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中國民生銀行股份有限公司
CHINA MINSHENG BANKING CORP., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01988)

**ANNOUNCEMENT FOR THE FIRST QUARTERLY RESULTS
RELEASE TELECONFERENCE**

The board of directors (the “**Board**”) of China Minsheng Banking Corp., Ltd. (the “**Company**” or “**Minsheng Bank**”) held the 2016 first quarterly results release teleconference on 5 May 2016. The brief notes of the results release teleconference are as below and the Company believes that its shareholders may be interested to be provided with more details.

Question 1: Which business areas will Minsheng Bank focus on in 2016? Which business areas of Minsheng Bank are expected to have more outstanding performance in 2016?

Answer: The Company will focus on the development of business by capitalizing major opportunities in four areas.

The first opportunity is the upgrade of consumption pattern and the development of the consumption loan business and retail loan business. We intend to increase the total loan size by RMB300.0 billion in this year with RMB150.0 billion designated for consumption loans and RMB100.0 billion for residential mortgage loans. The first quarterly results showed steady growth of new loans. Mortgage loans increased by more than RMB20.0 billion and represented a higher proportion in consumption loans.

The second opportunity is the upgrade of industrial structure and the optimization of the structure of corporate loans which currently account for a relatively high proportion of Minsheng Bank. In this year, we will cut down the loans to industries of excessive capacities and high pollution by RMB60.0 billion and increase loans to emerging industries and modern service industries by increasing financial assets of RMB200.0 billion to facilitate the restructuring of industries in accordance with the economic strategy of the government. Additional financial support will be provided for high-end manufacturing, Made in China 2025, intellectual industries, emerging industries and new energy. In general, apart from structural adjustment, corporate loans will increase by RMB150.0 billion, representing half of the additional loans of RMB300.0 billion. In addition, we will increase our loans to major company groups, state-owned enterprises and premium listed companies whose businesses are in line with national development strategies.

The third opportunity is the market reform of financial businesses. We will increase the proportion of our income from intermediary business.

The fourth opportunity is the development of internet finance. We will accelerate the development of our online banking.

Significant improvement in the above businesses was achieved in the first quarter. In the first quarter, corporate deposits and loans increased by RMB100.0 billion and RMB130.0 billion, respectively. Business structure was also adjusted significantly with higher proportion of 3A and 2A enterprises. Meanwhile, personal mortgage loans and internet finance have been growing steadily. With regard to investments, investments in treasury bonds, personal and local bonds also increased significantly.

Question 2: Please explain how the profits will be affected by the replacement of business tax with value-added tax. Will there be any priorities and adjustments?

Answer: As the price and tax are separated under the value-added tax, the total revenue will decrease. The Company will prepare for the change in taxation arrangement to minimize the impacts by various measures after considering various factors, including the offset of input and out value-added tax and its impacts on the overall operation, the annual budget of this year, business and pricing strategies.

Question 3: The net interest margin decreased significantly in 2015. Would you please explain the major reasons for the decrease? May we have your view on the future change in interest margin after the revision of mortgage interest rates on 1 January? How far will it go if the interest margin continues to narrow down?

Answer: The net interest margin of Minsheng Bank was 2.26 for 2015 and 2.11 for the first quarter of this year. According to the statistics, the decrease in interest margin is mainly due to interest rate cuts. Return ratio of loans dropped by approximately 100 base points in the first quarter of this year compared with the corresponding period of last year, while the cost ratio of deposits dropped by approximately 40 base points in the first quarter of this year compared with the corresponding period of last year. In general, the return ratio of loan decreases at a faster pace than the cost ratio of deposits. Moreover, the interest margin of interbank borrowings has also decreased. In addition, the return ratio of our investment also decreased as compared with the corresponding period of last year although the size of investment increased. This year, we expect that the interest margin will remain or increase as a result of the adjustment of our overall assets structure and the structure of interbank borrowings and deposits, which will make contributions to the Company's overall profitability. We will also further develop the intermediary business to improve the total operating income of the Company.

Question 4: Would you please provide the figures or ratio of disposal of non-performing assets for the first quarter this year, in cash and disposal respectively?

Answer: As most of the loans were disposed of by a combination of different methods, it is hard to provide a breakdown. In general, RMB4.3 billion of non-performing assets were written off and RMB1.8 billion of non-performing assets were disposed of. The remaining non-performing assets were dealt with by other methods. The proportion of cash settlement decreased slightly but remained its significant proportion in disposal of non-performing assets.

Question 5: Please compare the growth of the small and micro business in the last year and the first quarter of this year. Are there changes in the asset quality?

Answer: In the first quarter, the small and micro business placed its focus on achieving revenue growth, improvement in collaterals, expansion of customer base, strengthening cross-selling and risk mitigation and our efforts proved to be effective. In the first quarter, the small and micro business recorded a net income of RMB4.04 billion, representing an increase of 15.10% compared with the corresponding period of last year. 53.05% of our small and micro business is covered by collaterals, representing an increase of 2.82 percentage points compared with the beginning of the year. There was an increase of 158 thousand, or 4.94%, in the number of small and micro business customers compared with the beginning of the year. It is worth noting that the small and micro intermediary businesses recorded an income of RMB344 million of which the net non-interest income amounted to RMB223 million, representing an increase of RMB0.28 billion compared with the corresponding period of last year. The asset quality further improved as the proportion of overdue and non-performing loans kept decreasing.

Question 6: Please explain in details which items in the fee income have a faster growth rate. In addition, an exchange loss of RMB1.96 billion was recorded in the first quarter, could you please explain why there was such a great exchange loss in a single quarter?

Answer: The net non-interest income for the first quarter amounted to RMB15,237 million, representing an increase of RMB2,885 million, or 23.36%, compared with the corresponding period of last year. The overall growth was mainly attributable to three major segments, namely agent services, bank card services as well as trust and fiduciary services. Agent services recorded an income of RMB5,015 million, representing an increase of 58.68%; bank card services recorded an income of RMB3,926 million, representing an increase of 13.76%; and trust and fiduciary services recorded an income of RMB3,444 million, representing an increase of 30.6%, compared with the corresponding period of last year. The income of these three segments accounted for 82.39% of the total net fee and commission income. In the future, greater efforts will be made to increase the income from the intermediary businesses of investment banking, transaction banking and general settlement.

Regarding the exchange gain and loss, we should not single out the impacts from the exchange gain and loss of the financial statements. We should consider the exchange gain or loss together with investment income and change in fair value to find out the real effects of fluctuations of exchange business, precious metals and market risk exposure. In the first quarter, the total net income of these three items amounted to RMB733 million, representing a slight increase compared with the corresponding period of last year.

By Order of the Board
CHINA MINSHENG BANKING CORP., LTD.
Hong Qi
Chairman

Beijing, PRC
5 May 2016

As at the date of this announcement, the executive directors of the Company are Mr. Hong Qi, Mr. Liang Yutang and Mr. Zheng Wanchun; the non-executive directors of the Company are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Wang Yugui, Mr. Wang Hang, Mr. Wang Junhui, Mr. Wu Di, Mr. Guo Guangchang and Mr. Yao Dafeng; and the independent non-executive directors of the Company are Mr. Qin Rongsheng, Mr. Wang Lihua, Mr. Han Jianmin, Mr. Cheng Hoi-chuen, Mr. Ba Shusong and Ms. You Lantian.