



中国工商银行

INDUSTRIAL AND COMMERCIAL BANK OF CHINA

Industrial and Commercial Bank of China

3Q07 Results Announcement

(IFRS)

October 25th, 2007



3Q07 Highlights

<i>(in RMB billion)</i>	<i>Three Quarters ended Sept 30th, 2007</i>	<i>Three Quarters ended Sept 30th, 2006</i>	<u><i>YoY growth (%)</i></u>
Operating income	182.2	131.3	38.7
Net fee and commission income	24.3	11.9	104.7
After-tax profit (IFRS)	64.1	38.6	66.0
EPS (in RMB yuan)	0.19	0.14	35.7
	<i>Sept 30th 2007</i>	<i>Dec. 31th 2006</i>	<u><i>changes (bp)</i></u>
NIM(%)	2.70	2.39	31
ROAA(%)	1.06	0.71	35
Weighted ROAE(%)	17.13	15.37	176
Coverage (%)	88.12	70.56	1756
NPL Ratio (%)	3.06	3.79	(73)
Cost to income ratio(%)	31.3	36.3	(500)

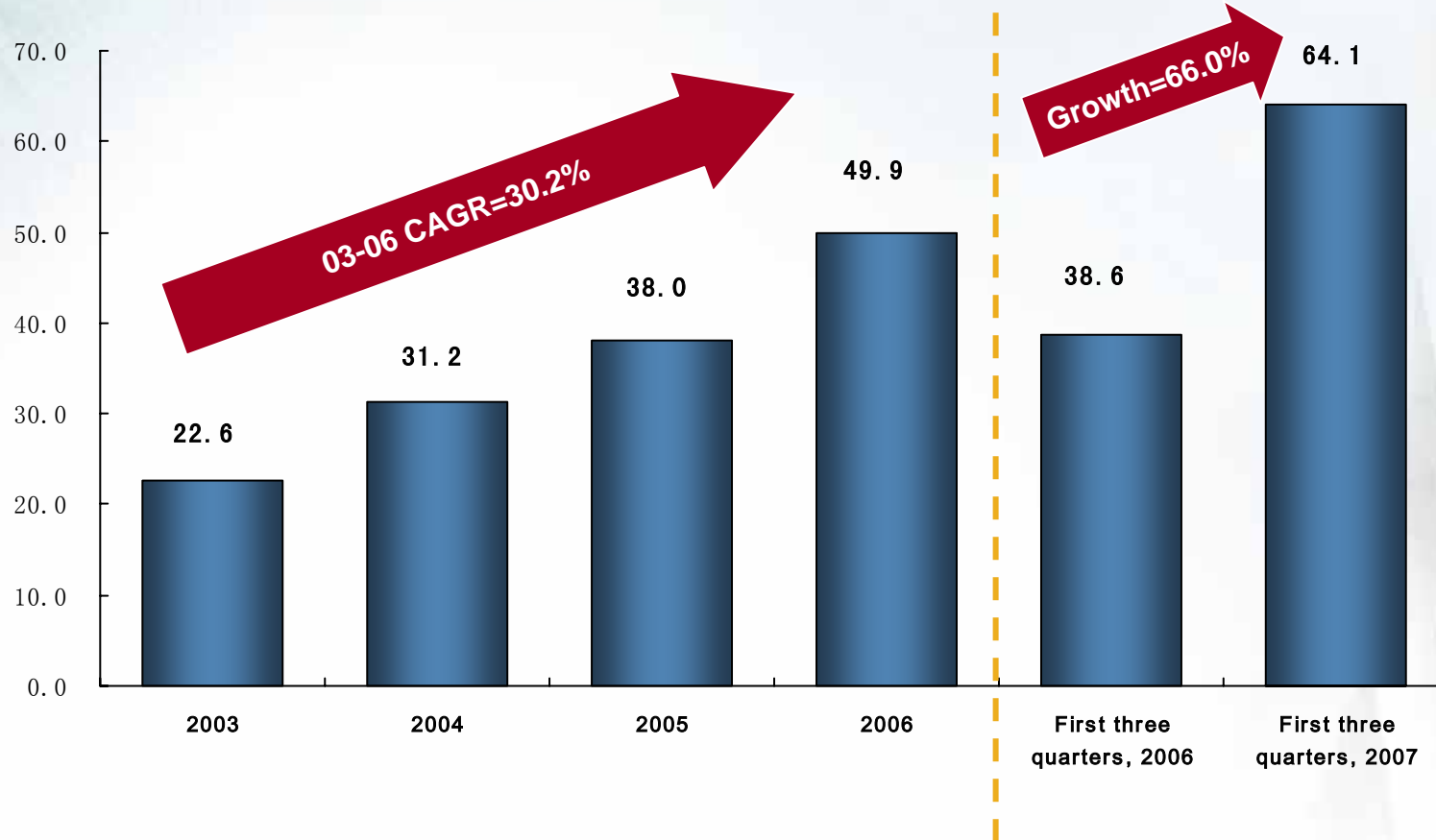
Note: NIM, ROAA, and Weighted ROAE have been annualized



Stronger Profitability, up 66%

Fast growth of profit after tax

(in RMB billion)

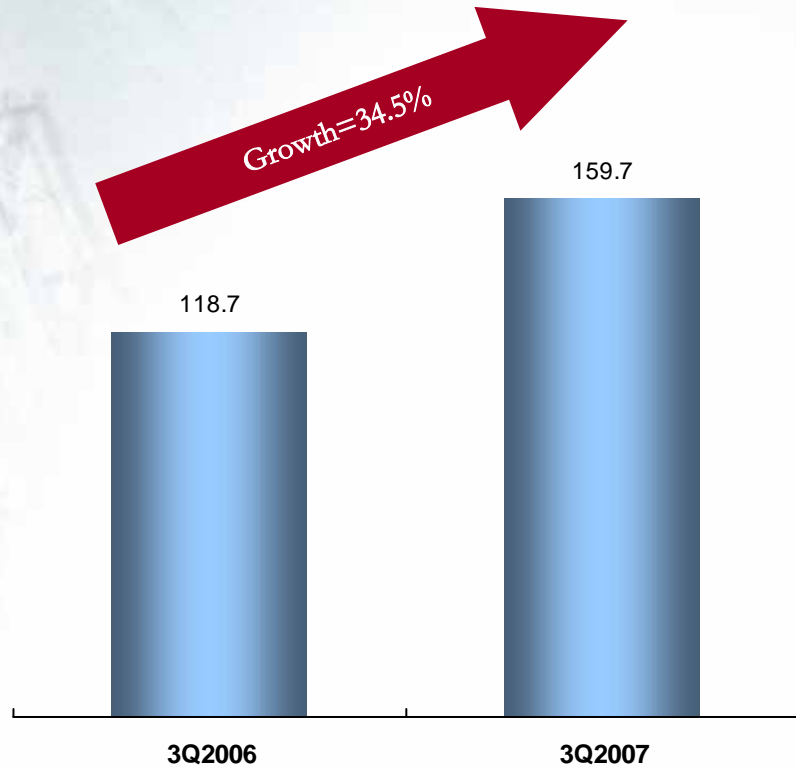




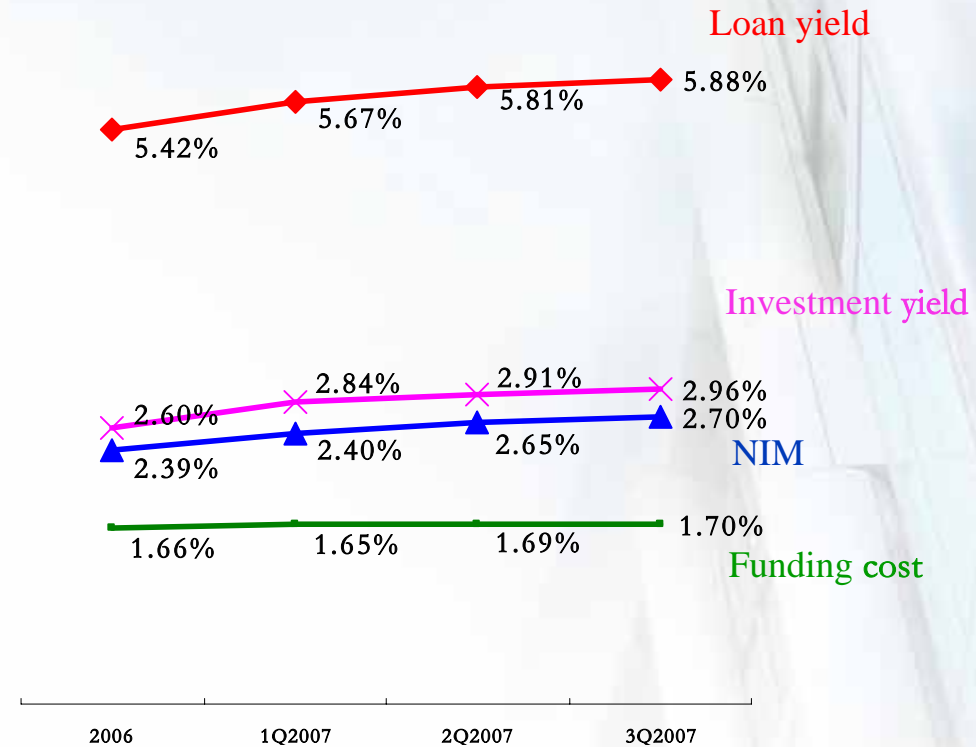
Improving Net Interest Margin, NIM 2.70%

Steady growth of interest income

(in RMB billion)



Improving NIM



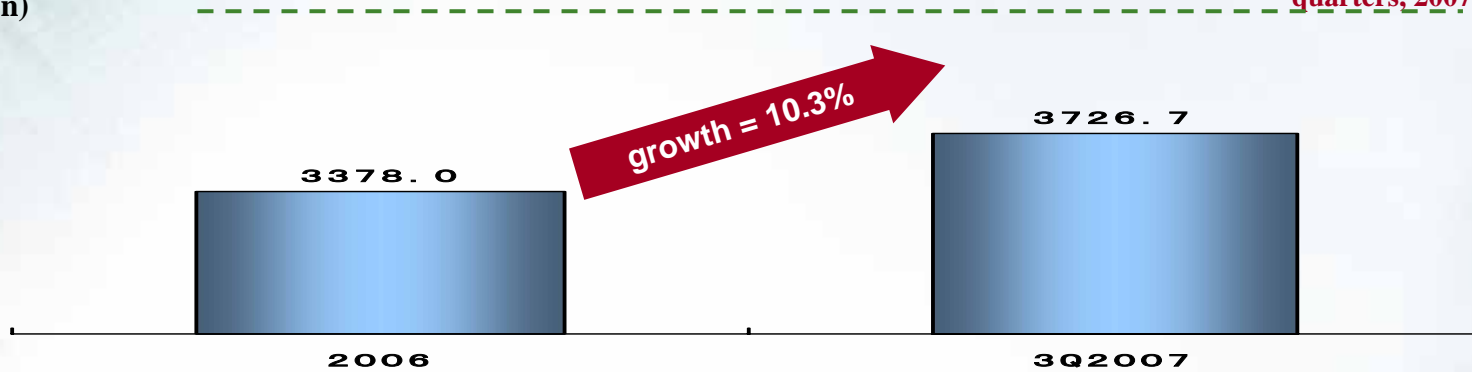


Moderate Loan Growth with Better Mix

Moderate loan growth ⁽¹⁾

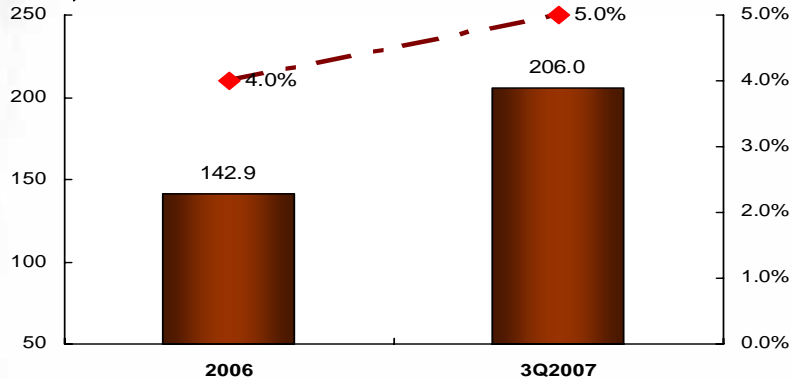
(in RMB billion)

Average loan growth of PRC banks in first three quarters, 2007 reached 15% ⁽²⁾

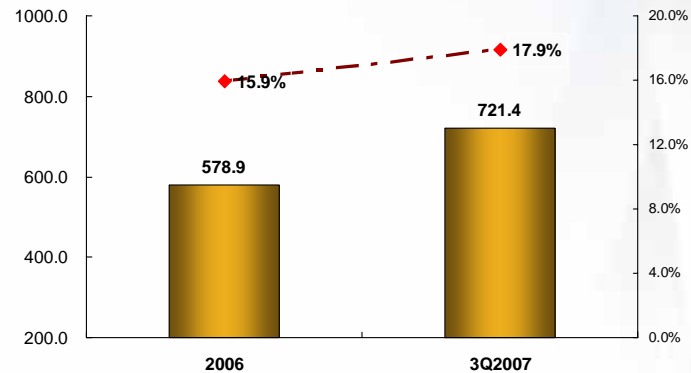


SME loans: fast growth, higher weight

(in RMB billion)



Personal loans: fast growth, higher weight



Note: (1) Domestic RMB loans only

(2) Based on sources from PBOC website

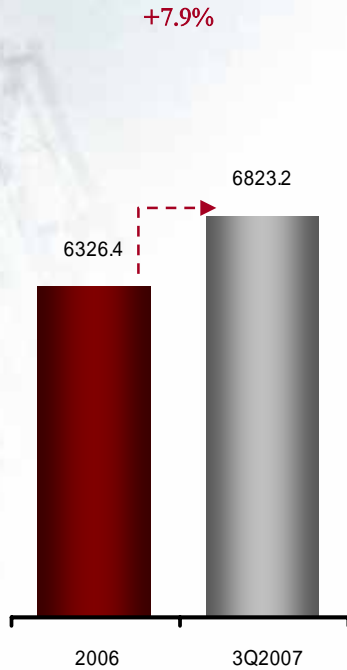


Fruitful Results from Effective Liability Management

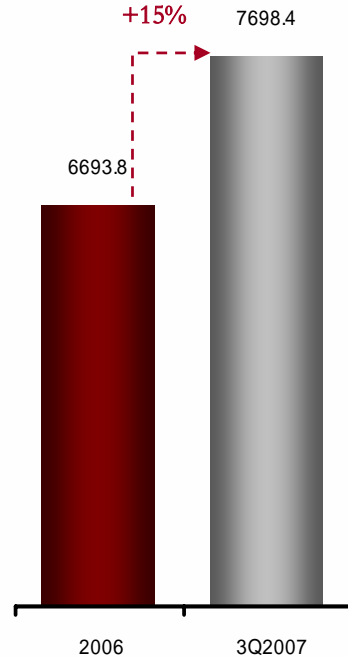
Stable Growth in Total Deposits

(in RMB billion)

Due to Customers

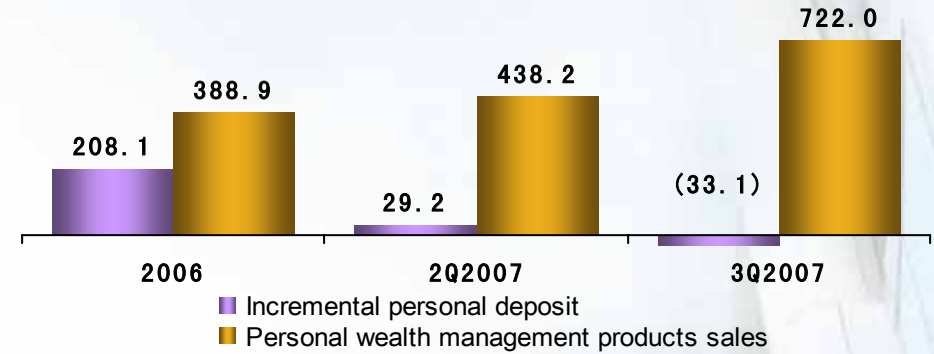


Due to Customers, Banks, and other FIs

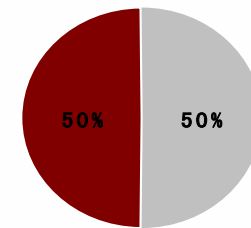


Balanced Growth of Wealth Management Products Sales and Deposits ⁽¹⁾

(in RMB billion)

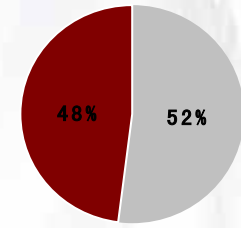


Noticeable Trend of Flow from Time to Demand Deposits



■ Demand deposit ■ Time deposit

2006/12/31



■ Demand deposit ■ Time deposit

2007/09/30

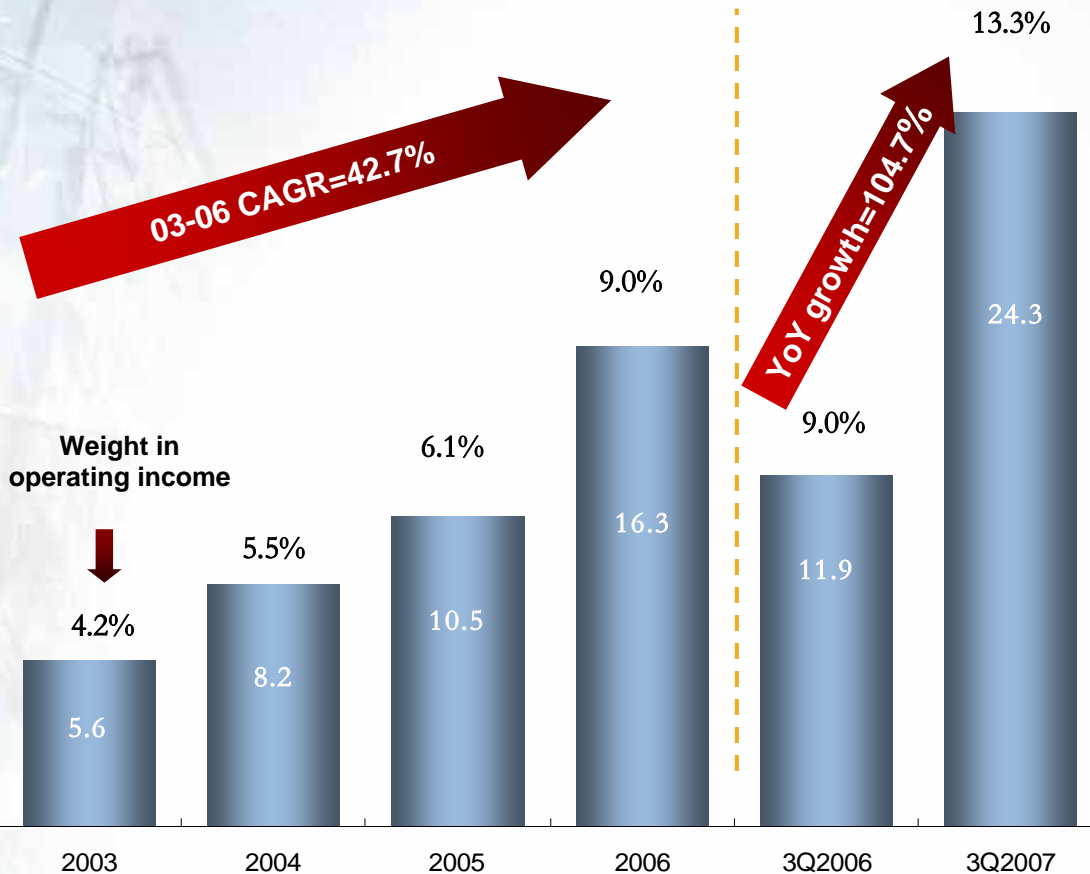
(1) Incremental personal deposit figure domestic only



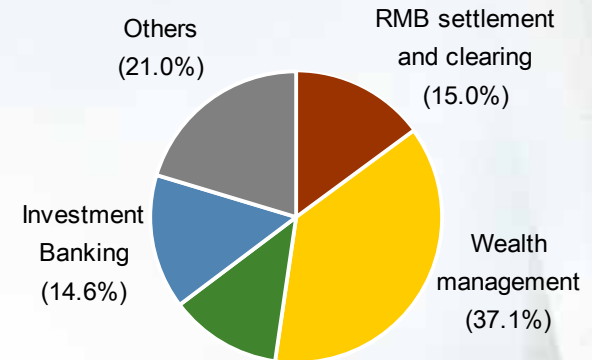
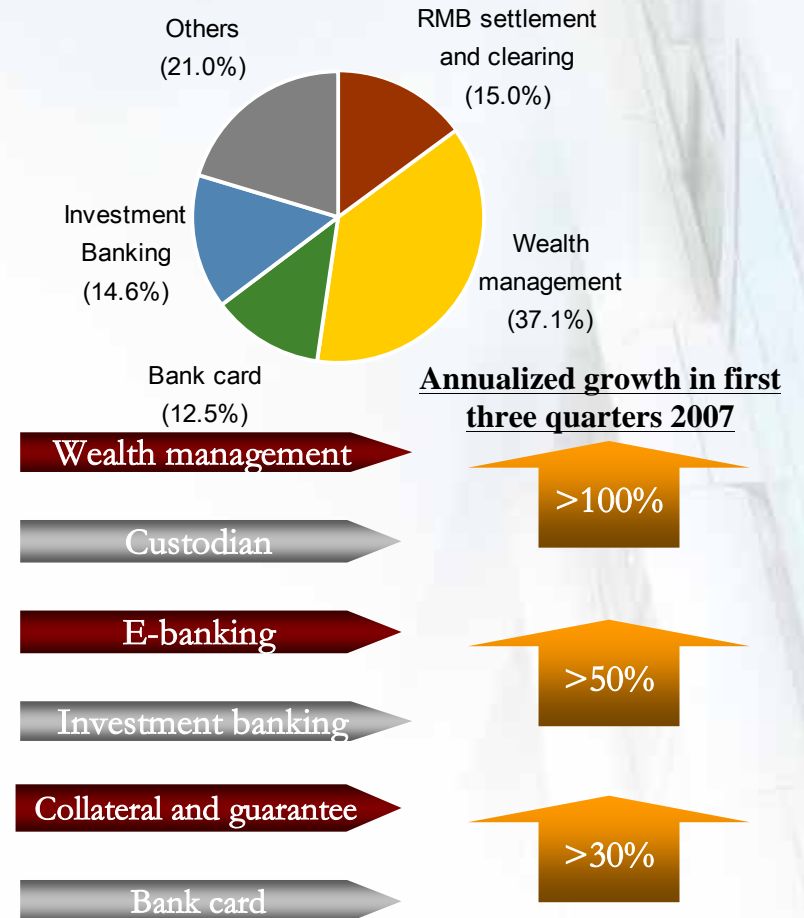
Soaring Net Fee and Commission Income, up 105%

Accelerating growth of net fee and commission income

(in RMB billion)



Rapid growth in key business lines with higher weights



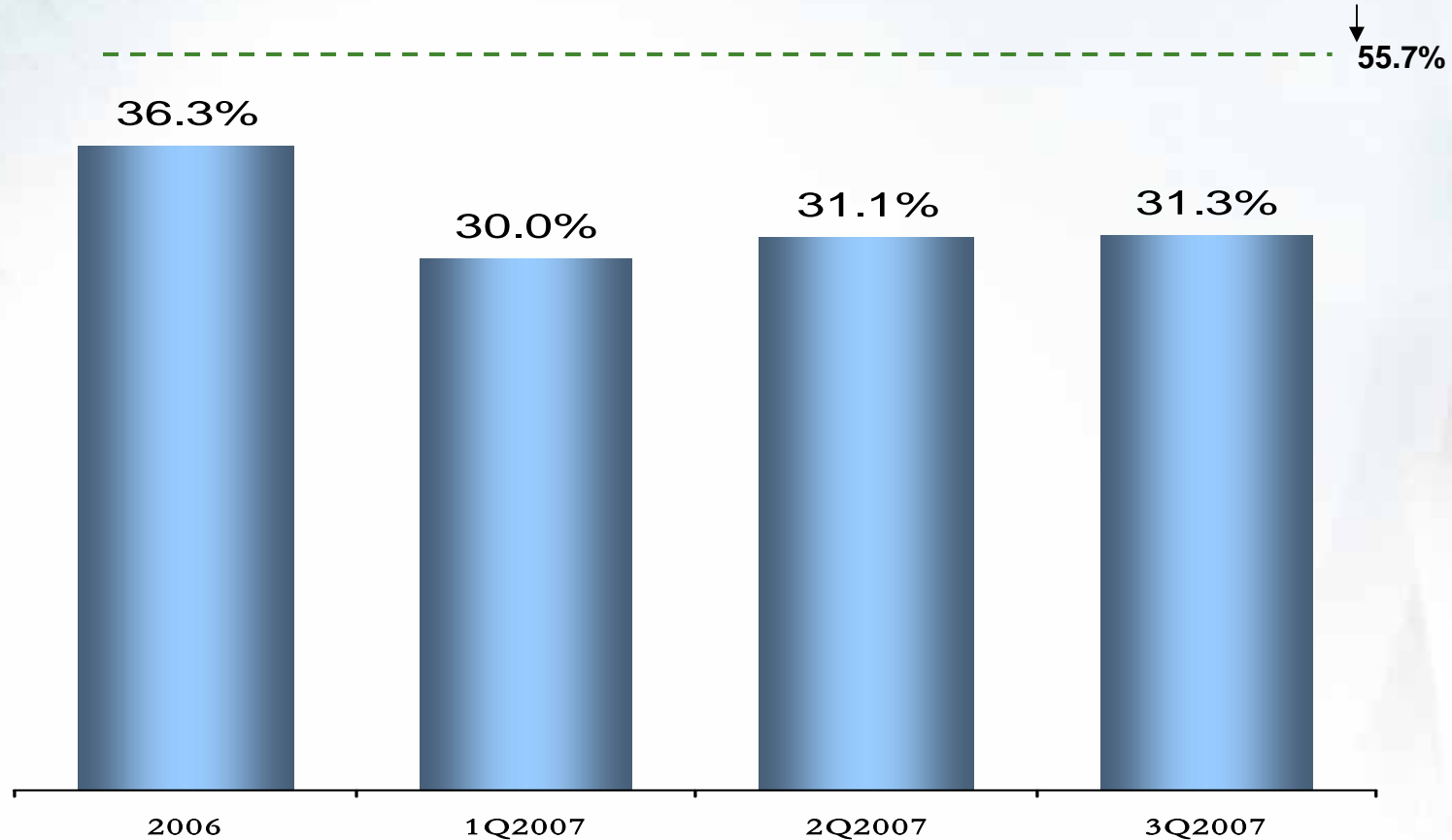
Annualized growth in first three quarters 2007



Very Efficient Cost to income Ratio, 31.3%

More Competitive Cost-to-income Ratio⁽¹⁾

Average Cost-to-income Ratio of Large International Banks⁽²⁾



(1) Business tax and surcharge excluded

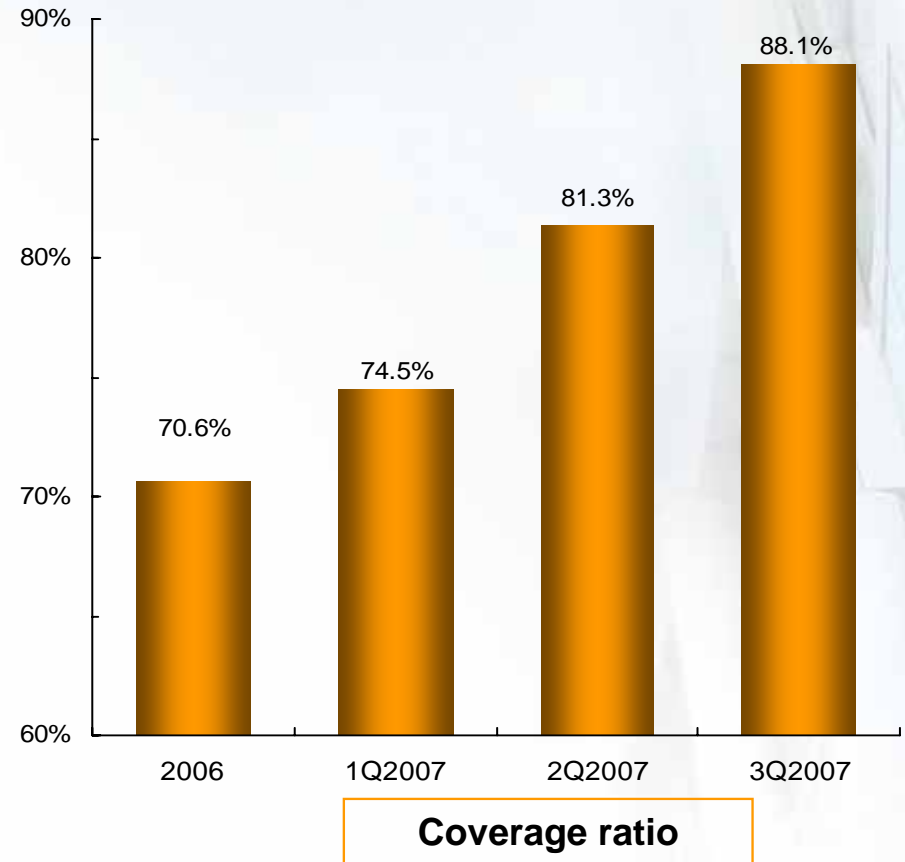
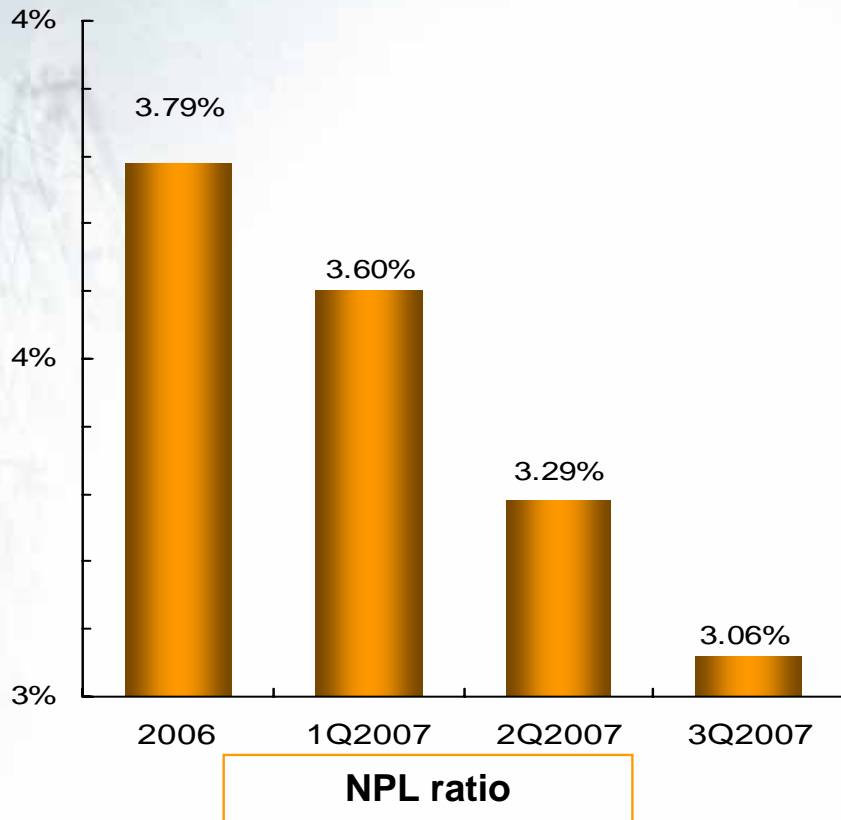
(2) Computation based on cost-to-income ratio of BOC, JP Morgan, HSBC, Citigroup, BOA, Wells Fargo, UBS, and Wachovia, business tax and surcharge is deducted from cost of BOC



Asset Quality with Prudent Provisioning, NPL ratio 3.06%

Improving asset quality

Increasing provisioning coverage ratio

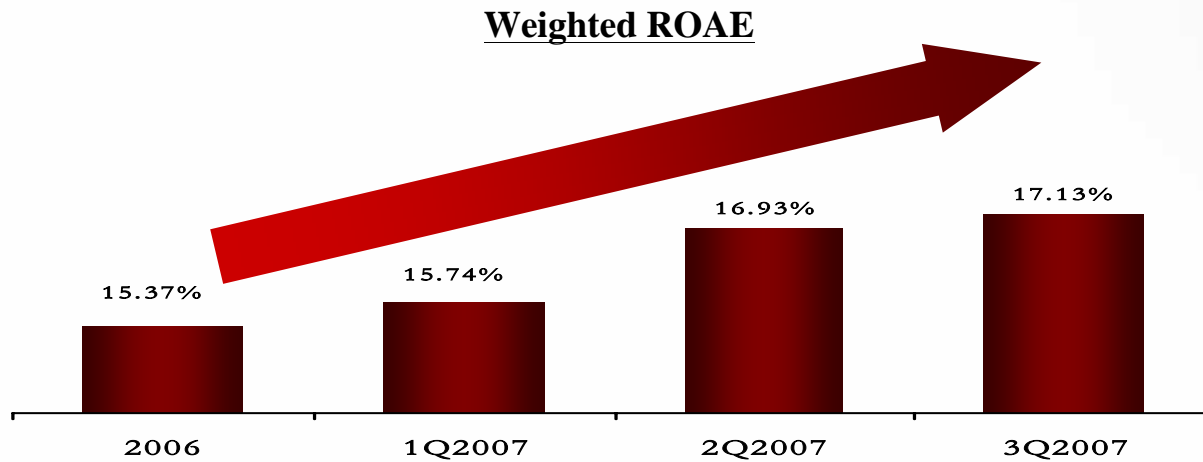
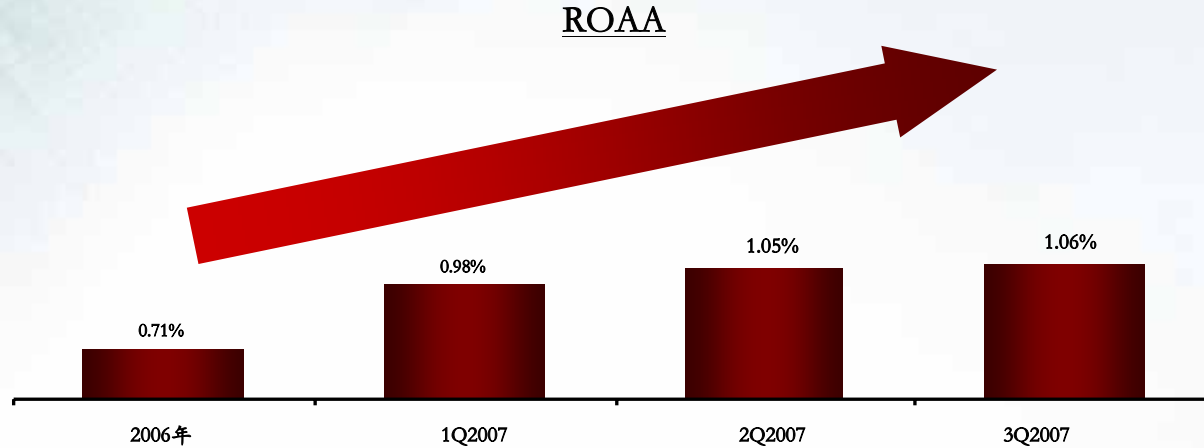


(1) annualized



Extraordinary Returns to Shareholders

Improving ROA/ROE⁽¹⁾



(1) Annualized



Strategic goals:

- **Build ICBC into a most profitable, most preeminent, and most respected world-class commercial bank!**

Strategic approaches:

- Continue to push forward optimization of business structure and income mix. Build the bank into a best retail bank and credit bank, accelerate development of treasury and net fee and commission-based businesses, establish first-class treasury trading platform; innovate to enhance core competitiveness of innovative net fee and commission-based businesses, continue to maintain sustained growth of net fee and commissioned based income; continue with distribution network upgrade and structural optimization
- Take various measures to actively explore new areas of universal banking framework
- Carry out international strategy to establish a global and multi-functional service chain to follow and serve multi-national companies, enhance global service capability to high-end clients, put emphasis on development in high growth markets
- Further improve corporate governance, strengthen comprehensive risk management and internal control mechanisms, push forward implementation of HR upgrading project, and establish HR management system in line with needs of a modern commercial bank



Thank you!