

# Reaching New Heights

In 2015, **China Construction Bank** reached new heights, remaining committed to the strategic transformation plan of “integration, multi-function, intensiveness, innovative banking and smart banking” and serving China’s growth and development.

**B**y any measure, 2015 was a difficult year, and despite an extremely complex external environment and aggressive competition, China Construction Bank (CCB) was able to achieve solid growth. As of December 31, 2015, its total assets had increased 9.6 percent for the year, reaching RMB 18.35 trillion. Revenue grew by 6 percent year-on-year to RMB 605,197 million. Profits reached RMB 298,497 million, and CCB’s key indicators, including return on assets, return on equity and the capital adequacy ratio, ranked high among other global banks. As a result of strong performance, the CCB’s board recommended a cash dividend of RMB 0.274 per share.

Established in 1954, the publicly traded, Beijing-based, state-owned commercial bank has strengthened its position as a leader among its peers through its transformation into an integrated financial services provider. The CCB group has expanded to include established subsidiaries in investment banking, mutual funds, trusts, leasing, insurance, futures and pension funds.

CCB maintains a vast scale. It provides financial services to more than 3 million corporate clients. Most are leaders in those outperforming industries that are strategic to China’s

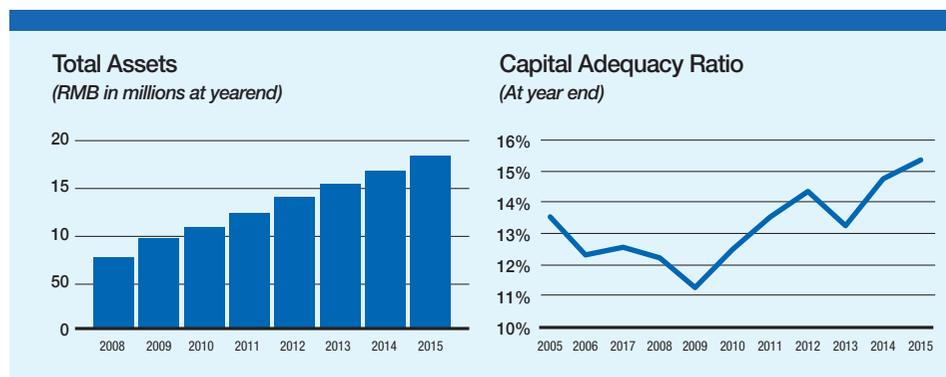
economic growth. The bank’s 14,000 domestic branches and sub-branches service more than 300 million high-end individual customers. Outside of the country, CCB maintains a global reach with 130 branches and subsidiaries in 25 countries across Asia, Europe, North America, the Middle East and Africa.

Total loans and advances to customers grew 10.7 percent in 2015 to RMB 10,485.140 billion. The group supports the Chinese government’s national structural reforms and fully backs national development strategies, including “One Belt, One Road”, the coordinated development of the Beijing-Tianjin-Hebei region and the Yangtze River Delta Economic Zone. In 2015, CCB expanded infrastructure lending to RMB 2.71 trillion, which provided substantial support to key national construction projects that accelerate economic and social development. In addition, CCB supported major construction projects through investments, loans and guarantees of RMB 1.25 trillion. CCB met business demands in other growing areas as well, with loans to small and micro businesses, agriculture and suburban

development. Meanwhile, CCB maintained strict control over loans to industries with excess capacity and credit lending for property development, with increased efforts to dispose of high-risk projects and nonperforming loans (NPL). At the end of 2015, CCB’s NPL ratio was 1.6 percent, the ratio of allowances to NPLs was 151 percent, and the ratio of allowances to total loans was 2.4 percent.

CCB also began implementation on a group-wide strategic implementation plan, which included issuing 81 million credit cards, representing RMB 2.22 trillion in sales, putting it in a leading role among consumer lenders. CCB is also building smart outlets and developing internet-based services. Customer transactions through online banking, personal mobile banking and SMS financial services accounted for 95.6 percent of the total in 2015, up 7.5 percent over

*A leader among its peers through its transformation into an integrated financial services provider.*



Source: China Construction Bank

the prior year. The number of private banking customers with assets of more than RMB 10 million grew by 23 percent and total customer assets under management increased by 33 percent. In addition, integrated operations subsidiaries grew 41 percent. CCB Trust and CCB Life were opened to offer pension management and insurance services.

Since its public listing in 2004, CCB has upheld an operating philosophy of being customer-centric, market-oriented, creating value for shareholders and assuming corporate social responsibilities. Its strategic goal is to be the most valuable and innovative bank in China.

