

Balance Sheet (audited)

Industrial Bank Co.,Ltd.

Unit: RMB

Items	2006-6-30	2005-12-31
Assets		
Cash and balances with the central bank	40,407,195,909.97	39,537,677,136.71
Scarce metal	-	-
Due from banks	22,005,455,671.06	18,506,908,724.52
Placement with banks and financial institutions	6,136,779,940.32	697,368,100.39
Reverse repurchase agreements	23,873,186,468.58	50,514,044,718.80
Derivative financial assets	122,502,913.29	168,596,882.18
Trading investments	20,441,682,855.36	652,894,152.28
Available-for-sale investments	74,159,699,097.81	119,998,735,091.96
Held to maturity investments	43,262,140,722.65	-
Loans and receivables investments	6,167,251,638.71	-
Long term equity investments	50,000,000.00	50,000,000.00
Interest receivable	2,125,570,618.54	1,964,071,607.47
Advances to customers	286,374,526,392.85	237,459,954,676.10
Fixed assets and construction in progress	3,012,872,199.94	2,948,745,257.00
Intangible assets	429,879,287.69	442,461,188.95
Deffered income tax assets	1,099,034,511.20	854,419,270.62
Other assets	2,551,766,932.84	1,298,224,350.44
Total assets	532,219,545,160.81	475,094,101,157.42
Liabilities		
Amounts due to central bank	-	-
Amounts due to banks	79,023,735,729.89	65,429,964,246.84
Inter-bank borrowings	14,377,818.72	403,510,000.00
Repurchase agreements	24,932,605,316.84	19,123,051,435.14
Derivative Financial liabilities	861,442,352.12	102,417,745.40
Deposit from customers	385,219,063,839.30	355,218,109,329.96
Payroll payable and staff welfare payable	1,462,239,939.18	1,169,287,437.58
Taxes payable	615,946,021.00	657,788,999.57
Interest payable	2,759,653,581.51	1,888,086,741.11
Long term subordinated liabilities	6,000,000,000.00	6,000,000,000.00
Long term bonds payable	15,000,000,000.00	10,000,000,000.00
Deferred tax liabilities	256,175,090.74	333,516,641.54
Other liabilities	1,933,993,321.45	1,982,983,524.26
Total liabilities	518,079,233,010.75	462,308,716,101.40
Shareholders' Equity		
Paid-in capital	3,999,000,000.00	3,999,000,000.00
Capital reserves	2,839,213,878.93	2,839,213,878.93
Surplus reserves	1,026,308,984.07	1,026,308,984.07
General reserve	2,400,000,000.00	2,400,000,000.00
Unrealized gains/loss on available-for-sale investments, after tax	99,265,795.89	490,140,890.54
Retained earnings	3,776,523,491.17	2,030,721,302.48
Including: proposed cash dividend	-	-
Total shareholders' equity	14,140,312,150.06	12,785,385,056.02
Total liabilities and shareholders' equity	532,219,545,160.81	475,094,101,157.42

Income Statement (audited)

Industrial Bank Co.,Ltd.

Unit: RMB

Items	January-June 2006	2005
I. Net interest income	5,941,879,034.58	9,305,452,820.87
Interest income	11,018,490,841.24	17,246,346,149.53
Interest expense	(5,076,611,806.66)	(7,940,893,328.66)
II. Net income fee and commission income	180,567,561.64	237,227,548.31
Fee and commission income	219,763,780.36	316,067,256.46
Fee and commission expense	(39,196,218.72)	(78,839,708.15)
III. Net gains/loss from changes in fair value	(175,951,352.03)	66,179,136.78
IV. Net gains/loss from other businesses	107,290,056.34	127,731,646.66
V. Business tax and surcharges	(431,102,504.15)	(739,643,181.66)
VI. Operating expense	(2,386,231,256.45)	(3,887,743,850.24)
VII. Provision for impairment of other assets	(976,566,826.38)	(1,580,944,438.44)
VIII. Operating profit	2,259,884,713.55	3,528,259,682.28
Add: non-operating income	16,054,622.17	34,693,113.16
Less: non-operating expense	(10,904,920.58)	(18,231,188.89)
IX. Profit before tax	2,265,034,415.14	3,544,721,606.55
Less: income tax	(519,232,226.45)	(1,079,753,627.80)
X. Profit after tax	1,745,802,188.69	2,464,967,978.75
XI. Earnings per share		
Basic	0.44	0.62
Diluted	0.44	0.62

Note:

Pursant to Notice on Issuing the Provisional Regulation on Financial Instrument Recognition and Measurement (Tentative Implementation) (CK[2005]No. 14) issued by the Ministry of Finance in August, 2005, commercial banks that have been listed and that are to be listed shall adopt the Provisional Regulation on Financial Instrument Recognition and Measurement(Tentative Implementation) starting from January 1, 2006.

The Bank has begun to prepare its financial statements in accordance with the Provisional Regulation on Financial Instrument Recognition and Measurement (Tentative Implementation) starting from January 1, 2006.