

FOR IMMEDIATE RELEASE



**China Construction Bank (Asia) Announces
Consolidated Net Profit after Tax of HKD282 Million for 2008
Asset Quality Continued to Maintain at a Very Satisfactory Level**

HONG KONG – April 30, 2009 – China Construction Bank (Asia) today announced a consolidated net profit after tax of HKD282 million for the year ended December 31, 2008. The bank reported a net profit after tax of HKD603.6 million for the year of 2007.

Against the backdrop of the global credit crisis and economic downturn, the adverse business environment brought along unprecedented stress on the banking industry. In 2008, retail banks in Hong Kong were facing tremendous pressure from emerging credit, market, liquidity and operational risks, and shrinking demand in mortgage loan, wealth management and investment services. The unfavorable market conditions caused significant impact on the bank's overall earnings. A consolidated net profit after tax of HKD282 million was recorded for the year ended December 31, 2008, representing a decrease of 53% as compared to 2007. The bank's net earnings decline also reflected the significant increase in operating expenses due to rapid expansion in retail branch network over the past two years.

Owing to the pessimistic investment sentiment and the depressed equity market in the second half of 2008, the bank's service fees and commission income recorded a drop of 16% during the period. In spite of the difficult business environment, total non-interest income in 2008 recorded a satisfactory year-on-year growth of 12%, largely attributable to increase in foreign exchange income from FX related products such as collateralized FX trading business, FX-linked deposits, and currency swaps activities.

Total loans and customer deposits recorded a year-on-year growth of 20% and 18% respectively. Despite this strong growth, net interest income declined by 15% as compared to 2007 to HKD710 million. The decline was mainly attributable to the intensified market competition in loan pricing and higher funding costs along with the Hong Kong inter-bank market movement, resulting in further compression of net loan and deposit interest spreads. The Hong Kong Inter-Bank Offered Rate (HIBOR) stayed at a relatively high level particularly in the fourth quarter of the year following the outbreak of global financial crisis. Given the unstable financial markets globally, the opportunities for investing the bank's surplus funds in short-term and high credit quality securities issued by financial institutions for yield enhancement were largely limited, resulting in a further reduction in total net interest income.

Asset quality maintained at a very favorable level as compared to the industry average. As at December 31, 2008, the ratio of total advances overdue for more than three months to total loans was only 0.07% which was lower than the industry average of 0.49%. The classified loan ratio as at December 31, 2008 was 0.39% which compared very favourably to the industry average of 1.24%. Due to deterioration in credit quality of several commercial loans as a result of the economic downturn, the charge for individual impairment allowances increased to HKD75.2 million in 2008, as compared to the charge of HKD5.7 million in 2007. The total impairment provision for both individual and collective impairment allowances made in 2008 was HKD86.3 million. Net charge-off for the year was only 0.004% of the year-end loan

Continued from Page 1



outstanding, improved from 0.01% in the prior year. Under the bank's prudent investment policy and management, there were no securities and other investment losses of a material nature incurred during the year. Also, the bank was not involved in the selling of Lehman's mini-bonds.

Total operating expenses increased by 24% over the previous year, mainly attributable to the system integration, branch network expansion and business growth initiatives for which staff, premises, system and marketing expenses were incurred accordingly.

In 2008, China Construction Bank (Macau) Corporation Ltd., the bank's wholly-owned subsidiary in Macau, maintained steady growth. Total loans and customer deposits grew by 18% and 12% respectively year-on-year. It reported a net profit after tax of HKD42 million in 2008, a decline of 28% from 2007.

During the year, the bank expanded its retail banking network in Hong Kong and Macau to 39 branches, including 3 Premier Select centers, from 24 branches in 2007. On top of the 15 new retail outlets, 2 new commercial banking offices were opened to serve the business needs of corporate customers. To cope with the bank's business expansion plan, total number of staff has increased from 940 a year ago to 1,200 now.

In alignment with the bank's objective of providing superior and value-added services to customers, a galore of new banking products and services were introduced in 2008.

Worked with its parent bank, the China Construction Bank Corporation, the bank developed and pioneered the Cross-border Long Card and launched the RMB Credit Card. Both products were specially designed to provide extra financial convenience for the frequent travelers between Hong Kong and the Mainland. The bank also introduced Premier Select Banking, a tailor-made wealth management service targeting at the high net-worth customers, and Golden Years Banking to serve the needs of senior residents. To enable customers to enjoy a variety of services related to their payroll accounts, the Value-added Payroll service was introduced during the year. For investment services, the bank launched CNY Non-deliverable Forward Contract (NDF) and Gold Trading services.

For additional banking convenience to customers, the bank continued to enhance the online banking platform with customer-friendly features such as securities account opening and inter-bank funds transfer.

China Construction Bank (Asia) President and Chief Executive Officer Charles Ma said, "In spite of the global financial crisis, we are pleased to report that our financial positions and asset quality remained strong and healthy. The unwavering support of our parent company together with our prudent risk management have enabled us to effectively control risks and healthily grow our business."

Continued from Page 2



“We achieved remarkable growth in new customers in 2008 and made a new record. In 2009, we will further expand our branch network and product range to meet the various needs of our customers. We will further collaborate with our parent bank to maximize both of our strengths in product and service capabilities with an aim to create greater value for our customers, and further expand our market share in the local banking industry,” Ma added.

About China Construction Bank (Asia) Corporation Limited

Having become a wholly-owned subsidiary of China Construction Bank Corporation (“CCB Corporation”) on December 29, 2006, the bank, formerly known as Bank of America (Asia), was renamed to China Construction Bank (Asia) Corporation Limited (“CCB (Asia)”) on December 30, 2006.

CCB (Asia) has 36 branches in Hong Kong and Macau. A wide array of consumer, retail and commercial banking products and services are offered to customers through these branches. In addition, there are 3 Premier Select centers designed specially for high net worth customers.

For Consumer Banking, CCB (Asia) offers conventional transactional, foreign exchange and cash services, as well as deposits, loans, investments, consolidated banking, insurance, credit card and electronic banking services. For Retail and Commercial Banking, the bank offers a variety of products and services in trade financing, working capital and term lending, foreign exchange, leasing, insurance, investment and electronic banking. For more information, please visit www.asia.ccb.com.

About China Construction Bank Corporation

China Construction Bank Corporation (“CCB”) has a long history of operation in China. Its history dates back to 1954 when the People’s Construction Bank of China was founded. This entity was renamed China Construction Bank in 1996. CCB was formed in September 2004 when it separated from its predecessor, China Construction Bank, and assumed its commercial banking business and related assets and liabilities. Headquartered in Beijing, CCB had a network of nearly 13,400 branches and sub-branches in Mainland China as of December 31, 2008, and maintained overseas branches in Hong Kong, Singapore, Frankfurt, Johannesburg, Tokyo, Seoul and New York (newly approved), as well as representative offices in London, New York and Sydney. The bank holds 100% of the shares in China Construction Bank (Asia) Corporation Limited and CCB International (Holdings) Limited, controlling shares in Sino-German Bausparkasse, CCB Principal Asset Management Co., Ltd and CCB Financial Leasing Corporation Limited. It has a total of approximately 300,000 staff.

The bank began trading of its H shares on the Stock Exchange of Hong Kong Limited on 27 October 2005 with Stock Code 939. It’s A shares started trading on the Shanghai Stock Exchange on 25 September 2007 with Stock Code 601939.

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China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Consolidated income statement
for the year ended 31 December 2008

	2008 HK\$'000	2007 HK\$'000
Interest income	2,599,814	2,186,929
Interest expense	<u>(1,889,391)</u>	<u>(1,347,306)</u>
Net interest income	710,423	839,623
Net fees and commission income	210,692	249,841
Net gains from financial instruments at fair value through profit or loss	267,687	179,380
Other operating income	<u>4,575</u>	<u>2,227</u>
Total operating income	1,193,377	1,271,071
Operating expenses	<u>(784,908)</u>	<u>(633,486)</u>
Operating profit before impairment losses	408,469	637,585
Loan impairment (charged) / released and other credit risk provisions	<u>(86,260)</u>	<u>65,692</u>
Operating profit	322,209	703,277
Gain on disposal of available-for-sale financial assets	1,938	-
Share of profits of an associate	<u>7,676</u>	<u>21,351</u>
Profit before taxation	331,823	724,628
Taxation	<u>(49,325)</u>	<u>(121,057)</u>
Net profit attributable to shareholders	282,498 =====	603,571 =====

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Consolidated balance sheet at 31 December 2008

	2008 HK\$'000	2007 HK\$'000 (restated)
Assets		
Cash and balances with banks	10,640,774	6,596,883
Placements with banks maturing between one and twelve months	9,283,965	17,347,784
Advances to banks	6,091,126	257,407
Advances to customers	40,325,132	33,770,330
Financial instruments measured at fair value through profit or loss	439,666	2,397,206
Available-for-sale financial assets	551,479	1,813,192
Derivative financial instruments	477,951	358,621
Investment in an associate	112,253	104,577
Current tax recoverable	23,284	-
Deferred tax assets	4,872	2,227
Property and equipment	189,894	151,557
Interests in leasehold land	74,869	76,670
Other assets	<u>493,112</u>	<u>1,099,865</u>
Total assets	<u>68,708,377</u>	<u>63,976,319</u>
Liabilities		
Deposits and balances of banks	15,336,042	17,824,020
Deposits from customers	40,838,600	34,480,361
Certificates of deposit issued	2,661,870	2,000,726
Derivative financial instruments	492,464	366,294
Current tax payable	5,833	19,357
Other liabilities	<u>494,772</u>	<u>668,330</u>
Total liabilities	<u>59,829,581</u>	<u>55,359,088</u>
Equity		
Share capital	310,131	310,131
Reserves	<u>8,568,665</u>	<u>8,307,100</u>
Total equity	<u>8,878,796</u>	<u>8,617,231</u>
Total equity and liabilities	<u>68,708,377</u>	<u>63,976,319</u>

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Advances to customers

(a) Advances to customers less impairment

	<u>Group</u>	
	2008	2007
	HK\$'000	HK\$'000
Gross advances to customers	40,500,094	33,859,440
Less: Impairment allowances		(restated)
- collectively assessed	(67,754)	(55,380)
- individually assessed	<u>(107,208)</u>	<u>(33,730)</u>
Net advances to customers	40,325,132	33,770,330
	=====	=====
Included in advances to customers are:		
Trade bills	59,639	88,978
Less: Impairment allowances		
- collectively assessed	<u>(738)</u>	<u>(942)</u>
	58,901	88,036
	=====	=====

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Advances to customers (continued)

(b) Gross advances to customers by industry sectors

	<i>Group</i>	
	<i>2008</i>	<i>% of</i>
	<i>Outstanding</i>	<i>advances</i>
	<i>balance</i>	<i>covered by</i>
	<i>HK\$'000</i>	<i>collateral</i>
Advances for use in Hong Kong:		
Industrial, commercial and financial		
- Property development	68,119	0.00
- Property investment	14,436,969	94.93
- Financial concerns	728,060	49.41
- Stockbrokers	9,138	96.30
- Wholesale and retail trade	1,412,228	78.24
- Manufacturing	1,726,727	39.51
- Transport and transport equipment	1,006,790	25.02
- Recreational activities	18,145	94.04
- Information technology	152,711	60.07
- Others	<u>1,851,000</u>	83.75
	21,409,887	
Individuals		
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	18,465	99.99
- Loans for the purchase of other residential properties	11,874,328	99.87
- Others	<u>3,480,292</u>	64.18
	15,373,085	
Trade finance	1,277,877	29.56
Advances for use outside Hong Kong	<u>2,439,245</u>	70.70
Total gross advances to customers	<u>40,500,094</u> =====	

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Advances to customers (continued)

(c) Gross advances to customers overdue for more than three months:

	<i>Group</i>			
	2008		2007	
	HK\$'000	<i>% on total advances to customers</i>	HK\$'000	<i>% on total advances to customers</i>
Six months or less out over three months	20,637	0.05	3,991	0.01
One year or less but over six months	3,617	0.01	11,592	0.03
Over one year	<u>3,250</u>	<u>0.01</u>	<u>6,159</u>	<u>0.02</u>
Total gross amount of advances overdue for more than three months	27,504	0.07	21,742	0.06
Individually assessed impairment allowances made in respect of the above overdue advances	24,164		7,301	
Net realisable value of collateral held against the overdue advances	4,380		24,149	
Covered portion of overdue advances	2,533		18,395	
Uncovered portion of overdue advances	<u>24,971</u>		<u>3,347</u>	
	27,504		21,742	

(d) Rescheduled advances to customers:

	<i>Group</i>			
	2008		2007	
	HK\$'000	<i>% on total advances to Customers</i>	HK\$'000	<i>% on total advances to customers</i>
Rescheduled advances to customers	22,842	0.06	25,931	0.07

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Capital adequacy ratio and capital management

(a) *Capital adequacy ratio*

	<i>Group</i>	
	<u>2008</u>	<u>2007</u>
Capital adequacy ratio as at 31 December	18.72%	21.71%
	=====	=====
Core capital adequacy ratio as at 31 December	18.72%	21.54%
	=====	=====

At 31 December 2008, the capital adequacy ratio was computed on a consolidated basis, including the Bank and its subsidiary, China Construction Bank (Macau) Corporation Limited (“CCB (Macau)”), in accordance with the Banking (Capital) Rules. Deductions from total capital base include investments in certain subsidiaries, namely CCB Securities Limited and CCB Nominees Limited, which conduct non-banking related businesses, and their risk weighted assets have not been consolidated into the total risk weighted assets of the Group.

In calculating the risk weighted assets, the Group adopted the Standardised (Credit Risk) Approach and the Standardised (Market Risk) Approach for credit risk and market risk respectively. For operational risk, the capital requirement is calculated by using the Basic Indicator Approach.

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Capital adequacy ratio and capital management (continued)

(b) Capital base after deductions

	<i>Group</i>	
	<i>2008</i>	<i>2007</i>
	HK\$'000	HK\$'000
<i>Core capital:</i>		
Paid-up ordinary share capital	310,131	310,131
Published reserves	7,812,780	7,286,318
Profit and loss account	227,238	575,381
Deduct: Deferred tax assets	<u>(5,293)</u>	<u>(2,644)</u>
Total core capital before deductions	8,344,856	8,169,186
Less: Deductions from core capital	<u>(557,954)</u>	<u>(258,205)</u>
Total core capital after deductions	7,786,902	7,910,981
	-----	-----
<i>Supplementary capital:</i>		
Reserves attributable to fair value losses on revaluation of holding of available-for-sale equities and debt securities	(44)	(1,598)
Regulatory reserve for general banking risks	314,354	265,435
Collectively assessed impairment allowances	<u>67,754</u>	<u>55,380</u>
Total supplementary capital before deductions	382,064	319,217
Less: Deductions from supplementary capital	<u>(382,064)</u>	<u>(258,206)</u>
Total supplementary capital after deductions	-	61,011
	-----	-----
Total capital base before deductions	8,726,920	8,488,403
Total deductions from total capital base	<u>(940,018)</u>	<u>(516,411)</u>
Total capital base after deductions	<u>7,786,902</u>	<u>7,971,992</u>
	=====	=====

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Segmental information

(a) Gross advances to customers by geographical areas

	<i>Group</i>	
	2008	2007
	HK\$'000	HK\$'000 (restated)
Hong Kong	37,984,604	31,576,996
Others	<u>2,515,490</u>	<u>2,282,444</u>
	<u>40,500,094</u>	<u>33,859,440</u>

(b) Impaired advances by geographical areas

	<i>Group</i>			
	2008		2007	
	<i>Gross impaired advances</i>	<i>Individually assessed impairment allowances</i>	<i>Gross impaired advances</i>	<i>Individually assessed impairment allowances</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	150,866	107,170	49,581	33,730
Macau	<u>38</u>	<u>38</u>	<u>-</u>	<u>-</u>
	<u>150,904</u>	<u>107,208</u>	<u>49,581</u>	<u>33,730</u>

The geographical analysis is based on location of the customers and has not been taken account of transfer of risk.

(c) Cross-border claim

	<i>Group</i>		
	<i>Banks</i>	<i>Others</i>	<i>Total</i>
	HK\$'000	HK\$'000	HK\$'000
At 31 December 2008			
Asia Pacific excluding Hong Kong	20,267,500	3,558,255	23,825,755
Europe	<u>3,117,549</u>	<u>15,710</u>	<u>3,133,259</u>
At 31 December 2007			
Asia Pacific excluding Hong Kong	21,069,777	1,945,295	23,015,072
Europe	<u>6,256,642</u>	<u>57,301</u>	<u>6,313,943</u>

The geographical analysis has been taken account of transfer of risk.

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Segmental information (continued)

(d) Geographical and business segments

Segments information is presented in respect of the Group's geographical and business segments.

(i) Geographical segments

	<i>Group</i>				<i>Contingent liabilities and commitments</i> HK\$'000
	<i>Total operating income</i> HK\$'000	<i>Profit before taxation</i> HK\$'000	<i>Total assets</i> HK\$'000	<i>Total liabilities</i> HK\$'000	
At 31 December 2008					
Hong Kong	1,103,015	283,677	67,914,817	59,023,802	4,980,369
Macau	96,597	48,146	4,313,791	3,518,205	604,365
Less: Intra-group items	<u>(6,235)</u>	<u>-</u>	<u>(3,520,231)</u>	<u>(2,712,426)</u>	<u>(9,847)</u>
	<u>1,193,377</u>	<u>331,823</u>	<u>68,708,377</u>	<u>59,829,581</u>	<u>5,574,887</u>
At 31 December 2007					
Hong Kong	1,189,459	657,321	63,353,644	54,671,004	4,943,870
Macau	107,884	67,307	3,615,635	2,862,444	501,596
Less: Intra-group items	<u>(26,272)</u>	<u>-</u>	<u>(2,992,960)</u>	<u>(2,174,360)</u>	<u>(106,127)</u>
	<u>1,271,071</u>	<u>724,628</u>	<u>63,976,319</u>	<u>55,359,088</u>	<u>5,339,339</u>

Segmental information (continued)

(d) Geographical and business segments (continued)

(ii) Business segments

The Group comprises the following main business segments:

Commercial banking

This segment represents the provision of a range of financial products and services to corporations, securities firms and small and medium sized enterprises. The products and services include commercial loans, syndicated loans, residential and commercial mortgages, trade financing, machinery and equipment leasing, stockbroker financing and deposit-taking activities.

Consumer banking

This segment represents the provision of a range of financial products and services to individual customers. The products and services comprise personal loans, residential mortgages, auto-financing, deposit-taking activities, wealth management, insurance and securities agency services.

Treasury business

This segment covers the Bank's treasury operations. The Treasury Department enters into inter-bank money market transactions and invests in debt instruments. It also trades in debt instruments, derivatives and foreign currency for its own account. The treasury carries out customer driven derivatives, such as foreign currency trading. Its function also includes the management of the Group's overall liquidity position, including the issuance of certificates of deposit.

Others and unallocated

These represent head office assets, liabilities, capital earnings, income and expenses that are not directly attributable to a segment or which cannot be allocated on a reasonable basis.

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Segmental information (continued)

(d) **Geographical and business segments (continued)**

(ii) Business segments (continued)

	<i>Group</i>				
	<i>2008</i>				
	<i>Commercial banking</i>	<i>Consumer banking</i>	<i>Treasury business</i>	<i>Others and unallocated</i>	<i>Total</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Total operating income	371,465	447,551	141,155	233,206	1,193,377
	=====	=====	=====	=====	=====
Operating profit/(loss)					
before impairment losses	279,767	99,629	130,804	(101,731)	408,469
	=====	=====	=====	=====	=====
Operating profit/(loss)	186,919	106,217	130,804	(101,731)	322,209
	=====	=====	=====	=====	=====
Profit/(loss) before taxation	186,919	106,217	132,742	(94,055)	331,823
	=====	=====	=====	=====	=====
Total segment assets	25,231,611	22,609,204	20,726,488	141,074	68,708,377
	=====	=====	=====	=====	=====

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Segmental information (continued)

(d) **Geographical and business segments (continued)**

(ii) Business segments (continued)

	<u>Group</u>				
	<u>2007</u>				
	Commercial banking HK\$'000	Consumer banking HK\$'000	Treasury business HK\$'000	Others and unallocated HK\$'000	Total HK\$'000
Total operating income	323,791	570,825	22,977	353,478	1,271,071
	=====	=====	=====	=====	=====
Operating profit before impairment losses	251,372	339,020	15,173	32,020	637,585
	=====	=====	=====	=====	=====
Operating profit	298,438	357,646	15,173	32,020	703,277
	=====	=====	=====	=====	=====
Profit before taxation	298,438	357,646	15,173	53,371	724,628
	=====	=====	=====	=====	=====
Total segment assets	18,078,369	16,526,247	28,504,204	867,499	63,976,319
	=====	=====	=====	=====	=====

China Construction Bank (Asia) Corporation Limited
2008 Financial Results

Currency concentrations

	<i>Total</i>	<i>Group</i>					<i>MOP</i>
		<i>AUD</i>	<i>JPY</i>	<i>NZD</i>	<i>CAD</i>	<i>USD</i>	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent
At 31 December 2008							
Spot assets	27,816,394	325,207	669,115	95,957	23,243	24,200,083	767,885
Spot liabilities	(30,077,280)	(1,731,823)	(604,883)	(423,512)	(441,086)	(24,455,177)	(559,179)
Forward purchases	19,811,083	1,647,950	1,550,771	748,586	641,327	9,397,056	-
Forward sales	<u>(17,351,809)</u>	<u>(274,574)</u>	<u>(1,689,642)</u>	<u>(443,184)</u>	<u>(244,987)</u>	<u>(8,999,995)</u>	<u>-</u>
Net long /(short) position	198,388	(33,240)	(74,639)	(22,153)	(21,503)	141,967	208,706
	=====	=====	=====	=====	=====	=====	=====
Net structural position	423,447	-	-	-	-	-	423,447
	=====	=====	=====	=====	=====	=====	=====

	<i>Total</i>	<i>Group</i>					<i>MOP</i>
		<i>AUD</i>	<i>JPY</i>	<i>NZD</i>	<i>CAD</i>	<i>USD</i>	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent	HKD equivalent
At 31 December 2007							
Spot assets	30,539,583	16,206	103,003	793	9,828	29,497,094	608,506
Spot liabilities	(30,016,124)	(1,589,284)	(66,056)	(306,661)	(405,364)	(26,271,098)	(380,332)
Forward purchases	12,166,352	2,220,293	394,789	469,039	514,964	5,794,462	-
Forward sales	<u>(12,444,189)</u>	<u>(640,394)</u>	<u>(487,424)</u>	<u>(185,566)</u>	<u>(147,969)</u>	<u>(8,814,690)</u>	<u>(1,069)</u>
Net long /(short) position	245,622	6,821	(55,688)	(22,395)	(28,541)	205,768	227,105
	=====	=====	=====	=====	=====	=====	=====
Net structural position	423,447	-	-	-	-	-	423,447
	=====	=====	=====	=====	=====	=====	=====

The structural assets of the Group in MOP include investment in a subsidiary in Macau.