

China Minsheng Banking Corp., Ltd.
Appendices
Information on Capital Composition for the First Half of 2014

Appendix I: Compositions of Capital

Unit: millions (in RMB), % (data of the Group)

Core tier-1 capital:		Amount
1	Share capital	34,040
2	Retained revenue	
2a	Surplus reserve	17,020
2b	General reserve	42,554
2c	Retained earnings	80,451
3	Accumulated other comprehensive income and public reserve	
3a	Capital reserve	48,129
3b	Others	5
4	Amount as attributable to core tier-1 capital during the transition period (only applicable to non-shareholding company and mark “0” for the banks which are joint stock companies)	
5	Valid portion of non-controlling interests	6,136
6	CET1 capital before regulatory deductions	228,335
CET1 capital: regulatory deductions		
7	Prudent valuation adjustment	
8	Goodwill(net of deferred tax liabilities)	
9	Other intangible assets (excluding land use rights) (net of deferred tax liabilities)	954
10	Net deferred tax assets due to operation losses subject to future profits	
11	Cash-flow hedge reserves for the projects not measured at fair value	
12	Shortfall of provisions to expected losses	
13	Securitisation gain on sale	
14	Unrealized gains and losses arising from the change in the fair value of debts due to the change in credit exposure	
15	Defined-benefit pension fund net assets	
16	Ordinary shares held directly or indirectly by the Bank	
17	Reciprocal cross-holdings in CET1 capital instruments	
18	Insignificant capital investments in CET1 capital Instruments issued by financial sector entities that are outside the scope of regulatory consolidation	

19	Significant capital investments in CET1 capital Instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
20	Mortgage-servicing rights	
21	Other deductible amount from net deferred tax assets subject future profits of the Bank	
22	Amount exceeding the 15% threshold	
23	Of which: deductible amount from significant minority interests in financial institutions	
24	Of which: deductible amount from service rights of loans secured	
25	Of which: deductible amount from other net deferred tax assets subject to future profits of the Bank	
26a	Investment on core tier-1 capital by financial sector entities that are under control but not subject to consolidation	
26b	Insufficiency in core tier-1 capital by financial sector entities that are under control but not subject to consolidation	
26c	Total amount of other deductible items of the core tier-1 capital	
27	Other amounts deductible from tier-1 and tier-2 capital	
28	Total regulatory deductions to CET1 capital	954
29	CET1 capital	227,381
Additional tier-1 capital:		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	
31	of which: classified as equity under applicable accounting standards	
32	of which: classified as liabilities under applicable accounting standards	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	
34	Valid portion of non-controlling interests	275
35	Of which: instruments subject to phase out	-
36	Additional Tier-1 capital before the regulatory adjustments	275
Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	

41a	Investments in additional tier-1 capital instruments issued by financial sector entities that are under control but not subject to consolidation	
41b	Insufficiency in additional tier-1 capital by financial sector entities that are under control but not subject to consolidation	
41c	Other deductible in additional tier-1 capital	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	
43	Total regulatory deductions to AT1 capital	
44	Additional Tier 1 capital (AT1)	275
45	Tier 1 capital (T1 = CET1 + AT1)	227,656
Tier-2 capital:		
46	Qualifying Tier 2 capital instruments plus any related share premium	40,080
47	Capital instruments subject to phase out arrangements from Tier 2 capital	40,080
48	Valid portion of non-controlling interests	879
49	Of which: instruments subject to phase out	-
50	Surplus provision for loan impairment	18,329
51	Tier-2 capital before regulatory deductions	59,288
Tier-2 capital: regulatory adjustments		
52	Tier-2 capital directly or indirectly held in the Bank	
53	Reciprocal cross-holdings in Tier 2 instruments	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
56a	Investments in tier-2 capital instruments issued by financial sector entities that are under control but not subject to consolidation	
56b	Insufficiency in Tier 2 capital by financial sector entities that are under control but not subject to consolidation	
56c	Other deduction in tier-2 capital	
57	Total regulatory deductions to Tier 2 capital	
58	Tier-2 capital	59,288
59	Total capital (tier-1 capital + tier-2 capital)	286,944
60	Total risk-weighted assets	2,595,742
Capital ratios and buffers		
61	National core tier-1 capital adequacy ratio	8.76%

62	National tier-1 capital adequacy ratio	8.77%
63	National capital adequacy ratio	11.05%
64	Institution specific buffer requirement	
65	Of which: capital conservation buffer requirement	64,894
66	Of which: bank specific countercyclical buffer requirement	
67	Of which: G-SIB buffer requirement	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	3.76%
National minima		
69	National core tier-1 capital adequacy ratio	5%
70	National tier-1 capital adequacy ratio	6%
71	National capital adequacy ratio	8%
Amounts below the threshold for deductions		
72	Insignificant capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	3,636
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	2,598
74	Mortgage servicing rights(net of related tax liabilities)	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	10,171
Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach	34,146
77	Cap on inclusion of provisions in Tier 2 under standardised approach	29,630
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	
Capital instruments subject to phase-out arrangements		
80	Current cap on CET1 instruments subject to phase out arrangements	
81	Amount excluded from CET1 due to cap	
82	Current cap on AT1 instruments subject to phase out arrangements	
83	Amount excluded from AT1 due to cap	
84	Current cap on T2 instruments subject to phase out arrangements	20,080
85	Amount excluded from T2 due to cap	5,020

Appendix II: Description of related items

Unit: million (in RMB)

	Balance sheet under audited consolidated statements	Note
Goodwill		a
Intangible assets	5,263	b
Deferred income tax liabilities		
Of which: deferred tax liabilities related to goodwill		c
Of which: deferred tax liabilities related to other intangible assets (exclusive of land use right)		d
Paid-in capital	34,040	
Of which: valid portion of CET1 capital	34,040	e
Of which: valid portion of Additional Tier 1 capital		f

Appendix III: Correspondence between balance sheet in published financial statements and capital composition

Unit: million (in RMB)

CET1 capital		Amount	Note
1	Paid-in capital	34,040	e
2a	Surplus reserve	17,020	
2b	General reserve	42,554	
2c	Retained earnings	80,451	
3a	Capital reserve	48,129	
8	Goodwill (net of related tax liabilities)		a-c

Appendix IV: Main features of capital instruments

1	Issuer	China Minsheng Banking Corp., Ltd.							
2	Document code								
3	Applicable laws	Regulation Governing Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》)							
	Regulatory treatment								
4	Of which: transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》)	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	Tier 2 Capital instruments subject to phase out arrangements	recognized as regulatory capital
5	Of which: post transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》)	Not included in regulatory capital	Not included in regulatory capital	Not included in regulatory capital	Not included in regulatory capital	Not included in regulatory capital	Not included in regulatory capital	Not included in regulatory capital	recognized as regulatory capital
6	Of which: eligible at solo/group/group & solo	legal person	legal person	legal person	legal person	legal person	legal person	legal person	legal person
7	Category of instrument	subordinated bonds	subordinated bonds	subordinated bonds	hybrid capital bonds	hybrid capital bonds	hybrid capital bonds	hybrid capital bonds	Tier -2 capital bonds

8	Amount recognized in regulatory capital (Unit: million)	4,640	4,800	3,200	2,640	800	2,660	1,340	20,000
9	Par value of instrument (unit: million)	5,800	6,000	4,000	3,300	1,000	3,325	1,675	20,000
10	Accounting classification	Liabilities payable	Liabilities payable	Liabilities payable	Liabilities payable	Liabilities payable	Liabilities payable	Liabilities payable	Liabilities payable
11	Original date of issuance	10 June 2010	18 March 2011	18 March 2011	28 December 2006	28 December 2006	25 March 2009	25 March 2009	18 March 2014
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Of which: original maturity date	10 June 2020	18 March 2021	18 March 2026	28 December 2021	28 December 2021	25 March 2024	25 March 2024	18 March 2024
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15	Of which: optional call date contingent call dates and redemption amount (unit: million)	10 June 2015, 5,800	18 March 2016, 6,000	18 March 2021, 4,000	28 December 2016, 3,300	28 December 2016, 1,000	25 March 2018, 3,325	25 March 2018, 1,675	18 March 2019, 20,000
16	Of which:	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	subsequent call dates, if applicable								
	Coupons / dividends								
17	Of which: fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Floating	Fixed	Floating	Fixed
18	Of which: Par interest rate	4.29%	5.50%	5.70%	5.05%	Fixed one-year-term deposit rate of +2.0%	5.70%	Fixed one-year-term deposit rate of +3.0%	6.60%
19	Of which: existence of a dividend stopper	No	No	No	No	No	No	No	No
20	Of which: fully discretionary, partially discretionary or mandatory	No discretionary right	No discretionary right	No discretionary right	No discretionary right	No discretionary right	No discretionary right	No discretionary right	No discretionary right
21	Of which: existence of step up or other incentive to redeem	No	No	No	Yes	Yes	Yes	Yes	No
22	Of which: non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative

23	Convertible or non-convertible	No	No	No	No	No	No	No	No
24	Write-down feature	No	No	No	No	No	No	No	No
25	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Presented after other liabilities but before equity capital and hybrid capital bonds	Presented after other liabilities but before equity capital and hybrid capital bonds	Presented after other liabilities but before equity capital and hybrid capital bonds	Presented after the long-term subordinated bonds but before equity capital	Presented after the long-term subordinated bonds but before equity capital	Presented after the long-term subordinated bonds but before equity capital	Presented after the long-term subordinated bonds but before equity capital	Presented after other liabilities but before equity capital and hybrid capital bonds
26	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
	Of which: if yes, please specify non-compliant features	Without writedown and convertible feature	Without writedown and convertible feature	Without writedown and convertible feature	With redemption incentive, without write-down and convertible feature	With redemption incentive, without write-down and convertible feature	With redemption incentive, without write-down and convertible feature	With redemption incentive, without write-down and convertible feature	