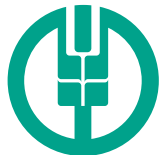


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中国农业银行

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 FIRST QUARTERLY REPORT 2018

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 first quarter ended 31 March 2018, prepared under International Financial Reporting Standards (“**IFRSs**”). 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 First Quarterly Report of 2018 at its eighth meeting of 2018 (the “**Meeting**”) held on 27 April 2018. 14 Directors were entitled to attend and all of them attended the Meeting, among whom Mr. WANG Wei and Ms. XIAO Xing designated Mr. ZHAO Huan and Mr. Francis YUEN Tin-fan, respectively, in writing as their proxies to attend and vote on their behalf at the Meeting due to other business commitments.
- 1.3 This quarterly financial report has not been audited.
- 1.4 Mr. ZHOU Mubing, legal representative of the Bank, Ms. ZHANG Keqiu, Executive Vice President in charge of finance, and Mr. YAO Mingde, 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

Stock exchange on which A shares are listed Stock name Stock code	Shanghai Stock Exchange 農業銀行 601288
Stock exchange on which H shares are listed Stock name Stock code	The Stock Exchange of Hong Kong Limited ABC 1288
Trading exchange and platform of preference shares Stock name Stock code	The Integrated Business Platform of Shanghai Stock Exchange 農行優1, 農行優2 360001, 360009
Board Secretary and Company Secretary	Zhou Wanfu 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 IFRSs and denominated in Renminbi (“**RMB**”), unless otherwise stated.

2.2.1 Major financial data and indicators

In millions of RMB, unless otherwise stated

	31 March 2018	31 December 2017	Change as compared to the end of 2017 (%)
Total Assets	21,639,047	21,053,382	2.78
Loans and advances to customers, net	10,701,186	10,316,311	3.73
Deposits with bank and other financial institutions	100,238	130,245	(23.04)
Placements with and loans to banks and other financial institutions	388,260	505,269	(23.16)
Investment in securities and other financial assets, net	6,082,940	6,152,743	(1.13)
Total liabilities	20,175,420	19,623,985	2.81
Deposits from customers	16,864,890	16,194,279	4.14
Deposits from banks and other financial institutions	915,112	974,730	(6.12)
Placements from banks and other financial institutions	290,410	280,061	3.70
Equity attributable to equity holders of the Bank	1,459,992	1,426,415	2.35
Net assets per share (in RMB Yuan)	4.25	4.15	2.41

	Three months ended 31 March 2018 (January-March)	Three months ended 31 March 2017 (January-March)	Change as compared to the same period of 2017 (%)
Operating income	157,238	149,475	5.19
Net profit	59,040	55,779	5.85
Net profit attributable to equity holders of the Bank	58,736	55,710	5.43
Net cash flow from operating activities	(117,938)	294,126	(140.10)
Basic earnings per share (in RMB Yuan)	0.17	0.16	6.25
Diluted earnings per share (in RMB Yuan)	0.17	0.16	6.25
Return on weighted average net assets (annualized, %) ¹	17.22	17.49	Decreased by 0.27 percentage point

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 IFRSs and Generally Accepted Accounting Principles of the People's Republic of China ("PRC GAAP")

There are no differences between the net profit or shareholder's equity for the reporting period in the consolidated financial statements of the Group prepared under IFRSs 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 466,247 ordinary shareholders in total, including 23,630 H shares shareholders and 442,617 A shares shareholders.

**Particulars of shareholding of the top 10 ordinary shareholders
(based on the registers of shareholders as at 31 March 2018)**

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	9.41	30,562,589,531	–	Unknown
National Council for Social Security Fund of the PRC	State-owned	A shares	3.02	9,797,058,826	–	None
Central Huijin Asset Management Ltd.	State-owned legal entity	A shares	0.39	1,255,434,700	–	None
China Securities Finance Corporation Limited	State-owned legal entity	A shares	0.32	1,054,793,837	–	None
Wutongshu Investment Platform Co., Ltd.	State-owned legal entity	A shares	0.30	980,723,700	–	None
China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002Hu	Other	A shares	0.28	895,662,165	–	None
China Shuangwei Investment Co., Ltd.	State-owned legal entity	A shares	0.23	746,268,000	–	None
China Railway Construction Investment Co. Ltd.	State-owned legal entity	A shares	0.23	742,974,000	–	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 represent 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 31 March 2018.

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. Central Huijin Investment Ltd. and Central Huijin Asset Management Ltd., its wholly-owned subsidiary, are interested in 131,260,538,482 in aggregate, accounting for 40.41% of shareholding.

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 holders¹ of preference shares of “農行優1” (stock code: 360001) and 28 holders¹ of preference shares of “農行優2” (stock code: 360009).

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 31 March 2018)

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

Notes: 1 The Bank is not aware of any connections between the above shareholders of preference shares or between the above shareholders of preference shares and top 10 shareholders of ordinary shares 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).

¹ 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.

**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 31 March 2018)**

Unit: Share

Name of shareholder	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 Shuangwei Investment Co., Ltd., 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 – FH002Hu 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 FIRST QUARTER

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

Financial results

For the three months ended 31 March 2018, the Group achieved a net profit of RMB59,040 million, representing an increase of 5.85% over the same period of 2017. Our annualized return on average total assets and annualized return on weighted average net assets were 1.11% and 17.22%, representing a decrease of 0.01 percentage point and a decrease of 0.27 percentage point, over the same period of 2017, respectively. We achieved basic earnings per share of RMB0.17, representing an increase of RMB0.01 over the same period of 2017.

For the three months ended 31 March 2018, the Group achieved an operating income of RMB157,238 million, representing an increase of 5.19% over the same period of 2017. Net interest income amounted to RMB117,481 million, representing an increase of 13.83% over the same period of 2017. Net fee and commission income amounted to RMB23,386 million, representing a decrease of 8.19% over the same period of 2017. Operating expenses amounted to RMB51,923 million, representing a decrease of 8.75% over the same period of 2017. Cost-to-income ratio (under PRC GAAP) amounted to 25.07%, representing a decrease of 0.81 percentage point over the same period of 2017. Impairment losses on assets amounted to RMB33,972 million, representing an increase of RMB10,343 million over the same period of 2017, of which impairment losses on loans was RMB35,611 million.

Assets and liabilities

At 31 March 2018, the Group's total assets amounted to RMB21,639,047 million, representing an increase of RMB585,665 million or 2.78% compared to the end of 2017. Total loans and advances to customers amounted to RMB11,147,527 million, representing an increase of RMB426,916 million or 3.98% compared to the end of 2017, among which, corporate loans, retail loans, discounted bills, and overseas and other loans amounted to RMB6,436,813 million, RMB4,188,580 million, RMB113,028 million and RMB409,106 million, respectively. Net investments in securities and other financial assets decreased by RMB69,803 million or 1.13% compared to the end of 2017 to RMB6,082,940 million.

Total liabilities increased by RMB551,435 million or 2.81% compared to the end of 2017 to RMB20,175,420 million. Deposits from customers increased by RMB670,611 million or 4.14% compared to the end of 2017 to RMB16,864,890 million. In terms of the maturity of deposits, time deposits, demand deposits and other deposits amounted to RMB6,570,729 million, RMB9,695,658 million and RMB598,503 million, respectively. In terms of business line, corporate deposits, retail deposits and other deposits amounted to RMB6,541,005 million, RMB9,725,382 million and RMB598,503 million, respectively.

Shareholders' equity increased by RMB34,230 million or 2.39% compared to the end of 2017 to RMB1,463,627 million, with ordinary shares of RMB324,794 million, preference shares of RMB79,899 million, capital reserve of RMB98,773 million, investment revaluation reserve of RMB-5,200 million, surplus reserve of RMB134,357 million, general reserve of RMB230,716 million, retained earnings of RMB597,779 million and foreign currency translation reserve of RMB-1,126 million, respectively.

Assets quality

At 31 March 2018, the Group's non-performing loans amounted to RMB186,952 million, representing a decrease of RMB7,080 million compared to the end of 2017. Non-performing loan ratio was 1.68%, representing a decrease of 0.13 percentage point compared to the end of 2017. Allowance to non-performing loans¹ was 238.75%, representing an increase of 30.38 percentage points compared to the end of 2017.

County Area Banking Business

At 31 March 2018, the Group's total loans and advances to customers of County Area Banking Business amounted to RMB3,719,639 million, representing an increase of RMB151,276 million or 4.24% compared to the end of 2017. Deposits from customers of County Area Banking Business amounted to RMB7,253,373 million, representing an increase of RMB337,701 million or 4.88% compared to the end of 2017.

Non-performing loan ratio of County Area Banking Business amounted to 2.08%, representing a decrease of 0.09 percentage point compared to the end of 2017. Allowance to non-performing loans¹ was 238.05%, representing an increase of 26.75 percentage points compared to the end of 2017.

§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 2017 or the same period of 2017, items of major consolidated financial statements and financial indicators with changes over 30% and the main reasons thereof are as follows:

¹ In calculating the allowance to non-performance loans, the balance of allowance for impairment losses on loans does not include the allowance for impairment losses on bills and forfeiting recognized in other comprehensive income.

In millions of RMB, except for percentages

Item	January to March 2018	January to March 2017	Change over the same period of 2017 (%)	Major reasons for change
Net trading (loss)/gain	(1,982)	2,110	(193.93)	The decrease in net investment gain on derivative instruments for foreign exchange rate
Net gain/(loss) on financial instruments designated at fair value through profit or loss	2,158	(150)	–	The decrease in bond yield which caused an increase in fair value of bonds and an increase in unrealized gain
Impairment losses on assets	(33,972)	(23,629)	43.77	The increase in the impairment losses on loans
Share of result of associate	3	2	50.00	The increase in gains from investment in associate
Profit attributable to non-controlling interests	304	69	340.58	The increase in profits of non-wholly owned subsidiaries
Other comprehensive income, net of tax	3,869	(9,125)	–	The increase in comprehensive income of fair value changes on financial assets
Total comprehensive income attributable to equity holders of the Bank	62,256	46,751	33.17	The increase in comprehensive income of fair value changes on financial assets
Total comprehensive income attributable to non-controlling interests	653	(97)	–	The increase in comprehensive income of non-wholly owned subsidiaries

In millions of RMB, except for percentages

Item	At 31 March 2018	At 31 March 2017	Change over the end of 2017 (%)	Major reasons for change
Precious metals	74,644	32,008	133.20	The increase in precious metals from overseas precious metal swap transactions
Financial assets held for trading	N/A	194,640	N/A	The implementation of IFRS 9 Financial Instruments
Financial assets designated at fair value through profit or loss	N/A	383,325	N/A	The implementation of IFRS 9 Financial Instruments
Financial assets at fair value through profit or loss	574,639	N/A	N/A	The implementation of IFRS 9 Financial Instruments
Derivative financial assets	51,478	28,284	82.00	The increase in valuation surplus of currency swap business
Financial assets held under resale agreements	708,704	540,386	31.15	The increase in business held under resale agreements
Available-for-sale financial assets	N/A	1,426,420	N/A	The implementation of IFRS 9 Financial Instruments
Held-to-maturity investments	N/A	3,489,135	N/A	The implementation of IFRS 9 Financial Instruments
Debt instruments classified as receivables	N/A	659,223	N/A	The implementation of IFRS 9 Financial Instruments
Financial assets at fair value through other comprehensive income	1,488,092	N/A	N/A	The implementation of IFRS 9 Financial Instruments
Financial assets at amortized cost	4,020,209	N/A	N/A	The implementation of IFRS 9 Financial Instruments
Other assets	288,730	196,900	46.64	The increase in other receivables including settlement and clearance
Financial liabilities held for trading	N/A	21,118	N/A	The implementation of IFRS 9 Financial Instruments
Financial liabilities designated at fair value through profit or loss	N/A	370,654	N/A	The implementation of IFRS 9 Financial Instruments
Financial liabilities at fair value through profit or loss	319,814	N/A	N/A	The implementation of IFRS 9 Financial Instruments

Item	At 31 March 2018	At 31 March 2017	Change over the end of 2017 (%)	Major reasons for change
Derivative financial liabilities	57,789	30,872	87.19	The increase in valuation deficit of cross currency interest rate swap business
Financial assets sold under repurchase agreements	90,838	319,789	(71.59)	The decrease in financing demand due to easing of market funding environment compared to the end of 2017
Investment revaluation reserve	(5,200)	(19,690)	(73.59)	The increase in fair value of bonds
Foreign currency translation reserve	(1,126)	(32)	3,418.75	Changes in foreign currency translation of overseas institutions' statements

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

√Applicable □Not Applicable

The Bank has proposed private placement of A Shares to raise proceeds of not exceeding RMB100 billion. The proceeds after deducting the relevant issuance expenses will be fully used to replenish the CET 1 capital of the Bank. The private placement plan of A Shares was considered and approved by the Board of Directors of the Bank on 12 March 2018 and by the 2018 first extraordinary general meeting of the Bank on 29 March 2018 item by item, which was approved by the China Banking and Insurance Regulatory Commission on 13 April 2018. In addition, in accordance with relevant laws and regulations, the implementation of the Private Placement of A Shares is subject to the approval of regulatory authorities including the China Securities Regulatory Commission, and also subject to the final plan approved by the aforesaid regulatory authorities. For the latest updates on the Private Placement of A Shares and the review progress of regulatory authorities, please refer to the announcements to be published by the Bank separately. For details, please refer to the related announcements published on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

The 2016 first extraordinary general meeting of the Bank on 8 March 2016 approved the issuance of qualified tier-2 capital instruments of not exceeding RMB80 billion equivalent in total, with a term ending on 31 December 2018. The Bank issued tier-2 capital bonds of RMB40 billion in the national inter-bank bond market on 17 October 2017. As to the tier-2 capital bonds of the other RMB40 billion, the Bank obtained the approval from China Banking and Insurance Regulatory Commission and the People's Bank of China recently. For the latest updates and details, please refer to the announcements published by the Bank on the website of Shanghai Stock Exchange (www.sse.com.cn) and the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

4.3 Matters relating to undertakings which have passed the performance deadline and not yet performed or completed during the reporting period

☐Applicable ☒Not Applicable

4.4 Implementation of cash dividend policy during the reporting period

☒Applicable ☐Not Applicable

On 12 March 2018, the Bank has paid cash dividend of RMB5.50 per preference shares (tax inclusive) and RMB2,200 million (tax inclusive) in aggregate, calculated by coupon rate of 5.50%, to all holders of “農行優2” preference shares (stock code: 360009) whose names appeared on the register of members at the close of business on 9 March 2018.

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

4.6 Explanations on change of accounting policies

☒Applicable ☐Not Applicable

The International Accounting Standards Board (“IASB”) issued the IFRS 9 – Financial Instruments in 2014. The Bank has implemented the above new accounting standard since 1 January 2018 pursuant to the implementation timing requirement of the above standard. The primary impacts of the above new accounting standard on the Bank were disclosed in our 2017 annual report and please refer to “Notes to Consolidated Financial Statements II.1.2” in our 2017 annual report prepared in accordance with the IFRSs.

§5 RELEASE OF QUARTERLY REPORT

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

By Order of the Board
Agricultural Bank of China Limited

27 April 2018

APPENDIX I CAPITAL ADEQUACY RATIO INFORMATION

As of 31 March 2018, the Bank adopted the foundation IRB approach for non-retail exposures and IRB approach for retail exposures to measure credit risk-weighted assets, weighting approach for credit risk-weighted assets uncovered by IRB approach, the Internal Models Approach (IMA) for market risk-weighted assets, standardized measurement approach to measure market risk-weighted assets uncovered by IMA, and standardized measurement approach to measure 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)* (Decree of CBRC [2012] No.1).

In millions of RMB, except for percentages

Item	31 March 2018		31 December 2017	
	The Group	The Bank	The Group	The Bank
CET 1 capital, net	1,373,344	1,352,571	1,339,953	1,319,628
Tier 1 capital, net	1,453,250	1,432,470	1,419,859	1,399,527
Total capital, net	1,806,183	1,783,490	1,731,946	1,710,274
Risk-weighted assets	13,119,257	12,956,124	12,605,577	12,435,568
CET 1 capital adequacy ratio	10.47%	10.44%	10.63%	10.61%
Tier 1 capital adequacy ratio	11.08%	11.06%	11.26%	11.25%
Capital adequacy ratio	13.77%	13.77%	13.74%	13.75%

According to *Capital Rules for Commercial Banks (Provisional)*, the Bank should calculate and disclose the consolidated and unconsolidated capital adequacy ratios of the Bank in accordance with the *Rules for the Management of Capital Adequacy Ratio of Commercial Banks (Decree of CBRC [2007] No.11)*. The indicators are shown below.

In millions of RMB, except for percentages

Item	31 March 2018		31 December 2017	
	The Group	The Bank	The Group	The Bank
Core capital adequacy ratio	9.75%	9.76%	10.00%	10.00%
Capital adequacy ratio	12.39%	12.38%	12.74%	12.71%

APPENDIX II LIQUIDITY COVERAGE RATIO INFORMATION

The Bank disclosed the following information of liquidity coverage ratio regarding related regulations by China Banking and Insurance Regulatory Commission (“CBIRC”).

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. 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 daily data in every quarter from 2017 and the number of daily data adopted in calculation of such average.

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 daily liquidity coverage ratio of the Bank was 124.8% in the first quarter of 2018, representing an increase of 3.6 percentage points over the last quarter. 90 data had been adopted in calculation of such average. The high-quality liquid assets of the Bank mainly include cash, available excess reserves of central bank under stress conditions as well as the bonds defined under Level 1 and Level 2 assets which satisfy the requirements of *Rules on Liquidity Risk Management of Commercial Banks (Provisional)*.

The averages of the observations of the daily liquidity coverage ratio and individual line items over the first quarter in 2018 are as follows:

In ten thousands of RMB, except for percentages

No.		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		403,003,671
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	1,013,187,436	91,939,407
3	Stable deposits	187,580,616	9,378,725
4	Less stable deposits	825,606,820	82,560,682
5	Unsecured wholesale funding, of which:	627,477,989	252,202,616
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	189,426,692	46,083,567
7	Non-operational deposits (all counterparties)	434,339,295	202,407,047
8	Unsecured debt	3,712,002	3,712,002
9	Secured wholesale funding		1,784,827
10	Additional requirements, of which:	204,198,081	45,462,483
11	Outflows related to derivative exposures and other collateral requirements	31,196,436	31,196,341
12	Outflows related to loss of funding on debt products	176,384	176,384
13	Credit and liquidity facilities	172,825,261	14,089,758
14	Other contractual funding obligations	30,101,908	30,101,908
15	Other contingent funding obligations	107,911,336	4,714,238
16	EXPECTED TOTAL CASH OUTFLOWS		426,205,479
CASH INFLOWS			
17	Secured lending (e.g. reverse repos and borrowed securities)	28,791,621	28,365,834
18	Inflows from fully performing exposures	78,418,001	42,557,473
19	Other cash inflows	32,250,873	32,250,873
20	EXPECTED TOTAL CASH INFLOWS	139,460,495	103,174,180
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		403,003,671
22	TOTAL NET CASH OUTFLOWS		323,031,299
23	LIQUIDITY COVERAGE RATIO (%)		124.8%

APPENDIX III LEVERAGE RATIO INFORMATION

At 31 March 2018, the Bank's leverage ratio, calculated in accordance with the Rules for the Administration of the Leverage Ratio of Commercial Banks (Revised) issued by CBIRC, was 6.23%, which was higher than the regulatory requirement.

In millions of RMB, except for percentages

Item	31 March 2018	31 December 2017	30 September 2017	30 June 2017
Tier 1 capital, net	1,453,250	1,419,859	1,398,679	1,348,286
Adjusted on- and off-balance sheet assets	23,309,581	22,791,573	22,327,545	22,217,208
Leverage ratio	6.23%	6.23%	6.26%	6.07%

APPENDIX IV FINANCIAL STATEMENTS PREPARED UNDER IFRS

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED 31 MARCH 2018

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2018	2017
	(Unaudited)	(Unaudited)
Interest income	187,947	169,091
Interest expense	(70,466)	(65,885)
Net interest income	117,481	103,206
Fee and commission income	25,652	27,606
Fee and commission expense	(2,266)	(2,135)
Net fee and commission income	23,386	25,471
Net trading (loss)/gain	(1,982)	2,110
Net gain/(loss) on financial instruments designated at fair value through profit or loss	2,158	(150)
Net gain on investment securities	206	180
Other operating income	15,989	18,658
Operating income	157,238	149,475
Operating expenses	(51,923)	(56,904)
Impairment losses on assets	(33,972)	(23,629)
Operating profit	71,343	68,942
Share of result of associate	3	2
Profit before tax	71,346	68,944
Income tax expense	(12,306)	(13,165)
Profit for the period	59,040	55,779
Attributable to:		
Equity holders of the Bank	58,736	55,710
Non-controlling interests	304	69
	59,040	55,779
Earnings per share attributable to the ordinary equity holders of the Bank (expressed in RMB yuan per share)		
- Basic and diluted	0.17	0.16

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2018

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2018	2017
	(Unaudited)	(Unaudited)
Profit for the period	59,040	55,779
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on available-for-sale financial assets	N/A	(11,358)
Income tax impact for fair value changes on available-for-sale financial assets	N/A	2,762
Net gains on debt instruments at fair value through other comprehensive income	6,159	N/A
Income tax impact for net gains on debt instruments at fair value through other comprehensive income	(1,233)	N/A
Foreign currency translation differences	(1,094)	(529)
Items that will not be reclassified subsequently to profit or loss:		
Net gains on equity investments designated at fair value through other comprehensive income	49	N/A
Income tax impact for net gains on equity investments designated at fair value through other comprehensive income	(12)	N/A
Other comprehensive income, net of tax	3,869	(9,125)
Total comprehensive income for the period	62,909	46,654
Total comprehensive income attributable to:		
Equity holders of the Bank	62,256	46,751
Non-controlling interests	653	(97)
	62,909	46,654

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2018 (Unaudited)	31 December 2017 (Audited)
Assets		
Cash and balances with central banks	2,978,073	2,896,619
Deposits with banks and other financial institutions	100,238	130,245
Precious metals	74,644	32,008
Placements with and loans to banks and other financial institutions	388,260	505,269
Financial assets held for trading	N/A	194,640
Financial assets designated at fair value through profit or loss	N/A	383,325
Financial assets at fair value through profit or loss	574,639	N/A
Derivative financial assets	51,478	28,284
Financial assets held under resale agreements	708,704	540,386
Loans and advances to customers	10,701,186	10,316,311
Available-for-sale financial assets	N/A	1,426,420
Held-to-maturity investments	N/A	3,489,135
Debt instruments classified as receivables	N/A	659,223
Financial assets at fair value through other comprehensive income	1,488,092	N/A
Financial assets at amortized costs	4,020,209	N/A
Investments in associate	230	227
Property and equipment	152,946	155,258
Goodwill	1,381	1,381
Deferred tax assets	110,237	97,751
Other assets	288,730	196,900
Total assets	21,639,047	21,053,382
Liabilities		
Borrowings from central banks	500,947	465,947
Deposits from banks and other financial institutions	915,112	974,730
Placements from banks and other financial institutions	290,410	280,061
Financial liabilities held for trading	N/A	21,118
Financial liabilities designated at fair value through profit or loss	N/A	370,654
Financial liabilities at fair value through profit or loss	319,814	N/A
Derivative financial liabilities	57,789	30,872
Financial assets sold under repurchase agreements	90,838	319,789
Due to customers	16,864,890	16,194,279
Debt securities issued	579,146	475,017
Deferred tax liabilities	87	87
Other liabilities	556,387	491,431
Total liabilities	20,175,420	19,623,985

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

AS AT 31 MARCH 2018

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2018 (Unaudited)	31 December 2017 (Audited)
Equity		
Ordinary shares	324,794	324,794
Preference shares	79,899	79,899
Capital reserve	98,773	98,773
Investment revaluation reserve	(5,200)	(19,690)
Surplus reserve	134,357	134,348
General reserve	230,716	230,750
Retained earnings	597,779	577,573
Foreign currency translation reserve	(1,126)	(32)
	<hr/>	<hr/>
Equity attributable to equity holders of the Bank	1,459,992	1,426,415
Non-controlling interests	3,635	2,982
	<hr/>	<hr/>
Total equity	<hr/> 1,463,627	<hr/> 1,429,397
Total equity and liabilities	<hr/> 21,639,047	<hr/> 21,053,382

The consolidated financial statements on page I to VI were approved and authorized for issue by the Board of Directors on 27 April 2018 and were signed on its behalf by:

Zhou Mubing

Chairman

Zhao Huan

Vice Chairman

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2018
(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2018	2017
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	71,346	68,944
Adjustments for:		
Amortization of intangible assets and other assets	655	687
Depreciation of property and equipment	3,495	3,840
Impairment losses on assets	33,972	23,629
Interest income arising from investment securities	(52,998)	(41,906)
Interest income arising from impaired loans and advances to customers	(648)	(556)
Interest expense on debt securities issued	4,236	3,185
Revaluation loss/(gain) on financial instruments at fair value through profit or loss	3,542	(1,339)
Net gain on investment securities	(206)	(180)
Share of result of associate	(3)	(2)
Net gain on disposal of property, equipment and other assets	(203)	(174)
Net foreign exchange loss	510	181
	<u>63,698</u>	<u>56,309</u>
Net change in operating assets and operating liabilities:		
Net (increase)/decrease in balances with central banks, deposits with banks and other financial institutions	(38,571)	76,768
Net (increase)/decrease in placements with and loans to banks and other financial institutions	(24,173)	22,487
Net (increase)/decrease in financial assets held under resale agreements	(770)	28,015
Net increase in loans and advances to customers	(436,541)	(413,654)
Net increase in borrowings from central bank	35,000	113,975
Net increase in placements from banks and other financial institutions	10,349	32,874
Net increase in due to customers and deposits from banks and other financial institutions	610,993	628,197
Increase in other operating assets	(93,415)	(110,142)
Decrease in other operating liabilities	(241,002)	(132,593)
	<u>(114,432)</u>	<u>302,236</u>
Cash from operations	(114,432)	302,236
Income tax paid	(3,506)	(8,110)
	<u>(117,938)</u>	<u>294,126</u>
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	<u>(117,938)</u>	<u>294,126</u>

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

FOR THE THREE MONTHS ENDED 31 MARCH 2018

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2018	2017
	(Unaudited)	(Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from disposal/redemption of investment securities	575,220	369,077
Cash received from interest income arising from investment securities	49,745	43,332
Cash received from disposal of property, equipment and other assets	436	374
Cash paid for purchase of investment securities	(566,499)	(635,389)
Cash paid for purchase of property, equipment and other assets	(4,888)	(2,342)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	54,014	(224,948)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from debt securities issued	278,567	195,495
Repayments of debt securities issued	(165,425)	(134,831)
Cash payments for interest on debt securities issued	(1,826)	(872)
Dividends paid to: Preference shareholders	(2,200)	(2,200)
NET CASH FROM FINANCING ACTIVITIES	109,116	57,592
NET INCREASE IN CASH AND CASH EQUIVALENTS	45,192	126,770
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	1,001,246	827,698
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(4,023)	(106)
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	1,042,415	954,362