|  |  |  |  |
| --- | --- | --- | --- |
| **Code of A Shares: 601166** | **Abbreviation of A Shares: Industrial Bank** | | **Code: TEMP 2018-01** |
| **Code of Preferred Stock: 360005, 360012** | | **Abbreviation of Preferred Stock: Industrial Preferred 1, Industrial Preferred 2** | |

Industrial Bank Co., Ltd.

Announcement on Preliminary Earnings Estimate 2017

The board of Directors of the Company and all directors guarantee there’s no false account, misleading statement or material omissions of the announcement, and will be jointly and severally be responsible for the truthfulness, accuracy and integrity of the announcement.

The major financial data for 2017 contained in this announcement are preliminary accounting data without being audited by an accounting firm. The specific data is subject to the data disclosed in the 2017 annual report of IB. Investors are advised to pay attention to investment risks.

I. Primary Financial Data & Index in 2017

Unit: RMB 1 million

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Current Reporting Period** | **Same Period Last Year** | **Increase or Decrease (%)** |
| Business income | 140,081 | 157,060 | (10.81) |
| Business profit | 64,820 | 63,382 | 2.27 |
| Total profit | 65,046 | 63,925 | 1.75 |
| Net profit which is attributable to shareholders of a listed company | 57,371 | 53,850 | 6.54 |
| Net profit which is attributable to shareholders of a listed company and excludes non-recurring profit and loss | 54,813 | 52,399 | 4.61 |
| Basic earnings per share (RMB) | 2.75 | 2.77 | (0.72) |
| ROE (%) | 15.39 | 17.28 | Declining by 1.89 percentage points |
|  | **End of Current Reporting Period** | **Beginning of Current Reporting Period** | **Increase or Decrease (%)** |
| Total asset | 6,419,189 | 6,085,895 | 5.48 |
| Owner’s equity which is attributable to shareholders of a listed company | 417,147 | 350,129 | 19.14 |
| Owner’s equity which is attributable to common shareholders of parent company | 391,242 | 324,224 | 20.67 |
| Capital of common stock | 20,774 | 19,052 | 9.04 |
| Net assets per share which are attributable to common shareholders of parent company (RMB) | 18.83 | 17.02 | 10.63 |
| NPA rate | 1.59 | 1.65 | Declining 0.06 percentage points |

Note: 1. In April 2017, IB completed Private Offering of Common RMB Share, increasing capital stock by 1,721,854,000 common shares.

2. Basic earnings per share and ROE are calculated based on Compilation Rules for Information Disclosure By Companies Issuing Securities through Public Offering No. 9 --- Calculation and Disclosure of Return on Equity and Earnings per Share (revised in 2010). Basic earnings per share during the reporting period is calculated in light of the weighted average of 20,343,727,251 outstanding common shares.

3. In June 2017, IB issued preferred stock: Industrial Preferred 1 and 2, with the total dividends of RMB 1.482 billion. IB considered the impact of issuing dividends of two phases of preferred stock when calculating basic earnings per share and ROE disclosed in this report.

II. Description of Operation Performance and Financial Conditions

During the reporting period, IB actively addressed changes in the external operating environment, adhered to stable progressing, promoted the restructuring of the balance sheet, promoted the reform of institutional mechanisms stably, and kept stable development of various businesses. The business condition was generally in line with expectations.

With steady development of various businesses and assets growth, IB reached a total asset of RMB 6,419.189 billion at the end of the report period, increased by 5.48% over the beginning of the year. Profitability is maintained at a good level, realizing a total profit of RMB 65.046 billion with a YOY increase of 1.75%; net profit of the Company which is attributable to shareholders of parent company is RMB 57.371 billion with a YOY growth of 6.54%. The asset quality remains controllable in general. At the end of the reporting period, IB’s NPA rate was 1.59%, declining by 0.06 percentage point compared with the beginning of the period.

III. Risk Warning

The major financial data for 2017 contained in this announcement is preliminary accounting data, which may be different from those disclosed in the 2017 annual report of IB. However, the discrepancy above will not exceed 10%. All investors are suggested to pay attention to investment risks.

IV. Reference Documents

Comparative Balance Sheet and Profit Statement signed and stamped by Gao Jianping, chairman of IB, Tao Yiping, president of IB and Li Jian, head of financial department.

Hereby Announced.

Board of Directors of Industrial Bank Co., Ltd.

January 16, 2018