result	<u>(983)</u>	<u>-</u>

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(17) OTHER COMPREHENSIVE INCOME

(a) Tax effects relating to each component of other comprehensive income

	<u>6 months ended June 30, 2015</u>			<u>6 months ended June 30, 2014</u>		
	<u>Before-tax amount</u>	<u>Tax expense</u>	<u>Net-of-tax amount</u>	<u>Before-tax amount</u>	<u>Tax expense</u>	<u>Net-of-tax amount</u>
Items that may be subsequently reclassified to profit or loss:						
Available-for-sale financial assets						
Net movement in investment revaluation reserve and hedging reserve	161,163	-	161,163	72,424	-	72,424
Exchange reserve	-	-	-	121	-	121
Other comprehensive income	161,163	-	161,163	72,545	-	72,545

(b) Reclassification adjustments relating to component of other comprehensive income

	<u>6 months ended June 30, 2015</u>	<u>6 months ended June 30, 2014</u>
Items that may be subsequently reclassified to profit or loss:		
Available-for-sale investment revaluation reserve		
Changes in fair value recognised during the period	157,975	37,268
Reclassification adjustments for amounts transferred to profit or loss	3,366	35,337
Net movement in the available-for-sale investment revaluation reserve during the period in other comprehensive income	161,341	72,605
Hedging reserve		
Changes in cash flow hedge	(178)	(181)
	161,163	72,424

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(18) CASH AND BALANCES WITH BANKS AND CENTRAL BANKS

	June 30, 2015	December 31, 2014
Cash in hand	217,514	238,071
Balances with banks	4,619,235	3,086,568
Balances with central banks	6,366,657	6,475,905
Placement with banks maturing within one month	77,712,722	46,947,061
	<u>88,916,128</u>	<u>56,747,605</u>

(19) ADVANCES TO CUSTOMERS AND TRADE BILLS

(a) Advances to customers and trade bills less impairment

	June 30, 2015	December 31, 2014
Advances to customers less impairment		
Gross advances to customers	217,037,856	178,537,255
Dealers' commission and deferred fee income	(38,970)	(29,209)
	216,998,886	178,508,046
Less: Impairment allowances		
collectively assessed	(683,597)	(684,849)
individually assessed	(60,584)	(55,144)
Net advances to customers	216,254,705	177,768,053
Trade bills less impairment		
Trade bills	48,969,452	67,410,549
Less: Impairment allowances		
collectively assessed	(2,177)	(3,346)
individually assessed	(5,792)	(5,794)
Net trade bills	48,961,483	67,401,409
Net advances to customers and trade bills	<u>265,216,188</u>	<u>245,169,462</u>

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(19) ADVANCES TO CUSTOMERS AND TRADE BILLS (CONTINUED)

(b) Impaired advances to customers and allowances are analysed as follows:

	<u>June 30, 2015</u>		<u>December 31, 2014</u>	
		% of gross advances		% of gross advances
Gross impaired advances	150,650	0.07	144,953	0.08
Individual impairment allowances	(60,584)		(55,144)	
	90,066		89,809	
Gross individually assessed impaired advances	60,634	0.03	55,215	0.03
Individual impairment allowances	(60,584)		(55,144)	
	50		71	
Net realisable value of collateral held against the impaired advances	20,643		19,997	

Impaired advances are advances with objective evidence of impairment.

The above individual impairment allowances were made after taking into account the realisable value of collateral in respect of such advances.

As at June 30, 2015, the Group's gross impaired advances to customers included \$90,016 (December 31, 2014: \$89,738) advances mainly comprised credit card advances and unsecured personal loans for which impairment allowances were collectively assessed.

(c) Impaired trade bills and allowances are analysed as follows:

	<u>June 30, 2015</u>		<u>December 31, 2014</u>	
		% of gross trade bills		% of gross trade bills
Gross impaired trade bills	135,994	0.28	136,048	0.20
Individual impairment allowances	(5,792)		(5,794)	
	130,202		130,254	
Gross individually assessed impaired trade bills	135,994	0.28	136,048	0.20
Individual impairment allowances	(5,792)		(5,794)	
	130,202		130,254	
Net realisable value of collateral held against the impaired trade bills	-		-	

Impaired trade bills are advances with objective evidence of impairment.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(20) FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2015	December 31, 2014
Held for trading	4,960	12,046
Designated at fair value through profit or loss	-	38,990
	<u>4,960</u>	<u>51,036</u>

Financial instruments measured at fair value through profit or loss analysed by type of issuer and place of listing are as follows:

	Trading		Designated at fair value through profit or loss	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Other debt securities issued by				
government	4,960	12,046	-	-
corporate	-	-	-	38,990
	<u>4,960</u>	<u>12,046</u>	<u>-</u>	<u>38,990</u>
Analysed by place of listing				
listed in Hong Kong	<u>4,960</u>	<u>12,046</u>	<u>-</u>	<u>38,990</u>

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(21) AVAILABLE-FOR-SALE FINANCIAL ASSETS

	June 30, 2015	December 31, 2014
Treasury bills issued by central governments	9,687,542	11,045,359
Certificates of deposit issued by banks	18,717,495	18,662,519
Other debt securities issued by		
banks	30,693,492	26,639,089
corporate	8,150,984	3,271,110
	67,249,513	59,618,077
Equity shares issued by corporate		
listed outside Hong Kong	14,384	14,048
unlisted	17,237	17,239
	31,621	31,287
	67,281,134	59,649,364
Analysed by place of listing		
listed in Hong Kong	10,776,237	4,638,333
listed outside Hong Kong	29,217,695	25,161,651
unlisted	27,287,202	29,849,380
	67,281,134	59,649,364

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(22) DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives include forward, swap and option transactions undertaken by the Group in the foreign exchange and interest rate markets. The Group uses derivatives for proprietary trading and sale to customers as risk management products. These positions are actively managed through entering into offsetting deals with external parties to ensure the Group's net exposures are within acceptable risk levels. No significant proprietary positions were maintained by the Group as at the reporting date. The Group also uses these derivatives in the management of its own asset and liability portfolios and structural positions.

(a) Notional amounts of derivatives

	June 30, 2015				December 31, 2014			
	Managed in conjunction with financial instruments designated at fair value through profit or loss	Held for trading	Used for hedging	Total	Managed in conjunction with financial instruments designated at fair value through profit or loss	Held for trading	Used for hedging	Total
Exchange rate contracts								
Forwards	78,080,823	269,090,743	-	347,171,566	87,122,820	128,316,717	25,245	215,464,782
Options purchased	-	15,504,152	-	15,504,152	-	13,335,977	-	13,335,977
Options written	-	15,504,152	-	15,504,152	-	13,335,977	-	13,335,977
Interest rate swaps	7,387,048	-	5,132,801	12,519,849	4,481,952	-	568,046	5,049,998
Currency swaps	3,030,296	-	2,497,069	5,527,365	2,351,724	-	-	2,351,724
Equity options purchased / issued	-	246,763	-	246,763	-	156,692	-	156,692
Equity swaps	-	246,763	-	246,763	-	156,692	-	156,692
	88,498,167	300,592,573	7,629,870	396,720,610	93,956,496	155,302,055	593,291	249,851,842

The principal derivative instruments used by the Group are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives. The Group also participates in exchange traded derivatives.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(22) DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Notional amounts of derivatives by remaining maturity analysis

The following table provides an analysis of the notional amounts of derivatives of the Group by relevant maturity grouping based on the remaining periods to settlement at the reporting date.

	June 30, 2015			December 31, 2014		
	1 year or less	Over 1 year to 5 years	Total	1 year or less	Over 1 year to 5 years	Total
Exchange rate contract						
Forwards	346,533,341	638,225	347,171,566	215,386,307	78,475	215,464,782
Options purchased	11,934,687	3,569,465	15,504,152	10,651,956	2,684,021	13,335,977
Options written	11,934,687	3,569,465	15,504,152	10,651,956	2,684,021	13,335,977
Interest rate swaps	3,817,845	8,702,004	12,519,849	2,552,008	2,497,990	5,049,998
Currency swaps	-	5,527,365	5,527,365	-	2,351,724	2,351,724
Equity options purchased / issued	246,763	-	246,763	156,692	-	156,692
Equity swaps	246,763	-	246,763	156,692	-	156,692
	374,714,086	22,006,524	396,720,610	239,555,611	10,296,231	249,851,842

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(22) DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values and credit risk weighted amounts of derivatives

	June 30, 2015			December 31, 2014		
	Fair value assets	Fair value liabilities	Credit risk weighted amount	Fair value assets	Fair value liabilities	Credit risk weighted amount
Exchange rate contracts						
Forwards	1,439,621	1,646,920	1,686,731	968,567	669,425	1,100,754
Options purchased	59,152	-	-	70,909	-	-
Options written	-	59,152	175,838	-	70,909	157,832
Interest rate swaps	21,788	32,578	25,042	10,507	13,767	13,210
Currency Swaps	-	107,181	105,717	-	288,379	58,793
Equity options purchased/issued	10,652	84	-	10,155	10,155	-
Equity swaps	84	10,652	6,545	516	516	4,701
	<u>1,531,297</u>	<u>1,856,567</u>	<u>1,999,873</u>	<u>1,060,654</u>	<u>1,053,151</u>	<u>1,335,290</u>

As at the reporting date, the credit risk weighted amount was calculated in accordance with the Banking (Capital) Rules (“the Capital Rules”) and depends on the status of the counterparty and the maturing characteristics. The risk weights used range from 20% to 100% (December 31, 2014: 20% to 100%) for all derivatives.

The Group entered into several bilateral netting arrangements for settlement of exchange rate contracts and these amounts are shown on gross basis.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(23) FIXED ASSETS

	Leasehold land (*)	Buildings	Leasehold improvements	Furniture and equipment	Total
Cost:					
At January 1, 2015	87,110	3,356,357	457,755	528,925	4,430,147
Additions	-	260	14,900	30,853	46,013
Disposals	-	-	(1,659)	(6,156)	(7,815)
At June 30, 2015	87,110	3,356,617	470,996	553,622	4,468,345
Accumulated depreciation:					
At January 1, 2015	25,890	259,653	177,694	338,927	802,164
Charge for the period	732	45,542	26,728	42,820	115,822
Disposals	-	-	(1,659)	(6,136)	(7,795)
At June 30, 2015	26,622	305,195	202,763	375,611	910,191
Allowances for impairment losses:					
At January 1, 2015	-	-	74	848	922
Reversal of impairment losses	-	-	-	(2)	(2)
At June 30, 2015	-	-	74	846	920
Net book value:					
At June 30, 2015	60,488	3,051,422	268,159	177,165	3,557,234
At December 31, 2014	61,220	3,096,704	279,987	189,150	3,627,061

(*) All leasehold land are held under finance leases.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(24) DEPOSITS FROM CUSTOMERS

	June 30, 2015	December 31, 2014
Demand deposits and current accounts	17,776,624	11,635,702
Savings deposits	37,304,066	26,832,157
Time and call deposits	204,398,270	235,690,132
Structured notes	235,373	156,692
Other deposits	160,870	189,585
	259,875,203	274,504,268

(25) CERTIFICATES OF DEPOSIT AND OTHER DEBT SECURITIES ISSUED

	June 30, 2015	December 31, 2014
At amortised cost:		
Certificates of deposit	44,366,910	46,942,296
Other debt securities	26,812,957	20,076,287
	71,179,867	67,018,583

As at June 30, 2015, the fair values of other debt securities were at \$27,037,170 (December 31, 2014: \$22,511,384).

(26) RESERVES

	June 30, 2015	December 31, 2014
Regulatory reserve (note i)	2,307,924	2,360,788
Investment revaluation reserve and hedging reserve	198,800	37,637
Merger reserve	62,262	62,262
Other reserve	15,913	15,913
General reserve (note ii)	750,956	750,956
Retained profits	12,592,377	11,237,875
	15,928,232	14,465,431

All reserves, except for general reserve, are not available for distribution.

- (i) Regulatory reserve comprises reserves maintained in accordance with Hong Kong regulations. It includes a regulatory reserve of \$2,307,924 (December 31, 2014: \$2,360,788) to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes. Movement in this reserve is made directly through retained profits and in consultation with HKMA.
- (ii) General reserve is appropriated from the retained profits for future use.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(27) CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments to extend credit:

	June 30, 2015	December 31, 2014
Direct credit substitutes	618,018	554,923
Transaction-related contingencies	1,324,465	1,665,654
Trade-related contingencies	989,241	894,726
Other commitments:		
which are unconditionally cancellable or automatically cancellable due to the deterioration in the credit worthiness of the borrower	45,638,323	44,007,670
with an original maturity up to one year	1,549,458	448,879
with an original maturity over one year	8,810,117	6,930,588
	58,929,622	54,502,440

The aggregate credit risk weighted amounts of the above contingent liabilities and commitments are as follows:

	June 30, 2015	December 31, 2014
Credit risk weighted amounts	5,599,767	4,017,776

Contingent liabilities and commitments are credit-related instruments which include letter of credits, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for the loans. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client defaults. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

The risk weights used in the computation of credit risk weighted amounts range from 0% to 100% (December 31, 2014: 0% to 100%).

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(28) MATERIAL RELATED PARTY TRANSACTIONS

During the period, the Group entered into transactions with related parties in the normal course of its banking business including lending, acceptance and placement of inter-bank deposits, correspondent banking transactions, securities brokerage and derivative transactions. The transactions were priced at the relevant market rates at the time of each transaction.

- (a) The amount of material related party transactions during the period and outstanding balances at the reporting date are set out below:

	Group					
	Intermediate holding company		Fellow subsidiaries		Associate	
	For the six months ended		For the six months ended		For the six months ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Interest income	631,004	1,242,636	14,807	3,371	-	-
Interest expense	1,008,365	745,879	10,961	16,533	2,931	1,787
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Amounts due from:						
Cash and balances with banks and central banks	26,900,553	21,185,417	11,078	-	-	-
Placements with banks maturing between one and twelve months	7,464,582	4,886,802	-	-	-	-
Advance to banks	9,965,301	18,994,538	-	-	-	-
Advance to customers and trade bills	20,325,391	22,629,271	1,398,143	1,474,717	-	-
Available-for-sale securities / non-trading securities	2,351,367	907,534	-	-	-	-
Derivative financial instruments	181,509	105,220	-	-	-	-
Other assets	1,961,342	1,931,382	9,297	62,219	-	-
Amounts due to:						
Deposits and balances of banks	144,832,695	89,603,634	873,135	268,093	-	-
Deposits from customers	2,847	2,847	4,399,222	3,149,160	600,773	638,977
Derivative financial instruments	266,738	51,115	-	-	-	-
Other liabilities	2,914,526	2,963,333	261,659	33,975	2,453	2,117
Contingencies and commitments:						
Other commitments	-	-	600,000	600,000	-	-
Derivative financial instrument: (notional amount)						
Exchange rate contracts	45,164,719	26,022,356	-	-	-	-
Interest rate swaps	-	38,776	-	-	-	-

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENT (CONTINUED)

(28) MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

- (b) During the period ended June 30, 2014, the Bank disposed of the wholly owned subsidiary, (“CCBM”) to China Construction Bank Corporation (“CCBC”) as Macau Branch. For details, please refer to note 29.
- (c) During the period ended June 30, 2014, the Bank acquired net advances to customers and trade bills amounted to approximately HK\$20.1 billion from CCBC Hong Kong Branch at fair value.

(29) DISPOSAL OF SUBSIDIARIES

- (a) Disposal of CCBM

	June 30, 2014
Net cash outflow on disposal of a subsidiary	
Consideration received in cash and cash equivalents	914,826
Less: cash and cash equivalents disposed of	<u>(2,375,168)</u>
	<u>(1,460,342)</u>

In order to support the strengthening of business of CCBC and its subsidiaries (“CCBC Group”) in Macau and increase the influence of overseas markets, management disposed of the assets and liabilities of the Bank’s wholly owned subsidiary CCBM to CCBC as Macau Branch on June 7, 2014.

	June 7, 2014
Consideration received in cash and cash equivalents	914,826
Analysis of assets and liabilities over which control was lost	
<u>Assets</u>	
Cash and balances with banks and central banks	3,765,790
Advances to banks	865,275
Advances to customers	6,051,824
Investment securities	475,836
Other assets	126,015
	<u>11,284,740</u>
<u>Liabilities</u>	
Deposits and balances of banks	(2,182,270)
Deposits from customers	(6,548,827)
Certificates of deposit and other debt securities issued	(1,505,376)
Other liabilities	(79,780)
	<u>(10,316,253)</u>
Net assets disposed of	968,487
Loss on disposal	<u>(53,661)</u>

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION

(1) OVERDUE AND RESCHEDULED ASSETS

(a) Gross advances to customers overdue for more than three months

	<u>June 30, 2015</u>		<u>December 31, 2014</u>	
		% on total advances to customers		% on total advances to customers
Six months or less but over three months	17,368	0.01	13,966	0.01
Over one year	45,531	0.02	46,391	0.03
Total gross amount of advances overdue for more than three months	<u>62,899</u>	<u>0.03</u>	<u>60,357</u>	<u>0.04</u>
Individually assessed impairment allowances made in respect of the above overdue advances	<u>50,349</u>		<u>49,463</u>	
Net realisable value of collateral held against the overdue advances	<u>5,316</u>		<u>18,240</u>	
Covered portion of overdue advances	2,823		1,065	
Uncovered portion of overdue advances	<u>60,076</u>		<u>59,292</u>	
	<u>62,899</u>		<u>60,357</u>	

Collateral held with respect of overdue advances to customers was mainly auto vehicles and residential properties.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(1) OVERDUE AND RESCHEDULED ASSETS (CONTINUED)

(b) Gross trade bills overdue for more than three months

	<u>June 30, 2015</u>		<u>December 31, 2014</u>	
		% on total trade bills		% on total trade bills
One year or less but over six months	-	-	136,048	0.20
Over one year	<u>135,994</u>	<u>0.28</u>	-	-
Total gross amount of trade bills overdue for more than three months	<u>135,994</u>	<u>0.28</u>	<u>136,048</u>	<u>0.20</u>
Individually assessed impairment allowances made in respect of the above overdue trade bills	<u>5,792</u>		<u>5,794</u>	
Uncovered portion of overdue trade bills	<u>135,994</u>		<u>136,048</u>	

As at June 30, 2015 and December 31, 2014, there were no overdue advances to banks.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(1) OVERDUE AND RESCHEDULED ASSETS (CONTINUED)

(c) Rescheduled advances to customers

	June 30, 2015		December 31, 2014	
		% on total advances to customers		% on total advances to customers
Rescheduled advances to customers	77,355	0.04	78,844	0.04

Rescheduled advances are those advances which have been restructured or renegotiated because of deterioration in the financial position of the borrower, or the inability of the borrower to meet the original repayment schedule and for which the revised payment terms are non-commercial to the Bank. The rescheduled advances are stated net of any advances that have subsequently become overdue for over three months and reported as overdue advances as above.

As at June 30, 2015 and December 31, 2014, there were no rescheduled advances to banks and trade bills.

(d) Other overdue and rescheduled assets

As at June 30, 2015 and December 31, 2014, there were no other overdue and rescheduled assets.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(2) CAPITAL MANAGEMENT

(a) Capital adequacy ratio

	June 30, 2015	December 31, 2014
Common Equity Tier 1 Capital Ratio	<u>12.9%</u>	<u>14.8%</u>
Tier 1 Capital Ratio	<u>12.9%</u>	<u>14.8%</u>
Total Capital Ratio	<u>15.6%</u>	<u>18.0%</u>

Capital adequacy ratios (“CAR”) were compiled in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority (“HKMA”). The ratios as at June 30, 2015 and December 31, 2014 were compiled in accordance with the amended Capital Rules effective from January 1, 2013 for the implementation of the “Basel III” capital accord.

The CAR were computed on a consolidated basis, including the Bank and its subsidiaries, CCB Hong Kong Property Management Company Limited and all of its subsidiaries (“CCBP Group”) were included in the calculation of consolidated CAR as at June 30, 2015.

In accordance with the thresholds as determined in Part 3 of the Capital Rules, the Bank’s shareholdings in CCB Securities Limited, CCB Nominees Limited and CCB (Asia) Trustee Company Limited were included in 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 using the Basic Indicator Approach.

Other capital disclosure requirements under the Banking (Disclosure) (Amendment) Rules 2013 are published on the Bank’s website: <http://www.asia.ccb.com/hongkong>.

(b) Leverage ratio

	June 30, 2015	December 31, 2014
Leverage ratio	<u>7.4%</u>	<u>N.A.</u>

The disclosure on leverage ratio is effective since March 31, 2015 and is computed on the same consolidated basis as specified in a notice from the HKMA in accordance with section 3C of the Capital Rules. The relevant disclosures pursuant to section 24A of the Banking (Disclosure) Rules can be found on the Bank’s website: <http://www.asia.ccb.com/hongkong>.

(c) Countercyclical Capital Buffer Ratio

There is no information disclosed relating to the Countercyclical capital buffer ratio pursuant to section 24B of the Banking (Disclosure) Rules for this period because the applicable JCCyB ratios for Hong Kong and for jurisdiction outside Hong Kong are at 0% before January 1, 2016 according to section 3P and section 3Q of the Capital Rules.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(3) LIQUIDITY RATIO

- (a) Average liquidity coverage ratio (“LCR”)/ Consolidated average liquidity ratio

LCR for the second quarter ended June 30, 2015	<u>143.2%</u>
LCR for the first quarter ended March 31, 2015	<u>150.5%</u>
Consolidated average liquidity ratio for the period ended June 30, 2014	<u>53.8%</u>

The average value LCR is for each quarter in 2015 based on the arithmetic mean of its LCR as at each month-end in the quarter for the Bank as required by the HKMA for its regulatory purposes.

The consolidated average liquidity ratio for the six-month period ended 2014 is calculated as the simple average of each calendar month’s average liquidity ratio for the Bank as required by the HKMA for its regulatory purposes, in accordance with the Fourth Schedule of the Hong Kong Banking Ordinance.

Other LCR disclosure requirements under the Banking (Disclosure) (Amendment) Rules 2015 are published on the Bank’s website: <http://www.asia.ccb.com/hongkong>.

- (b) Liquidity cushion

The size and composition of the Bank’s liquidity cushion as of June 30, 2015 and December 31, 2014 was:

	June 30, 2015	December 31, 2014
Cash & HKMA Balance	<u>7,927,514</u>	<u>6,713,976</u>
Hong Kong Government Exchange Fund	<u>2,556,999</u>	<u>8,199,290</u>
Other securities which fulfil the High Quality Liquidity Assets definition	<u>32,899,371</u>	<u>30,451,510</u>

This is an additional information disclosed in relation to the requirement of HKMA Supervisory Policy Manual “Sound Systems and Controls for Liquidity Risk Management”.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(4) GROSS ADVANCES TO CUSTOMERS BY INDUSTRY SECTORS

(a) Analysis of gross advances to customers covered by collateral is as follow:

	<u>June 30, 2015</u>		<u>December 31, 2014</u>	
	Outstanding balance	% of advances covered by collateral	Outstanding balance	% of advances covered by collateral
Advances for use in Hong Kong				
Industrial, commercial and financial				
Property development	9,678,474	40.34	6,806,508	19.75
Property investment	28,379,114	85.63	27,941,571	82.14
Financial concerns	7,979,700	44.52	5,400,081	45.46
Stockbrokers	2,397,336	58.37	1,819,941	35.69
Wholesale and retail trade	21,251,417	76.41	19,902,498	88.30
Manufacturing	8,612,240	60.42	7,728,248	65.47
Transport and transport equipment	9,524,591	70.43	9,363,740	85.96
Recreational activities	521,192	98.63	737,173	99.40
Information technology	1,618,385	1.86	1,417,155	1.80
Others	20,872,157	66.82	26,729,171	83.51
	110,834,606		107,846,086	
Individuals				
Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	7,259	100.00	7,776	100.00
Loans for the purchase of other residential properties	13,951,219	99.56	13,813,682	99.57
Credit card advances	5,503,235	-	5,794,173	-
Others	12,936,521	37.92	9,057,401	53.26
	32,398,234		28,673,032	
Trade finance	28,488,304	93.83	15,739,594	89.47
Advances for use outside Hong Kong	45,316,712	49.96	26,278,543	50.54
Gross advances to customers	217,037,856	66.33	178,537,255	71.20

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(4) GROSS ADVANCES TO CUSTOMERS BY INDUSTRY SECTORS (CONTINUED)

- (b) Further analysis of gross advances to customers which constitute not less than 10% of gross advances to customers are as follows:

	June 30, 2015	December 31, 2014
(1) Property investment		
Impaired advances	114	205
Overdue advances	-	205
Individually assessed impairment allowances	-	-
Collectively assessed impairment allowances	8,431	14,638
Impairment allowances (released)/charged during the period/year	(6,207)	554
Advances written-off during the period/year	-	-
(2) Wholesale and retail trade		
Impaired advances	5,982	-
Overdue advances	4,704	-
Individually assessed impairment allowances	5,993	-
Collectively assessed impairment allowances	26,026	18,588
Impairment allowances charged during the period/year	13,431	15,796
Advances written-off during the period/year	1,731	-
(3) Industrial, commercial and financial - Others		
Impaired advances	1,788	859
Overdue advances	64	859
Individually assessed impairment allowances	1,776	-
Collectively assessed impairment allowances	32,801	22,196
Impairment allowances charged during the period/year	12,381	1,674
Advances written-off during the period/year	-	-
(4) Trade Finance		
Impaired advances	1,984	3,923
Overdue advances	-	3,923
Individually assessed impairment allowances	1,984	3,923
Collectively assessed impairment allowances	7,809	7,569
Impairment allowances (released)/charged during the period/year	(1,699)	5,517
Advances written-off during the period/year	3,923	-

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(5) ADVANCES TO CUSTOMERS BY GEOGRAPHICAL AREAS

The following table breaks down the Group's loans and advances exposure by geographical region as of June 30, 2015. The geographical analysis is based on location of the customers and has taken account of transfer of risk.

(a) Gross advances to customers by geographical areas:

	June 30, 2015	December 31, 2014
Hong Kong	153,770,792	137,315,253
China	58,295,119	31,798,412
Macau	96,868	109,400
Others	4,875,077	9,314,190
	<u>217,037,856</u>	<u>178,537,255</u>

(b) Impaired advances to customers by geographical areas

	<u>June 30, 2015</u>		December 31, 2014	
	Gross impaired advances	Individually assessed impairment allowances	Gross impaired advances	Individually assessed impairment allowances
Hong Kong	<u>150,650</u>	<u>60,584</u>	<u>144,953</u>	<u>55,144</u>

More than 90% of the collective impairment allowances were allocated to Hong Kong as at June 30, 2015 and December 31, 2014.

(6) REPOSSESSED ASSETS

The balance of repossessed assets as at June 30, 2015 was \$1,038 (December 31, 2014: \$807).

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(7) INTERNATIONAL CLAIMS

International claims are exposures recorded on the statement of financial position based on the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor. For a claim on the branch of a bank, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate international claims are shown as follows:

	June 30, 2015				Total
	Banks	Official sector	Non-bank private sector		
			Non-bank financial Institutions	Non-financial private sector	
Developing Asia and Pacific	<u>289,736,910</u>	<u>3,328,056</u>	<u>694,695</u>	<u>98,346,672</u>	<u>392,106,333</u>
- of which China	<u>289,235,141</u>	<u>3,328,056</u>	<u>694,695</u>	<u>98,243,228</u>	<u>391,501,120</u>

	December 31, 2014			Total
	Banks	Public sector entities	Others	
Asia Pacific excluding Hong Kong	<u>290,009,999</u>	<u>2,891,212</u>	<u>73,792,284</u>	<u>366,693,495</u>
- of which China	<u>289,797,874</u>	<u>2,881,233</u>	<u>73,642,224</u>	<u>366,321,331</u>

These are changes of reporting basis and the categorisation on the types of counterparties as required by the HKMA in 2015, hence the disclosures reported during the year of 2014 are not directly comparable.

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(8) MAINLAND ACTIVITIES EXPOSURES

The table below summarises the Mainland activities exposure of the Bank, categorised by types of counterparties:

At June 30, 2015

Types of Counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
(a) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	44,569,534	4,790,242	49,359,776
(b) Local governments, local government-owned entities and their subsidiaries and JVs	16,974,304	210,287	17,184,591
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	47,620,179	430,501	48,050,680
(d) Other entities of central government not reported in part (a) above	946,741	165,464	1,112,205
(e) Other entities of local governments not reported in part (b) above	950,251	-	950,251
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	22,442,053	1,388,141	23,830,194
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	6,838,843	18,164	6,857,007
Total	140,341,905	7,002,799	147,344,704

Total assets after provision **546,216,440**

On-balance sheet exposures as percentage of total assets **25.69%**

At December 31, 2014

Types of Counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
(a) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	34,271,681	3,477,344	37,749,025
(b) Local governments, local government-owned entities and their subsidiaries and JVs	15,678,755	635,560	16,314,315
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	25,310,603	190,018	25,500,621
(d) Other entities of central government not reported in part (a) above	748,325	-	748,325
(e) Other entities of local governments not reported in part (b) above	660,886	-	660,886
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	19,790,579	2,559,653	22,350,232
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	3,593,194	572	3,593,766
Total	100,054,023	6,863,147	106,917,170

Total assets after provision **497,773,847**

On-balance sheet exposures as percentage of total assets **20.10%**

CHINA CONSTRUCTION BANK (ASIA) CORPORATION LIMITED
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Expressed in thousands of Hong Kong dollars, unless otherwise stated)

SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

(9) CURRENCY CONCENTRATIONS

The Group had the following net foreign currency exposures which exceeded 10% of the net foreign currency exposure in all currencies:

At June 30, 2015

HKD equivalent	RMB	USD	AUD	JPY	CHF	Others	Total
Spot assets	187,886,254	180,451,416	490,762	236,217	41,354	6,136,562	375,242,565
Spot liabilities	(186,901,636)	(167,657,330)	(2,552,225)	(179,045)	(2,571,773)	(8,387,615)	(368,249,624)
Forward purchases	138,784,976	166,157,922	3,867,933	1,327,751	2,621,603	14,496,013	327,256,198
Forward sales	(154,612,431)	(180,196,120)	(1,943,289)	(1,393,825)	(145,299)	(12,348,384)	(350,639,348)
Net short position (note)	<u>(14,842,837)</u>	<u>(1,244,112)</u>	<u>(136,819)</u>	<u>(8,902)</u>	<u>(54,115)</u>	<u>(103,424)</u>	<u>(16,390,209)</u>
Net structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

At December 31, 2014

HKD equivalent	RMB	USD	AUD	JPY	CHF	Others	Total
Spot assets	210,562,526	117,301,148	595,424	496,227	39,668	1,688,790	330,683,783
Spot liabilities	(171,403,976)	(142,930,600)	(2,183,195)	(182,669)	(2,677,013)	(2,813,211)	(322,190,664)
Forward purchases	59,879,287	121,581,492	4,032,425	718,044	2,824,067	4,052,719	193,088,034
Forward sales	(99,452,898)	(94,913,588)	(2,613,027)	(1,057,509)	(475,253)	(2,934,438)	(201,446,713)
Net long / (short) position	<u>(415,061)</u>	<u>1,038,452</u>	<u>(168,373)</u>	<u>(25,907)</u>	<u>(288,531)</u>	<u>(6,140)</u>	<u>134,440</u>
Net structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The net option position was calculated using the Simplified Approach and there was no net option position as at June 30, 2015 and December 31, 2014.

Note: The net short position of RMB include the RMB capital related assets amounted to RMB12.4billion which have been converted into Hong Kong dollars during the first half of 2015.