

**China Construction Bank Corporation - Hong Kong Branch**  
**Financial Information Disclosure Statement**  
**For the year ended 31 December 2015**  
**Section A: Hong Kong Branch Information**

**Income Statement**

	<i>Note</i>	<i>2015</i> <b>HK\$'000</b>	<i>2014</i> <b>HK\$'000</b>
Interest income		<b>8,110,949</b>	7,844,598
Interest expense		<b>(6,922,201)</b>	(6,094,811)
<b>Net interest income</b>		<b>1,188,748</b>	1,749,787
Net fee and commission income	1	<b>179,228</b>	270,230
Net trading gains/(losses)	2	<b>247,826</b>	(1,237,043)
Other operating income	3	<b>85,110</b>	11,728
<b>Operating income</b>		<b>1,700,912</b>	794,702
Operating expenses	4	<b>(367,534)</b>	(372,031)
		<b>1,333,378</b>	422,671
Impairment allowances released/(charged) on loans and advances		<b>12,559</b>	(55,606)
Impairment allowances released on available-for-sale and held-to-maturity securities		<b>497</b>	1,386
Fixed assets written off		<b>(74)</b>	-
<b>Profit before tax</b>		<b>1,346,360</b>	368,451
Taxation charge	5	<b>(219,002)</b>	(32,747)
<b>Net profit</b>		<b>1,127,358</b>	335,704

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**Statement of Financial Position**

	<i>Note</i>	<i>As at</i> <b>31 December 2015</b> HK\$'000	<i>As at</i> <b>30 June 2015</b> HK\$'000
<b>Assets</b>			
Cash and deposits with banks		<b>81,826,763</b>	109,112,988
Placements with banks which have a residual contractual maturity of more than one month but not more than twelve months		<b>9,012,890</b>	80,464,861
Amounts due from overseas offices		<b>70,462,452</b>	48,459,318
Trade bills		<b>21,701,763</b>	17,593,486
Certificates of deposit held		<b>37,074,892</b>	17,564,051
Loans and advances to customers and other accounts	6	<b>190,076,109</b>	165,367,661
Available-for-sale and held-to-maturity securities	11	<b>5,540,419</b>	5,208,885
Unlisted equity investment		<b>1</b>	305
Fixed assets		<b>66</b>	284
Other assets		<b>2,177</b>	49,222
<b>Total assets</b>		<b>415,697,532</b>	443,821,061
<b>Equity and liabilities</b>			
Deposits from banks		<b>119,529,970</b>	80,713,586
Deposits from customers	12	<b>108,703,003</b>	131,179,593
Amounts due to overseas offices		<b>47,615,988</b>	94,731,946
Certificates of deposit issued		<b>108,180,785</b>	130,638,793
Other liabilities		<b>29,888,945</b>	5,579,880
<b>Total liabilities</b>		<b>413,918,691</b>	442,843,798
Reserves	15	<b>1,778,841</b>	977,263
<b>Total equity and liabilities</b>		<b>415,697,532</b>	443,821,061

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**Notes to the financial information**

<b>1</b>	<b>Net fee and commission income</b>	<b>For the year ended 31 December</b>	
		<b>2015</b>	<b>2014</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	Fee and commission income	238,806	298,313
	Fee and commission expenses	(59,578)	(28,083)
		<u>179,228</u>	<u>270,230</u>
<b>2</b>	<b>Net trading gains/(losses)</b>	<b>For the year ended 31 December</b>	
		<b>2015</b>	<b>2014</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	Gains less losses arising from trading in foreign currencies	257,234	(1,241,974)
	Gains less losses from other trading activities	(9,408)	4,931
		<u>247,826</u>	<u>(1,237,043)</u>
Net trading gains/(losses) included a foreign exchange revaluation losses of HKD67 million (2014: HKD793 million) on RMB foreign exchange contracts entered into for hedging the position of the CCB Group.			
<b>3</b>	<b>Other Operating Income</b>	<b>For the year ended 31 December</b>	
		<b>2015</b>	<b>2014</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	Net gains on disposal of available-for-sale financial assets	60,392	9,966
	Dividend income from unlisted investments	16,790	601
	Others	7,928	1,161
		<u>85,110</u>	<u>11,728</u>
<b>4</b>	<b>Operating expenses</b>	<b>For the year ended 31 December</b>	
		<b>2015</b>	<b>2014</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	Staff costs	-	744
	Premises expenses	7,107	20,882
	Others	360,427	350,405
		<u>367,534</u>	<u>372,031</u>
<b>5</b>	<b>Taxation charge</b>	<b>For the year ended 31 December</b>	
		<b>2015</b>	<b>2014</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	Current tax - Hong Kong Profits Tax		
	- Provision for the year	220,864	71,024
	- Over-provision in respect of prior years	(2,775)	(34,331)
	Current tax - Overseas		
	- Withholding tax (released)/charged in the Mainland	(1,179)	6,382
	Deferred tax		
	- Origination and reversal of temporary differences	2,092	(10,328)
		<u>219,002</u>	<u>32,747</u>

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**Notes to the financial information (continued)**

**6 Loans and advances to customers and other accounts**

	<i>As at 31 December 2015 HK\$'000</i>	<i>As at 30 June 2015 HK\$'000</i>
Loans and advances to customers	<u>177,880,361</u>	<u>156,502,875</u>
Less: Impairment allowances		
- Collectively assessed	(496,532)	(529,123)
- Individually assessed	(6,850)	(8,200)
	<u>(503,382)</u>	<u>(537,323)</u>
	<u>177,376,979</u>	<u>155,965,552</u>
Other accounts		
- Accrued interest receivables	1,832,834	1,444,413
- Others	10,866,296	7,957,696
	<u>12,699,130</u>	<u>9,402,109</u>
	<u>190,076,109</u>	<u>165,367,661</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

	<i>As at 31 December 2015</i>		<i>As at 30 June 2015</i>	
	HK\$'000	<i>% covered by collateral</i>	HK\$'000	<i>% covered by collateral</i>
<i>Industry categories:</i>				
Industrial, commercial and financial				
- Property development	6,437,675	0.00%	4,518,698	9.77%
- Property investment	2,753,774	56.29%	2,814,077	57.22%
- Financial concerns	2,892,181	39.28%	3,673,008	20.93%
- Stockbrokers	400,000	0.00%	300,000	0.00%
- Wholesale and retail trade	1,935,636	14.94%	2,454,434	19.65%
- Manufacturing	2,336,396	61.39%	240,837	0.00%
- Transport and transport equipment	2,054,764	3.96%	633,333	0.00%
- Information technology	6,719,783	1.71%	4,000,000	0.00%
- Others	5,850,090	46.37%	6,274,615	82.13%
Loans and advances for use in Hong Kong	31,380,299	23.32%	24,909,002	33.95%
Trade finance	30,457,660	0.00%	35,735,640	0.00%
Loans and advances for use outside Hong Kong	116,042,402	58.28%	95,858,233	43.87%
Total	<u>177,880,361</u>	<u>42.14%</u>	<u>156,502,875</u>	<u>32.27%</u>



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**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
<b>As at 31 December 2015</b>					
Hong Kong	120,217,307	6,833	6,833	6,850	361,576
The Mainland	48,257,845	-	-	-	37,784
United Arab Emirates	4,465,701	-	-	-	51,673
Others	4,939,508	-	-	-	45,500
<b>Total</b>	<b>177,880,361</b>	<b>6,833</b>	<b>6,833</b>	<b>6,850</b>	<b>496,533</b>
<b>As at 30 June 2015</b>					
Hong Kong	108,731,614	8,272	8,272	8,200	356,622
The Mainland	36,791,588	-	-	-	54,249
United Arab Emirates	4,834,757	-	-	-	58,696
Others	6,144,916	-	-	-	59,556
<b>Total</b>	<b>156,502,875</b>	<b>8,272</b>	<b>8,272</b>	<b>8,200</b>	<b>529,123</b>

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

	<i>As at 31 December 2015</i>		<i>As at 30 June 2015</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	6,833	0.00%	8,272	0.01%
	<b>6,833</b>	<b>0.00%</b>	<b>8,272</b>	<b>0.01%</b>
Fair value of collateral held against the secured overdue loans and advances	5,561		5,561	
Covered portion	5,561		5,561	
Uncovered portion	1,272		2,711	
Individual impairment allowance made	6,850		8,200	

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

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**8 Overdue and rescheduled assets (continued)**

(b) Rescheduled loans and advances	<i>As at 31 December 2015</i>		<i>As at 30 June 2015</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>6,833</u>	<u>0.00%</u>	<u>8,272</u>	<u>0.01%</u>

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

(c) Other overdue assets	<i>As at</i>	<i>As at</i>
	<i>31 December 2015</i>	<i>30 June 2015</i>
	HK\$'000	HK\$'000
Over one year	<u>94,598</u>	<u>94,623</u>

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

**9 Impaired loans and advances**

	<i>As at</i>	<i>As at</i>
	<i>31 December 2015</i>	<i>30 June 2015</i>
	HK\$'000	HK\$'000
Impaired loans and advances to customers	6,833	8,272
As a percentage to total loans and advances to customers	0.00%	0.01%
Individual impairment allowances on impaired loans and advances to customers	6,850	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 31 December 2015 and 30 June 2015.

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**10 Mainland activities exposures**

**(i) As at 31 December 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)	78,502,438	25,376,378	103,878,816
(b) Local governments, local government-owned entities and their subsidiaries and JVs	8,234,355	1,633,227	9,867,582
(c) PRC nationals residing in the Mainland or other entities incorporated in the Mainland and their subsidiaries and JVs	53,240,543	3,760,606	57,001,149
(d) Other entities of central government not reported in item (a) above	2,175,243	453,518	2,628,761
(e) Other entities of local governments not reported in item (b) above	701,401	-	701,401
(f) PRC nationals residing outside the Mainland or entities incorporated outside the Mainland where the credit is granted for use in the Mainland	12,413,165	2,605	12,415,770
(g) Other counterparties where the exposure is considered by the reporting institution to be non-bank Mainland exposures	1,051,910	-	1,051,910
<b>Total</b>	<b>156,319,055</b>	<b>31,226,334</b>	<b>187,545,389</b>
<b>Total assets after provision</b>	<b>415,697,532</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>37.60%</b>		

**(ii) 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 the Mainland or other entities incorporated in the Mainland and their subsidiaries and JVs	22,280,901	99,551	22,380,452
(d) Other entities of central government not reported in item (a) above	1,354,391	19,997	1,374,388
(e) Other entities of local governments not reported in item (b) above	310,111	-	310,111
(f) PRC nationals residing outside the Mainland or entities incorporated outside the Mainland where the credit is granted for use in the Mainland	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 exposures	-	-	-
<b>Total</b>	<b>134,341,509</b>	<b>18,887,794</b>	<b>153,229,303</b>
<b>Total assets after provision</b>	<b>443,821,061</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>30.27%</b>		







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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 31 December 2015	<i>USD</i>	<i>CNY</i>
	HK\$'000 equiv	HK\$'000 equiv
Spot assets	219,945,862	94,910,144
Spot liabilities	(171,918,829)	(118,751,706)
Forward purchases	247,546,682	236,963,717
Forward sales	(302,509,780)	(205,562,027)
Net (short)/long position	<u>(6,936,065)</u>	<u>7,560,128</u>

  

As at 30 June 2015	<i>USD</i>	<i>CNY</i>
	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>

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

**15 Reserves**

(a) The components of reserves are as follows

	<i>As at</i>	<i>As at</i>
	<i>31 December</i>	<i>30 June</i>
	<i>2015</i>	<i>2015</i>
	HK\$'000	HK\$'000
Available-for-sale securities revaluation reserve, net of deferred tax	467,513	206,995
Regulatory reserve	194,824	183,970
Retained earnings	1,116,504	586,298
Total reserves	<u>1,778,841</u>	<u>977,263</u>

(b) Regulatory reserve

	<i>For the</i>	<i>For the</i>
	<i>year ended</i>	<i>six months</i>
	<i>31 December</i>	<i>ended 30 June</i>
	<i>2015</i>	<i>2015</i>
	HK\$'000	HK\$'000
As at 1 January	183,970	183,970
Transfer from retained earnings	10,854	-
As at 31 December/30 June	<u>194,824</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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**16 Off-balance sheet exposures**

(a) The contractual or notional amounts

	<i>As at</i> <b>31 December</b> <b>2015</b> <b>HK\$'000</b>		<i>As at</i> <b>30 June</b> <b>2015</b> <b>HK\$'000</b>	
Contingent liabilities and commitments				
- Direct credit substitutes	40,556,507		29,902,331	
- Trade-related contingencies	767,021		919,402	
- Other commitments	17,822,356		13,717,591	
	<b>59,145,884</b>		<b>44,539,324</b>	

  

	<i>As at 31 December 2015</i>		<i>As at 30 June 2015</i>	
	<i>Trading</i>	<i>Hedging</i>	<i>Trading</i>	<i>Hedging</i>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Derivatives				
- Exchange rate contracts	549,842,603	176,916	174,371,784	187,387
- Interest rate contracts	13,493,226	11,446,159	8,310,667	12,522,530
	<b>563,335,829</b>	<b>11,623,075</b>	<b>182,682,451</b>	<b>12,709,917</b>

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 31 December 2015**

	<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>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
- Exchange rate contracts	4,996,598	(5,440,655)	-	(15,651)
- Interest rate contracts	9,340	(9,340)	73,084	(33,640)
	<b>5,005,938</b>	<b>(5,449,995)</b>	<b>73,084</b>	<b>(49,291)</b>

**As at 30 June 2015**

	<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>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
- Exchange rate contracts	1,034,358	(868,955)	9,242	-
- Interest rate contracts	14,589	(14,589)	85,926	(50,542)
	<b>1,048,947</b>	<b>(883,544)</b>	<b>95,168</b>	<b>(50,542)</b>

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

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**17 Liquidity**

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

		<i>Year ended 31 December</i>
	<b>2015</b>	<b>2014</b>
Average liquidity coverage ratio		
- First quarter	<b>168.16%</b>	N/A
- Second quarter	<b>98.90%</b>	N/A
- Third quarter	<b>118.73%</b>	N/A
- Fourth quarter	<b>124.84%</b>	N/A
Average liquidity ratio for the year	<b>N/A</b>	73.40%

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 year ended 31 December 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>Quarter ended 31 December 2015 HK\$'000</i>	<i>Quarter ended 30 September 2015 HK\$'000</i>	<i>Quarter ended 30 June 2015 HK\$'000</i>	<i>Quarter ended 31 March 2015 HK\$'000</i>
Level 1 assets	37,802,015	33,472,590	28,027,497	28,919,074
Level 2A assets	-	-	-	-
Level 2B assets	<u>527,220</u>	<u>554,470</u>	<u>556,310</u>	<u>676,962</u>
Total weighted amount of HQLA	<u><u>38,329,235</u></u>	<u><u>34,027,060</u></u>	<u><u>28,583,807</u></u>	<u><u>29,596,036</u></u>

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



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**17 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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**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 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>31 December</i> <i>2015</i> <b>RMB million</b>	<i>As at</i> <i>30 June</i> <i>2015</i> <b>RMB million</b>
Capital adequacy ratio	<b>15.39%</b>	14.70%
Total equity	<b>1,445,083</b>	1,312,450

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>31 December</i> <i>2015</i> <b>RMB million</b>	<i>As at</i> <i>30 June</i> <i>2015</i> <b>RMB million</b>
Total assets	<b>18,349,489</b>	18,219,186
Total liabilities	<b>16,904,406</b>	16,906,736
Total loans and advances to customers	<b>10,234,523</b>	9,889,596
Total customer deposits	<b>13,668,533</b>	13,696,977
	<i>For the year ended</i> <i>2015</i> <b>RMB million</b>	<i>2014</i> <b>RMB million</b>
Profit before tax	<b>298,497</b>	299,086

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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.



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Jiang Xianzhou  
Alternate Chief Executive  
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, 30 June 2015, 30 September 2015 and 31 December 2015: (3)  
Basis of disclosure: Hong Kong office  
Currency: HK\$'000

		Quarter ended 31 December 2015		Quarter ended 30 September 2015		Quarter ended 30 June 2015		Quarter ended 31 March 2015	
		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)
<b>A. HIGH QUALITY LIQUID ASSETS</b>									
1	Total high quality liquid assets (HQLA)		38,325,235		34,027,060		28,583,807		29,596,036
<b>B. CASH OUTFLOWS</b>									
2	Retail deposits and small business funding, of which	367	37	31,972	3,197	389	39	388	39
3	Stable retail deposits and stable small business funding	-	-	-	-	-	-	-	-
4	Less stable retail deposits and less stable small business funding	367	37	31,972	3,197	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:	143,393,527	116,083,528	132,322,562	109,121,597	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	131,120,290	103,810,291	119,492,051	96,291,086	119,926,385	98,232,101	71,944,468	48,781,721
9	Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period	12,273,237	12,273,237	12,830,511	12,830,511	10,510,087	10,510,087	17,144,588	17,144,567
10	Secured funding transactions (including securities swap transactions)								
11	Additional requirements, of which	12,928,805	2,283,495	9,710,017	1,165,724	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	422,902	422,902	216,358	216,358	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)	12,505,303	1,860,593	9,493,659	949,366	15,790,888	1,579,099	16,123,740	1,612,374
15	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	367,092	367,092	820,159	820,159	2,259,735	2,259,735	775	775
16	Other contingent funding obligations (whether contractual or non-contractual)	48,396,995	4,074,948	42,592,375	3,527,594	32,037,268	2,842,683	34,663,322	2,762,266
17	<b>TOTAL CASH OUTFLOWS</b>		122,809,100		114,638,271		115,612,605		70,399,306
<b>C. CASH INFLOWS</b>									
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	132,315,104	113,120,714	106,805,362	95,887,851	114,076,800	102,347,525	121,837,428	109,059,802
20	Other cash inflows	2,135,752	5,687,725	346,697	4,122,611	278,426	3,333,939	130,741	3,524,468
21	<b>TOTAL CASH INFLOWS</b>	134,450,856	118,808,439	107,152,059	100,010,462	114,355,226	105,681,464	121,968,169	112,584,270
<b>D. LIQUIDITY COVERAGE RATIO</b>									
22	<b>TOTAL HQLA</b>		38,325,235		34,027,060		28,583,807		29,596,036
23	<b>TOTAL NET CASH OUTFLOWS</b>		30,702,275		28,659,568		28,903,151		17,599,826
24	<b>LCR (%)</b>		124.84%		118.73%		98.90%		168.16%