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

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

**(Stock Code: 01988)**

**(USD Preference Shares Stock Code: 04609)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made by China Minsheng Banking Corp., Ltd. (the “**Company**” or the “**Bank**”) pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and provisions of Inside Information in Part XIVA of the Securities and Futures Ordinance of Chapter 571 of Hong Kong Laws.

Please refer to the attached 2018 First Quarterly Report of China Minsheng Banking Corp., Ltd. released by the Company on the website of Shanghai Stock Exchange and newspapers in the PRC.

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

Beijing, PRC  
27 April 2018

*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. Shi Yuzhu, Mr. Wu Di, Mr. Yao Dafeng, Mr. Song Chunfeng, Mr. Tian Zhiping and Mr. Weng Zhenjie; and the independent non-executive directors of the Company are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Cheng Hoi-chuen, Mr. Peng Xuefeng and Mr. Liu Ningyu.*

**2018 First Quarterly Report**  
**China Minsheng Banking Corp., Ltd.**

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## **1. Important Notice**

- 1.1** The Board of Directors (the “Board”), the Supervisory Board and the Directors, Supervisors and Senior Management of the Company warrant the truthfulness, accuracy and completeness of the contents of this quarterly report and that there are no misstatements, misleading representations or material omissions in this quarterly report, and shall assume several and joint liabilities.
- 1.2** This quarterly report was considered and approved at the eighth meeting of the seventh session of the Board of the Company on 27 April 2018. Of the 18 Directors who were entitled to attend the meeting, 5 Directors attended the meeting in person, 11 Directors, being the Vice Chairman Zhang Hongwei and Liu Yonghao, as well as the Directors Shi Yuzhu, Wu Di, Yao Dafeng, Weng Zhenjie, Cheng Hoi-chuen, Li Hancheng, Xie Zhichun, Peng Xuefeng and Liu Ningyu, attended the meeting by teleconference, and 2 Directors entrusted others to attend the meeting, including that the Vice Chairman Lu Zhiqiang entrusted the Director Wu Di, and the Director Zheng Wanchun entrusted the Chairman Hong Qi, in writing, respectively, to exercise their voting rights at the meeting. Of the nine Supervisors who were entitled to attend the meeting as non-voting delegates, nine Supervisors attended the meeting as non-voting delegates.
- 1.3** Hong Qi (Chairman), Zheng Wanchun (President), Bai Dan (Senior Management responsible for accounting) and Li Wen (Person in charge of the accounting department) warrant the truthfulness, accuracy and completeness of the financial reports included in this quarterly report.
- 1.4** The First Quarterly Report of the Company is unaudited.
- 1.5** The financial data and indicators contained in this quarterly report are prepared in accordance with the Chinese accounting standards. Unless otherwise specified, all amounts are consolidated data of the Company and its subsidiaries (the “Group”) and are denominated in RMB.

## 2. Company Profile

### 2.1 Major financial data

Item	(Unit: RMB million)		
	As at the end of the reporting period 31 March 2018	As at the end of the previous year 31 December 2017	Change from the end of the previous year to the end of this reporting period (%)
Total assets	<b>6,002,508</b>	5,902,086	1.70
Total equity attributable to equity shareholders of the Company	<b>384,998</b>	378,970	1.59
Total equity attributable to ordinary shareholders of the Company	<b>375,106</b>	369,078	1.63
Net assets per share attributable to ordinary shareholders of the Company (RMB)	<b>10.28</b>	10.12	1.58

Item	(Unit: RMB million)		
	During the reporting period January– March 2018	During the corresponding period of the previous year January–March 2017	Change from the reporting period over the corresponding period of the previous year (%)
Operating income	<b>36,748</b>	36,254	1.36
Net interest income	<b>15,741</b>	20,680	-23.88
Recovered net interest income <sup>Note</sup>	<b>22,122</b>	20,680	6.97
Net profit attributable to equity shareholders of the Company	<b>14,942</b>	14,199	5.23
Net profit attributable to equity shareholders of the Company excluding extraordinary gain/loss items	<b>15,111</b>	14,198	6.43
Basic earnings per share (RMB)	<b>0.41</b>	0.39	5.13
Diluted earnings per share (RMB)	<b>0.41</b>	0.39	5.13
Return on weighted average equity (%) (annualized)	<b>16.28</b>	16.71	Down by 0.43 percentage points
Return on weighted average equity excluding extraordinary gain/loss items (%) (annualized)	<b>16.47</b>	16.71	Down by 0.24 percentage points
Net cash flow from operating activities	<b>-122,607</b>	-43,896	Negative for two periods
Net cash flow per share from operating activities (RMB)	<b>-3.36</b>	-1.20	Negative for two periods

Note: The new accounting standards in relation to financial instruments commenced implementation on 1 January 2018, pursuant to which, the relevant gains from financial assets at fair value through profit or loss will no longer be recorded into interest income. During the reporting period, the recovered net interest income amounted to RMB22,122 million, representing an increase of 6.97% as compared with the corresponding period of the previous year.

Extraordinary gain/loss items are as follows:

<i>(Unit: RMB million)</i>	
<b>Item</b>	<b>During the reporting period January–March 2018</b>
Extraordinary income	<b>37</b>
Of which: Government subsidies	<b>34</b>
Other extraordinary income	<b>3</b>
Extraordinary expenses	<b>196</b>
Of which: Expenses on donations	<b>3</b>
Other extraordinary expenses	<b>193</b>
Net extraordinary profit/loss	<b>-159</b>
Less: Income tax effect of all the above items	<b>4</b>
Net extraordinary gain/loss impact (after tax)	<b>-163</b>
Of which: Extraordinary gain/loss impact on net profit attributable to equity shareholders of the Company	<b>-169</b>
Extraordinary gain/loss impact on net profit attributable to non-controlling interests	<b>6</b>

## 2.2 Supplemental financial data

<i>(Unit: RMB million)</i>		
<b>Item</b>	<b>As at the end of the reporting period 31 March 2018</b>	<b>As at the end of the previous year 31 December 2017</b>
Total liabilities	<b>5,606,672</b>	5,512,274
Total deposits from customers	<b>3,050,655</b>	2,966,311
Of which: Corporate deposits	<b>2,507,226</b>	2,455,247
Personal deposits	<b>525,409</b>	492,008
Outward remittance and remittance payable	<b>3,506</b>	6,987
Certificates of deposits	<b>14,514</b>	12,069
Total loans and advances to customers	<b>2,906,509</b>	2,804,307
Of which: Corporate loans and advances	<b>1,778,922</b>	1,698,480
Personal loans and advances	<b>1,127,587</b>	1,105,827
Non-performing loans	<b>49,647</b>	47,889
Allowance for impairment losses on loans	<b>85,475</b>	74,519

## 2.3 Analysis of capital adequacy ratio and leverage ratio

The Group calculated its capital adequacy ratio (the “CAR”) in accordance with the Capital Rules for Commercial Banks (Provisional) (the “New Rules”) promulgated by the China Banking Regulatory Commission and other relevant regulatory provisions. The calculation of CAR covers the Company and the financial institutions directly or indirectly invested by the Company in accordance with the requirements of the New Rules. As at the end of the reporting period, the CAR, core tier-one CAR and tier-one CAR of the Group satisfied the requirements of the New Rules.

CARs of the Group are as follows:

Item	(Unit: RMB million)	
	31 March 2018	
	The Group	The Bank
Net core tier-one capital	381,314	362,014
Net tier-one capital	392,207	371,892
Total net capital base	530,526	505,812
Core tier-one CAR (%)	8.61	8.58
Tier-one CAR (%)	8.86	8.81
CAR (%)	11.98	11.99

Capital instruments entitled for the preferential policy during the transitional period: According to the applicable requirements under the New Rules, non-qualified tier-two capital instruments issued by commercial banks before 12 September 2010 may be entitled to the preferential policy of a progressive deduction of book value by 10% per annum starting from 1 January 2013. As at the end the reporting period, the balance of non-qualified tier-two capital instruments of the Company was RMB9.0 billion, which can be put into the calculation.

As at the end of the reporting period, the net tier-one capital increased by RMB6,793 million, on- and off-balance sheet assets after adjustment increased by RMB50,069 million, and the leverage ratio increased by 0.06 percentage points, as compared with the end of 2017. The leverage ratio of the Group is as follows:

Item	(Unit: RMB million)			
	31 March 2018	31 December 2017	30 September 2017	30 June 2017
Leverage ratio (%)	5.87	5.81	5.91	5.69
Net tier-one capital	392,207	385,414	377,875	371,134
On- and off-balance sheet assets after adjustment	6,679,422	6,629,353	6,389,647	6,520,480

## **2.4 Discussion and analysis on business operation**

During the reporting period, the Company proactively implemented the national development strategies. Based on the strategic positioning of becoming “a bank for non-state-owned enterprises (NSOEs), a fintech-based bank and a bank of comprehensive services”, the Company carried out customer-centric operations and provided solid services to the real economy, accelerated reform and transformation, embraced a continuously optimised business structure, enhanced risk control and management capabilities and increased profitability. All lines of business maintained steady development.

### **2.4.1 Continuously increased profitability and stable return to shareholders**

The operational efficiency of the Company continued to improve. During the reporting period, the Group realised net profit attributable to equity shareholders of the Company of RMB14,942 million, representing an increase of RMB743 million, or 5.23%, as compared with the corresponding period of the previous year. Operating income recorded at RMB36,748 million, representing an increase of RMB494 million, or 1.36%, as compared with the corresponding period of the previous year. Cost-to-income ratio was 24.75%, representing an increase of 0.03 percentage points as compared with the corresponding period of the previous year.

The return to shareholders remained stable. During the reporting period, the annualised return on average assets of the Group was 1.02%, representing an increase of 0.04 percentage points as compared with the corresponding period of the previous year. Annualised return on weighted average equity and basic earnings per share were 16.28% and RMB0.41, respectively, representing a decrease of 0.43 percentage points and an increase of RMB0.02, as compared with the corresponding period of the previous year, respectively. As at the end of the reporting period, net assets per share attributable to ordinary shareholders of the Company was RMB10.28, increased by RMB0.16 as compared with the end of the previous year.

### **2.4.2 Continuously optimised asset and liability structure and advanced strategic transformation**

The Company maintained balanced development in the sizes of assets and liabilities. As at the end of the reporting period, the total assets of the Group amounted to RMB6,002,508 million, representing an increase of RMB100,422 million, or 1.70%, as compared with the end of the previous year. Among which, total loans and advances to customers amounted to RMB2,906,509 million, representing an increase of RMB102,202 million, or 3.64%, as compared with the end of the previous year. The proportion of total loans in total assets reached 48.42%, representing an increase of 0.91 percentage points as compared with the end of the previous year. Total liabilities amounted to RMB5,606,672 million, representing an increase of RMB94,398 million, or 1.71%, as compared with the end of the previous year. Total deposits from customers amounted to RMB3,050,655 million, representing an increase of RMB84,344 million, or 2.84%, as compared with the end of the previous year.



The Company continued to solidify and improve its customer base. As at the end of the reporting period, the number of domestic corporate customers with deposits of the Company was 1,051.3 thousand, representing an increase of 38.5 thousand as compared with the end of the previous year. The number of corporate customers of the Company with general loan balances was 11,324, representing an increase of 153 as compared with the end of the previous year. NSOE customers with loan balances amounted to 5,809. The number of retail customers with deposit balances was 35,378.7 thousand. The number of small business customers was 6,555.4 thousand, representing an increase of 631.2 thousand as compared with the end of the previous year. The numbers of direct banking customers and mobile banking customers were 12,866.1 thousand and 36,203.4 thousand, respectively, representing increases of 1,951.6 thousand and 5,411.7 thousand as compared with the end of the previous year, respectively.

The Company continued to adjust and optimise its business structure and stick to the featured businesses for NSOEs and small and micro enterprises. As at the end of the reporting period, general loans to NSOEs amounted to RMB650,965 million, representing an increase of RMB4,648 million as compared with the end of the previous year. Small business loans amounted to RMB383,281 million, representing an increase of RMB24,134 million as compared with the end of the previous year. Among which, pledged and secured loans accounted for 78.95%, representing an increase of 3.31 percentage points as compared with the end of the previous year. Delicate wealth management continued to be pushed forward. As at the end of the reporting period, the asset size of personal wealth under management of the Company amounted to RMB1,541,552 million, representing an increase of RMB105,192 million as compared with the end of the previous year. Financial assets of private banking under management of the Company amounted to RMB323,801 million, representing an increase of RMB16,922 million as compared with the end of the previous year. The market ranking of debt issuance business of the Company rose as well with a volume of RMB81,547 million as at the end of the reporting period. Custody business broke the record of RMB8 trillion to RMB8,061,389 million, representing an increase of RMB321,737 million as compared with the end of the previous year.

Income structure was further adjusted. During the reporting period, net non-interest income of the Group amounted to RMB21,007 million, representing an increase of RMB5,433 million, or 34.89%, as compared with the corresponding period of the previous year. The proportion of net non-interest income was 57.17%, representing an increase of 14.21 percentage points as compared with the corresponding period of the previous year, which was mainly due to the application of the New Standards for Financial Instruments on 1 January 2018, pursuant to which, the relevant gains from financial assets at fair value through profit or loss will no longer be recorded into interest income, and the relevant profit or loss will be recorded into net non-interest income.

### **2.4.3 Stable asset quality and improved risk resistance capabilities**

During the reporting period, the Group continued to refine the internal customer rating system, strengthened the internal risk classification management, enhanced risk monitoring and early-warning mechanism, and intensified the recovery and disposal of non-performing assets, which had contributed to a generally stable asset quality and improved risk resistance capabilities.

As at the end of the reporting period, the outstanding non-performing loans (“NPLs”) of the Group amounted to RMB49,647 million, representing an increase of RMB1,758 million as compared with the end of the previous year. The NPL ratio was 1.71%, maintaining at the same level with the end of the previous year. Allowance to NPLs and allowance to total loans were 172.17% and 2.94%, respectively, representing increases of 16.56 percentage points and 0.28 percentage points as compared with the end of the previous year, respectively.

**2.5 Total number of shareholders, particulars of shareholdings of top ten shareholders, top ten holders of tradable shares (or holders of shares not subject to restriction on sales) as at the end of the reporting period**

*Unit: share*

Total number of shareholders

385,637

**Particulars of shareholdings of top ten shareholders**

Full name of shareholders	Number of shares held as at the end of the reporting period	Percentage (%)	Number of shares subject to restriction on sales held	Status of shares	Shares pledged or locked-up Number of shares	Type of shareholders
HKSCC Nominees Limited	6,900,972,446	18.91	—	Unknown	—	Others
Anbang Life Insurance Inc. — Steady Investment Portfolio	2,369,416,768	6.49	—	Nil	—	State-owned legal person
China Securities Finance Corporation Limited	1,787,745,079	4.90	—	Nil	—	State-owned legal person
China Oceanwide Holdings Group Co., Ltd.	1,682,652,182	4.61	—	Pledged	1,679,652,182	Domestic non-state-owned legal person
Anbang Property Insurance Inc. — Traditional products	1,665,225,632	4.56	—	Nil	—	State-owned legal person
Anbang Insurance Group Co., Ltd. — Traditional Insurance Products	1,639,344,938	4.49	—	Nil	—	State-owned legal person
New Hope Liuhe Investment Co., Ltd.	1,523,606,135	4.18	—	Nil	—	Domestic non-state-owned legal person
Shanghai Giant Lifetech Co., Ltd.	1,149,732,989	3.15	—	Pledged	1,132,507,089	Domestic non-state-owned legal person
Huaxia Life Insurance Co., Ltd. — Universal Insurance Product	1,146,469,451	3.14	—	Nil	—	Domestic non-state-owned legal person
China Shipowners Mutual Assurance Association	1,086,917,406	2.98	—	Nil	—	Domestic non-state-owned legal person

**Top ten holders of shares not subject to restriction on sales**

Name of shareholder	Number of tradable shares not subject to restriction on sales	Class and number of shares	
		Class	Number
HKSCC Nominees Limited	6,900,972,446	Overseas listed foreign invested shares	6,900,972,446
Anbang Life Insurance Inc. — Steady Investment Portfolio	2,369,416,768	Ordinary shares in RMB	2,369,416,768
China Securities Finance Corporation Limited	1,787,745,079	Ordinary shares in RMB	1,787,745,079
China Oceanwide Holdings Group Co., Ltd.	1,682,652,182	Ordinary shares in RMB	1,682,652,182
Anbang Property Insurance Inc. —Traditional products	1,665,225,632	Ordinary shares in RMB	1,665,225,632
Anbang Insurance Group Co., Ltd. — Traditional Insurance Products	1,639,344,938	Ordinary shares in RMB	1,639,344,938
New Hope Liuhe Investment Co., Ltd.	1,523,606,135	Ordinary shares in RMB	1,523,606,135
Shanghai Giant Lifetech Co., Ltd.	1,149,732,989	Ordinary shares in RMB	1,149,732,989
Huaxia Life Insurance Co., Ltd. — Universal Insurance Product	1,146,469,451	Ordinary shares in RMB	1,146,469,451
China Shipowners Mutual Assurance Association	1,086,917,406	Ordinary shares in RMB	1,086,917,406
Statement on the related relationships or concerted actions among the aforesaid shareholders	Anbang Insurance Group Co., Ltd. is the controlling shareholder of Anbang Life Insurance Inc. and Anbang Property Insurance Inc. Save as above, the Company is not aware of any related relationship among other shareholders mentioned above.		
Statement on the holders of preference shares with restored voting rights and number of shares held	Nil		

Notes:

1. The number of shares held by H shareholders was recorded in the Register of Members as kept by the H Share Registrar of the Company;
2. HKSCC Nominees Limited acted as an agent to represent the total amount of H shares held by all institutional and individual investors that was registered in the account of such company as at 31 March 2018.

## 2.6 Number of holder of preference shares and particulars of shareholdings of the top ten holder(s) of preference shares and the top ten holder(s) of preference shares not subject to restrictions on sales as at the end of the reporting period

☒ Applicable    ☐ Inapplicable

*Unit: share*

Total number of holder of preference shares

1

### Particulars of shareholdings of the top ten holder(s) of preference shares

Full name of shareholder	Number of shares held as at the end of the reporting period	Shareholding percentage (%)	Class of shares held	Shares pledged or locked-up		Type of shareholder
				Status of shares	Number of shares	
The Bank of New York Mellon Depository (Nominees) Limited	71,950,000	100	Offshore preference shares	Unknown	—	Foreign shareholder

### Particulars of shareholdings of the top ten holder(s) of preference shares not subject to restriction on sales

Shareholder name	Number of shares not subject to restriction on sales held as at the end of the reporting period	Class and number of shares	
		Class	Number
The Bank of New York Mellon Depository (Nominees) Limited	71,950,000	Others	71,950,000
Statement on the related relationships or concerted actions among the top ten holder(s) of preference shares, and among the aforesaid shareholder and the top ten holders of ordinary shares	Unknown		

Notes:

1. The number of shares held by the holders of preference shares was recorded according to the register of members of the preference shares of the Company.
2. As the preference shares were issued through private offering in the overseas market, information of nominees of the allotted investors was based on the register of members of the preference shares.

### 3. Major Events

#### 3.1 Significant changes in key accounting items and financial indicators of the Company and explanation on such changes

☒ Applicable    ☐ Inapplicable

In 2017, the Ministry of Finance successively promulgated five revised accounting standards for business enterprises including the Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 23 — Transfer of Financial Assets, the Accounting Standards for Business Enterprises No. 24 — Hedge Accounting, the Accounting Standards for Business Enterprises No. 37 — Presentation of Financial Instruments (the “New Standards for Financial Instruments”), and the Accounting Standards for Business Enterprises No. 14 — Income, and required the implementation of enterprises listed both at home and abroad to be started on 1 January 2018. The Company has executed the above-mentioned standards when preparing this financial statements. Please refer to the announcement on changes in accounting standards of the Company for the relevant matter and the impacts.

*(Unit: RMB million)*

Item	31 March 2018	31 December 2017	Change from the end of the previous year (%)	Main reason
Balances with banks and other financial institutions	<b>48,953</b>	75,257	-34.95	Decrease in scale of interbank assets
Precious metals	<b>10,554</b>	20,836	-49.35	Decrease in business scale of precious metals
Positive fair value of derivatives	<b>28,300</b>	18,734	51.06	Impact of changes in business scale of swap business and fair value
Financial assets held under resale agreements	<b>141,560</b>	52,812	168.05	Increase in holding of bonds under resale agreements
Financial assets at fair value through profit or loss	<b>580,958</b>	74,601	Inapplicable	

Item	31 March 2018	31 December 2017	Change from the end of the previous year (%)	Main reason
Financial assets at fair value through other comprehensive income	328,198	—	Inapplicable	
Available-for-sale financial assets	—	378,889	Inapplicable	Application of the New Standards for Financial Instruments,
Financial assets at amortised cost	1,169,702	—	Inapplicable	Adjustment in items displayed in the statements, and none retrospection
Held-to-maturity investments	—	708,244	Inapplicable	
Account receivable investments	—	974,163	Inapplicable	
Placements from banks and other financial institutions	110,683	177,462	-37.63	Decrease in interbank placements
Financial liabilities at fair value through profit or loss	1,080	3,373	-67.98	Decrease in selling scale of debt securities lending business
Provision	2,080	809	157.11	Application of the New Standards for Financial Instruments and increase in allowance of impairment losses on off-balance sheet business
Other comprehensive income	-2,049	-4,662	Negative in two periods	Application of the New Standards for Financial Instruments and the impact of the fluctuation of fair value

<b>Item</b>	<b>January– March 2018</b>	<b>January– March 2017</b>	<b>Change from the corresponding period of the previous year (%)</b>	<b>Main reason</b>
Fee and commission expenses	<b>1,479</b>	1,031	43.45	Increase in commission expenses
Investment gains	<b>6,609</b>	1,161	469.25	Application of the
Gains from changes in fair value	<b>7,318</b>	2,843	157.40	New Standards for Financial Instruments and the impact of the
Foreign exchange losses	<b>5,904</b>	1,932	205.59	fluctuation of exchange rates
Other gains	<b>34</b>	26	30.77	Increase in government subsidies
Non-operating income	<b>3</b>	12	-75.00	Fluctuation of extraordinary profit or
Non-operating expenses	<b>194</b>	18	977.78	loss

### **3.2 Development and impacts of significant events and analysis and explanation on the solutions**

☐ Applicable ☒ Inapplicable

### **3.3 Undertakings unfulfilled within the time limit during the reporting period**

☐ Applicable ☒ Inapplicable

### **3.4 Warning and explanation on the anticipated accumulated losses from the beginning of the year to the end of the following reporting period or on significant changes over the corresponding period of the previous year**

☐ Applicable ☒ Inapplicable

Name of the Company	China Minsheng Banking Corp., Ltd.
Legal Representative	Hong Qi
Date	27 April 2018



## 4. Appendices

### 4.1 Financial statements

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Balance Sheets as at 31 March 2018**  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March</b>	31 December	<b>31 March</b>	31 December
<b>Assets</b>	<b>2018</b>	2017	<b>2018</b>	2017
	<b>(unaudited)</b>	(audited)	<b>(unaudited)</b>	(audited)
Cash and balances with central bank	<b>408,521</b>	442,938	<b>405,265</b>	438,071
Balances with banks and other financial institutions	<b>48,953</b>	75,257	<b>38,006</b>	50,149
Precious metals	<b>10,554</b>	20,836	<b>10,554</b>	20,836
Placements with banks and other financial institutions	<b>146,499</b>	143,205	<b>159,201</b>	145,705
Financial assets at fair value through profit or loss	<b>580,958</b>	74,601	<b>577,401</b>	71,957
Positive fair value of derivatives	<b>28,300</b>	18,734	<b>28,263</b>	18,696
Financial assets held under resale agreements	<b>141,560</b>	52,812	<b>132,376</b>	47,855
Interest receivables	<b>41,566</b>	39,664	<b>40,956</b>	39,096
Loans and advances to customers	<b>2,821,540</b>	2,729,788	<b>2,806,519</b>	2,714,957
Financial assets at fair value through other comprehensive income	<b>328,198</b>	—	<b>324,735</b>	—
Available-for-sale financial assets	—	378,889	—	377,315
Financial assets at amortised cost	<b>1,169,702</b>	—	<b>1,164,868</b>	—
Held-to-maturity investments	—	708,244	—	708,244
Account receivables investments	—	974,163	—	967,600
Long-term receivables	<b>115,129</b>	101,304	—	—
Long-term equity investments	<b>21</b>	21	<b>5,385</b>	5,385
Fixed assets	<b>45,023</b>	45,987	<b>19,140</b>	19,265
Intangible assets	<b>4,875</b>	4,915	<b>3,677</b>	3,704
Deferred income tax assets	<b>31,279</b>	29,162	<b>30,257</b>	28,205
Other Assets	<b>79,830</b>	61,566	<b>51,668</b>	36,856
<b>Total Assets</b>	<b>6,002,508</b>	5,902,086	<b>5,798,271</b>	5,693,896

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Balance Sheets as at 31 March 2018**  
**(continued)**

*(Expressed in millions of Renminbi, unless otherwise stated)*

<b>Liabilities and shareholders' equity</b>	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(audited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
<b>Liabilities</b>				
Borrowings from central bank	<b>347,118</b>	335,173	<b>346,500</b>	334,500
Deposits from banks and other financial institutions	<b>1,180,201</b>	1,138,531	<b>1,187,749</b>	1,147,170
Placements from banks and other financial institutions	<b>110,683</b>	177,462	<b>109,933</b>	177,462
Financial liabilities at fair value through profit or loss	<b>1,080</b>	3,373	<b>1,080</b>	3,373
Borrowings from other financial institutions	<b>140,898</b>	146,999	—	—
Negative fair value of derivatives	<b>21,607</b>	18,076	<b>21,588</b>	18,057
Financial assets sold under repurchase agreements	<b>87,035</b>	107,522	<b>85,548</b>	107,390
Deposits from customers	<b>3,050,655</b>	2,966,311	<b>3,023,066</b>	2,936,021
Employee benefits payable	<b>10,193</b>	11,638	<b>9,979</b>	11,288
Tax payable	<b>14,869</b>	15,395	<b>14,372</b>	14,806
Interest payable	<b>42,136</b>	42,276	<b>40,469</b>	40,925
Provision	<b>2,080</b>	809	<b>2,080</b>	808
Debt securities issued	<b>553,942</b>	501,927	<b>552,945</b>	500,929
Deferred income tax liabilities	<b>65</b>	65	—	—
Other liabilities	<b>44,110</b>	46,717	<b>24,704</b>	28,977
<b>Total liabilities</b>	<b>5,606,672</b>	5,512,274	<b>5,420,013</b>	5,321,706

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Balance Sheets as at 31 March 2018**  
**(continued)**

*(Expressed in millions of Renminbi, unless otherwise stated)*

<b>Liabilities and shareholders' equity (continued)</b>	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(audited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
<b>Shareholders' equity</b>				
Share capital	<b>36,485</b>	36,485	<b>36,485</b>	36,485
Other equity instruments				
Of which: Preference shares	<b>9,892</b>	9,892	<b>9,892</b>	9,892
Capital reserve	<b>64,753</b>	64,753	<b>64,447</b>	64,447
Other comprehensive income	<b>(2,049)</b>	(4,662)	<b>(2,075)</b>	(4,866)
Surplus reserve	<b>34,914</b>	34,914	<b>34,914</b>	34,914
General reserve	<b>74,186</b>	74,168	<b>73,129</b>	73,129
Retained earnings	<b>166,817</b>	163,420	<b>161,466</b>	158,189
<b>Total equity attributable to equity shareholders of the Company</b>	<b>384,998</b>	378,970	<b>378,258</b>	372,190
<b>Non-controlling interests</b>	<b>10,838</b>	10,842	<b>—</b>	—
<b>Total shareholders' equity</b>	<b>395,836</b>	389,812	<b>378,258</b>	372,190
<b>Total liabilities and shareholders' equity</b>	<b>6,002,508</b>	5,902,086	<b>5,798,271</b>	5,693,896

\_\_\_\_\_  
Hong Qi  
Legal Representative, Chairman

\_\_\_\_\_  
Zheng Wanchun  
President

\_\_\_\_\_  
Bai Dan  
Senior Management responsible  
for accounting

\_\_\_\_\_  
Li Wen  
Person in charge of the  
accounting department

(Company Seal)

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Income Statements for the 3 Months Ended**  
**31 March 2018**

*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>1. Operating income</b>				
Interest income	<b>55,421</b>	56,626	<b>53,266</b>	54,693
Interest expenses	<b>(39,680)</b>	(35,946)	<b>(37,883)</b>	(34,711)
Net interest income	<b>15,741</b>	20,680	<b>15,383</b>	19,982
Fee and commission income	<b>13,407</b>	13,712	<b>12,872</b>	13,467
Fee and commission expenses	<b>(1,479)</b>	(1,031)	<b>(1,360)</b>	(953)
Net fee and commission income	<b>11,928</b>	12,681	<b>11,512</b>	12,514
Investment gains	<b>6,609</b>	1,161	<b>6,601</b>	986
Gains from changes in fair value	<b>7,318</b>	2,843	<b>7,325</b>	2,851
Foreign exchange losses	<b>(5,904)</b>	(1,932)	<b>(5,917)</b>	(1,934)
Other gains	<b>34</b>	26	<b>15</b>	—
Other business income	<b>1,022</b>	795	<b>314</b>	189
Total operating income	<b>36,748</b>	36,254	<b>35,233</b>	34,588
<b>2. Operating expenses</b>				
Tax and surcharges	<b>(362)</b>	(353)	<b>(353)</b>	(341)
Operation and management expenses	<b>(9,096)</b>	(8,962)	<b>(8,759)</b>	(8,628)
Impairment losses on assets	<b>(8,571)</b>	(9,001)	<b>(8,385)</b>	(8,826)
Other business expenses	<b>(446)</b>	(350)	<b>(11)</b>	(4)
Total operating expenses	<b>(18,475)</b>	(18,666)	<b>(17,508)</b>	(17,799)
<b>3. Operating profit</b>	<b>18,273</b>	17,588	<b>17,725</b>	16,789
Add: Non-operating income	<b>3</b>	12	<b>3</b>	12
Less: Non-operating expenses	<b>(194)</b>	(18)	<b>(194)</b>	(18)
<b>4. Total profit</b>	<b>18,082</b>	17,582	<b>17,534</b>	16,783
Less: Income tax expenses	<b>(2,957)</b>	(3,076)	<b>(2,821)</b>	(2,896)
<b>5. Net profit</b>	<b>15,125</b>	14,506	<b>14,713</b>	13,887
Net profit attributable to equity shareholders of the Company	<b>14,942</b>	14,199	<b>14,713</b>	13,887
Net profit attributable to non-controlling interests	<b>183</b>	307	<b>—</b>	—

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Income Statements for the 3 Months Ended**  
**31 March 2018 (continued)**

*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>6. Other comprehensive income</b>	<b>1,085</b>	210	<b>1,239</b>	143
Other comprehensive income attributable to equity shareholders of the Company, net of tax	<b>1,124</b>	171	<b>1,239</b>	143
Items that may be reclassified subsequently to profit or loss				
Changes in fair value of financial assets at fair value through other comprehensive income	<b>1,132</b>	—	<b>1,180</b>	—
Changes in fair value of available-for-sale financial assets	—	(485)	—	(522)
Effective hedging portion of gains arising from cash flow hedging instruments	<b>16</b>	715	<b>16</b>	715
Exchange difference on translating foreign operations	<b>(24)</b>	(59)	<b>43</b>	(50)
Other comprehensive income attributable to non-controlling interests, net of tax	<b>(39)</b>	39	—	—
<b>7. Total comprehensive income</b>	<b>16,210</b>	14,716	<b>15,952</b>	14,030
Total comprehensive income attributable to equity shareholders of the Company	<b>16,066</b>	14,370	<b>15,952</b>	14,030
Total comprehensive income attributable to non-controlling interests	<b>144</b>	346	—	—
<b>8. Earnings per share</b>				
<i>(RMB)</i>				
Basic earnings per share	<b>0.41</b>	0.39		
Diluted earnings per share	<b>0.41</b>	0.39		

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Statements of Cash Flows**  
**for the 3 Months Ended 31 March 2018**  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>1. Cash flow from operating activities</b>				
Net increase in deposits from customers and deposits from banks and other financial institutions	<b>126,014</b>	—	<b>127,624</b>	—
Net decrease in balances with central bank and balances with banks and other financial institutions	<b>38,264</b>	32,022	<b>45,055</b>	31,984
Cash received from interests, fee and commissions	<b>54,382</b>	51,413	<b>52,735</b>	49,592
Net increase in borrowings from central bank	<b>11,945</b>	3,994	<b>12,000</b>	4,000
Net decrease in placements with banks and other financial institutions	<b>18,674</b>	18,220	<b>9,987</b>	16,363
Net increase in placements from banks and other financial institutions	—	147,259	—	147,229
Net decrease in financial assets held under resale agreements	—	77,206	—	79,316
Cash received in relation to other operating activities	<b>26,504</b>	31,429	<b>12,901</b>	22,239
<b>Subtotal of cash inflow from operating activities</b>	<b>275,783</b>	361,543	<b>260,302</b>	350,723

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Statements of Cash Flows**  
**for the 3 Months Ended 31 March 2018 (continued)**  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Net increase in loans and advances to customers	<b>(112,323)</b>	(155,829)	<b>(112,039)</b>	(154,716)
Net decrease in deposits from customers and deposits from banks and other financial institutions	<b>—</b>	(165,009)	<b>—</b>	(162,545)
Net decrease in placements from banks and other financial institutions	<b>(66,779)</b>	—	<b>(67,529)</b>	—
Net decrease in financial assets sold under repurchase agreements	<b>(20,465)</b>	(23,499)	<b>(21,820)</b>	(23,508)
Net increase in financial assets purchased under resale agreement	<b>(88,765)</b>	—	<b>(84,538)</b>	—
Cash paid for interests, fee and commissions	<b>(34,271)</b>	(27,707)	<b>(32,672)</b>	(26,388)
Cash paid to and paid for employees	<b>(6,665)</b>	(5,892)	<b>(6,299)</b>	(5,487)
Taxes paid	<b>(5,548)</b>	(3,840)	<b>(5,343)</b>	(3,598)
Cash paid in relation to other operating activities	<b>(63,574)</b>	(23,663)	<b>(29,511)</b>	(22,508)
<b>Subtotal of cash outflow from operating activities</b>	<b>(398,390)</b>	(405,439)	<b>(359,751)</b>	(398,750)
<b>Net cash flow from operating activities</b>	<b>(122,607)</b>	(43,896)	<b>(99,449)</b>	(48,027)

**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Statements of Cash Flows**  
**for the 3 Months Ended 31 March 2018 (continued)**  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>2. Cash flow from investing activities</b>				
Cash received from sale and redemption of investments	<b>305,881</b>	350,092	<b>304,646</b>	347,140
Cash received from investment returns	<b>10,516</b>	14,664	<b>10,385</b>	14,355
Cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>451</b>	—	<b>1</b>	—
<b>Subtotal of cash inflow from investing activities</b>	<b>316,848</b>	364,756	<b>315,032</b>	361,495
Cash paid for investments	<b>(237,157)</b>	(419,901)	<b>(235,042)</b>	(415,459)
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	<b>(1,317)</b>	(2,699)	<b>(781)</b>	(148)
<b>Subtotal of cash outflow from investing activities</b>	<b>(238,474)</b>	(422,600)	<b>(235,823)</b>	(415,607)
<b>Net cash flow from investing activities</b>	<b>78,374</b>	(57,844)	<b>79,209</b>	(54,112)



**China Minsheng Banking Corp., Ltd.**  
**Consolidated and the Bank's Statements of Cash Flows**  
**for the 3 Months Ended 31 March 2018 (continued)**  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<b>The Group</b>		<b>The Bank</b>	
	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>3. Cash flow from financing activities</b>				
Cash proceeds from issue of debt securities	<u>272,804</u>	<u>175,347</u>	<u>272,804</u>	<u>175,347</u>
<b>Subtotal of cash inflow from financing activities</b>	<u>272,804</u>	<u>175,347</u>	<u>272,804</u>	<u>175,347</u>
Cash paid for repayment of debts	<u>(224,813)</u>	<u>(101,003)</u>	<u>(224,813)</u>	<u>(101,003)</u>
Cash paid for distribution of dividends, profit or interests payable of debt securities	<u>(3,063)</u>	<u>(3,160)</u>	<u>(3,061)</u>	<u>(3,160)</u>
<b>Subtotal of cash outflow from financing activities</b>	<u>(227,876)</u>	<u>(104,163)</u>	<u>(227,874)</u>	<u>(104,163)</u>
Net cash flow from financing activities	<u>44,928</u>	<u>71,184</u>	<u>44,930</u>	<u>71,184</u>
<b>4. Effect of changes in foreign exchange rate on cash and cash equivalents</b>	<u>(1,121)</u>	<u>(239)</u>	<u>(1,046)</u>	<u>(238)</u>
<b>5. Net (decrease)/increase in cash and cash equivalents</b>	<u>(426)</u>	<u>(30,795)</u>	<u>23,644</u>	<u>(31,193)</u>
Add: Cash and cash equivalents at the beginning of the period	<u>109,099</u>	<u>171,303</u>	<u>86,204</u>	<u>162,462</u>
<b>6. Cash and cash equivalents at the end of the period</b>	<u><u>108,673</u></u>	<u><u>140,508</u></u>	<u><u>109,848</u></u>	<u><u>131,269</u></u>

**4.2 Audit Reports**

☐ Applicable    ☒ Inapplicable