



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 Third Quarter of 2007

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 30 September 2007, prepared in accordance with 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 authenticity, accuracy and completeness of the information contained in this report.
- 1.2 This quarterly report has been reviewed and approved at the fifth meeting of the second session of the Board of the Bank, with all directors presented.
- 1.3 The financial report contained in this quarterly report has not been audited.

2. BASIC INFORMATION

2.1 Corporate information

Stock name	建設銀行
Stock code	601939 (A-share)
Listing venue	Shanghai Stock Exchange
Stock name	CCB
Stock code	939(H-share)
Listing venue	The Stock Exchange of Hong Kong Limited
Secretary to the Board	Chen Caihong
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2.2 Major consolidated accounting information and financial indicators prepared in accordance with IFRS

(Expressed in millions of RMB unless otherwise stated)

	As at 30 September 2007	As at 31 December 2006	Change (%)
Total assets	6,406,041	5,448,511	17.57
Total equity attributable to shareholders of the Bank	389,753	330,109	18.07
Net asset value per share (In RMB)	1.67	1.47	13.61
Nine months ended 30 September 2007			
Net cash from operating activities			290,704
Net cash from operating activities per share (In RMB)			1.24
	Three months ended 30 September 2007	Nine months ended 30 September 2007	
Net profit	22,846	57,101	
Net profit attributable to shareholders of the Bank	22,806	57,027	
Earnings per share (basic and diluted, in RMB)	0.10	0.25	
Annualised return on equity (period-end equity, %)	23.41	19.51	
Annualised return on average equity (weighted average equity, %)	27.41	22.86	

2.3 There is no difference in the net profit attributable to shareholders of the Bank for the three months ended 30 September or total equity attributable to shareholders of the Bank as at 30 September 2007 between the Group's consolidated financial statements prepared under IFRS and the Group's consolidated financial statements prepared under PRC GAAP.

2.4 Number of shareholders and details of top ten shareholders not subject to selling restrictions as at 30 September 2007

2.4.1 As at 30 September 2007, the Bank's total number of shareholders was 1,052,512, comprising 57,250 holders of H-Shares and 995,262 holders of A-Shares.

2.4.2 Top ten shareholders not subject to selling restrictions

Top ten shareholders not subject to selling restrictions (Based on the register of shareholders as at 30 September 2007)

Name of shareholder	Number of shares not subject to selling restrictions	Type of shares
HKSCC Nominees Limited	25,199,002,522	H-share
Fullerton Financial Holdings Pte. Ltd ¹	8,254,445,375	H-share
Baosteel Group Corporation	3,000,000,000	H-share
	65,043,000	A-share
State Grid Corporation of China	3,000,000,000	H-share
China Yangtze Power Co. Limited	1,200,000,000	H-share
Reca Investment Limited	800,000,000	H-share
Agricultural Bank of China—China Post Core Growth Stock Fund	419,448,013	A-share
China Life Insurance Company Limited—Bonus —Group Bonus — 005L-FH001 SH	144,365,000	A-share
China Life Insurance Company Limited—Bonus —Personal Bonus — 005L-FH002 SH	144,360,000	A-share
China Life Insurance Company Limited— Traditional—Ordinary Insurance Products — 005L-CT001SH	144,359,000	A-share

1. Fullerton Financial Holdings Pte. Ltd held a total of 13,207,316,750 shares of the Bank as at 30 September 2007.

3. HIGHLIGHTS OF QUARTERLY BUSINESS DATA

As at 30 September 2007, the major business data of the Group were as follows:

- Total assets reached RMB6,406,041 million, an increase of RMB957,530 million or 17.57% over the end of last year. Total liabilities stood at RMB6,016,119 million, an increase of RMB897,812 million or 17.54% over the end of last year.
- Loans and advances to customers reached RMB3,173,102 million, an increase of RMB377,126 million or 13.49% over the end of last year. Deposits from customers reached RMB5,193,800 million, an increase of RMB472,544 million or 10.01% over the end of last year.
- Total equity was RMB389,922 million, an increase of RMB59,718 million or 18.09% over the end of last year.
- Non-performing loans (NPLs) were RMB92,444 million in accordance with the five-category loan classification standard, with an NPL ratio of 2.83%, and the ratio of allowances to NPLs was 97.01%.
- Core capital adequacy ratio was 10.60%, and capital adequacy ratio was 12.53%.
- The allowance for impairment losses on the U.S. sub-prime mortgage loan backed securities was RMB336 million.

For the three months ended 30 September 2007, the major business data of the Group were as follows:

- Net interest income reached RMB50,087 million, net fee and commission income reached RMB10,266 million.
- Net profit was RMB22,846 million, of which the net profit attributable to shareholders of the Bank was RMB22,806 million.
- The net interest margin was 3.21%.

4. MAJOR ISSUES

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

Applicable Not applicable

(Expressed in millions of RMB unless otherwise stated)

Items	As at 30 September 2007	As at 31 December 2006	Change (%)	Causes of the changes
Cash and balances with central banks	755,018	539,673	39.90	The statutory deposit reserve with central banks rose as a result of the central bank's higher deposit reserve requirement ratio.
Amounts due from banks and non-bank financial institutions	157,734	82,185	91.93	Increase in the balances under resale agreements and placements with financial institutions.
Amounts due to banks and non-bank financial institutions	623,375	243,968	155.52	Increase in deposits from financial institutions such as securities companies and fund companies
Other liabilities and provisions	118,303	84,316	40.31	Mainly because the interim cash dividend and special dividend had not been paid yet by the end of the reporting period.
Reserves	156,064	105,420	48.04	The stock premium arising from the issuance of 9 billion A-shares and the net profit for the reporting period

4.2 Development of major issues, related impacts and solutions

Applicable Not applicable

4.3 Fulfillment of undertakings by the company, shareholders and controlling parties

Applicable Not applicable

Shareholders made no new undertakings in the reporting period, and the undertakings that continue to be valid during the reporting period were the same as those disclosed in the A-share prospectus. As at 30 September 2007, all undertakings made by the shareholders were fulfilled.

4.4 Warnings and explanations of any forecasted loss or significant change in accumulated net profit for the year of 2007 compared with last year

Applicable Not applicable

4.5 Other important issues

4.5.1 Details of share ownership in other listed companies

√ Applicable □ Not applicable

No.	Stock code	Abbreviation	Number of shares held	% of shareholding in the entity	Initial investment amount (in RMB)	Accounting category	Note
1	601600(SH)	CHALCO ²	709,773,136	5.51%	883,586,629.85	Available-for-sale equity investments	Debt equity swap investments, subject to selling restrictions
2	600068(SH)	G.C.L ²	133,445,624	8.01%	232,566,693.94	Available-for-sale equity investments	Debt equity swap investments, subject to selling restrictions
3	183(HK)	CIFH	168,599,268	2.93%	122,816,135.85	Available-for-sale equity investments	
4	395(HK)	CHINA ZIRCONIUM	93,000,000	13.21%	102,125,016.00	Trading securities	Indirectly held through an overseas subsidiary
5	600984(SH)	SCMC ²	24,347,042	17.20%	44,050,000.00	Available-for-sale equity investments	Debt equity swap investments, with 17,269,242 shares subject to selling restrictions
6	600462(SH)	Y.S.B.P ²	50,600,000	12.32%	41,248,000.00	Available-for-sale equity investments	Debt equity swap investments, subject to selling restrictions
7	1184(HK)	S.A.S. DRAGON	16,950,000	6.99%	19,298,964.90	Trading securities	Indirectly held through an overseas subsidiary
8	338(HK)	SHANGHAI PECHEM	5,000,000	0.21%	19,285,938.75	Trading securities	Indirectly held through an overseas subsidiary
9	386(HK)	SINOPEC CORP	3,500,000	0.02%	18,453,712.50	Trading securities	Indirectly held through an overseas subsidiary
10	379(HK)	PME	5,980,000	0.37%	17,310,306.00	Trading securities	Indirectly held through an overseas subsidiary
Total			1,211,195,070		1,500,741,397.79		

1. Listed above are the top ten stocks held by the Bank by initial investment amount.

2. The above shares held through debt equity swap with selling restrictions are not quoted in an active market; and the shares in the listed companies held by state-owned shareholders through debt equity swap must meet relevant policy requirements upon disposal, therefore the fair values of the above shares with selling restrictions cannot be reliably measured by using valuation models. The above shares with selling restrictions are stated at cost in the balance sheet. The market prices per share of each of the above shares as at 28 September 2007 are: CHALCO at RMB47.75, G.C.L at RMB15.56, SCMC at RMB19.24, Y.S.B.P at RMB7.75.

4.5.2 Details of share ownership in unlisted financial institutions and prospective listed companies

✓ Applicable □ Not applicable

Name of the entity	Initial investment amount (in RMB)	Number of shares held	% of shareholding in the entity	Period-end book value (in RMB)
QBE Hongkong and Shanghai Insurance Company, Limited	98,758,408.56	19,939,016	25.50%	115,412,743.69
China Unionpay Co., Ltd.	95,625,000.00	90,000,000	5.45%	95,625,000.00
Guangdong Development Bank Ltd.	48,558,031.10	12,784,616	0.11%	48,558,031.10
Evergrowing Bank Co., Ltd.	7,000,000.00	35,000,000	3.50%	7,000,000.00
Yueyang City Commercial Bank Co., Ltd.	3,500,000.00	3,536,400	1.59%	980,000.00
China Construction Bank (Asia) Corporation Limited ¹	—	7,800,000	100%	—
CCB International Securities Limited ¹	—	150,000,000	100%	—
CCB International Capital Limited ¹	—	128,000,000	100%	—
CCB International Asset Management Limited ¹	—	48,000,000	100%	—
Sino-German Bausparkasse Corporation Limited ¹	—	112,650,000	75.10%	—
CCB Principal Asset Management Co., Ltd. ¹	—	130,000,000	65.00%	—
Total	253,441,439.66	737,710,032	—	267,575,774.79

1. These are consolidated entities, and therefore their initial investment amounts and period-end book values are not shown in the consolidated balance sheet.

2. The entities above are all unlisted financial institutions.

5. RELEASE OF RESULTS ANNOUNCEMENT

This announcement is simultaneously available on the website of The Stock Exchange of Hong Kong Limited www.hkex.com.hk and our website www.ccb.com. The quarterly report prepared in accordance with the PRC GAAP is simultaneously available on the website of Shanghai Stock Exchange www.sse.com.cn, on the website of The Stock Exchange of Hong Kong Limited www.hkex.com.hk and on our website www.ccb.com.

By order of the Board
China Construction Bank Corporation
Zhang Jianguo
Vice Chairman, Executive Director and President

26 October 2007

As at the date of this announcement, the executive directors of the Bank are Mr. Guo Shuqing, Mr. Zhang Jianguo, Mr. Zhao Lin and Mr. Luo Zhefu; the non-executive directors of the Bank are Mr. Wang Yonggang, Mr. Wang Yong, Ms. Wang Shumin, Mr. Liu Xianghui, Mr. Zhang Xiangdong, Ms. Li Xiaoling and Mr. Gregory L. Curl; the independent non-executive directors of the Bank are Lord Peter Levene, Mr. Song Fengming, Ms. Elaine La Roche, and Mr. Tse Hau Yin, Aloysius.

APPENDIX FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS

**Consolidated income statement — Prepared in accordance with IFRS
for the period ended 30 September 2007**

(Expressed in millions of Renminbi unless otherwise stated)

	Three months ended 30 September 2007	Nine months ended 30 September 2007
	(Unaudited)	(Unaudited)
Interest income	74,281	205,178
Interest expense	<u>(24,194)</u>	<u>(65,878)</u>
Net interest income	50,087	139,300
Fee and commission income	10,573	23,844
Fee and commission expense	<u>(307)</u>	<u>(918)</u>
Net fee and commission income	10,266	22,926
Net trading gain	322	569
Dividend income	55	131
Net income arising from investment securities	291	840
Other operating loss, net	<u>(1,272)</u>	<u>(4,231)</u>
Operating income	59,749	159,535
Operating expenses	(19,902)	(57,177)
	39,847	102,358
Provisions for impairment losses on — loans and advances to customers	(6,355)	(18,003)
— others	<u>(241)</u>	<u>(562)</u>
Impairment losses	(6,596)	(18,565)
Profit before tax	33,251	83,793
Income tax	<u>(10,405)</u>	<u>(26,692)</u>
Net profit	22,846	57,101
Attributable to:		
Shareholders of the Bank	22,806	57,027
Minority interests	<u>40</u>	<u>74</u>
Net profit	22,846	57,101
Basic and diluted earnings per share (in RMB)	0.10	0.25

Zhang Jianguo

Vice chairman and executive director

Tse Hau Yin, Aloysius

Independent non-executive director

Song Fengming

Independent non-executive director

**Consolidated balance sheet — Prepared in accordance with IFRS
as at 30 September 2007**
(Expressed in millions of Renminbi)

	As at 30 September <u>2007</u> (Unaudited)	As at 31 December <u>2006</u>
Assets		
Cash and balances with central banks	755,018	539,673
Amounts due from banks and non-bank financial institutions	157,734	82,185
Loans and advances to customers	3,173,102	2,795,976
Trading securities	22,940	5,616
Investment securities	2,164,426	1,903,776
Interest in associate	115	103
Property and equipment	50,832	53,037
Goodwill	1,674	1,743
Deferred tax assets	5,258	2,701
Derivatives	12,886	14,514
Other assets	62,056	49,187
	<u>6,406,041</u>	<u>5,448,511</u>
Total assets	6,406,041	5,448,511
Liabilities		
Amounts due to central banks	1,406	1,256
Amounts due to banks and non-bank financial institutions	623,375	243,968
Deposits from customers	5,193,800	4,721,256
Certificates of deposit issued	9,964	6,957
Current tax liabilities	24,340	17,897
Deferred tax liabilities	21	25
Other liabilities and provisions	118,303	84,316
Derivatives	4,985	2,715
Subordinated bonds issued	39,925	39,917
	<u>6,016,119</u>	<u>5,118,307</u>
Total liabilities	6,016,119	5,118,307
Equity		
Share capital	233,689	224,689
Reserves	156,064	105,420
	<u>389,753</u>	<u>330,109</u>
Total equity attributable to shareholders of the Bank	389,753	330,109
Minority interests	169	95
	<u>389,922</u>	<u>330,204</u>
Total equity	389,922	330,204
Total equity and liabilities	6,406,041	5,448,511

Zhang Jianguo

Vice chairman and executive director

Tse Hau Yin, Aloysius

Independent non-executive director

Song Fengming

Independent non-executive director

**Balance sheet of the Bank — Prepared in accordance with IFRS
as at 30 September 2007**
(Expressed in millions of Renminbi)

	As at 30 September 2007	As at 31 December 2006
	(Unaudited)	
Assets		
Cash and balances with central banks	754,835	539,556
Amounts due from banks and non-bank financial institutions	150,953	76,026
Loans and advances to customers	3,142,062	2,767,232
Trading securities	19,249	3,454
Investment securities	2,162,388	1,900,533
Investments in subsidiaries	611	626
Property and equipment	50,709	52,884
Deferred tax assets	5,344	2,682
Amounts due from subsidiaries	18,077	12,047
Derivatives	12,513	14,286
Other assets	61,079	48,577
Total assets	6,377,820	5,417,903
Liabilities		
Amounts due to central banks	1,406	1,256
Amounts due to banks and non-bank financial institutions	622,167	243,793
Amounts due to subsidiaries	8,205	1,208
Deposits from customers	5,162,519	4,692,843
Certificates of deposit issued	9,005	5,957
Current tax liabilities	24,145	17,816
Deferred tax liabilities	—	25
Other liabilities and provisions	116,759	82,855
Derivatives	4,985	2,522
Subordinated bonds issued	39,925	39,917
Total liabilities	5,989,116	5,088,192
Equity		
Share capital	233,689	224,689
Reserves	155,015	105,022
Total equity	388,704	329,711
Total equity and liabilities	6,377,820	5,417,903

Zhang Jianguo

Vice chairman and executive director

Tse Hau Yin, Aloysius

Independent non-executive director

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Independent non-executive director

**Consolidated cash flow statement — Prepared in accordance with IFRS
for the nine months ended 30 September 2007**
(Expressed in millions of Renminbi)

	Nine months ended 30 September 2007 <hr style="width: 100%; margin: 0;"/> (Unaudited)
Operating activities	
Profit before tax	83,793
Adjustments for:	
— Dividend income	(131)
— Revaluation gain on investments and derivatives	(445)
— Net gain on disposal of investments, property and equipment and other assets	(1,042)
— Unrealised foreign exchange losses	5,593
— Depreciation charges and amortisation	5,823
— Provisions for impairment losses	18,565
— Interest expense on subordinated bonds issued	1,443
	<hr style="width: 100%; margin: 0;"/> 113,599
<i>Changes in operating assets and liabilities:</i>	
Increase in balances with central banks	(240,389)
Increase in amounts due from banks and non-bank financial institutions	(27,959)
Increase in loans and advances to customers	(401,268)
Increase in other operating assets	(690)
Increase in amounts due to central banks	150
Increase in amounts due to banks and non-bank financial institutions	382,170
Increase in deposits from customers	480,380
Increase in certificates of deposit issued	3,007
Income tax paid	(22,318)
Increase in other operating liabilities	4,022
	<hr style="width: 100%; margin: 0;"/> 290,704
Net cash from operating activities	<hr style="width: 100%; margin: 0;"/> 290,704

Nine months
ended
30 September
2007

(Unaudited)

Investing activities

Proceeds from disposal and redemption of investments	847,031
Dividend received	131
Proceeds from disposal of property and equipment and other assets	262
Payments on acquisition of investments	(1,146,887)
Payments on acquisition of property and equipment and other assets	<u>(2,984)</u>

Net cash used in investing activities ----- (302,447)

Financing activities

Proceeds from shares issuance	57,180
Dividend paid	(20,654)
Interest paid on subordinated bonds issued	<u>(1,252)</u>

Net cash from financing activities ----- 35,274

Net increase in cash and cash equivalents 23,531

Cash and cash equivalents as at 1 January 167,489

Effect of exchange rate changes on cash held (564)

Cash and cash equivalents as at 30 September 190,456

Cash flows from operating activities include:

Interest received	192,810
Interest paid, excluding interest expense on subordinated bonds issued	(59,641)

Zhang Jianguo

Vice chairman and executive director

Tse Hau Yin, Aloysius

Independent non-executive director

Song Fengming

Independent non-executive director