

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.*



**中国建设银行**  
China Construction Bank

**中國建設銀行股份有限公司**

**CHINA CONSTRUCTION BANK CORPORATION**

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

**(Stock Code: 939)**

## **REPORT FOR THE FIRST QUARTER OF 2012**

The board of directors (the “Board”) of China Construction Bank Corporation (the “Bank”) is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (collectively the “Group”) for the period ended 31 March 2012, prepared under the International Financial Reporting Standards (IFRS). This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## 1 IMPORTANT NOTICE

1.1 The Board and the board of supervisors of the Bank and its directors, supervisors and senior management warrant that there are no false presentations or misleading statements contained in, or material omissions from, this report, and are severally and jointly responsible for the truthfulness, accuracy and completeness of the information contained in this report.

1.2 This quarterly report has been reviewed and approved at the Board meeting of the Bank held on 27 April 2012. Thirteen directors attended the meeting in person. Mr. Yam Chi Kwong, Joseph and Rt Hon Dame Jenny Shipley delegated Mr. Wong Kai-Man to attend the meeting and vote on their behalf.

1.3 The financial statements contained in this quarterly report have not been audited.

## 2 CORPORATE PROFILE

### 2.1 Corporate information

Stock abbreviation	建設銀行
Stock code	601939 (A-share)
Listing stock exchange	Shanghai Stock Exchange
Stock abbreviation	CCB
Stock code	939 (H-share)
Listing stock exchange	The Stock Exchange of Hong Kong Limited
Secretary to the Board	Chen Caihong
Contact address	No.25, Financial Street, Xicheng District, Beijing
Telephone	86-10-66215533
Facsimile	86-10-66218888
E-mail	ir@ccb.com

## 2.2 Major consolidated accounting information and financial indicators prepared under IFRS

The financial information set forth in this quarterly report is the consolidated results of the Group prepared under IFRS and expressed in RMB unless otherwise stated.

(Expressed in millions of RMB unless otherwise stated)	At the end of the reporting period	At the end of last year	Change (%)
Total assets	13,277,382	12,281,834	8.11
Total equity attributable to equity shareholders of the Bank	863,454	811,141	6.45
Net assets per share (in RMB)	3.48	3.27	6.42
	Three months ended 31 March 2012		Change over the same period last year (%)
Net cash flows from operating activities		246,722	(232.93)
Net cash flows from operating activities per share (in RMB)		0.99	(233.78)
	Reporting period	Three months ended 31 March 2012	Change of the reporting period over the same period last year (%)
Net profit	51,609	51,609	9.26
Net profit attributable to equity shareholders of the Bank	51,512	51,512	9.17
Basic and diluted earnings per share (in RMB)	0.21	0.21	10.53
Annualised return on average equity (%)	24.61	24.61	A decrease of 1.58 percentage points

## 2.3 Differences between the financial statements prepared under PRC GAAP and those prepared under IFRS

There is no difference in the net profit for the three months ended 31 March 2012 or total equity as at 31 March 2012 between the Group's consolidated financial statements prepared under PRC GAAP and those prepared under IFRS.

## 2.4 Number of shareholders and particulars of shareholdings

2.4.1 As at 31 March 2012, the Bank had a total of 871,393 shareholders, of which 54,154 were holders of H-shares and 817,239 were holders of A-shares.

## 2.4.2 Particulars of shareholdings of top ten shareholders

Particulars of shareholdings of top ten shareholders (based on the register of members as at 31 March 2012)					
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of shares subject to selling restrictions	Number of shares pledged or frozen
Central Huijin Investment Limited (“Huijin”) <sup>1</sup>	State-owned	57.03	142,590,494,651 (H-share)	None	None
		0.11	268,049,398 (A-share)	None	None
HKSCC Nominees Limited <sup>2</sup>	Foreign legal person	24.89	62,452,862,651 (H-share)	None	Unknown
Temasek Holdings (Private) Limited (“Temasek”) <sup>2</sup>	Foreign legal person	9.06	22,655,348,797 (H-share)	None	None
Baosteel Group Corporation	State-owned legal person	1.12	2,810,000,000 (H-share)	None	None
		0.13	318,860,498 (A-share)	None	None
State Grid Corporation of China (“State Grid”) <sup>2,3</sup>	State-owned legal person	1.16	2,895,782,730 (H-share)	None	None
Best Investment Corporation (“Best Investment”) <sup>2,4</sup>	State-owned legal person	1.01	2,529,640,000 (H-share)	None	None
Bank of America Corporation	Foreign legal person	0.80	2,000,000,000 (H-share)	None	None
China Ping An Life Insurance Company Limited – Traditional – Ordinary insurance products	Domestic non-state-owned legal person	0.67	1,670,317,292 (A-share)	None	None
China Yangtze Power Co., Limited (“Yangtze Power”) <sup>2</sup>	State-owned legal person	0.41	1,015,613,000 (H-share)	None	None
Reca Investment Limited	Foreign legal person	0.34	856,000,000 (H-share)	None	None

- Huijin is a wholly state-owned company, which is wholly owned by China Investment Corporation (“CIC”). Huijin makes equity investment in key state-owned financial institutions as authorized by the State Council, and exercises the contributor’s rights and obligations in key state-owned financial institutions up to its contribution on behalf of the state.
- In November 2011, Temasek declared interests on the website of the Hong Kong Stock Exchange. It disclosed that it held interests of 22,655,348,797 H-shares of the Bank. As at 31 March 2012, State Grid, Best Investment, and Yangtze Power held 2,895,782,730 H-shares, 2,529,640,000 H-shares and 1,015,613,000 H-shares of the Bank respectively, all of which were held under the name of HKSCC Nominees Limited. Except for the H-shares of the Bank held by Temasek, State Grid, Best Investment, and Yangtze Power, the remaining H-shares of the Bank held under the name of HKSCC Nominees Limited were 62,452,862,651.
- As at 31 March 2012, the H-shares of the Bank held by State Grid through its wholly-owned subsidiaries was as follows: Yingda International Holdings Group Co., Ltd. held 856,000,000 shares, State Grid International Development Limited held 1,315,282,730 shares, Shandong Luneng Group Co., Ltd. held 374,500,000 shares and State Grid International Development Co., Ltd. held 350,000,000 shares.
- Best Investment is a subsidiary engaged in overseas investment, which is indirectly held by CIC through CIC International.

### **3 HIGHLIGHTS OF QUARTERLY RESULTS**

As at 31 March 2012, total assets of the Group reached RMB13,277,382 million, an increase of RMB995,548 million or 8.11% over the end of last year. Gross loans and advances to customers reached RMB6,827,842 million, an increase of RMB331,431 million or 5.10% over the end of last year. In this amount, corporate loans, personal loans, discounted bills and overseas operations were RMB4,628,719 million, RMB1,736,025 million, RMB110,992 million and RMB352,106 million respectively.

The Group further carried out credit structure adjustments. Advantageous businesses such as loans granted to infrastructure sectors, residential mortgage loans and small business loans grew steadily. Businesses in livelihood sector such as agriculture-related loans and loans to indemnificatory housing projects developed rapidly. Meanwhile, the Group took rigid controls over lending to industries with excess capacity, and steadily pushed forward examination and rectification of loans to local government financing vehicles, in order to mitigate associated risk in a timely manner. It also took proactive measures in controlling property loan growth and improving customer structure by closely monitoring the impact of real estate control policies and the trend in the real estate market.

Compared to the end of last year, the non-performing loans decreased by RMB224 million to RMB70,691 million in accordance with the five-category loan classification standard; the non-performing loan ratio was 1.04%, down by 0.05 percentage points; the ratio of allowances to non-performing loans was 250.65%, up by 9.21 percentage points.

Total liabilities of the Group stood at RMB12,408,221 million, an increase of RMB943,048 million or 8.23% over the end of last year. Deposits from customers reached RMB10,611,560 million, an increase of RMB624,110 million or 6.25% over the end of last year. In this amount, domestic time deposits were RMB5,117,398 million, and demand deposits were RMB5,361,447 million; domestic corporate deposits were RMB5,546,230 million, and personal deposits were RMB4,932,615 million; overseas operations were RMB132,715 million.

Total equity was RMB869,161 million, an increase of RMB52,500 million or 6.43% over the end of last year.

Loan-to-deposit ratio was 64.34%, staying at a reasonable level.

Capital adequacy ratio was 13.66% and core capital adequacy ratio was 11.02%, representing a decrease of 0.02 percentage points and an increase of 0.05 percentage points respectively over the end of last year.

For the three months ended 31 March 2012, the Group made a net profit of RMB51,609 million, of which the net profit attributable to equity shareholders of the Bank was RMB51,512 million, up by 9.26% and 9.17% respectively over the same period last year. Annualised return on average assets was 1.62%, and annualised return on average equity was 24.61%.

Net interest income was RMB82,101 million, up by 14.62% over the same period last year. Net interest spread was 2.48% and net interest margin was 2.65%, down by 0.10 percentage points and 0.04 percentage points respectively from the same period last year. This was mainly due to the rise in interest cost during the first quarter driven by the repricing of deposits and high market interest rates, which outpaced the rise in the yield of interest-earning assets.

Net fee and commission income was RMB24,302 million, up by 4.96%, which is slower than that in the same period last year. As affected by factors including regulatory policies and market conditions, income from products such as loan commitment and financial advisory services decreased over the same period last year; income from fund agency service, custodial service for securities investment funds and insurance agency service also decreased. On the other hand, income from key businesses such as wealth management products and credit card maintained good momentum, while entrusted housing finance business and customer-driven treasury business achieved steady growth.

Operating expenses increased by RMB5,759 million to RMB36,356 million over the same period last year. Cost-to-income ratio increased by 1.44 percentage points to 33.10% over the same period last year.

Income tax expense was RMB15,200 million, up by RMB1,183 million over the same period last year, and the effective income tax rate was 22.75%.

## 4 MAJOR ISSUES

### 4.1 Significant changes in major financial statements items, financial indicators and the causes thereof

√Applicable    □Not applicable

(In millions of RMB unless otherwise stated)	As at 31 March 2012	As at 31 December 2011	Change (%)	Causes of the change
Deposits with banks and non-bank financial institutions	490,233	276,752	77.14	Deposits with banks and non-bank financial institutions increased as a result of the rise in the funds raised from the principal-guaranteed wealth management products.
Placements with banks and non-bank financial institutions	166,139	109,040	52.37	The Group increased its foreign currency placements as the deposits denominated in foreign currencies increased substantially, so as to effectively manage its foreign currency position.
Financial assets held under resale agreements	437,015	200,045	118.46	The Group invested part of its funds in financial assets held under resale agreements to use its funds more efficiently.
Other assets	27,127	18,143	49.52	Assets such as other receivables increased.
Borrowings from central banks	3,446	2,220	55.23	Deposits from central banks with overseas branches increased.
Placements from banks and non-bank financial institutions	105,949	78,725	34.58	Overseas branches increased borrowings from banks and non-bank financial institutions to support business development.
Financial assets sold under repurchase agreements	2,565	10,461	(75.48)	Certain repo transactions matured.

(In millions of RMB unless otherwise stated)	Three months ended 31 March 2012	Three months ended 31 March 2011	Change (%)	Causes of the change
Interest income	145,266	107,495	35.14	The yields of loans and investment in debt securities increased steadily. In addition, the average balances of loans, deposits with banks and non-bank financial institutions, and placements with banks and non-bank financial institutions increased substantially over the same period last year.
Interest expense	(63,165)	(35,865)	76.12	The cost of deposits from customers increased as a result of the repricing of existing deposits and higher proportion of time deposits in total deposits. In addition, the average balances of deposits from customers, deposits from banks and non-bank financial institutions and placements from banks and non-bank financial institutions increased substantially over the same period last year.
Net trading (loss)/gain	(263)	736	(135.73)	The valuation loss of proprietary currency swap transactions increased.
Net gain arising from investment securities	641	178	260.11	Gains from the sales of debt equity swap investments increased.
Other net operating income	3,057	932	228.00	The foreign exchange gain increased, and the premium income from CCB Life Insurance Company Limited was included.
Impairment losses	(6,686)	(4,794)	39.47	Mainly because more provisions for impairment losses on loans were made, considering the potential risk loss of credit assets as affected by changes in the current macroeconomic situation and policy environment.
Net profit attributable to non-controlling interests	97	48	102.08	Net profit from the non-wholly owned domestic subsidiaries increased.

#### 4.2 Progress of major issues, related impacts and solutions

Applicable Not applicable

4.3 Fulfillment of undertakings by the company, shareholders and de-facto controllers

Applicable Not-applicable

The Bank was notified on 10 October 2011 that Huijin increased its shareholding of the Bank by 7,384,369 A-shares through the trading system of the Shanghai Stock Exchange, and undertook to continue to increase its shareholdings of the Bank on the secondary market in the following twelve months. Apart from this, the Bank's shareholders did not give new undertakings during the reporting period. All undertakings given by the shareholders had been fulfilled by the end of the reporting period.

4.4 Implementation of cash dividend policy during the reporting period

Applicable Not applicable

4.5 Warnings and explanations of any forecasted loss or significant change in accumulated net profit for the period from the beginning of the year to the end of the next reporting period compared to the same period last year

Applicable Not applicable

## **5 RELEASE OF QUARTERLY REPORT**

The quarterly report prepared under PRC GAAP and that prepared under IFRS are both available on the website of The Stock Exchange of Hong Kong Limited [www.hkex.com.hk](http://www.hkex.com.hk) and our website [www.ccb.com](http://www.ccb.com).

By order of the Board  
China Construction Bank Corporation  
Zhang Jianguo

*Vice chairman, executive director and president*

27 April 2012

As of the date of this announcement, the Bank's executive directors are Mr. Wang Hongzhang, Mr. Zhang Jianguo, Mr. Chen Zuofu and Mr. Zhu Xiaohuang; independent non-executive directors are Lord Peter Levene, Mr. Yam Chi Kwong, Joseph, Rt Hon Dame Jenny Shipley, Mr. Zhao Xijun and Mr. Wong Kai-Man; and non-executive directors are Mr. Wang Yong, Mr. Zhu Zhenmin, Ms. Li Xiaoling, Mr. Lu Xiaoma, Ms. Chen Yuanling and Mr. Dong Shi.

APPENDIX FINANCIAL STATEMENTS PREPARED UNDER IFRS

China Construction Bank Corporation  
Consolidated statement of comprehensive income  
For the three months ended 31 March 2012  
(Expressed in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
Interest income	145,266	107,495
Interest expense	(63,165)	(35,865)
<b>Net interest income</b>	<b>82,101</b>	<b>71,630</b>
Fee and commission income	24,934	23,809
Fee and commission expense	(632)	(655)
<b>Net fee and commission income</b>	<b>24,302</b>	<b>23,154</b>
Net trading (loss)/gain	(263)	736
Dividend income	2	-
Net gain arising from investment securities	641	178
Other operating income, net	3,057	932
<b>Operating income</b>	<b>109,840</b>	<b>96,630</b>
<b>Operating expenses</b>	<b>(36,356)</b>	<b>(30,597)</b>
	<b>73,484</b>	<b>66,033</b>
Impairment losses on:		
- Loans and advances to customers	(6,633)	(5,113)
- Others	(53)	319
<b>Impairment losses</b>	<b>(6,686)</b>	<b>(4,794)</b>
<b>Share of profits less losses of associates and jointly controlled entities</b>	<b>11</b>	<b>11</b>
<b>Profit before tax</b>	<b>66,809</b>	<b>61,250</b>
Income tax expense	(15,200)	(14,017)
<b>Net profit</b>	<b>51,609</b>	<b>47,233</b>

China Construction Bank Corporation  
Consolidated statement of comprehensive income (continued)  
For the three months ended 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
<b>Other comprehensive income:</b>		
Gain of available-for-sale financial assets	1,085	1,402
Less: Income tax relating to available-for-sale financial assets	(272)	(349)
Reclassification adjustments for gain included in profit or loss	(136)	(29)
	677	1,024
Exchange difference on translating foreign operations	126	(127)
<b>Other comprehensive income for the period, net of tax</b>	803	897
<b>Total comprehensive income for the period</b>	52,412	48,130
Net profit attributable to:		
Equity shareholders of the Bank	51,512	47,185
Non-controlling interests	97	48
	51,609	47,233
Total comprehensive income attributable to:		
Equity shareholders of the Bank	52,313	48,094
Non-controlling interests	99	36
	52,412	48,130
<b>Basic and diluted earnings per share (in RMB)</b>	0.21	0.19

China Construction Bank Corporation  
Consolidated statement of financial position  
As at 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<u>31 March</u> 2012	<u>31 December</u> 2011
	(Unaudited)	(Audited)
<b>Assets:</b>		
Cash and deposits with central banks	2,471,692	2,379,809
Deposits with banks and non-bank financial institutions	490,233	276,752
Precious metals	25,475	22,718
Placements with banks and non-bank financial institutions	166,139	109,040
Financial assets at fair value through profit or loss	27,633	23,096
Positive fair value of derivatives	10,519	14,127
Financial assets held under resale agreements	437,015	200,045
Interest receivable	67,132	56,776
Loans and advances to customers	6,650,656	6,325,194
Available-for-sale financial assets	696,615	675,058
Held-to-maturity investments	1,781,904	1,743,569
Debt securities classified as receivables	286,957	300,027
Interests in associates and jointly controlled entities	2,081	2,069
Fixed assets	95,958	94,222
Land use rights	16,264	16,457
Intangible assets	1,546	1,660
Goodwill	1,663	1,662
Deferred tax assets	20,773	21,410
Other assets	27,127	18,143
Total assets	<u>13,277,382</u>	<u>12,281,834</u>

China Construction Bank Corporation  
Consolidated statement of financial position (continued)  
As at 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	31 March 2012	31 December 2011
	(Unaudited)	(Audited)
<b>Liabilities:</b>		
Borrowings from central banks	3,446	2,220
Deposits from banks and non-bank financial institutions	1,212,054	966,229
Placements from banks and non-bank financial institutions	105,949	78,725
Financial liabilities at fair value through profit or loss	33,083	33,656
Negative fair value of derivatives	9,542	13,310
Financial assets sold under repurchase agreements	2,565	10,461
Deposits from customers	10,611,560	9,987,450
Accrued staff costs	35,542	35,931
Taxes payable	57,133	47,189
Interest payable	91,387	80,554
Provisions	5,770	5,180
Debt securities issued	197,241	168,312
Deferred tax liabilities	373	358
Other liabilities	42,576	35,598
<b>Total liabilities</b>	<b>12,408,221</b>	<b>11,465,173</b>

China Construction Bank Corporation  
 Consolidated statement of financial position (continued)  
 As at 31 March 2012  
 (Expressed in millions of Renminbi, unless otherwise stated)

	31 March 2012	31 December 2011
	(Unaudited)	(Audited)
<b>Equity:</b>		
Share capital	250,011	250,011
Capital reserve	135,178	135,178
Investment revaluation reserve	7,059	6,383
Surplus reserve	67,576	67,576
General reserve	67,384	67,342
Retained earnings	340,736	289,266
Exchange reserve	(4,490)	(4,615)
Total equity attributable to equity shareholders of the Bank	863,454	811,141
Non-controlling interests	5,707	5,520
Total equity	869,161	816,661
Total liabilities and equity	13,277,382	12,281,834

Approved and authorised for issue by the board of directors on 27 April 2012.

---

Zhang Jianguo  
*Vice chairman, executive  
 director and president*

---

Wong Kai-Man  
*Independent non-executive  
 director*

---

Dong Shi  
*Non-executive director*

China Construction Bank Corporation  
Statement of financial position  
As at 31 March 2012  
(Expressed in millions of Renminbi, unless otherwise stated)

	31 March 2012	31 December 2011
	(Unaudited)	(Audited)
<b>Assets:</b>		
Cash and deposits with central banks	2,468,168	2,373,493
Deposits with banks and non-bank financial institutions	497,624	279,861
Precious metals	25,475	22,718
Placements with banks and non-bank financial institutions	175,284	110,533
Financial assets at fair value through profit or loss	13,855	8,715
Positive fair value of derivatives	9,632	13,073
Financial assets held under resale agreements	436,977	200,045
Interest receivable	66,567	56,420
Loans and advances to customers	6,488,500	6,189,363
Available-for-sale financial assets	684,442	663,583
Held-to-maturity investments	1,780,497	1,742,342
Debt securities classified as receivables	286,787	299,765
Investments in subsidiaries	12,042	11,950
Fixed assets	93,122	93,369
Land use rights	16,211	16,404
Intangible assets	1,066	1,176
Deferred tax assets	21,331	22,003
Other assets	43,989	34,077
Total assets	<u>13,121,569</u>	<u>12,138,890</u>

China Construction Bank Corporation  
Statement of financial position (continued)  
As at 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	31 March 2012	31 December 2011
	<u>(Unaudited)</u>	<u>(Audited)</u>
<b>Liabilities:</b>		
Borrowings from central banks	3,406	2,210
Deposits from banks and non-bank financial institutions	1,212,195	970,033
Placements from banks and non-bank financial institutions	69,820	45,654
Financial liabilities at fair value through profit or loss	30,003	30,966
Negative fair value of derivatives	9,067	12,354
Financial assets sold under repurchase agreements	1,655	11,594
Deposits from customers	10,529,787	9,906,093
Accrued staff costs	34,838	35,182
Taxes payable	56,726	46,950
Interest payable	90,851	80,312
Provisions	5,749	5,180
Debt securities issued	186,419	158,050
Deferred tax liabilities	33	23
Other liabilities	32,627	27,712
Total liabilities	<u>12,263,176</u>	<u>11,332,313</u>

China Construction Bank Corporation  
Statement of financial position (continued)  
As at 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	<u>31 March 2012</u>	<u>31 December 2011</u>
	(Unaudited)	(Audited)
<b>Equity:</b>		
Share capital	250,011	250,011
Capital reserve	135,178	135,178
Investment revaluation reserve	7,142	6,472
Surplus reserve	67,576	67,576
General reserve	66,665	66,645
Retained earnings	332,502	281,491
Exchange reserve	(681)	(796)
Total equity	<u>858,393</u>	<u>806,577</u>
Total liabilities and equity	<u>13,121,569</u>	<u>12,138,890</u>

Approved and authorised for issue by the board of directors on 27 April 2012.

---

Zhang Jianguo  
*Vice chairman, executive  
director and president*

---

Wong Kai-Man  
*Independent non-executive  
director*

---

Dong Shi  
*Non-executive director*

China Construction Bank Corporation  
Consolidated statement of cash flows  
For the three months ended 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
<b><i>Cash flows from operating activities</i></b>		
Profit before tax	66,809	61,250
<i>Adjustments for:</i>		
– Impairment losses	6,686	4,794
– Depreciation and amortisation	3,312	3,181
– Unwinding of discount	(429)	(334)
– Revaluation loss/(gain) on financial instruments at fair value through profit or loss	1,109	(129)
– Share of profit less losses of associates and jointly controlled entities	(11)	(11)
– Dividend income	(2)	-
– Unrealised foreign exchange loss	30	564
– Interest expense on bonds issued	1,375	808
– Net gain on disposal of investment securities	(641)	(178)
– Net gain on disposal of fixed assets and other long-term assets	-	(13)
	78,238	69,932

China Construction Bank Corporation  
Consolidated statement of cash flows (continued)  
For the three months ended 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
<b><i>Cash flows from operating activities (continued)</i></b>		
<i>Changes in operating assets:</i>		
Net increase in deposits with central banks and with banks and non-bank financial institutions	(168,195)	(127,018)
Net decrease /(increase) in placements with banks and non-bank financial institutions	1,978	(9,454)
Net increase in loans and advances to customers	(332,093)	(243,711)
Net increase in financial assets held under resale agreements	(236,970)	(294,266)
Increase in other operating assets	(27,199)	(24,064)
	(762,479)	(698,513)
<i>Changes in operating liabilities:</i>		
Net increase/(decrease) in borrowings from central banks	1,226	(389)
Net increase in placements from banks and non- bank financial institutions	27,220	6,964
Net increase in deposits from customers and from banks and non-bank financial institutions	869,893	436,122
Net decrease in financial assets sold under repurchase agreements	(7,896)	(2,157)
Net increase in certificates of deposit issued	28,920	3,992
Income tax paid	(4,418)	(4,660)
Increase in other operating liabilities	16,018	3,108
	930,963	442,980
<b>Net cash from/(used in) operating activities</b>	<b>246,722</b>	<b>(185,601)</b>

China Construction Bank Corporation  
Consolidated statement of cash flows (continued)  
For the three months ended 31 March 2012  
(Expressed in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
<b><i>Cash flows from investing activities</i></b>		
Proceeds from sale and redemption of investments	125,541	483,768
Dividends received	2	-
Proceeds from disposal of fixed assets and other long-term assets	186	98
Purchase of investment securities	(170,180)	(280,161)
Purchase of fixed assets and other long-term assets	(4,615)	(560)
Acquisition of associates and jointly controlled entities	-	(3)
<b>Net cash (used in)/from investing activities</b>	<b>(49,066)</b>	<b>203,142</b>
<b><i>Cash flows from financing activities</i></b>		
Capital contribution by non-controlling interests	88	106
Dividends paid	(7)	-
Interest paid on bonds issued	(1,505)	(1,505)
Cash paid related to other financing activities	-	(51)
<b>Net cash used in financing activities</b>	<b>(1,424)</b>	<b>(1,450)</b>

China Construction Bank Corporation  
Consolidated statement of cash flows (continued)  
For the three months ended 31 March 2012  
*(Expressed in millions of Renminbi, unless otherwise stated)*

	Three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	11	(232)
<b>Net increase in cash and cash equivalents</b>	196,243	15,859
<b>Cash and cash equivalents as at 1 January</b>	558,463	301,299
<b>Cash and cash equivalents as at 31 March</b>	754,706	317,158
<b>Cash flows from operating activities include:</b>		
Interest received	133,753	97,004
Interest paid, excluding interest expense on bonds issued	(50,823)	(33,485)