

China Construction Bank Corporation – Hong Kong Branch
Financial Information Disclosure Statement
For the six months ended 30 June 2017

Section A: Hong Kong Branch Information

Income Statement

	<i>Note</i>	<i>Six months ended 30 June 2017 HK\$'000</i>	<i>Six months ended 30 June 2016 HK\$'000</i>
Interest income		5,875,514	3,792,881
Interest expense		(4,745,834)	(3,052,800)
Net interest income		1,129,680	740,081
Net fee and commission income	1	138,899	157,328
Net trading gains	2	50,893	448,229
Other operating income	3	21,969	284,657
Operating income		1,341,441	1,630,295
Operating expenses	4	(253,913)	(218,393)
		1,087,528	1,411,902
Impairment allowances released/(charged) on loans and advances		222,538	(415,073)
Profit on disposal of fixed assets		-	30
Profit before tax		1,310,066	996,859
Taxation charge	5	(219,446)	(176,252)
Net profit		1,090,620	820,607

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Statement of Financial Position

	Note	<i>As at 30 June 2017 HK\$'000</i>	<i>As at 31 December 2016 HK\$'000</i>
Assets			
Cash and balances with banks		42,540,691	71,219,652
Placements with banks with residual contractual maturity more than one month but not more than twelve months		25,603,494	12,966,360
Loans to banks		1,500,971	166,972
Amounts due from overseas offices		142,588,877	108,095,044
Trade bills		9,756,308	12,243,562
Certificates of deposit held		91,845,636	86,964,535
Loans and advances to customers and other accounts	6	232,174,104	242,233,075
Available-for-sale and held-to-maturity securities	11	69,947,777	42,710,404
Unlisted equity investment		1	1
Fixed assets		4	19
Other assets		329,334	313,792
Total assets		<u>616,287,197</u>	<u>576,913,416</u>
Equity and liabilities			
Deposits from banks		129,508,604	166,670,491
Deposits from customers	12	171,157,377	136,922,703
Amounts due to overseas offices		171,732,131	173,058,980
Certificates of deposit issued		126,286,674	72,600,572
Other liabilities		17,133,241	26,622,337
Total liabilities		<u>615,818,027</u>	<u>575,875,083</u>
Reserves	15	469,170	1,038,333
Total equity and liabilities		<u>616,287,197</u>	<u>576,913,416</u>

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Notes to the financial information

1 Net fee and commission income

	<i>For the six months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	HK\$'000	HK\$'000
Fee and commission income	143,791	219,963
Fee and commission expense	(4,892)	(62,635)
	<u>138,889</u>	<u>157,328</u>

2 Net trading gains

	<i>For the six months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	HK\$'000	HK\$'000
Gains less losses arising from trading in foreign currencies	55,596	448,907
Gains less losses from other trading activities	(4,703)	(678)
	<u>50,893</u>	<u>448,229</u>

Net trading gains included a foreign exchange revaluation gain of HKD66 million (30 June 2016: HKD125 million) on RMB foreign exchange contracts entered into for hedging the position of the CCB Group.

3 Other operating income

	<i>For the six months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	HK\$'000	HK\$'000
Net gains on disposal of available-for-sale financial assets	11,692	278,315
Others	10,277	6,342
	<u>21,969</u>	<u>284,657</u>

4 Operating expenses

	<i>For the six months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	HK\$'000	HK\$'000
Premises expenses	5,665	5,834
Management fee paid	233,960	206,458
Others	14,288	6,101
	<u>253,913</u>	<u>218,393</u>

5 Taxation charge

	<i>For the six months ended</i>	
	<i>30 June 2017</i>	<i>30 June 2016</i>
	HK\$'000	HK\$'000
Current tax – Hong Kong Profits Tax		
- Provision for the year	179,693	232,922
Current tax – Overseas		
- Withholding tax charged in the Mainland	3,201	11,829
Deferred tax		
- Origination and reversal of temporary differences	36,552	(68,499)
	<u>219,446</u>	<u>176,252</u>

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Notes to the financial information (continued)

<i>6 Loans and advances to customers and other accounts</i>	<i>As at 30 June 2017 HK\$'000</i>	<i>As at 31 December 2016 HK\$'000</i>
Loans and advances to customers	214,574,029	220,154,611
Less: Impairment allowances		
- Collectively assessed	<u>(1,004,006)</u>	<u>(1,224,409)</u>
	<u>213,570,023</u>	<u>218,930,202</u>
Other accounts		
- Accrued interest receivables	3,751,899	2,987,854
- Others	<u>14,852,182</u>	<u>20,315,019</u>
	<u>18,604,081</u>	<u>23,302,873</u>
	<u>232,174,104</u>	<u>242,233,075</u>

7 Analysis of loans and advances to customers

The following economic sector analysis is based on the categories and definitions used by the Hong Kong Monetary Authority:

(a) Analysis by industry categories

	<u><i>As at 30 June 2017</i></u>		<u><i>As at 31 December 2016</i></u>	
	<i>HK\$'000</i>	<i>% covered by collateral</i>	<i>HK\$'000</i>	<i>% covered by collateral</i>
<i>Industry categories:</i>				
Industrial, commercial and financial				
- Property development	4,921,686	28.80%	6,892,948	3.72%
- Property investment	6,453,873	73.89%	7,483,194	72.34%
- Financial concerns	13,320,228	90.41%	13,795,174	82.46%
- Wholesale and retail trade	9,533,553	5.44%	8,014,453	0.00%
- Manufacturing	172,589	100.00%	763,740	21.84%
- Transport and transport equipment	5,222,607	31.27%	5,021,024	14.08%
- Information technology	438,000	0.00%	4,218,719	0.00%
- Others	<u>9,783,430</u>	<u>4.64%</u>	<u>8,860,419</u>	<u>41.28%</u>
Loans and advances for use in				
Hong Kong	49,845,966	42.15%	55,049,671	39.20%
Trade Finance	11,230,774	2.73%	13,651,099	0.03%
Loans and advances for use outside				
Hong Kong	<u>153,497,289</u>	<u>52.63%</u>	<u>151,453,841</u>	<u>31.97%</u>
Total	<u>214,574,029</u>	<u>47.58%</u>	<u>220,154,611</u>	<u>31.80%</u>

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Notes to the financial information (continued)

7 Analysis of loans and advances to customers (continued)

(b) Analysis by geographical areas

	<i>Total loans and advances to customers</i> HK\$'000	<i>Impaired loans and advances to customers</i> HK\$'000	<i>Overdue loans and advances to customers</i> HK\$'000	<i>Individual impairment allowances</i> HK\$'000	<i>Collective impairment allowances</i> HK\$'000
As at 30 June 2017					
Hong Kong	157,881,269	-	-	-	809,480
The Mainland	44,412,662	-	-	-	82,465
United Arab Emirates	1,022,195	-	-	-	13,270
Others	11,257,903	-	-	-	98,791
Total	214,574,029	-	-	-	1,004,006
As at 31 December 2016					
Hong Kong	160,423,144	-	-	-	992,954
The Mainland	47,457,009	-	-	-	94,456
United Arab Emirates	4,276,199	-	-	-	47,939
Others	7,998,259	-	-	-	89,060
Total	220,154,611	-	-	-	1,224,409

Loans and advances to customers by geographical area are classified according to the location of the counterparties.

8 Overdue and rescheduled assets

(a) Overdue loans and advances

There were no overdue loans and advances as at 30 June 2017 and 31 December 2016.

(b) Rescheduled loans and advances

There were no rescheduled loans and advances as at 30 June 2017 and 31 December 2016.

(c) Other overdue assets

	<i>As at 30 June 2017</i> HK\$'000	<i>As at 31 December 2016</i> HK\$'000
Over one year	<u>95,274</u>	<u>94,648</u>

There were no other assets overdue for over three months but one year or less as at 30 June 2017 and 31 December 2016.

9 Impaired loans and advances

Impaired loans and advances to customers are those loans and advances where full repayment of principal and/or interest is considered unlikely and are so classified as soon as such a situation becomes apparent.

There were no impaired loans and advances and repossessed assets as at 30 June 2017 and 31 December 2016.

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Notes to the financial information (continued)

10 Mainland activities exposures

(i) As at 30 June 2017

<i>Types of counterparties</i>	<i>On-balance sheet exposure HK\$'000</i>	<i>Off-balance sheet exposure HK\$'000</i>	<i>Total HK\$'000</i>
(a) Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	100,046,300	23,903,460	123,949,760
(b) Local governments, local government-owned entities and their subsidiaries and JVs	11,107,351	2,011,238	13,118,589
(c) PRC nationals residing in the Mainland or other entities incorporated in the Mainland and their subsidiaries and JVs	70,315,330	4,545,201	74,860,531
(d) Other entities of central government not reported in item (a) above	2,790,258	648,961	3,439,219
(e) Other entities of local governments not reported in item (b) above	-	-	-
(f) PRC nationals residing outside the Mainland or entities incorporated outside the Mainland where the credit is granted for use in the Mainland	6,686,421	4,279,923	10,966,344
(g) Other counterparties where the exposure is considered by the reporting institution to be non-bank Mainland exposures	572,738	-	572,738
Total	<u>191,518,398</u>	<u>35,388,783</u>	<u>226,907,181</u>
Total assets after provision	<u>616,287,197</u>		
On-balance sheet exposures as percentage of total assets	<u>31.08%</u>		

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Notes to the financial information (continued)

10 Mainland activities exposures (continued)

(ii) As at 31 December 2016

<i>Types of counterparties</i>	<i>On-balance sheet exposure HK\$'000</i>	<i>Off-balance sheet exposure HK\$'000</i>	<i>Total HK\$'000</i>
(a) Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	106,405,921	22,759,575	129,165,496
(b) Local governments, local government-owned entities and their subsidiaries and JVs	11,008,733	2,095,463	13,104,196
(c) PRC nationals residing in the Mainland or other entities incorporated in the Mainland and their subsidiaries and JVs	60,843,172	4,113,391	64,956,563
(d) Other entities of central government not reported in item (a) above	2,636,209	516,947	3,153,156
(e) Other entities of local governments not reported in item (b) above	-	-	-
(f) PRC nationals residing outside the Mainland or entities incorporated outside the Mainland where the credit is granted for use in the Mainland	8,577,117	436,228	9,013,345
(g) Other counterparties where the exposure is considered by the reporting institution to be non-bank Mainland exposures	662,905	-	662,905
Total	190,134,057	29,921,604	220,055,661
Total assets after provision	576,913,416		
On-balance sheet exposures as percentage of total assets	32.96%		

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Notes to the financial information (continued)

<i>11 Available-for-sale and held-to-maturity securities</i>	<i>As at</i> <i>30 June 2017</i> HK\$'000	<i>As at</i> <i>31 December 2016</i> HK\$'000
Available-for-sale securities	69,947,777	42,710,404
Held-to-maturity securities	95,274	94,648
	<u>70,043,051</u>	<u>42,805,052</u>
Less: Impairment allowances		
- Individually assessed	(95,274)	(94,648)
Total	<u>69,947,777</u>	<u>42,710,404</u>
<i>12 Deposits from customers</i>	<i>As at</i> <i>30 June 2017</i> HK\$'000	<i>As at</i> <i>31 December 2016</i> HK\$'000
Demand deposits and current accounts	765,537	896,904
Savings deposits	6,991,462	7,869,557
Time, call and notice deposits	163,400,378	128,156,242
	<u>171,157,377</u>	<u>136,922,703</u>

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Notes to the financial information (continued)

13 International claims

The international claims are the sum of cross-border claims in all currencies and local claims in foreign currencies. International claims include loans and advances to customers, deposits and placements with banks and non-bank financial institutions, holdings of trade bills and certificates of deposit and investment securities.

International claims have been disclosed by country and geographical area. A country or geographical area is reported when it constitutes 10% or more of the aggregate amount of international claims, after taking into account any risk transfer. Risk is transferred only when the Branch effectively transfers the risk from a particular country or geographical area to other country or geographical area by applying credit risk mitigants. The credit risk can be mitigated through guarantees, collateral and credit derivatives.

	<i>Banks</i> HK\$'000	<i>Official sector</i> HK\$'000	<i>Non-bank private sector</i>		<i>Total</i> HK\$'000
			<i>Non-bank financial institutions</i> HK\$'000	<i>Non-financial private sector</i> HK\$'000	
As at 30 June 2017					
Offshore centres	24,803,749	-	4,322,353	50,589,419	79,715,521
- of which					
Hong Kong	<u>23,869,756</u>	<u>-</u>	<u>4,245,566</u>	<u>49,005,336</u>	<u>77,120,658</u>
Developing Asia and Pacific	316,990,866	-	34,050,564	75,673,350	426,714,780
- of which the Mainland	<u>316,990,844</u>	<u>-</u>	<u>34,050,564</u>	<u>75,199,980</u>	<u>426,241,388</u>
	<i>Banks</i> HK\$'000	<i>Official sector</i> HK\$'000	<i>Non-bank private sector</i>		<i>Total</i> HK\$'000
			<i>Non-bank financial institutions</i> HK\$'000	<i>Non-financial private sector</i> HK\$'000	
As at 31 December 2016					
Offshore centres	58,607,824	-	7,300,497	54,466,993	120,375,314
- of which					
Hong Kong	<u>58,603,751</u>	<u>-</u>	<u>7,216,752</u>	<u>52,427,192</u>	<u>118,247,695</u>
Developing Asia and Pacific	263,649,189	-	31,711,153	75,944,442	371,304,784
- of which the Mainland	<u>263,649,189</u>	<u>-</u>	<u>31,711,153</u>	<u>75,631,339</u>	<u>370,991,681</u>

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Notes to the financial information (continued)

14 Foreign currency exposures

Net foreign currency positions amounting to 10% or more of the net position in all foreign currencies are disclosed as follows:

As at 30 June 2017	<i>USD</i> HK\$'000 equiv	<i>CNY</i> HK\$'000 equiv
Spot assets	288,962,111	154,574,814
Spot liabilities	(286,522,701)	(150,728,591)
Forward purchases	214,380,322	187,367,794
Forward sales	(216,682,112)	(192,284,693)
Net long / (short) position	<u>137,620</u>	<u>(1,070,676)</u>
As at 31 December 2016	<i>USD</i> HK\$'000 equiv	<i>CNY</i> HK\$'000 equiv
Spot assets	263,663,088	159,817,904
Spot liabilities	(268,039,373)	(152,492,561)
Forward purchases	241,116,124	207,098,795
Forward sales	(238,277,343)	(213,491,428)
Net (short) / long position	<u>(1,537,504)</u>	<u>932,710</u>

There was no structural and option position as at 30 June 2017 and 31 December 2016.

15 Reserves

The components of reserves are as follows

	<i>As at</i> 30 June 2017 HK\$'000	<i>As at</i> 31 December 2016 HK\$'000
Available-for-sale securities revaluation reserve, net of deferred tax	(816,274)	(552,359)
Regulatory reserve	194,824	194,824
Retained earnings	1,090,620	1,395,868
Total reserves	<u>469,170</u>	<u>1,038,333</u>

The regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes. Movements in the reserve are made directly through retained earnings and in consultation with the Hong Kong Monetary Authority. There was no movement of regulatory reserve during six months ended 30 June 2017 and year ended 31 December 2016.

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Notes to the financial information (continued)

16 Off-balance sheet exposures

(a) The contractual or notional amounts	<i>As at</i> <i>30 June</i> <i>2017</i> HK\$'000	<i>As at</i> <i>31 December</i> <i>2016</i> HK\$'000
Contingent liabilities and commitments		
- Direct credit substitutes	29,575,417	39,142,956
- Trade-related contingencies	682,386	1,635,087
- Other commitments	<u>38,575,580</u>	<u>21,062,295</u>
	<u>68,833,383</u>	<u>61,840,338</u>

	<i>As at 30 June 2017</i>		<i>As at 31 December 2016</i>	
	<i>Trading</i> HK\$'000	<i>Hedging</i> HK\$'000	<i>Trading</i> HK\$'000	<i>Hedging</i> HK\$'000
Derivatives				
- Exchange rate contracts	444,452,148	172,589	480,695,828	166,796
- Interest rate contracts	<u>892,316</u>	<u>14,487,707</u>	<u>1,731,258</u>	<u>11,518,338</u>
	<u>445,344,464</u>	<u>14,660,296</u>	<u>482,427,086</u>	<u>11,685,134</u>

The contractual or notional amounts of these instruments indicate the volume of transactions outstanding as of the balance sheet date. They do not represent amounts at risk.

(b) Fair value of derivatives

As at 30 June 2017	<i>Trading</i>		<i>Hedging</i>	
	<i>Positive</i> <i>fair value</i> HK\$'000	<i>Negative</i> <i>fair value</i> HK\$'000	<i>Positive</i> <i>fair value</i> HK\$'000	<i>Negative</i> <i>fair value</i> HK\$'000
- Exchange rate contracts	4,103,938	(4,433,770)	-	(13,764)
- Interest rate contracts	<u>637</u>	<u>(1,048)</u>	<u>122,770</u>	<u>(67,563)</u>
	<u>4,104,575</u>	<u>(4,434,818)</u>	<u>122,770</u>	<u>(81,327)</u>
As at 31 December 2016	<i>Trading</i>		<i>Hedging</i>	
	<i>Positive</i> <i>fair value</i> HK\$'000	<i>Negative</i> <i>fair value</i> HK\$'000	<i>Positive</i> <i>fair value</i> HK\$'000	<i>Negative</i> <i>fair value</i> HK\$'000
- Exchange rate contracts	9,194,789	(9,350,487)	-	(22,874)
- Interest rate contracts	<u>1,536</u>	<u>(1,536)</u>	<u>260,287</u>	<u>(13,615)</u>
	<u>9,196,325</u>	<u>(9,352,023)</u>	<u>260,287</u>	<u>(36,489)</u>

There is no effect of bilateral netting agreement on the fair value of derivatives.

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Notes to the financial information (continued)

17 Liquidity

(a) Average liquidity coverage ratio ("LCR")

	<i>2017</i>	<i>2016</i>
First quarter	120.60%	120.34%
Second quarter	120.95%	136.23%

The average LCR for each quarter in 2017 is based on the arithmetic mean of its LCR as at the end of each working day in the quarter. The average LCR for each quarter in 2016 is based on the arithmetic mean of its LCR as at each month-end in the quarter as required by the Hong Kong Monetary Authority for its regulatory purposes.

The composition of the Branch's high quality liquid assets ("HQLA") as defined under Schedule 2 of the Banking (Liquidity) Rules is shown as below.

	<i>Weighted amount (Average value)</i>			
	<i>Quarter ended 30 June 2017</i>	<i>Quarter ended 31 March 2017</i>	<i>Quarter ended 30 June 2016</i>	<i>Quarter ended 31 March 2016</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Level 1 assets	112,107,708	112,430,863	57,719,338	33,910,108
Level 2A assets	3,862,606	-	-	-
Level 2B assets	137,919	118,591	122,484	508,631
Total weighted amount of HQLA	<u>116,108,233</u>	<u>112,549,454</u>	<u>57,841,822</u>	<u>34,418,739</u>

To comply with the Banking (Disclosure) Rules, the Liquidity Coverage Ratio Standard Disclosure Template is shown in the appendix.

(b) Liquidity risk management

Liquidity risk management strategy

Liquidity risk is the risk that the Hong Kong Branch of China Construction Bank Corporation (the "Branch") may not be able to fund the increase in assets or meet obligations as they fall due without incurring unacceptable losses. This may be caused by market disruption or liquidity squeeze whereby the Branch may only unwind specific exposures at significantly discounted values.

The Branch adopts a prudent risk appetite in setting liquidity risk tolerance. Risk appetite is set in the form of liquidity risk limits and metric framework.

The Branch sets its liquidity funding strategy according to the size and sophistication of its business, as well as the nature and complexity of its activities. It also ensures that the Branch complies with applicable statutory and prudential liquidity coverage ratios and requirements.

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Notes to the financial information (continued)

17 Liquidity (continued)

(b) Liquidity risk management (continued)

Liquidity risk management strategy (continued)

The objective of the Branch's funding strategy is to strive for a balance between business growth opportunities and funding stability. The Branch seeks to maintain diversified and stable funding sources with an appropriate mix of liabilities including customer deposits, interbank borrowings, issuance of negotiable certificates of deposit and debt instruments.

The Branch's liquidity cushion consists of cash, balances at central banks and high quality marketable securities issued or guaranteed by sovereigns, central banks, mainland policy banks and non-financial corporate debt securities. The definition of liquidity cushion being held by the Branch is consistent with that of High Quality Liquid Assets for purposes of determining the Branch's Liquidity Coverage Ratio.

To manage the currency mismatch and avoid over-reliance on the currency swap market, the Branch sets limits on swapped fund ratios of major currency positions which are subject to daily monitoring. The swapped fund ratios limit the extent of one currency's assets being funded by other currencies through the swap market.

The funding support provided by CCB Head Office is one of the key sources of liquidity backstop during times of liquidity stress.

Liquidity risk management responsibilities

The Executive Committee is ultimately responsible for having an effective liquidity risk management framework in place. Risk Management Committee ("RMC") is set up to oversee the Branch's overall asset quality as well as resolving all important risk-related or governance issues including those on liquidity risk. The RMC is responsible for providing guidance and overseeing the Branch's liquidity risk management strategy; review or approve liquidity risk management policies and review the Branch's liquidity risk position.

The Asset and Liability Committee ("ALCO") is a functional committee formed under the Executive Committee to oversee the Branch's assets and liabilities. Its main responsibility is to develop strategies on the asset and liability structure according to the annual business plan and financial budget assigned by Head Office.

Regular meetings of various committees are held to review the compliance status of liquidity measurements and the needs for changes in strategy and policy. Daily liquidity management is performed by the Treasury. Risk Management Division is responsible for the daily monitoring of liquidity limits and measurements, and submits regular reports of the Branch's liquidity profile to ALCO and RMC. Internal Audit periodically performs independent reviews on the Branch's liquidity management framework to ensure the validity and effectiveness of the Branch's liquidity risk management functions.

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Notes to the financial information (continued)

17 Liquidity (continued)

(b) Liquidity risk management (continued)

Liquidity risk management monitoring framework

The Liquidity risk management monitoring framework is formed by the following measures

- Cash Flow Projection is to collect the next 30-day cash flow information arisen from loan and deposit business by various front line divisions. By consolidating this projection with the cash flow from Treasury's transactions, the Branch's overall cash flow can be projected and such information will take an important part in the Branch's liquidity funding management.
- Liquidity Stress Testing is regularly conducted to project the Branch's cash flows under stress scenarios and evaluate the sufficiency of liquidity cushion. The stress scenarios cover institution-specific crisis scenario, general market crisis scenario and combined crisis scenario. The cash flows under each stress scenario are determined by applying a standard set of prescribed stress assumptions to the Branch's cash flow projection. The potential cash flow arisen from off-balance sheet items is included. The stress test results are regularly reported to the RMC and ALCO. The definition of liquidity cushion being held by the Branch is consistent to the definition of High Quality Liquid Assets for purposes of determining the Branch's Liquidity Coverage Ratio. It is the Branch's policy that the liquidity cushion should be able to cover projected cash outflows under various prescribed stress scenarios.
- Maturity Profile Analysis analyzes the assets and liabilities by their remaining maturities into different time buckets. The potential cash flow arisen from off-balance sheet items is included. The gap amount for each time bucket represents the liquidity exposure after netting the assets and liabilities maturing in the same bucket. The Branch daily monitors gap limits for each time bucket.
- Swapped Fund Ratio is designed to measure the reliance of the Branch on FX Swap market to fund the currency mismatch. Branch sets limits on swapped fund ratios of major currency positions which are subject to daily monitoring.

Contingency funding plan ("CFP")

The Branch has a CFP which clearly defines a set of triggering events that will activate the plan as well as the mechanisms for identification, monitoring and reporting of such events. The mechanisms incorporate:

- A set of early warning indicators that helps to identify any emerging liquidity risks at an early stage;
- A list of potential funding sources, with due consideration of their reliability, priority and the expected available time during liquidity crisis; and
- Detailed action steps and properly assigned responsibilities to implement the CFP in case of need.

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B. Bank Information (consolidated basis)

I. Capital and capital adequacy	<i>As at</i> <i>30 June 2017</i> RMB million	<i>As at</i> <i>31 December 2016</i> RMB million
Total capital ratio	14.50%	14.94%
Total equity	1,644,602	1,589,654

The capital adequacy ratio is calculated in accordance with the guidelines issued by the China Banking Regulatory Commission. These guidelines are different from the document or Directive referred to in paragraph (a) Section 105 Chapter 155M of Banking (Disclosure) Rules.

II. Other financial information	<i>As at</i> <i>30 June 2017</i> RMB million	<i>As at</i> <i>31 December 2016</i> RMB million
Total assets	21,692,067	20,963,705
Total liabilities	20,047,465	19,374,051
Total loans and advances to customers	12,204,730	11,488,355
Total customer deposits	16,274,393	15,402,915
	<i>For the six months ended</i>	
	<i>30 June 2017</i> RMB million	<i>30 June 2016</i> RMB million
Profit before tax	172,093	169,878

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Statement of compliance

To the best of my knowledge, the information disclosed complies fully with disclosure provisions of the Banking (Disclosure) Rules.



Jiang Xianzhou
Chief Executive
China Construction Bank Corporation, Hong Kong Branch

China Construction Bank Corporation - Hong Kong Branch
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 Appendix: Liquidity Coverage Ratio Standard Disclosure Template

Number of data points used in calculating the average value of the Liquidity Coverage Ratio (LCR) and related components set out in this Template for the quarter ending on 31 March 2016, 30 June 2016, 31 March 2017 and 30 June 2017 Basis of disclosure: Hong Kong office Currency: HK\$'000		Quarter ended 30 June 2017 (Number of data points: 59)		Quarter ended 31 March 2017 (Number of data points: 62)		Quarter ended 30 June 2016 (Number of data points: 3)		Quarter ended 31 March 2016 (Number of data points: 3)	
		UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)	UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)	UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)	UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)
A. HIGH QUALITY LIQUID ASSETS									
1	Total high quality liquid assets (HQLA)		116,108,233		112,549,454		57,841,822		34,418,739
B. CASH OUTFLOWS									
2	Retail deposits and small business funding, of which		-		-		32		36
3	Stable retail deposits and stable small business funding		-		-		-		-
4	Less stable retail deposits and less stable small business funding		-		-		-		-
5	Retail term deposits and small business term funding		-		-		32		36
6	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the institution, of which:	164,275,668	134,171,077	149,376,165	125,623,547	176,449,350	154,721,735	127,642,390	101,942,737
7	Operational deposits		-		-		-		-
8	Unsecured wholesale funding (other than small business funding) not covered in Row 7	149,512,657	119,408,146	138,672,356	111,917,738	167,368,887	145,641,272	109,034,952	83,435,299
9	Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period	14,762,931	14,762,931	10,705,809	10,705,809	8,050,463	9,080,463	18,507,438	18,507,438
10	Secured funding transactions (including securities swap transactions)		-		-		-		-
11	Additional requirements, of which	30,143,768	4,704,399	23,321,093	3,405,377	20,905,978	3,085,612	16,396,609	2,841,144
12	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	489,045	489,045	423,703	423,703	438,905	438,905	434,789	434,789
13	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions		-		-		-		-
14	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	29,654,723	4,215,354	22,697,390	2,981,674	20,467,073	2,646,707	15,861,810	2,406,345
15	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	4,619,134	4,619,134	2,778,099	2,778,099	858,717	858,717	5,415,127	5,415,127
16	Other contingent funding obligations (whether contractual or non-contractual)	103,864,021	3,000,112	93,148,341	3,205,573	47,657,546	4,235,867	45,605,308	4,203,178
17	TOTAL CASH OUTFLOWS		146,494,722		132,072,596		182,801,983		114,402,222
C. CASH INFLOWS									
18	Secured lending transactions (including securities swap transactions)	2,691,550	-	98,404	-	-	-	-	-
19	Secured and unsecured loans (other than secured lending transactions covered in Row 18) and operational deposits placed at other financial institutions	80,121,238	37,487,284	59,707,864	27,599,276	134,445,189	107,257,711	120,009,341	101,545,219
20	Other cash inflows	13,052,518	13,027,483	11,176,127	11,089,623	8,213,641	13,186,512	3,086,857	17,654,688
21	TOTAL CASH INFLOWS		75,855,007		50,494,787		142,659,040		129,095,198
D. LIQUIDITY COVERAGE RATIO									
22	TOTAL HQLA		116,108,233		112,549,454		57,841,822		34,418,739
23	TOTAL NET CASH OUTFLOWS		95,995,936		93,333,785		42,467,740		28,600,556
24	LCR (%)		120.95%		120.60%		136.23%		120.34%