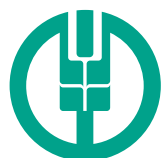


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# 中国农业银行

AGRICULTURAL BANK OF CHINA

**AGRICULTURAL BANK OF CHINA LIMITED**

**中國農業銀行股份有限公司**

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

**(Stock Code: 1288)**

## **THE THIRD QUARTERLY REPORT OF 2016**

The Board of Directors (the “**Board**”) of Agricultural Bank of China Limited (the “**Bank**”) is pleased to announce the unaudited results of the Bank and its subsidiaries (collectively the “**Group**”) for the third quarter ended 30 September 2016, prepared under International Financial Reporting Standards (“**IFRS**”). This announcement is made in accordance with Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### **§1 IMPORTANT NOTICE**

- 1.1 The Board, the Board of Supervisors, Directors, Supervisors and Senior Management of the Bank undertake that the information stated in this quarterly report is authentic, accurate and complete and contains no false record, misleading statement or material omission, and assume individual and joint legal liabilities.
- 1.2 The Board reviewed and approved the Third Quarterly Report of 2016 at its eleventh meeting of 2016 (the “**Meeting**”) held on 28 October 2016. 14 Directors were entitled to attend and all of them attended the Meeting.
- 1.3 The financial reports herein have not been audited.
- 1.4 ZHOU Mubing, legal representative of the Bank, LOU Wenlong, Executive Vice President in charge of finance, and JIANG Ruibin, General Manager of the Finance and Accounting Department of the Bank, hereby warrant and guarantee that the financial reports contained in this quarterly report are authentic, accurate and complete.

## §2 CORPORATE INFORMATION

### 2.1 Basic corporate information

<b>Stock exchange on which A shares are listed</b> <b>Stock name</b> <b>Stock code</b>	Shanghai Stock Exchange  農業銀行 601288
<b>Stock exchange on which H shares are listed</b> <b>Stock name</b> <b>Stock code</b>	The Stock Exchange of Hong Kong Limited  ABC 1288
<b>Trading exchange and platform of preference shares</b> <b>Stock name</b> <b>Stock code</b>	The Integrated Business Platform of Shanghai Stock Exchange 農行優1, 農行優2 360001, 360009
<b>Board Secretary and Company Secretary</b>	ZHANG Keqiu Address: No. 69, Jianguomen Nei Avenue, Dongcheng District, Beijing, PRC (Postal code: 100005) Tel: 86-10-85109619 (Investors enquiry) Fax: 86-10-85108557 E-mail: ir@abchina.com

### 2.2 Major financial data

Financial data and indicators recorded in this quarterly financial report are the data of the Group prepared in accordance with the IFRS and denominated in Renminbi (“RMB”), unless otherwise stated.

## 2.2.1 Major financial data and indicators

*In millions of RMB, unless otherwise stated*

	<b>30 September 2016</b>	<b>31 December 2015</b>	<b>Change as compared to the end of 2015 (%)</b>
Total Assets	19,064,101	17,791,393	7.15
Loans and advances to customers, net	9,220,381	8,506,675	8.39
Deposits with banks and other financial institutions	463,118	697,923	(33.64)
Placements with banks and other financial institutions	432,546	504,252	(14.22)
Investment in securities and other financial assets, net	5,202,322	4,512,047	15.30
Total liabilities	17,751,076	16,579,508	7.07
Deposits from customers	14,997,769	13,538,360	10.78
Deposits from banks and other financial institutions	917,378	1,221,901	(24.92)
Placements from banks and other financial institutions	300,681	315,759	(4.78)
Equity attributable to equity holders of the Bank	1,310,436	1,210,091	8.29
Net assets per share (in RMB Yuan)	3.79	3.48	8.91
	<b>Nine months ended 30 September 2016 (January- September)</b>	<b>Nine months ended 30 September 2015 (January- September)</b>	<b>Change as compared to the same period of 2015 (%)</b>
Net cash flow from operating activities	509,490	511,177	(0.33)
Net cash flow per share from operating activities (in RMB Yuan)	1.57	1.57	0.00
	<b>Nine months ended 30 September 2016 (January- September)</b>	<b>Nine months ended 30 September 2015 (January- September)</b>	<b>Change as compared to the same period of 2015 (%)</b>
Operating income	389,200	410,144	(5.11)
Net profit	154,175	153,370	0.52
Net profit attributable to equity holders of the Bank	154,170	153,210	0.63
Basic and diluted earnings per share (in RMB Yuan)	0.47	0.47	0.00
Return on weighted average net assets (annualized, %) <sup>1</sup>	17.10	19.41	Decreased by 2.31 percentage points

*Note:* (1) Computed by dividing the amount of annualized net profit attributable to equity holders of the Bank less the dividends on preference shares declared in the period, by the weighted average net assets.

### 2.2.2 Differences between the financial statements prepared under IFRS and Generally Accepted Accounting Principles of the People's Republic of China ("PRC GAAP")

There are no differences between the net profit and equity attributable to equity holders for the reporting period in the consolidated financial statements of the Group prepared under IFRS and PRC GAAP.

### 2.3 Particulars of shareholding of ordinary shares at the end of the reporting period

At the end of the reporting period, the Bank had 482,421 ordinary shareholders in total, including 26,137 H shares shareholders and 456,284 A shares shareholders.

#### Particulars of shareholding of the top 10 ordinary shareholders (based on the registers of shareholders as at 30 September 2016)

*Unit: Share*

Name of shareholders	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of Shares subject to restrictions on sales	Number of pledged or locked-up shares
Central Huijin Investment Ltd.	State-owned	A shares	40.03	130,005,103,782	–	None
Ministry of Finance of the PRC	State-owned	A shares	39.21	127,361,764,737	–	None
HKSCC Nominees Limited	Overseas legal entity	H shares	9.02	29,308,603,236	–	Unknown
National Council for Social Security Fund of the PRC	State-owned	A shares	3.02	9,797,058,826	–	None
China Securities Finance Corporation Limited	State-owned legal entity	A shares	1.89	6,144,522,618	–	None
Central Huijin Asset Management Ltd.	State-owned legal entity	A shares	0.39	1,255,434,700	–	None
STANDARD CHARTERED BANK	Overseas legal entity	H shares	0.37	1,217,281,000	–	Unknown
China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002 HU	Other	A shares	0.37	1,194,102,400	–	None
PICC Life Insurance Company Limited – Traditional – Ordinary insurance product	Other	A shares	0.35	1,135,515,571	–	None
Wutongshu Investment Platform Co., Ltd.	State-owned legal entity	A shares	0.30	980,723,700	–	None

- Notes: (1) Particulars of shareholding of holders of H shares were based on the number of shares as recorded in the registers of shareholders of the Bank maintained by the H shares registrar.
- (2) All the shares held by HKSCC Nominees Limited represents the total number of H shares held by it as a nominee on behalf of all the institutional and individual investors that opened an account and registered with it as at 30 September 2016.
- (3) Among the above shareholders, apart from Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd., the Bank is not aware of any connection between the above shareholders or whether they are parties acting in concert.
- (4) The top 10 ordinary shareholders not subject to the restrictions on sales of the Bank are the same with the top 10 ordinary shareholders.

## 2.4 Particulars of shareholding of preference shares at the end of the reporting period

The Bank had a total of 25 holders of preference shares of “農行優1” (stock code: 360001)<sup>1</sup> and 28 holders of preference shares of “農行優2” (stock code: 360009)<sup>1</sup>.

### Particulars of shareholding of the top 10 holders of preference shares of “農行優1” (stock code: 360001) (based on the registers of shareholders as at 30 September 2016)

*Unit: Share*

Name of shareholders	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of pledged or locked-up shares
Bank of Communications Schroder Fund Management Co., Ltd.	Other	Domestic preference shares	15.00	60,000,000	None
China Merchants Fund Management Co., Ltd.	Other	Domestic preference shares	12.25	49,000,000	None
Beijing Tiandi Fangzhong Asset Management Co., Ltd.	Other	Domestic preference shares	8.75	35,000,000	None
Anbang Insurance Group Co., Ltd.	Other	Domestic preference shares	7.50	30,000,000	None
Ping An Life Insurance Co., Ltd.	Other	Domestic preference shares	7.50	30,000,000	None
PICC Life Insurance Company Limited	Other	Domestic preference shares	7.50	30,000,000	None
Beijing International Trust Co., Ltd.	Other	Domestic preference shares	7.50	30,000,000	None
Zhonghai Trust Co., Ltd.	Other	Domestic preference shares	5.00	20,000,000	None
Bank of Ningbo Co., Ltd.	Other	Domestic preference shares	3.75	15,000,000	None
Bank of Beijing Scotiabank Asset Management Co., Ltd.	Other	Domestic preference shares	3.00	12,000,000	None

<sup>1</sup> The number of holders of preference shares was calculated by the number of qualified investors that held the preference shares. When calculating the number of the qualified investors, an asset management institution that purchases the preference shares through two or more products under its control will be counted as one.

- Notes: (1) PICC Life Insurance Company Limited – Traditional – Ordinary insurance product is managed by PICC Life Insurance Company Limited. Save as mentioned above, the Bank is not aware of any connections between the above shareholders of preference shares and between the above shareholders of preference shares and top 10 ordinary shareholders or whether they are parties acting in concert.
- (2) “Shareholding percentage” refers to the proportion of the number of preference shares of “農行優1” held by the shareholders of preference shares to the total number of preference shares of “農行優1” (i.e 400 million shares).

**Particulars of shareholding of the top 10 holders of preference shares of “農行優2” (stock code: 360009) (based on the registers of shareholders as at 30 September 2016)**

*Unit: Share*

Name of shareholders	Nature of shareholder	Type of shares	Shareholding percentage (%)	Total number of shares held	Number of pledged or locked-up shares
China Life Insurance Company Limited	Other	Domestic preference shares	12.50	50,000,000	None
China National Tobacco Corporation	Other	Domestic preference shares	12.50	50,000,000	None
Beijing Chance Capital Management Co., Ltd.	Other	Domestic preference shares	6.25	25,000,000	None
Maxwealth Fund Management Co., Ltd.	Other	Domestic preference shares	6.25	25,000,000	None
China Mobile Communications Corporation	Other	Domestic preference shares	5.00	20,000,000	None
Shanghai Wisdom Asset Management Co., Ltd.	Other	Domestic preference shares	5.00	20,000,000	None
Bank of Communications Schroder Fund Management Co., Ltd.	Other	Domestic preference shares	5.00	20,000,000	None
Bank of China Limited, Shanghai Branch	Other	Domestic preference shares	5.00	20,000,000	None
China National Tobacco Corporation Jiangsu Province Company	Other	Domestic preference shares	5.00	20,000,000	None
China National Tobacco Corporation Yunnan Province Company	Other	Domestic preference shares	5.00	20,000,000	None

- Notes: (1) China National Tobacco Corporation Jiangsu Province Company and China National Tobacco Corporation Yunnan Province Company are wholly-owned subsidiaries of China National Tobacco Corporation. China Life Insurance Company Limited – Dividend distribution – Individual dividend-005L – FH002 HU is managed by China Life Insurance Company Limited. Save as mentioned above, the Bank is not aware of any connections between the above shareholders of preference shares and between the above shareholders of preference shares and top 10 ordinary shareholders or whether they are parties acting in concert.
- (2) “Shareholding percentage” refers to the proportion of the number of preference shares of “農行優2” held by the shareholders of preference shares to the total number of preference shares of “農行優2”(i.e 400 million shares).

“農行優1” and “農行優2”, preference shares of the Bank, are shares not subject to the restrictions on sales. The top 10 shareholders of preference shares not subject to the restrictions on sales of “農行優1” and “農行優2” are the same with the top 10 shareholders of preference shares of each.

### **§3 BRIEF ANALYSIS ON OVERALL OPERATING ACTIVITIES IN THE THIRD QUARTER**

(The financial data herein are presented in RMB unless otherwise indicated.)

#### **Financial results**

For the nine months ended 30 September 2016, the Group achieved a net profit of RMB154,175 million, representing an increase of 0.52% over the same period of 2015. Our annualized return on average total assets and annualized return on weighted average net assets were 1.12% and 17.10%, representing a decrease of 0.09 percentage point and a decrease of 2.31 percentage points, over the same period of 2015, respectively. We achieved basic earnings per share of RMB0.47, the same with the same period of 2015.

For the nine months ended 30 September 2016, the Group achieved an operating income of RMB389,200 million, representing a decrease of 5.11% over the same period of 2015. Net interest income amounted to RMB298,121 million, representing a decrease of 9.31% over the same period of 2015. Net fee and commission income amounted to RMB73,141 million, representing an increase of 9.80% over the same period of 2015, mainly due to the rapid growth in agency commissions and electronic banking service fees. Operating expenses amounted to RMB136,734 million, representing a decrease of 12.22% over the same period of 2015. Cost-to-income ratio (as prepared under PRC GAAP) amounted to 30.92%, representing an increase of 0.52 percentage point over the same period of 2015. Impairment losses on assets amounted to RMB60,535 million, representing an increase of RMB3,170 million over the same period of 2015, of which impairment losses on loans was RMB57,575 million.

#### **Assets and liabilities**

At 30 September 2016, the Group's total assets amounted to RMB19,064,101 million, representing an increase of RMB1,272,708 million or 7.15% compared to the end of 2015. Total loans and advances to customers amounted to RMB9,617,343 million, representing an increase of RMB707,425 million or 7.94% compared to the end of 2015, among which, corporate loans, retail loans, discounted bills, and overseas and other loans amounted to RMB5,425,297 million, RMB3,208,646 million, RMB535,307 million and RMB448,093 million, respectively. Net investments in securities and other financial assets increased by RMB690,275 million or 15.30% compared to the end of 2015 to RMB5,202,322 million.

Total liabilities increased by RMB1,171,568 million or 7.07% compared to the end of 2015 to RMB17,751,076 million. Deposits from customers increased by RMB1,459,409 million or 10.78% compared to the end of 2015 to RMB14,997,769 million. In terms of the maturity of deposits, time deposits, demand deposits and other deposits amounted to RMB6,262,576 million, RMB8,207,305 million and RMB527,888 million, respectively. In terms of business line, corporate deposits, retail deposits and other deposits amounted to RMB5,696,466 million, RMB8,773,415 million and RMB527,888 million, respectively.

Shareholders' equity increased by RMB101,140 million or 8.35% compared to the end of 2015 to RMB1,313,025 million, with ordinary shares of RMB324,794 million, preference shares of RMB79,899 million, capital reserve of RMB98,773 million, investment revaluation reserve of RMB24,360 million, surplus reserve of RMB96,812 million, general reserve of RMB198,216 million, foreign currency translation reserve of RMB457 million and retained earnings of RMB487,125 million, respectively.

### **Assets quality**

As at 30 September 2016, based on the five-category loan classification criteria, the Group's non-performing loans amounted to RMB229,822 million, representing an increase of RMB16,955 million compared to the end of 2015. Non-performing loan ratio was 2.39%, remaining the same with the end of 2015. Allowance to non-performing loans was 172.73%, representing a decrease of 16.70 percentage points compared to the end of 2015.

### **County Area Banking Business**

At 30 September 2016, total loans and advances to customers of County Area Banking Business amounted to RMB3,120,838 million, representing an increase of RMB260,645 million or 9.11% compared to the end of 2015. Deposits from customers of County Area Banking Business amounted to RMB6,386,147 million, representing an increase of RMB585,973 million or 10.10% compared to the end of 2015.

Non-performing loan ratio of County Area Banking Business amounted to 3.04%, representing an increase of 0.02 percentage point compared to the end of 2015. Allowance to non-performing loans was 172.25%, representing a decrease of 12.22 percentage points compared to the end of 2015.



## §4 SIGNIFICANT EVENTS

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

Applicable    Not Applicable

Compared with the end of 2015 or the same period of 2015, items of major consolidated financial statements and financial indicators with changes over 30% and the reasons thereof are as follows:

*In millions of RMB, except for percentages*

Item	January to September 2016	January to September 2015	Change over the same period of 2015 (%)	Major reasons for change
Net trading gain	2,711	1,654	63.91	The increase in net investment gains on precious metals and derivative financial instruments for foreign exchange rate
Net gain/(loss) on financial instruments designated at fair value through profit or loss	(522)	321	(262.62)	The increase in loss on the change of fair value of wealth management products
Net loss or gain on investment in securities	930	619	50.24	The increase in net gain on foreign currency bond investments and investment in securities of overseas branches
Profit attributable to non-controlling interests	5	160	(96.88)	The decrease in profits of non-wholly owned subsidiaries
Other comprehensive income after tax, net	2,381	8,317	(71.37)	The decrease in gain on the change of fair value of available-for-sale financial assets

*In millions of RMB, except for percentages*

Item	At 30 September 2016	At 31 December 2015	Change over the end of 2015	Major reasons for change
Deposits with banks and other financial institutions	463,118	697,923	(33.64)	Significant decrease in inter-bank interest rate and the market demand for capital weakened
Precious metal	71,135	40,909	73.89	The increase in size of precious metal held
Financial assets held for trading	133,523	79,782	67.36	The increase in precious metals leasing to other institution
Derivative financial assets	6,967	16,038	(56.56)	The decrease in fair value of derivative financial instruments for foreign exchange rate
Financial assets held under resale agreements	312,465	471,809	(33.77)	The decrease in notes held under resale agreements
Borrowings from central bank	131,057	60,599	116.27	The increase in Medium-term Lending Facility
Financial liabilities held for trading	16,824	24,036	(30.00)	The decrease in precious metals leasing from other institution
Deferred tax liabilities	12	111	(89.19)	The decrease of deferred tax liabilities of ABC Life Insurance Co., Ltd
Foreign currency translation reserve	457	(163)	(380.37)	Changes in foreign currency translation of overseas institutions' statements
Non-controlling interests	2,589	1,794	44.31	Capital contribution from minority shareholder of non-wholly owned subsidiaries

#### **4.2 Progress of significant events and analysis on their effects and solutions**

Applicable     Not Applicable

#### **4.3 Fulfillment of commitments made by the Bank and its shareholders with more than 5% shareholding**

Applicable     Not Applicable

Commitments made by the Bank and its shareholders during the reporting period are the same as those disclosed in 2016 Interim Report of the Bank. As at 30 September 2016, all of the commitments made by the Bank and its shareholders were fulfilled.

#### **4.4 Implementation of cash dividend policy during the reporting period**

Applicable    Not Applicable

As approved by the Annual General Meeting for 2015 of the Bank, the Bank has paid cash dividend of RMB1.668 per ten ordinary shares (tax inclusive) and RMB54,176 million (tax inclusive) in aggregate, to holders of A shares and H shares whose names appeared on the register of members at the close of business on 6 July 2016.

During the reporting period, the Bank did not pay any dividends on preference shares.

#### **4.5 Warnings and explanations on estimated loss or significant change (as compared to the same period of last year) in net accumulated profit from the beginning of the year to the end of the next reporting period**

Applicable    Not Applicable

#### **§5 RELEASE OF QUARTERLY REPORT**

The quarterly report prepared under IFRSs will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Bank ([www.abchina.com](http://www.abchina.com)). The quarterly report prepared under PRC GAAP will be simultaneously published on the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the website of the Bank ([www.abchina.com](http://www.abchina.com)).

By Order of the Board  
**Agricultural Bank of China Limited**  
**ZHANG Keqiu**  
*Company Secretary*

Beijing, the PRC  
28 October 2016

*As at the date of this announcement, our executive directors are Mr. ZHOU Mubing, Mr. ZHAO Huan and Mr. LOU Wenlong; our non-executive directors are Mr. ZHAO Chao, Mr. ZHOU Ke, Mr. ZHANG Dinglong, Mr. CHEN Jianbo, Mr. HU Xiaohui and Mr. XU Jiandong; and our independent non-executive directors are Mr. WEN Tiejun, Mr. Francis YUEN Tin-fan, Ms. XIAO Xing, Mr. LU Jianping and Mr. WANG Xinxin.*

## APPENDIX I CAPITAL ADEQUACY RATIO INFORMATION

On 2 April 2014, the Bank was officially approved by the China Banking Regulatory Commission (“CBRC”) to implement the foundation Internal Rating-Based (IRB) approach for non-retail exposures, IRB approach for retail exposures, and the standardized approach for operational risk, both at the Bank and the Group level. Thereby, the Bank became one of the first batch of banks which were approved for adopting advanced approaches of capital management. In accordance with the requirements under the *Capital Rules for Commercial Banks (Provisional)*, CBRC determined the parallel run period for the banks approved to adopt the advanced approaches of capital management. During the parallel run period, the banks shall calculate its capital adequacy ratios under both advanced approaches and other approaches, and comply with the capital floor requirements.

As of 30 September 2016, the Bank adopted the foundation Internal Ratings-Based (IRB) approach for non-retail exposures and IRB approach for retail exposures to measure credit risk-weighted assets. Weighted approach was adopted to measure certain credit risk-weighted assets uncovered by IRB approach. Standardized measurement approach was adopted to measure market risk-weighted assets and operational risk-weighted assets. The table below sets out the net capital, risk-weighted assets and capital adequacy ratios pursuant to the *Capital Rules for Commercial Banks (Provisional)*.

*In millions of RMB, except for percentages*

Item	30 September 2016		31 December 2015	
	The Group	The Bank	The Group	The Bank
CET 1 capital, net	1,224,365	1,213,761	1,124,690	1,115,628
Tier 1 capital, net	1,304,269	1,293,660	1,204,592	1,195,527
Total capital, net	1,561,371	1,549,976	1,471,620	1,461,594

## **APPENDIX II LIQUIDITY COVERAGE RATIO INFORMATION**

The Bank disclosed the following information of liquidity coverage ratio regarding related regulations by the China Banking Regulatory Commission.

### **Regulatory Requirements of Liquidity Coverage Ratio**

In accordance with the *Rules on Liquidity Risk Management of Commercial Banks (Provisional)*, it is required that the liquidity coverage ratio of commercial banks should reach 100% by the end of 2018. During the transition period, the liquidity coverage ratio should reach 60%, 70%, 80% and 90% by the end of 2014, 2015, 2016 and 2017, respectively. Eligible commercial banks were encouraged to fulfill the requirements in advance within the transition period. In addition, in accordance with the *Rules on Disclosure for Liquidity Coverage Ratio Information of Commercial Banks*, commercial banks are required to disclose the liquidity coverage ratio information at the same frequency as issuing the financial report, and to disclose the simple average of the liquidity coverage ratio based on monthly data in every quarter before 2017.

### **Liquidity Coverage Ratio**

The Bank calculated the liquidity coverage ratio in accordance with the *Rules on Liquidity Risk Management of Commercial Banks (Provisional)* and applicable calculation requirements. The average of monthly liquidity coverage ratio of the Bank was 137.8 % in the third quarter of 2016, representing a slight decrease of 0.9 percentage points over the previous quarter. It was primarily due to the combined effects of the increase in cash outflow resulting from the increase in unsecured wholesale funding and the increase in local government bonds investments resulting in the increase in high-quality liquid assets. Our liquidity coverage ratio in the third quarter of 2016 reflected a downward and then upward trend. At the end of July, due to decrease in secured lending (such as reverse repos and borrowed securities), the liquidity coverage ratio decreased as compared to the previous month. At the end of August, the liquidity coverage ratio recorded slight decline as compared to the previous month as a result of slight increase in unsecured wholesale funding. At the end of September, the liquidity coverage ratio recorded slight growth as compared to the previous month as a result of the slight increase in cash inflows due to significant increase in secured lending (such as reverse repos and borrowed securities). The averages of the observations of the liquidity coverage ratio and individual line items over the third quarter in 2016 are as follows:

In ten thousands of RMB, except for percentages

No.		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		422,014,205
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	936,260,783	86,141,288
3	Stable deposits	149,695,805	7,484,790
4	Less stable deposits	786,564,978	78,656,498
5	Unsecured wholesale funding, of which:	580,441,439	228,885,660
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	169,850,501	41,287,386
7	Non-operational deposits (all counterparties)	406,494,728	183,502,064
8	Unsecured debt	4,096,210	4,096,210
9	Secured wholesale funding		2,315,167
10	Additional requirements, of which:	164,660,320	45,445,470
11	Outflows related to derivative exposures and other collateral requirements	34,200,424	34,199,662
12	Outflows related to loss of funding on debt products	274,920	274,920
13	Credit and liquidity facilities	130,184,976	10,970,888
14	Other contractual funding obligations	27,325,904	664,320
15	Other contingent funding obligations	89,552,252	35,153,023
16	<b>TOTAL CASH OUTFLOWS</b>		398,604,928
<b>CASH INFLOWS</b>			
17	Secured lending (e.g. reverse repos and borrowed securities)	12,293,155	12,293,155
18	Inflows from fully performing exposures	76,733,969	44,785,439
19	Other cash inflows	35,565,592	35,156,990
20	<b>TOTAL CASH INFLOWS</b>	124,592,716	92,235,584
			TOTAL ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		422,014,205
22	<b>TOTAL NET CASH OUTFLOWS</b>		306,369,344
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		137.8%

### APPENDIX III LEVERAGE RATIO INFORMATION

At 30 September 2016, the Bank's leverage ratio, calculated in accordance with the *Rules for the Administration of the Leverage Ratio of Commercial Banks (Revised)*, was 6.43 %.

*In millions of RMB, except for percentages*

<b>Item</b>	<b>30 September 2016</b>	<b>30 June 2016</b>	<b>31 March 2016</b>	<b>31 December 2015</b>
Tier 1 capital	1,304,269	1,250,239	1,256,927	1,204,592
Adjusted on- and off-balance sheet assets	20,294,518	19,965,373	19,684,797	19,016,486
Leverage ratio	6.43%	6.26%	6.39%	6.33%

## APPENDIX IV FINANCIAL STATEMENTS PREPARED UNDER IFRS

### AGRICULTURAL BANK OF CHINA LIMITED

#### CONSOLIDATED INCOME STATEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 30 September		Nine months ended 30 September	
	2016 (Unaudited)	2015 (Unaudited)	2016 (Unaudited)	2015 (Unaudited)
Interest income	162,403	184,360	492,163	548,190
Interest expense	(63,239)	(75,113)	(194,042)	(219,450)
<b>Net interest income</b>	<b>99,164</b>	<b>109,247</b>	<b>298,121</b>	<b>328,740</b>
Fee and commission income	24,091	20,568	78,537	70,728
Fee and commission expense	(2,058)	(1,599)	(5,396)	(4,116)
<b>Net fee and commission income</b>	<b>22,033</b>	<b>18,969</b>	<b>73,141</b>	<b>66,612</b>
Net trading gain	1,380	966	2,711	1,654
Net gain/(loss) on financial instruments designated at fair value through profit or loss	740	(645)	(522)	321
Net gain/(loss) on investment securities	315	(182)	930	619
Other operating income	3,064	5,480	14,819	12,198
<b>Operating income</b>	<b>126,696</b>	<b>133,835</b>	<b>389,200</b>	<b>410,144</b>
Operating expenses	(42,425)	(53,454)	(136,734)	(155,763)
Impairment losses on assets	(23,800)	(18,044)	(60,535)	(57,365)
<b>Operating profit</b>	<b>60,471</b>	<b>62,337</b>	<b>191,931</b>	<b>197,016</b>
Share of result of associate	(6)	-	(9)	-
<b>Profit before tax</b>	<b>60,465</b>	<b>62,337</b>	<b>191,922</b>	<b>197,016</b>
Income tax expense	(11,341)	(13,531)	(37,747)	(43,646)
<b>Profit for the period</b>	<b>49,124</b>	<b>48,806</b>	<b>154,175</b>	<b>153,370</b>
<b>Attributable to:</b>				
Equity holders of the Bank	49,022	48,895	154,170	153,210
Non-controlling interests	102	(89)	5	160
	<b>49,124</b>	<b>48,806</b>	<b>154,175</b>	<b>153,370</b>
Earnings per share attributable to the equity holders of the Bank (expressed in RMB yuan per share)				
- Basic and diluted	0.15	0.15	0.47	0.47



**AGRICULTURAL BANK OF CHINA LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	<b>Three months ended 30 September</b>		<b>Nine months ended 30 September</b>	
	<b>2016 (Unaudited)</b>	<b>2015 (Unaudited)</b>	<b>2016 (Unaudited)</b>	<b>2015 (Unaudited)</b>
Profit for the period	49,124	48,806	154,175	153,370
Other comprehensive income/(expenses):				
Items that may be reclassified subsequently to profit or loss:				
Fair value changes on available-for-sale financial assets	6,368	5,203	2,325	10,702
Income tax impact for fair value changes on available-for-sale financial assets	(1,565)	(1,314)	(564)	(2,706)
Foreign currency translation differences	297			

**AGRICULTURAL BANK OF CHINA LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AS AT 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	<b>30 September 2016 (Unaudited)</b>	<b>31 December 2015 (Audited)</b>
<b>Assets</b>		
Cash and balances with central banks	2,862,087	2,587,057
Deposits with banks and other financial institutions	463,118	697,923
Precious metals	71,135	40,909
Placements with and loans to banks and other financial institutions	432,546	504,252
Financial assets held for trading	133,523	79,782
Financial assets designated at fair value through profit or loss	319,513	359,479
Derivative financial assets	6,967	16,038
Financial assets held under resale agreements	312,465	471,809
Loans and advances to customers	9,220,381	8,506,675
Available-for-sale financial assets	1,338,168	1,214,542
Held-to-maturity investments	2,806,081	2,300,824
Debt instruments classified as receivables	605,037	557,420
Investment in associate	264	273
Property and equipment	149,485	156,178
Goodwill	1,381	1,381
Deferred tax assets	77,256	81,548
Other assets	264,694	215,303
<b>Total assets</b>	<b>19,064,101</b>	<b>17,791,393</b>
<b>Liabilities</b>		
Borrowings from central banks	131,057	60,599
Deposits from banks and other financial institutions	917,378	1,221,901
Placements from banks and other financial institutions	300,681	315,759
Financial liabilities held for trading	16,824	24,036
Financial liabilities designated at fair value through profit or loss	306,299	406,407
Derivative financial liabilities	12,358	12,192
Financial assets sold under repurchase agreements	95,679	88,804
Due to customers	14,997,769	13,538,360
Debt securities issued	404,067	382,742
Deferred tax liabilities	12	111
Other liabilities	568,952	528,597
<b>Total liabilities</b>	<b>17,751,076</b>	<b>16,579,508</b>

**AGRICULTURAL BANK OF CHINA LIMITED****CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**

AS AT 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	<b>30 September 2016</b> <b>(Unaudited)</b>	<b>31 December 2015</b> <b>(Audited)</b>
<b>Equity</b>		
Ordinary shares	324,794	324,794
Preference shares	79,899	79,899
Capital reserve	98,773	98,773
Investment revaluation reserve	24,360	22,429
Surplus reserve	96,812	96,748
General reserve	198,216	175,606
Retained earnings	487,125	412,005
Foreign currency translation reserve	457	(163)
	<hr/>	<hr/>
Equity attributable to equity holders of the Bank	1,310,436	1,210,091
Non-controlling interests	2,589	1,794
	<hr/>	<hr/>
<b>Total equity</b>	<b>1,313,025</b>	<b>1,211,885</b>
	<hr/>	<hr/>
<b>Total equity and liabilities</b>	<b>19,064,101</b>	<b>17,791,393</b>
	<hr/>	<hr/>

The consolidated financial statements on page I to VI were approved and authorized for issue by the Board of Directors on 28 October 2016 and are signed on its behalf by:

Zhou Mubing

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Chairman

Lou Wenlong

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Executive Director

**AGRICULTURAL BANK OF CHINA LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	<b>Nine months ended 30 September</b>	
	<b>2016</b> <b>(Unaudited)</b>	<b>2015</b> <b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	191,922	197,016
Adjustments for:		
Amortization of intangible assets and other assets	2,062	2,041
Depreciation of property and equipment	12,080	12,420
Impairment losses on assets	60,535	57,365
Interest income arising from investment securities	(123,706)	(106,207)
Interest income arising from impaired loans and advances to customers	(1,692)	(294)
Interest expense on debt securities issued	8,981	8,215
Revaluation gain on financial instruments at fair value through profit or loss	1,083	(2,471)
Net gain on investment securities	(930)	(619)
Share of result of associate	9	-
Net gain on disposal of property, equipment and other assets	(97)	(114)
Net foreign exchange gain	(11,179)	(11,970)
	<u>139,068</u>	<u>157,853</u>
Net change in operating assets and operating liabilities:		
Net increase in balances with central banks, deposits with banks and other financial institutions	(14,151)	(43,869)
Net increase in placements with and loans to banks and other financial institutions	(65,330)	(103,628)
Net decrease/(increase) in financial assets held under resale agreements	179,951	(174,212)
Net increase in loans and advances to customers	(748,687)	(779,416)
Net increase/(decrease) in borrowings from central banks	70,458	(63,871)
Net (decrease)/increase in placements from banks and other financial institutions	(15,078)	73,480
Net increase in due to customers and deposits from banks and other financial institutions	1,154,886	1,530,051
Increase in other operating assets	(103,935)	(103,333)
(Decrease)/increase in other operating liabilities	<u>(32,731)</u>	<u>75,280</u>
Cash from operations	564,451	565,864
Income tax paid	<u>(54,961)</u>	<u>(54,687)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>509,490</u>	<u>511,177</u>

**AGRICULTURAL BANK OF CHINA LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

(Amounts in millions of Renminbi, unless otherwise stated)

	<b>Nine months ended 30 September</b>	
	<b>2016</b>	<b>2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash received from disposal/redemption of investment securities	932,656	599,227
Cash received from interest income arising from investment securities	116,099	102,347
Cash received from disposal of property, equipment and other assets	308	472
Cash paid for purchase of investment securities	(1,600,661)	(1,274,144)
Cash paid for purchase of property, equipment and other assets	(8,928)	(10,819)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(560,526)</b>	<b>(582,917)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contribution from preference shareholders	-	40,000
Cash received from debt securities issued	575,020	275,265
Capital contribution from non-controlling interests	961	-
Cash payments for transaction cost of preference shares issued	-	(62)
Cash payments for transaction cost of debt securities issued	(23)	(17)
Repayments of debt securities issued	(554,888)	(291,680)
Cash payments for interest on debt securities issued	(8,460)	(7,833)
Dividends paid to:	(56,377)	(59,134)
Ordinary shareholders	(54,176)	(59,113)
Preference shareholders	(2,200)	-
Non-controlling interests	(1)	(21)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(43,767)</b>	<b>(43,461)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(94,803)</b>	<b>(115,201)</b>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	821,969	738,241
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	4,868	8,872
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>732,034</b>	<b>631,912</b>