

# ICBC 2012

年度业绩发布  
Annual Results Announcement - IFRS



ICBC  中国工商银行

# Disclaimer

- This material is prepared by Industrial and Commercial Bank of China Limited (the "Bank") without independent verification. It does not express or imply any representation or warranty, and the accuracy, fairness or completeness of any information stated or contained in it should also not be relied upon. The Bank and any of its affiliates, advisors or representatives will not accept any responsibility for any loss caused in any manner whatsoever due to any information stated or contained in this material.
- This material may contain certain forward-looking statements that involve known or unknown risks and uncertainties, and is based on the current forecasts, assumptions and expectations of the Bank and the industry (collectively, the "expectations") which the Bank operates in. Unless otherwise required by law, the Bank assumes no obligation to update such forward-looking statements whether as a result of future events or circumstances, and it does not assume any obligation to update the expectations. Although the Bank believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee that the expectations will be proved to be correct in the future. Investors should note that actual results could be different from those expectations, and should not rely upon any forward-looking language contained in this material.



# Content

Financial Performance

1

Business Operations

2

Outlook

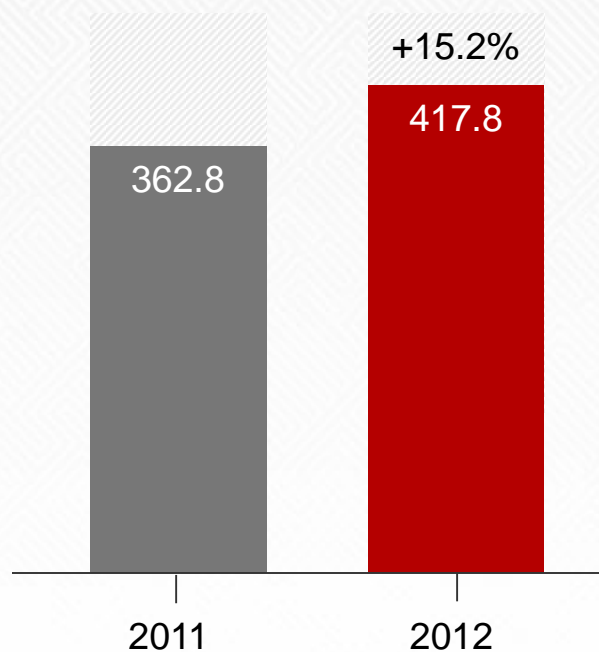
3

# Key Financials

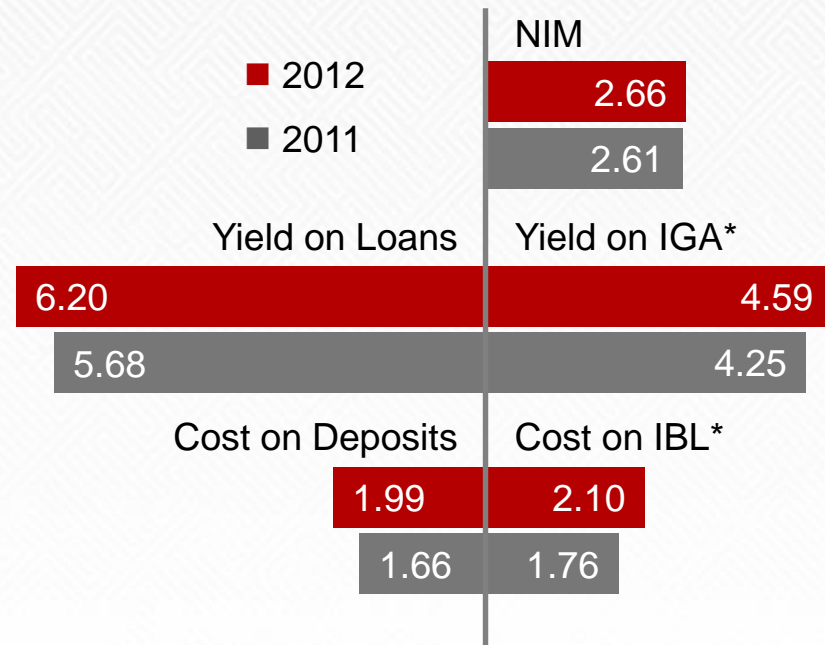
	2012	2011	Change
Net Profit (RMB)	238.7bn	208.4bn	+14.5%
Basic EPS (RMB)	0.68	0.60	+13.3%
Return on Average Total Assets	1.45%	1.44%	+1bp
Return on Weighted Average Equity	23.02%	23.44%	-42bps
Net Interest Margin	2.66%	2.61%	+5bps
Non-Performing Loans Ratio	0.85%	0.94%	-9bps
Allowance to NPL	295.55%	266.92%	+28.63pps
Capital Adequacy Ratio	13.66%	13.17%	+49bps

# NII & NIM Continue to Increase

## Stronger Net Interest Income (RMB bn)



## Wider Net Interest Margin (%)



\* IGA: Interest Generating Assets

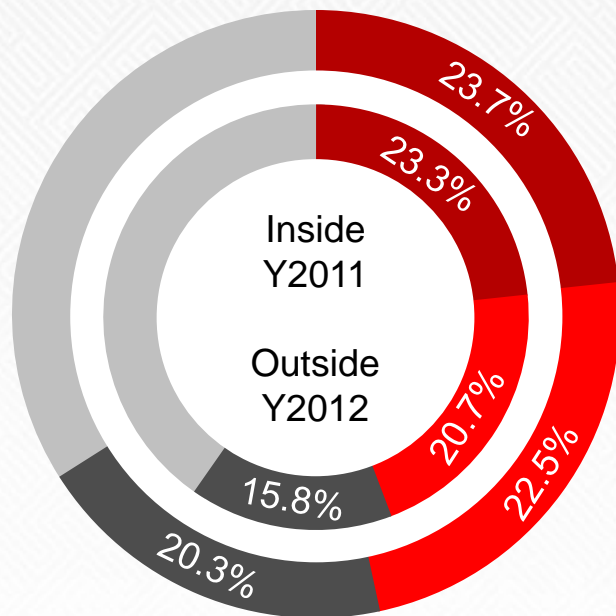
\* IBL: Interest Bearing Liabilities



# Fee & Commission Income Picks Up

## Three Main Pillars Witness Strong Growth

(%, of Fee & Commission Income)

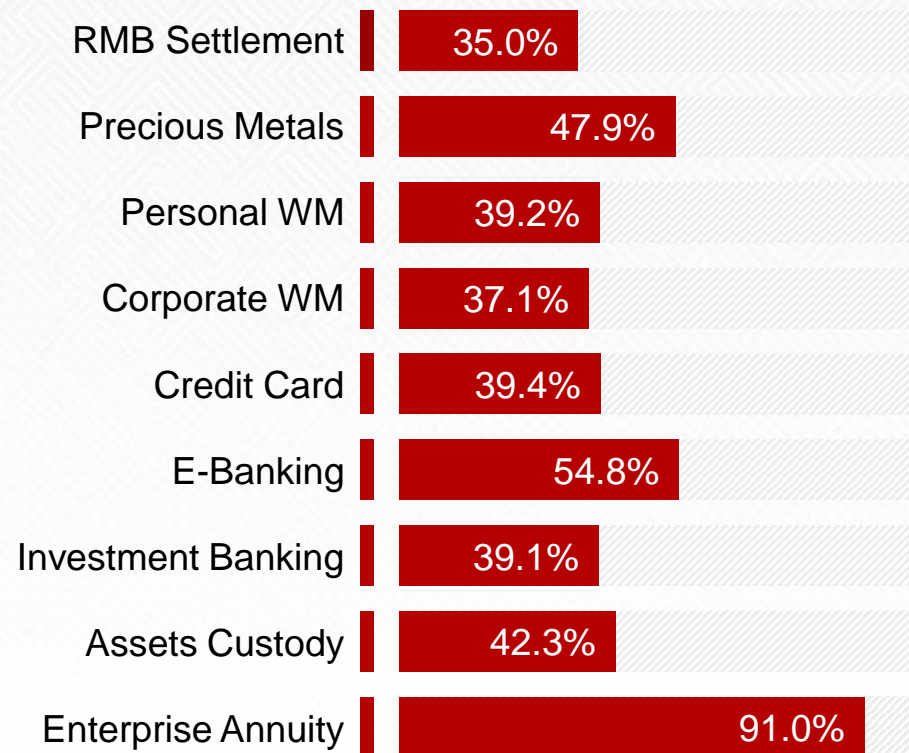


(RMB)

- Settlement, Clearing & Cash Mgt: 27.5bn
- Investment Banking: 26.1bn
- Bank Card: 23.5bn

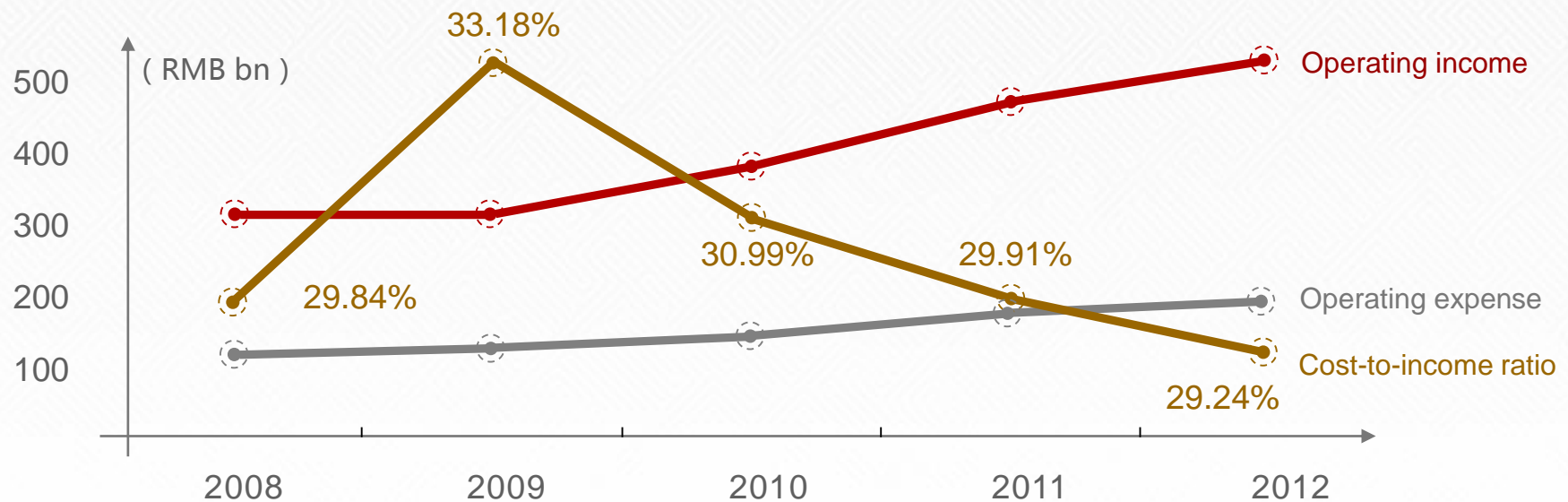
## Leading Market Shares

(Big Four Banks, Source from PBOC)

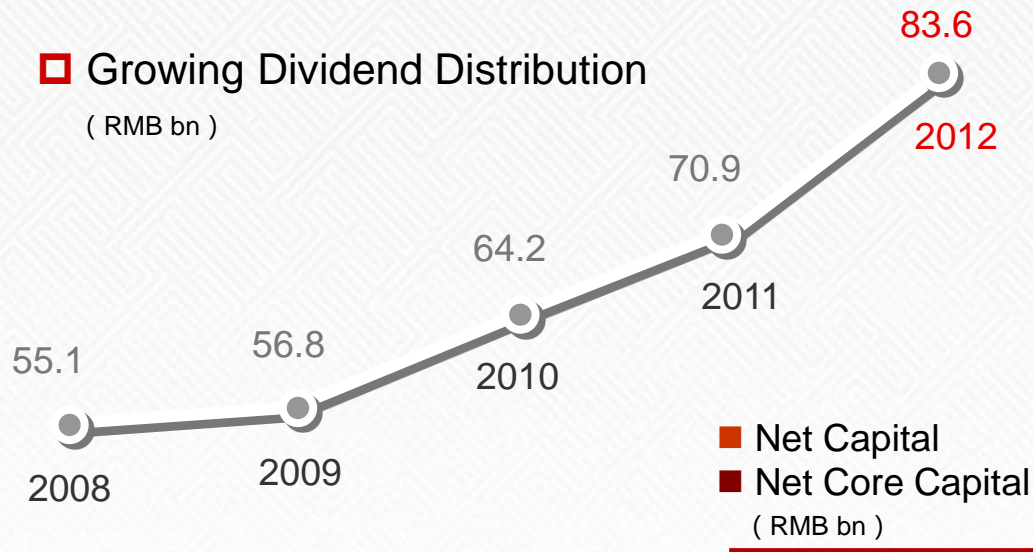


# Operating Expense Under Control with Higher Cost Efficiency

- Cost-to-income ratio 29.24%, at record low
- Operating income RMB 529.7 bn, up by 12.6%
- Operating expense RMB 189.9 bn, up by 12.0%

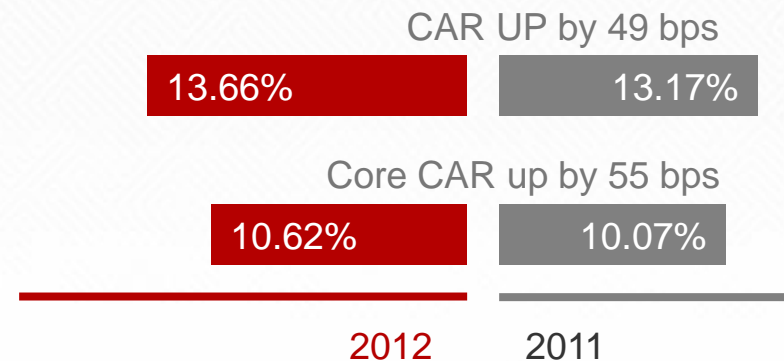


# Stronger CAR, More Dividend Distribution



## □ More Solid Capital Base

- Core capital strengthened by improved net profit
- Supplementary capital strengthened by RMB 20.0 bn subordinate debt issued in reporting period
- Well curbed RWA growth





# Content

Financial Performance

1

Business Operations

2

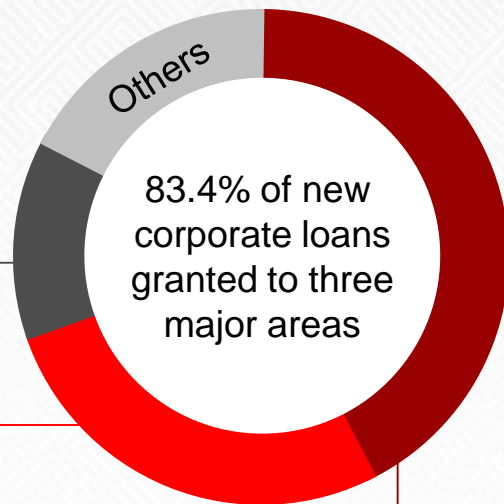
Outlook

3

# Prudent Loan Growth

## ■ New Loans Granted to Industries of Strategic Importance

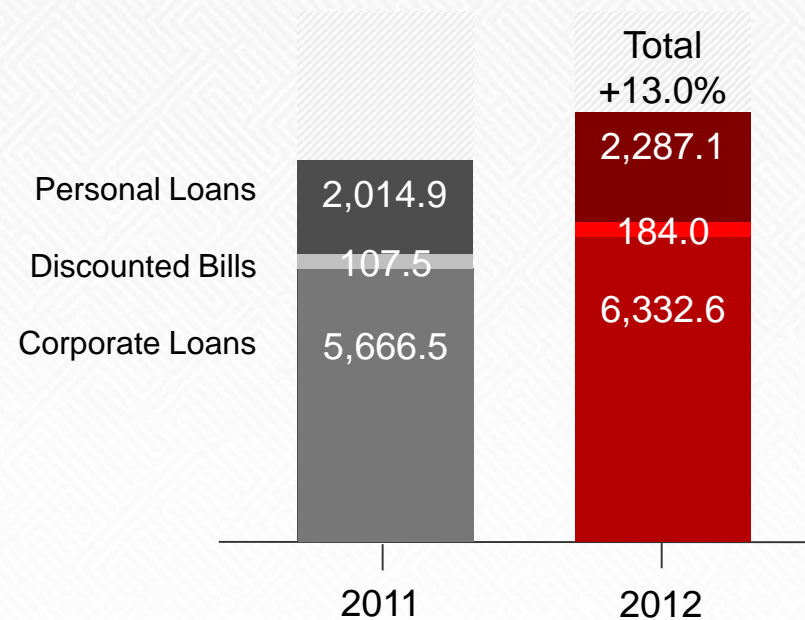
(Domestic Corporate Loan)



- Manufacturing: RMB 270.9 bn, mainly granted to advanced manufacturers and leading companies
- Wholesale and retail: RMB 170.5 bn, as major component of service industry loans
- Transportation, storage and postal services: RMB 83.1 bn

## ■ Steady & Moderate Loan Growth

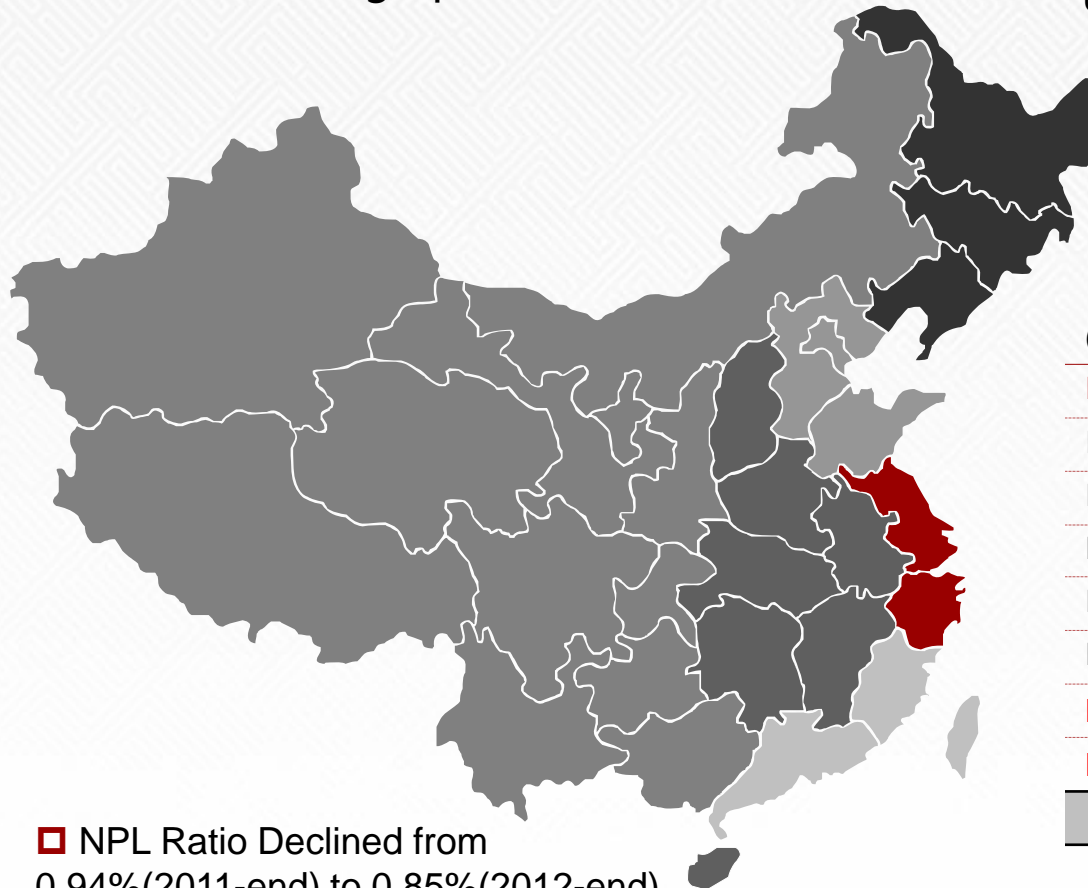
(RMB bn)





# NPL Ratio Down & Stronger Risk Coverage

## ■ A Geographic View of NPL

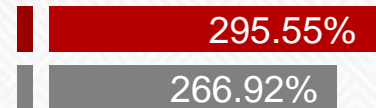


NPL Volume Edge  
Up As Total Loans Grow



■ 2011 ■ 2012

More Allowance  
of NPL

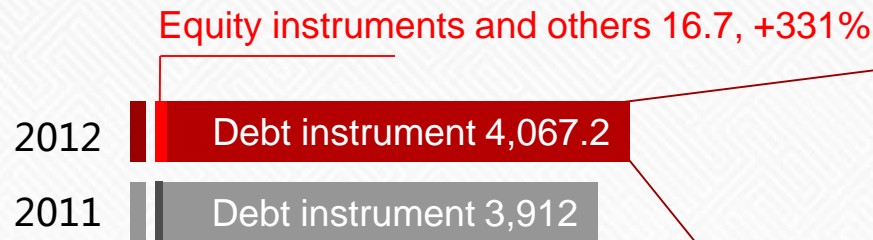


(RMB bn, %)	NPL	ratio	change
■ Yangtze River Delta	15.5	0.80	+15bps
■ Pearl River Delta	10.2	0.82	-17bps
■ Bohai Rim	13.2	0.85	-6bps
■ Central China	13.9	1.17	-12bps
■ Western China	10.8	0.71	-41bps
■ Northwestern China	5.3	1.03	-10bps
■ Overseas & Others	3.0	0.57	+4bps
■ Head office	2.8	0.90	+5bps
ICBC Group	74.6	0.85	-9bps

# Investment Assets Increase as Structure Optimized

## Investment Assets

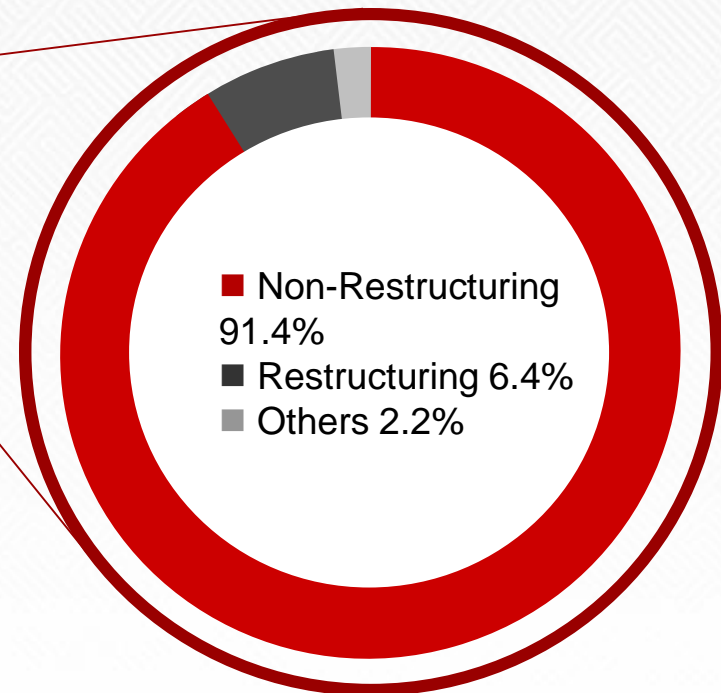
(RMB bn)



## Breakdown of Investment in Bonds not Related to Restructuring

( RMB bn, % )	Balance	Percentage
Government bonds	875.9	23.5%
Central bank bills	553.2	14.9%
Policy bank bonds	1,588.0	42.7%
Other bonds	702.3	18.9%

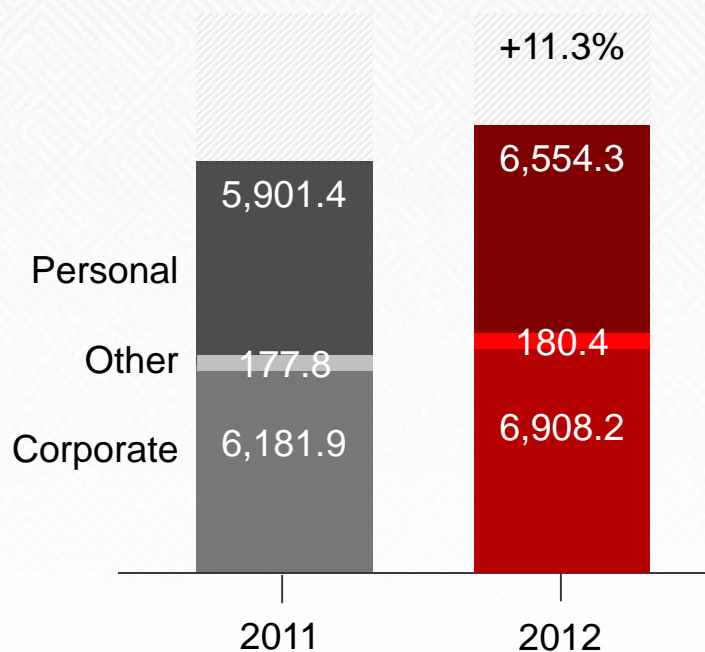
## Portfolio of Bonds





# Front-Runner in Deposits & Personal Assets

## ■ Largest Deposit Bank (Custom Deposit, Group, RMB bn)



## ■ Market Leader in Personal Financial Assets Business

Deposits	RMB 6,481.9 bn, up by 638.0 bn or 10.9% (Domestic)
Agency Sales of Funds	RMB 761.4 bn, largest among peers
Agency Sales of T-bills	RMB 60.0 bn
Agency Sales of Insurance	RMB 86.0 bn
Personal WM	Total volume RMB 4,670.6 bn, agent sales of PWM 907.4 bn, up by 57.3%
Private Banking	Over 26, 000 Private banking customers RMB 473.2 bn under mgmt

# One ICBC of Global Service Capacity

- ICBC provides financial services in 39 overseas economies, with 383 institutions
- Total overseas assets USD 162.7 bn, 5.8% of ICBC total assets
- Profit before-tax USD 1.67 bn, up by 21.8%





# Diversified Operation Enhances Synergy

## ■ ICBC-AXA

60%



- ✓ Life insurance JV opened on July 6, 2012
- ✓ Total assets RMB 10.95 bn, net assets RMB 2.69 bn
- ✓ Premium income RMB 4.75 bn, up 197% y-o-y
- ✓ Investment income RMB 14.7 bn, up 147% y-o-y

## ■ ICBC-CS

80%



- ✓ China's largest bank-invested fund mgt firm, RMB 156.8 bn under mgt
- ✓ Total assets RMB 1.01 bn, up 17.7%; net profit RMB 197 mn, up 10.1%

## ■ ICBC Leasing

100%



- ✓ China's largest financial leasing company by assets
- ✓ 79 aircrafts, 159 ships, over 24,000 equipments
- ✓ Total assets RMB 119.05 bn, up 41.8%; net profit RMB 1.17 bn, up 34.8%

## ■ ICBCI

100%



- ✓ Wholly-owned & full-licensed investment bank in HK
- ✓ The funds raised through projects under written by ICBCI accounted for 62% of the total IPOs in Hong Kong.

# Content

Financial Performance

1

Business Operations

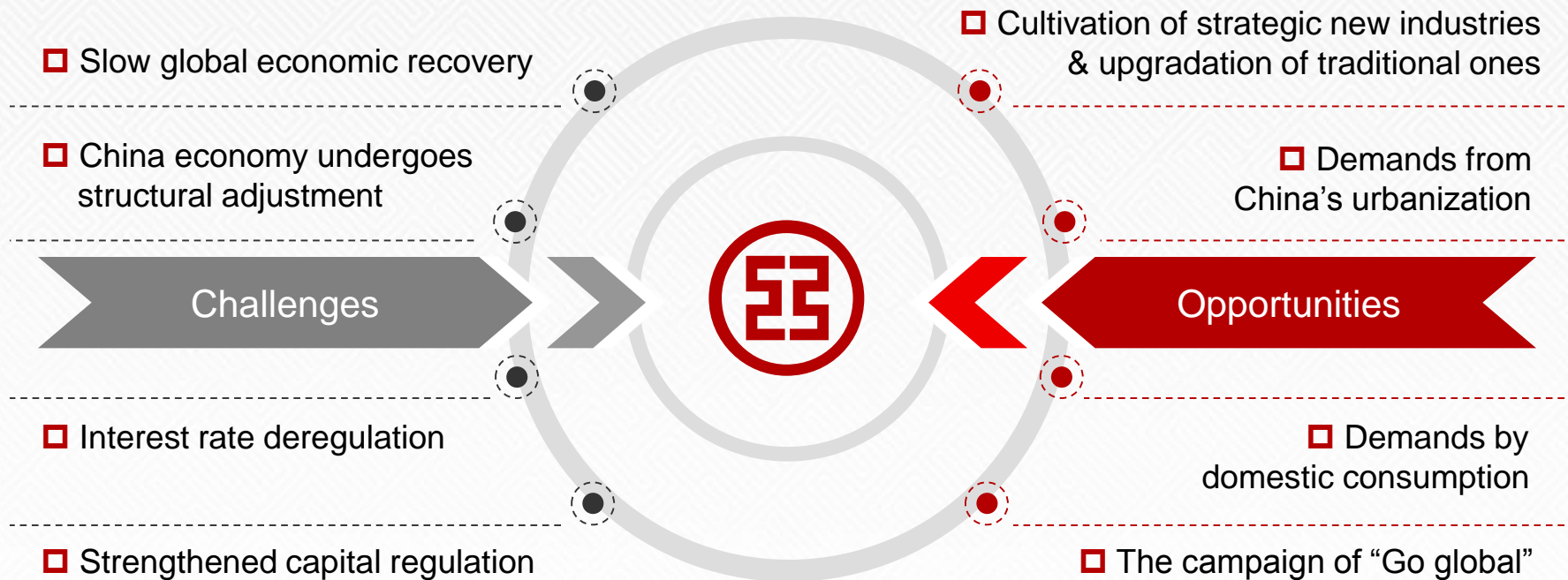
2

Outlook

3



# Challenges & Opportunities



# Outlook of ICBC

## Structural Adjustment

1

- ❑ In-depth adjustment of loan assets
- ❑ Promote new off-B/S financial assets mgt services
- ❑ Strengthen treasury business

## Improve Service Quality

3

- ❑ Facilitate more customized products
- ❑ Improve financial services for SMEs, agriculture and consumption areas
- ❑ Serve better real economy

## Global and Diversified Services

2

- ❑ International practice: explore a mode of differentiation and localization
- ❑ Diversified service: enhance non-banking financial service capacity and cross-selling

## One ICBC Strategy

4

- ❑ Leverage resources for better capital efficiency
- ❑ Streamline and consolidate internal procedures
- ❑ Improve synergy in the Group



# THANK YOU

HK1398 SH601398

Annual Results Announcement - IFRS



ICBC  中国工商银行