

China Construction Bank Corporation - Hong Kong Branch
Financial Information Disclosure Statement
For the six months ended 30 June 2015
Section A: Hong Kong Branch Information

Income Statement

	<i>Note</i>	<i>Six months ended 30 June 2015 HK\$'000</i>	<i>Six months ended 30 June 2014 HK\$'000</i>
Interest income		4,021,869	3,708,904
Interest expense		(3,549,481)	(2,910,643)
Net interest income		472,388	798,261
Net fee and commission income	1	94,781	177,926
Net trading gain/(losses)	2	297,848	(1,333,499)
Net gain on sales of available-for-sale securities		27,927	-
Other operating income		4,907	629
Operating income/(losses)		897,851	(356,683)
Operating expenses	3	(174,741)	(181,630)
		723,110	(538,313)
Impairment allowances (charged)/released on loans and advances		(21,332)	36,079
Impairment allowances (charged)/released on available-for-sale and held-to-maturity securities		(11)	1,488
Fixed assets written off		(1)	-
Profit/(loss) before tax		701,766	(500,746)
Taxation (charge)/release	4	(115,468)	77,811
Net profit/(loss)		586,298	(422,935)

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Statement of Financial Position

	<i>Note</i>	<i>As at</i> 30 June 2015 HK\$'000	<i>As at</i> 31 December 2014 HK\$'000
Assets			
Cash and deposits with banks		109,112,988	50,782,521
Placements with banks which have a residual contractual maturity of more than one month but not more than twelve months		80,464,861	61,882,089
Amounts due from overseas offices		48,459,318	51,252,055
Trade bills		17,593,486	29,849,986
Certificates of deposit held		17,564,051	16,971,905
Loans and advances to customers and other accounts	5	165,367,661	128,784,914
Available-for-sale and held-to-maturity securities	10	5,208,885	11,022,592
Unlisted equity investment		305	305
Fixed assets		284	569
Other assets		49,222	50,023
Total assets		443,821,061	350,596,959
Equity and liabilities			
Deposits from banks		80,713,586	50,058,438
Deposits from customers	11	131,179,593	144,730,204
Amounts due to overseas offices		94,731,946	22,585,580
Certificates of deposit issued		130,638,793	127,904,988
Other liabilities		5,579,880	4,610,240
Total liabilities		442,843,798	349,889,450
Reserves	14	977,263	707,509
Total equity and liabilities		443,821,061	350,596,959

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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 2015</i>	<i>30 June 2014</i>
	HK\$'000	HK\$'000
Fee and commission income	105,414	197,188
Fee and commission expenses	(10,633)	(19,262)
	<u>94,781</u>	<u>177,926</u>

2 Net trading gain/(losses)

	<i>For the six months ended</i>	
	<i>30 June 2015</i>	<i>30 June 2014</i>
	HK\$'000	HK\$'000
Foreign exchange transactions	297,848	(1,338,433)
Derivatives	-	4,934
	<u>297,848</u>	<u>(1,333,499)</u>

Net trading gain included a foreign exchange revaluation gain of HKD297 million (30 June 2014: HKD1,143 million losses) on RMB foreign exchange contracts entered into for hedging the position of the CCB Group.

3 Operating expenses

	<i>For the six months ended</i>	
	<i>30 June 2015</i>	<i>30 June 2014</i>
	HK\$'000	HK\$'000
Staff costs	-	744
Premises expenses	10,033	8,461
Others	164,708	172,425
	<u>174,741</u>	<u>181,630</u>

4 Taxation (charge)/release

	<i>For the six months ended</i>	
	<i>30 June 2015</i>	<i>30 June 2014</i>
	HK\$'000	HK\$'000
Current tax - Hong Kong Profits Tax		
- Provision for the year	(118,622)	-
Current tax - Overseas		
- Withholding tax in the People's Republic of China	(18)	(4,805)
Deferred tax		
- Origination and reversal of temporary differences	3,172	82,616
	<u>(115,468)</u>	<u>77,811</u>

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5 Loans and advances to customers and other accounts

	<i>As at 30 June 2015 HK\$'000</i>	<i>As at 31 December 2014 HK\$'000</i>
Loans and advances to customers	<u>156,502,875</u>	<u>126,102,073</u>
Less: Impairment allowances		
- Collectively assessed	(529,123)	(506,781)
- Individually assessed	(8,200)	(8,200)
	<u>(537,323)</u>	<u>(514,981)</u>
	<u>155,965,552</u>	<u>125,587,092</u>
Other accounts		
- Accrued interest receivables	1,444,413	1,678,694
- Others	7,957,696	1,519,128
	<u>9,402,109</u>	<u>3,197,822</u>
	<u>165,367,661</u>	<u>128,784,914</u>

6 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

	<i>As at 30 June 2015</i>		<i>As at 31 December 2014</i>	
	<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	4,518,698	9.77%	4,355,551	31.02%
- Property investment	2,814,077	57.22%	3,261,077	41.49%
- Financial concerns	3,673,008	20.93%	3,457,408	54.71%
- Stockbrokers	300,000	0.00%	500,000	0.00%
- Wholesale and retail trade	2,454,434	19.65%	3,159,363	27.20%
- Manufacturing	240,837	0.00%	2,517,205	0.00%
- Transport and transport equipment	633,333	0.00%	1,356,004	16.42%
- Information technology	4,000,000	0.00%	10,950,000	0.00%
- Others	6,274,615	82.13%	6,330,470	84.68%
Loans and advances for use in Hong Kong	24,909,002	33.95%	35,887,078	30.76%
Trade finance	35,735,640	0.00%	19,753,661	0.00%
Loans and advances for use outside Hong Kong	95,858,233	43.87%	70,461,334	50.17%
Total	<u>156,502,875</u>	<u>32.27%</u>	<u>126,102,073</u>	<u>36.79%</u>

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6 Analysis of loans and advances to customers (continued)

(b) Analysis by geographical areas

	<i>Total loans and advances to customers</i>	<i>Impaired loans and advances to customers</i>	<i>Overdue loans and advances to customers</i>	<i>Individual impairment allowances</i>	<i>Collective impairment allowances</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 30 June 2015					
Hong Kong	108,731,614	8,272	8,272	8,200	356,622
People's Republic of China	36,791,588	-	-	-	54,249
United Arab Emirates	4,834,757	-	-	-	58,696
Others	6,144,916	-	-	-	59,556
Total	156,502,875	8,272	8,272	8,200	529,123
As at 31 December 2014					
Hong Kong	81,823,129	8,275	8,275	8,200	273,286
People's Republic of China	30,546,960	-	-	-	43,114
United Arab Emirates	7,081,467	-	-	-	95,181
Others	6,650,517	-	-	-	95,200
Total	126,102,073	8,275	8,275	8,200	506,781

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

7 Overdue and rescheduled assets

(a) Overdue loans and advances

	<i>As at 30 June 2015</i>		<i>As at 31 December 2014</i>	
	HK\$'000	<i>% of total loans and advances to customers</i>	HK\$'000	<i>% of total loans and advances to customers</i>
Overdue loans and advances to customers				
- more than 1 month but not more than 3 months	-	0.00%	-	0.00%
- more than 3 months but not more than 6 months	-	0.00%	-	0.00%
- more than 6 months but not more than 1 year	-	0.00%	-	0.00%
- more than 1 year	8,272	0.01%	8,275	0.01%
	8,272	0.01%	8,275	0.01%
Fair value of collateral held against the secured overdue loans and advances	5,561		5,561	
Covered portion	5,561		5,561	
Uncovered portion	2,711		2,714	
Individual impairment allowance made	8,200		8,200	

There were no overdue loans and advances to banks as at 30 June 2015 and 31 December 2014.

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7 Overdue and rescheduled assets (continued)

(b) Rescheduled loans and advances	<i>As at 30 June 2015</i>		<i>As at 31 December 2014</i>	
	HK\$'000	% of total loans and advances to customers	HK\$'000	% of total loans and advances to customers
Rescheduled loans and advances to customers	<u>8,272</u>	<u>0.01%</u>	<u>8,275</u>	<u>0.01%</u>

There were no rescheduled loans and advances to banks as at 30 June 2015 and 31 December 2014.

(c) Other overdue assets	<i>As at</i>	<i>As at</i>
	<i>30 June 2015</i>	<i>31 December 2014</i>
	HK\$'000	HK\$'000
Over one year	<u>94,623</u>	<u>94,660</u>

There were no other assets overdue for over three months but one year or less as at 30 June 2015 and 31 December 2014.

8 Impaired loans and advances

	<i>As at</i>	<i>As at</i>
	<i>30 June 2015</i>	<i>31 December 2014</i>
	HK\$'000	HK\$'000
Impaired loans and advances to customers	8,272	8,275
As a percentage to total loans and advances to customers	0.01%	0.01%
Individual impairment allowances on impaired loans and advances to customers	8,200	8,200
Value of collateral held against the impaired loans and advances to customers	5,561	5,561

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 to banks and repossessed assets as at 30 June 2015 and 31 December 2014.

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9 Mainland activities exposures

(i) As at 30 June 2015

<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)	97,350,613	18,412,179	115,762,792
(b) Local governments, local government-owned entities and their subsidiaries and JVs	3,338,035	330,655	3,668,690
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	22,280,901	99,551	22,380,452
(d) Other entities of central government not reported in item (a)	1,354,391	19,997	1,374,388
(e) Other entities of local governments not reported in item (b)	310,111	-	310,111
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	9,707,458	25,412	9,732,870
(g) Other counterparties where the exposure is considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	134,341,509	18,887,794	153,229,303
Total assets after provision	443,821,061		
On-balance sheet exposures as percentage of total assets	30.27%		

(ii) As at 31 December 2014

<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)	75,380,454	20,574,247	95,954,701
(b) Local governments, local government-owned entities and their subsidiaries and JVs	4,145,369	471,255	4,616,624
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	18,008,648	8,484	18,017,132
(d) Other entities of central government not reported in item (a)	975,415	-	975,415
(e) Other entities of local governments not reported in item (b) above	310,258	-	310,258
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6,669,794	97,746	6,767,540
(g) Other counterparties where the exposure is considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	105,489,938	21,151,732	126,641,670
Total assets after provision	350,596,959		
On-balance sheet exposures as percentage of total assets	30.09%		

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10 Available-for-sale and held-to-maturity securities

	<i>As at 30 June 2015 HK\$'000</i>	<i>As at 31 December 2014 HK\$'000</i>
Available-for-sale securities	4,928,343	10,742,539
Held-to-maturity securities	375,704	375,239
	<u>5,304,047</u>	<u>11,117,778</u>
Less: Impairment allowances		
- Collectively assessed	(539)	(526)
- Individually assessed	(94,623)	(94,660)
	<u>(95,162)</u>	<u>(95,186)</u>
Total	<u>5,208,885</u>	<u>11,022,592</u>

11 Deposits from customers

	<i>As at 30 June 2015 HK\$'000</i>	<i>As at 31 December 2014 HK\$'000</i>
Demand deposits and current accounts	1,548,594	443,885
Savings deposits	4,000,652	4,909,361
Time, call and notice deposits	125,630,347	139,376,958
	<u>131,179,593</u>	<u>144,730,204</u>

12 International claims

International claims are exposures recorded on the statement of financial position of counterparties based on the location of the counterparties after taking into account the transfer of risk. In general, risk transfer applies when the claim is guaranteed by a party in a country which is different from that of the counterparty or if the claim is on an overseas branch of a bank whose head office is located in another country. International claims amounting to 10% or more of the aggregate international claims are disclosed as follows:

	<i>Non-bank private sector</i>				<i>Total HK\$'000</i>
	<i>Banks HK\$'000</i>	<i>Official sector HK\$'000</i>	<i>Non-bank financial institutions HK\$'000</i>	<i>Non-financial private sector HK\$'000</i>	
As at 30 June 2015					
People's Republic of China	<u>109,014,796</u>	<u>24,451,273</u>	<u>784,090</u>	<u>60,805,239</u>	<u>195,055,398</u>
	<i>Public sector</i>			<i>Total HK\$'000</i>	
	<i>Banks HK\$'000</i>	<i>entities HK\$'000</i>	<i>Others HK\$'000</i>		
As at 31 December 2014					
People's Republic of China	<u>132,578,773</u>	<u>15,737,519</u>	<u>22,318,271</u>	<u>170,634,563</u>	

There were changes of reporting basis and the categorisation on the types of counterparties as required by the Hong Kong Monetary Authority in 2015, and hence the disclosures reported during the year of 2014 were not directly comparable.

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13 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 2015	USD	CNY
	HK\$'000 equiv	HK\$'000 equiv
Spot assets	219,925,989	128,878,934
Spot liabilities	(194,883,272)	(142,405,963)
Forward purchases	69,328,210	79,512,105
Forward sales	(102,864,129)	(56,874,905)
Net (short)/long position	<u>(8,493,202)</u>	<u>9,110,171</u>

As at 31 December 2014	USD	CNY
	HK\$'000 equiv	HK\$'000 equiv
Spot assets	147,696,112	116,705,408
Spot liabilities	(148,774,259)	(108,848,094)
Forward purchases	44,728,381	44,994,715
Forward sales	(68,394,782)	(27,771,774)
Net (short)/long position	<u>(24,744,548)</u>	<u>25,080,255</u>

There was no structural and option position as at 30 June 2015 and 31 December 2014.

14 Reserves

(a) The components of reserves are as follows

	As at 30 June 2015 HK\$'000	As at 31 December 2014 HK\$'000
Available-for-sale securities revaluation reserve, net of deferred tax	206,995	186,435
Reserve for cash flow hedge, net of deferred tax	-	1,400
Regulatory reserve	183,970	183,970
Retained earnings	586,298	335,704
Total	<u>977,263</u>	<u>707,509</u>

(b) Regulatory reserve

	For the six months ended 30 June 2015 HK\$'000	For the year ended 31 December 2014 HK\$'000
As at 1 January	183,970	183,970
Transfer from retained earnings	-	-
As at 30 June/31 December	<u>183,970</u>	<u>183,970</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.

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15 Off-balance sheet exposures

(a) The contractual or notional amounts

	<i>As at 30 June 2015 HK\$'000</i>	<i>As at 31 December 2014 HK\$'000</i>
Contingent liabilities and commitments		
- Direct credit substitutes	29,902,331	26,594,898
- Trade-related contingencies	919,402	732,179
- Other commitments	13,717,591	18,404,207
	<u>44,539,324</u>	<u>45,731,284</u>

	<i>As at 30 June 2015</i>		<i>As at 31 December 2014</i>	
	<i>Trading HK\$'000</i>	<i>Hedging HK\$'000</i>	<i>Trading HK\$'000</i>	<i>Hedging HK\$'000</i>
Derivatives				
- Exchange rate contracts	174,371,784	187,387	114,267,448	-
- Interest rate contracts	8,310,667	12,522,530	9,473,968	5,661,613
	<u>182,682,451</u>	<u>12,709,917</u>	<u>123,741,416</u>	<u>5,661,613</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

<i>As at 30 June 2015</i>	<i>Trading</i>		<i>Hedging</i>	
	<i>Positive</i>	<i>Negative</i>	<i>Positive</i>	<i>Negative</i>
	<i>fair value</i>	<i>fair value</i>	<i>fair value</i>	<i>fair value</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
- Exchange rate contracts	1,034,358	(868,955)	9,242	-
- Interest rate contracts	14,589	(14,589)	85,926	(50,542)
	<u>1,048,947</u>	<u>(883,544)</u>	<u>95,168</u>	<u>(50,542)</u>

<i>As at 31 December 2014</i>	<i>Trading</i>		<i>Hedging</i>	
	<i>Positive</i>	<i>Negative</i>	<i>Positive</i>	<i>Negative</i>
	<i>fair value</i>	<i>fair value</i>	<i>fair value</i>	<i>fair value</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
- Exchange rate contracts	820,160	(419,889)	-	-
- Interest rate contracts	24,862	(25,484)	72,383	(61,846)
	<u>845,022</u>	<u>(445,373)</u>	<u>72,383</u>	<u>(61,846)</u>

The amount of fair value above does not have the effects of bilateral netting agreement.

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16 Liquidity

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

	<i>Quarter ended 30 June 2015</i>	<i>Quarter ended 31 March 2015</i>
Average liquidity coverage ratio	<u>98.90%</u>	<u>168.16%</u>
		<i>For the six months ended 30 June 2014</i>
Average liquidity ratio		<u>66.74%</u>

The average LCR for each quarter in 2015 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 average liquidity ratio for the six months ended 30 June 2014 is calculated as the simple average of each calendar month's average liquidity ratio as required by the Hong Kong Monetary Authority for its regulatory purposes, in accordance with the Schedule 4 of the Hong Kong Banking Ordinance.

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. The majority of the HQLA held by the Branch are Level 1 assets which mainly consist of government debt securities.

	<i>Weighted amount (Average value)</i>	<i>Weighted amount (Average value)</i>
	<i>Quarter ended 30 June 2015 HK\$'000</i>	<i>Quarter ended 31 March 2015 HK\$'000</i>
Level 1 assets	28,121,184	28,919,074
Level 2A assets	-	-
Level 2B assets	558,170	676,962
Total weighted amount of HQLA	<u>28,679,354</u>	<u>29,596,036</u>

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

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16 Liquidity (continued)

(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 limit and metric framework.

The Branch sets out its liquidity funding strategy according to the size and sophistication of its business, as well as the nature and complexity of its activities.

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.

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 the Head Office of China Construction Bank Corporation (“Head Office”) is one of the important components in the Branch’s funding strategies. The funding support from Head Office also provides additional liquidity cushion in case of a local market liquidity drain.

Liquidity risk management responsibilities

The Management 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 and development; review or approve liquidity risk management policies and review the Branch’s liquidity risk position.

ALCO is a committee delegated by the Branch’s Senior Management 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 budgets assigned by Head Office.

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

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16 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 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 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, is stated.
- 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</i> <i>2015</i> RMB million	<i>As at</i> <i>31 December</i> <i>2014</i> RMB million
Capital adequacy ratio	14.70%	14.87%
Shareholders' funds	1,301,430	1,242,179

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</i> <i>2015</i> RMB million	<i>As at</i> <i>31 December</i> <i>2014</i> RMB million
Total assets	18,219,186	16,744,130
Total liabilities	16,906,736	15,491,767
Total loans and advances to customers	9,889,596	9,222,910
Total customer deposits	13,696,977	12,898,675
	<i>For the six months ended</i> <i>30 June</i> <i>2015</i> RMB million	<i>30 June</i> <i>2014</i> RMB million
Profit before tax	169,207	169,516

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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
Executive Director and Alternate 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 2015 and 30 June 2015 : (3)				Quarter ended 30 June 2015		Quarter ended 31 March 2015	
Basis of disclosure: Hong Kong office Currency: HK\$'000				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)				28,583,807		29,596,036
B. CASH OUTFLOWS							
2	Retail deposits and small business funding, of which			389	39	388	39
3	Stable retail deposits and stable small business funding			-	-	-	-
4	Less stable retail deposits and less stable small business funding			389	39	388	39
5	Retail term deposits and small business term funding			-	-	-	-
6	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the institution, of which:			130,436,472	108,742,188	89,089,036	65,906,288
7	Operational deposits			-	-	-	-
8	Unsecured wholesale funding (other than small business funding) not covered in Row 7			119,926,385	98,232,101	71,944,468	48,761,721
9	Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period			10,510,087	10,510,087	17,144,568	17,144,567
10	Secured funding transactions (including securities swap transactions)				-		-
11	Additional requirements, of which			15,979,849	1,767,960	16,241,274	1,729,908
12	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements			188,861	188,861	117,534	117,534
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)			15,790,988	1,579,099	16,123,740	1,612,374
15	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows			2,259,735	2,259,735	775	775
16	Other contingent funding obligations (whether contractual or non-contractual)			32,037,268	2,842,683	34,663,322	2,762,296
17	TOTAL CASH OUTFLOWS				115,612,605		70,399,306
C. CASH INFLOWS							
18	Secured lending transactions (including securities swap transactions)			-	-	-	-
19	Secured and unsecured loans (other than secured lending transactions covered in Row 18) and operational deposits placed at other financial institutions			114,076,800	102,347,525	121,837,428	109,059,802
20	Other cash inflows			278,426	3,333,939	130,741	3,524,468
21	TOTAL CASH INFLOWS			114,355,226	105,681,464	121,968,169	112,584,270
D. LIQUIDITY COVERAGE RATIO				ADJUSTED VALUE		ADJUSTED VALUE	
22	TOTAL HQLA				28,583,807		29,596,036
23	TOTAL NET CASH OUTFLOWS				28,903,151		17,599,826
24	LCR (%)				98.90%		168.16%