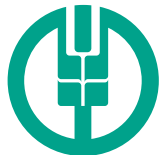


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中国农业银行

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 OF 2019

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 2019, prepared under International Financial Reporting Standards (the “**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 CORPORATE INFORMATION

1.1 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
Secretary to the Board 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

1.2 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.

1.2.1 Major financial data and indicators

In millions of RMB, unless otherwise stated

	31 March 2019	31 December 2018	Change as compared to the end of 2018 (%)
Total Assets	23,657,926	22,609,471	4.64
Loans and advances to customers, net	12,155,507	11,461,542	6.05
Deposits with banks and other financial institutions	175,532	109,728	59.97
Placements with and loans to banks and other financial institutions	487,107	552,013	-11.76
Financial investments	6,998,722	6,885,075	1.65
Total liabilities	21,920,411	20,934,684	4.71
Deposits from customers	18,447,181	17,346,290	6.35
Deposits from banks and other financial institutions	1,202,597	1,124,322	6.96
Placements from banks and other financial institutions	342,724	325,541	5.28
Equity attributable to equity holders of the Bank	1,732,411	1,670,294	3.72
Net assets per share (in RMB Yuan)	4.72	4.54	3.96

In millions of RMB, unless otherwise stated

	Three months ended 31 March 2019 (January-March)	Three months ended 31 March 2018 (January-March)	Change as compared to the same period of 2018 (%)
Operating income	173,606	157,238	10.41
Net profit	62,121	59,040	5.22
Net profit attributable to equity holders of the Bank	61,251	58,736	4.28
Net cash flow from operating activities	263,874	(117,938)	N/A
Basic earnings per share (in RMB Yuan)	0.17	0.17	–
Diluted earnings per share (in RMB Yuan)	0.17	0.17	–
Return on weighted average net assets (annualized, %) ¹	14.96	17.22	Decreased by 2.26 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.

1.2.2 Differences between the financial statements prepared under the 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 the IFRSs and the PRC GAAP.

1.3 Particulars of shareholding of ordinary shares at the end of the reporting period

At the end of the reporting period, the Bank had 445,125 shareholders of ordinary shares in total, including 23,073 shareholders of H shares and 422,052 shareholders of A shares.

Particulars of shareholding of the top 10 shareholders of ordinary shares (based on the registers of shareholders as at 31 March 2019)

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. ("Huijin")	State-owned	A shares	40.03	140,087,446,351	10,082,342,569	None
Ministry of Finance of the PRC	State-owned	A shares	39.21	137,239,094,711	9,877,329,974	None
HKSCC Nominees Limited	Overseas legal entity	H shares	8.73	30,568,540,236	–	Unknown
National Council for Social Security Fund of the PRC	State-owned	A shares	2.80	9,797,058,826	–	None
China National Tobacco Corporation	State-owned legal entity	A shares	0.72	2,518,891,687	2,518,891,687	None
China Securities Finance Corporation Limited	State-owned legal entity	A shares	0.53	1,842,751,186	–	None
China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002Hu	Other	A shares	0.46	1,605,878,472	–	None
Shanghai Haiyan Investment Management Company Limited	State-owned legal entity	A shares	0.36	1,259,445,843	1,259,445,843	None
Central Huijin Asset Management Ltd.	State-owned legal entity	A shares	0.36	1,255,434,700	–	None
Hong Kong Securities Clearing Company Limited	Overseas legal entity	A shares	0.29	998,613,594	–	None

- Notes:* 1. The total number of shares held by HKSCC Nominees Limited represents the number of H shares in aggregate held by it as a nominee on behalf of all institutional and individual investors registered with it as at 31 March 2019.
2. Among the above shareholders, Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Huijin and China National Tobacco Corporation is the *de facto* controller of Shanghai Haiyan Investment Management Company Limited. Apart from these, the Bank is not aware of any connections between the shareholders above or whether they are parties acting in concert. The number of shares held by Huijin and Central Huijin Asset Management Ltd., a wholly-owned subsidiary of Huijin, accounted to 141,342,881,051 in aggregate, accounting for 40.39% of the total shares of the Bank. The number of shares held by China National Tobacco Corporation and Shanghai Haiyan Investment Management Company Limited accounted to 3,778,337,530 in aggregate, accounting for 1.08% of the total shares of the Bank.
3. The shares held by the Hong Kong Securities Clearing Company Limited., which acts as the nominee designated by and on behalf of the Hong Kong and overseas investors, are A shares acquired by Hong Kong and overseas investors (via the Shanghai-Hong Kong Stock Connect).

Particulars of shareholding of the top 10 shareholders of ordinary shares not subject to restrictions on sales (based on the registers of shareholders as at 31 March 2019)

Unit: Share

Name of shareholders	Number of Shares not subject to restrictions on sales	Type of shares
Huijin	130,005,103,782	A shares
Ministry of Finance of the PRC	127,361,764,737	A shares
HKSCC Nominees Limited	30,568,540,236	H shares
National Council for Social Security Fund of the PRC	9,797,058,826	A shares
China Securities Finance Corporation Limited	1,842,751,186	A shares
China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002Hu	1,605,878,472	A shares
Central Huijin Asset Management Ltd.	1,255,434,700	A shares
Hong Kong Securities Clearing Company Limited	998,613,594	A shares
Wutongshu Investment Platform Co., Ltd.	980,723,700	A shares
China Life Insurance Company Limited – Traditional – Ordinary insurance products – 005L – CT001Hu	769,942,161	A shares

- Notes:* 1. The total number of shares held by HKSCC Nominees Limited represents the number of H Shares in aggregate held by it as a nominee on behalf of all institutional and individual investors registered with it as at 31 March 2019.
2. Among the above shareholders, Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Huijin. “China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002Hu” and “China Life Insurance Company Limited – Traditional – Ordinary insurance products – 005L – CT001Hu” are under the management of China Life Insurance Company Limited. Apart from these, the Bank is not aware of any connections between the shareholders above or between the shareholders above and the top 10 shareholders of ordinary shares or whether they are parties acting in concert.
3. The shares held by the Hong Kong Securities Clearing Company Limited, which acts as the nominee designated by and on behalf of the Hong Kong and overseas investors, are A shares acquired by Hong Kong and overseas investors (via the Shanghai-Hong Kong Stock Connect).

1.4 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 2019)

Unit: Share

Name of shareholders ¹	Nature of shareholder ²	Type of shares	Shareholding percentage (%) ³	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
PICC Life Insurance Company Limited	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
Harmony Health Insurance Co., Ltd.	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 between the above shareholders of preference shares and top 10 shareholders of ordinary shares not subject to restrictions on sales or whether they are parties acting in concert.

2. According to the *No.2 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings – Content and Format of the Annual Report (Revision 2017)*, “Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the states and foreign holders”. Except for the entities which hold shares on behalf of the states and foreign holders, the nature of other preference shareholders are “others”.

3. “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 or transfers 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 2019)**

Unit: Share

Name of shareholder ¹	Nature of shareholder ²	Type of shares	Shareholding percentage (%) ³	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 Group Co., Ltd.	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 National Tobacco Corporation is the *de facto* controller of Shanghai Haiyan Investment Management Company Limited. China Life Insurance Company Limited – Dividend distribution – Individual dividend – 005L – FH002Hu and China Life Insurance Company Limited – Traditional – Ordinary insurance products – 005L – CT001Hu are 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 or between the above shareholders of preference shares and top 10 ordinary shareholders or between the above shareholders of preference shares and top 10 shareholders of ordinary shares not subject to restrictions on sales or whether they are parties acting in concert.
2. According to the *No.2 Standards on the Content and Format of Information Disclosure of Companies with Public Offerings – Content and Format of the Annual Report (Revision 2017)*, “Particulars of holders of preference shares should indicate the entities which hold shares on behalf of the states and foreign holders”. Except for the entities which hold shares on behalf of the states and foreign holders, the nature of other preference shareholders are “others”
3. “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.

§2 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 2019, the Group achieved a net profit of RMB62,121 million, representing an increase of 5.22% over the same period of 2018. Our annualized return on average total assets was 1.07%, representing a decrease of 0.04 percentage point over the same period of 2018, and the annualized return on weighted average net assets was 14.96%, representing a decrease of 2.26 percentage points over the same period of 2018. We achieved basic earnings per share of RMB0.17.

For the three months ended 31 March 2019, the Group achieved an operating income of RMB173,606 million, representing an increase of 10.41% over the same period of 2018. Net interest income amounted to RMB119,113 million, representing an increase of 1.39% over the same period of 2018. Net fee and commission income amounted to RMB29,218 million, representing an increase of 24.94% over the same period of 2018. Operating expenses amounted to RMB56,492 million, representing an increase of 8.80% over the same period of 2018. Cost-to-income ratio (under the PRC GAAP) amounted to 23.12%, representing a decrease of 1.95 percentage points over the same period of 2018. Credit impairment losses amounted to RMB42,566 million, of which impairment losses on loans was RMB40,635 million.

Assets and liabilities

At 31 March 2019, the Group's total assets amounted to RMB23,657,926 million, representing an increase of RMB1,048,455 million or 4.64% compared to the end of 2018. Total loans and advances to customers amounted to RMB12,664,116 million, representing an increase of RMB723,431 million or 6.06% compared to the end of 2018. The total loans and advances to customers (excluding accrued interest) by business type include corporate loans, retail loans, discounted bills, and overseas and other loans, which amounted to RMB6,985,759 million, RMB4,913,316 million, RMB307,161 million and RMB427,865 million, respectively. Financial investments amounted to RMB6,998,722 million, representing an increase of RMB113,647 million or 1.65% compared to the end of 2018.

Total liabilities amounted to RMB21,920,411 million, representing an increase of RMB985,727 million or 4.71% compared to the end of 2018. Deposits from customers amounted to RMB18,447,181 million, increased by RMB1,100,891 million or 6.35% compared to the end of 2018. Deposits from customers (excluding accrued interest) by the maturity of deposits include time deposits, demand deposits and other deposits, which amounted to RMB6,894,825 million, RMB10,453,997 million and RMB898,482 million, respectively. In terms of business line, corporate deposits, retail deposits and other deposits, excluding accrued interest, amounted to RMB6,859,510 million, RMB10,489,312 million and RMB898,482 million, respectively.

Shareholders' equity amounted to RMB1,737,515 million, representing an increase of RMB62,728 million or 3.75% compared to the end of 2018, with ordinary shares of RMB349,983 million, preference shares of RMB79,899 million, capital reserve of RMB173,556 million, investment revaluation reserve of RMB22,791 million, surplus reserve of RMB154,279 million, general reserve of RMB239,346 million, retained earnings of RMB711,817 million and foreign currency translation reserve of RMB740 million, respectively.

Assets quality

At 31 March 2019, the Group's non-performing loans (excluding accrued interest) amounted to RMB192,705 million, representing an increase of RMB2,703 million compared to the end of 2018. Non-performing loan ratio² was 1.53%, representing a decrease of 0.06 percentage point compared to the end of 2018. Allowance to non-performing loans³ was 263.93%, representing an increase of 11.75 percentage points compared to the end of 2018.

County Area Banking Business

At 31 March 2019, the Group's total loans and advances to customers of County Area Banking Business amounted to RMB4,263,890 million, representing an increase of RMB258,008 million or 6.44% compared to the end of 2018. Deposits from customers of County Area Banking Business amounted to RMB7,873,472 million, representing an increase of RMB492,874 million or 6.68% compared to the end of 2018.

Non-performing loan ratio² of County Area Banking Business amounted to 2.01%, representing a decrease of 0.07 percentage point compared to the end of 2018. Allowance to non-performing loans³ of County Area Banking Business was 261.43%, representing an increase of 8.49 percentage points compared to the end of 2018.

² Calculated by dividing the balance of non-performing loans (excluding accrued interest) by the balance of total loans and advances to customers (excluding accrued interest).

³ Calculated by dividing the balance of allowance for impairment losses on loans (excluding accrued interest) by the balance of non-performing loans (excluding accrued interest), among which, the balance of allowance for impairment losses on loans (excluding accrued interest) does not include the allowance for impairment losses on bills and forfeiting recognized in other comprehensive income.

§3 SIGNIFICANT EVENTS

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

☒ Applicable ☐ Not Applicable

Compared with the end of 2018 or the same period of 2018, items of major consolidated financial statements and financial indicators with changes over 30% and the main reasons thereof are as follows:

In millions of RMB, except for percentages

Item	January to March 2019	January to March 2018	Change over the same period of 2018 (%)	Main reasons for change
Net trading gain/(loss)	6,915	(1,982)	N/A	The change of net trading gain/(loss) from currency derivative instruments due to fluctuation of foreign exchange rate
Net gain on financial investments	850	2,364	-64.04	The decrease in relation to valuation surplus of bonds under the investment of principal guaranteed wealth management products
Share of result of associates and joint ventures	45	3	1,400.00	The increase in income from investment in associates and joint ventures
Profit attributable to non-controlling interests	870	304	186.18	The increase in profit of subsidiaries

In millions of RMB, except for percentages

Item	At 31 March 2019	At 31 December 2018	Change over the end of 2018 (%)	Main reasons for change
Deposits with banks and other financial institutions	175,532	109,728	59.97	The increase in cooperative deposits with banks
Precious metals	108,455	21,268	409.94	The increase in precious metals swap business
Financial assets held under resale agreements	789,236	371,001	112.73	The increase in bonds held under resale agreements
Other assets	210,949	95,662	120.51	The increase in receivables from settlement accounts and clearing account
Financial assets sold under repurchase agreements	48,316	157,101	-69.25	The decrease in business of bonds sold under repurchase agreements with the central bank
Foreign currency translation reserve	740	1,473	-49.76	Changes in foreign currency translation of overseas institutions' statements

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

☒ Applicable ☐ Not Applicable

On 26 November 2018, upon the approval by the Board, we proposed to establish Agricultural Bank of China Wealth Management Co., Ltd., which would be 100% held by the Bank, with a total capital contribution of no more than RMB12 billion. The application for establishment of Agricultural Bank of China Wealth Management Co., Ltd. was approved by China Banking and Insurance Regulatory Commission (the “CBIRC”) on 4 January 2019, and the preparatory work has been advancing smoothly.

On 19 March 2019, we issued tier-2 capital bonds (the first tranche in 2019) of RMB60 billion in the national inter-bank bond market. On 11 April 2019, we issued tier-2 capital bonds (the second tranche in 2019) of RMB60 billion in the national inter-bank bond market. For the details, please refer to the announcements published by the Bank on the websites of the Shanghai Stock Exchange (www.sse.com.cn) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

We proposed to issue write-down undated capital bonds of not exceeding RMB120 billion. The proceeds from the issuance of the bonds will be used to replenish the additional Tier 1 capital of the Bank. This proposed issuance had been considered and approved at the meeting of the Board held on 29 March 2019, and will be subject to the approval by the shareholders' general meeting of the Bank. In addition, it shall be subject to the approval of the relevant regulatory authorities.

3.3 Undertakings failed to be fulfilled during the reporting period

☐ Applicable ☒ Not Applicable

3.4 Implementation of cash dividend policy during the reporting period

☒ Applicable ☐ Not Applicable

On 11 March 2019, we paid cash dividends of RMB5.50 (tax inclusive) per preference share and RMB2.2 billion (tax inclusive) in aggregate (calculated by a coupon rate of 5.50%) to all holders of “農行優2” (stock code: 360009) whose names appeared on the register of members at the close of business on 8 March 2019.

3.5 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 RELEASE OF QUARTERLY REPORT

The quarterly report prepared under the IFRSs will be 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 the PRC GAAP will be simultaneously 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
ZHOU Wanfu
Company Secretary

Beijing, the PRC
26 April 2019

As at the date of this announcement, the executive directors are Mr. ZHOU Mubing, Mr. WANG Wei and Ms. ZHANG Keqiu; the non-executive directors are Mr. XU Jiandong, Mr. CHEN Jianbo, Mr. LIAO Luming and Mr. LI Qiyun and the independent non-executive directors are Mr. WEN Tiejun, Mr. Francis YUEN Tin-fan, Ms. XIAO Xing, Mr. WANG Xinxin and Mr. HUANG Zhenzhong.

APPENDIX I CAPITAL ADEQUACY RATIO INFORMATION

In accordance with the application scope of the advanced approaches of capital management as approved by regulatory authority, the Bank adopted the foundation Internal Ratings-Based (IRB) approach for non-retail exposures, IRB approach for retail exposures to measure credit risk-weighted assets, and weighting approach for credit risk-weighted assets uncovered by IRB approach. Internal model approach (IMA) was adopted to measure market risk-weighted assets and standardized approach was adopted to measure market risk-weighted assets uncovered by IMA 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)* (Decree of CBRC [2012] No.1) as of 31 March 2019.

In millions of RMB, except for percentages

Item	31 March 2019		31 December 2018	
	The Group	The Bank	The Group	The Bank
CET 1 capital, net	1,645,943	1,611,009	1,583,927	1,552,180
Tier 1 capital, net	1,725,849	1,690,907	1,663,833	1,632,079
Total capital, net	2,216,943	2,177,703	2,073,343	2,039,760
Risk-weighted assets	14,451,699	14,129,321	13,712,894	13,496,681
CET 1 capital adequacy ratio	11.39%	11.40%	11.55%	11.50%
Tier 1 capital adequacy ratio	11.94%	11.97%	12.13%	12.09%
Capital adequacy ratio	15.34%	15.41%	15.12%	15.11%

APPENDIX II LIQUIDITY COVERAGE RATIO INFORMATION

The Bank disclosed the following information of liquidity coverage ratio regarding related regulations by CBIRC.

Regulatory Requirements of Liquidity Coverage Ratio

In accordance with the *Rules on Liquidity Risk Management of Commercial Banks* issued by the CBIRC, it is required that the liquidity coverage ratio of commercial banks should be no less than 100%. 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* and applicable calculation requirements. The average of daily liquidity coverage ratio of the Bank was 140.6% in the first quarter of 2019, representing an increase of 14 percentage points over the last quarter. The number of days used in calculating such average was 90 days. 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 the *Rules on Liquidity Risk Management of Commercial Banks*.

The averages of the observations of the daily liquidity coverage ratio and individual line items over the first quarter in 2019 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)		468,760,108
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	1,141,190,827	104,231,474
3	Stable deposits	197,746,939	9,887,085
4	Less stable deposits	943,443,888	94,344,389
5	Unsecured wholesale funding, of which:	663,906,518	266,705,164
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	222,330,535	54,300,593
7	Non-operational deposits (all counterparties)	437,562,194	208,390,782
8	Unsecured debt	4,013,789	4,013,789
9	Secured wholesale funding		911,001
10	Additional requirements, of which:	235,002,140	73,849,471
11	Outflows related to derivative exposures and other collateral requirements	60,495,978	60,495,978
12	Outflows related to loss of funding on debt products	2,798	2,798
13	Credit and liquidity facilities	174,503,364	13,350,695
14	Other contractual funding obligations	29,059,200	29,052,473
15	Other contingent funding obligations	114,457,656	4,932,659
16	TOTAL CASH OUTFLOWS		479,682,242
CASH INFLOWS			
17	Secured lending (e.g. reverse repos and borrowed securities)	57,252,052	56,828,251
18	Inflows from fully performing exposures	84,496,432	42,941,566
19	Other cash inflows	62,399,495	62,399,495
20	TOTAL CASH INFLOWS	204,147,979	162,169,312
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		446,328,291
22	TOTAL NET CASH OUTFLOWS		317,512,930
23	LIQUIDITY COVERAGE RATIO (%)		140.6%

APPENDIX III LEVERAGE RATIO INFORMATION

As at 31 March 2019, 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 6.75%, which was higher than the regulatory requirement.

In millions of RMB, except for percentages

Item	31 March 2019	31 December 2018	30 September 2018	30 June 2018
Tier 1 capital, net	1,725,849	1,663,833	1,623,903	1,558,787
Adjusted on- and off-balance sheet assets	25,565,737	24,611,669	24,330,241	23,561,983
Leverage ratio	6.75%	6.76%	6.67%	6.62%

APPENDIX IV FINANCIAL STATEMENTS PREPARED UNDER IFRS

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTHS ENDED 31 MARCH 2019

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2019 (Unaudited)	2018 (Unaudited)
Interest income	208,463	187,947
Interest expense	(89,350)	(70,466)
Net interest income	119,113	117,481
Fee and commission income	32,350	25,652
Fee and commission expense	(3,132)	(2,266)
Net fee and commission income	29,218	23,386
Net trading gain/(loss)	6,915	(1,982)
Net gain on financial investments	850	2,364
Other operating income	17,510	15,989
Operating income	173,606	157,238
Operating expenses	(56,492)	(51,923)
Credit impairment losses	(42,566)	(33,962)
Impairment losses on other assets	71	(10)
Operating profit	74,619	71,343
Share of result of associates and joint ventures	45	3
Profit before tax	74,664	71,346
Income tax expense	(12,543)	(12,306)
Profit for the period	62,121	59,040
Attributable to:		
Equity holders of the Bank	61,251	58,736
Non-controlling interests	870	304
	62,121	59,040
Earnings per share attributable to the ordinary equity holders of the Bank (expressed in RMB yuan per share)		
- Basic and diluted	0.17	0.17

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2019

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2019	2018
	(Unaudited)	(Unaudited)
Profit for the period	62,121	59,040
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on financial assets at fair value through other comprehensive income	3,221	7,319
Loss allowance on financial assets at fair value through other comprehensive income	1,634	(1,160)
Income tax impact for fair value changes and loss allowance on financial assets at fair value through other comprehensive income	(1,423)	(1,233)
Foreign currency translation differences	(733)	(1,094)
Items that will not be reclassified subsequently to profit or loss:		
Fair value changes on other equity investments designated at fair value through other comprehensive income	148	49
Income tax impact for fair value changes on other equity investments designated at fair value through other comprehensive income	(40)	(12)
Other comprehensive income, net of tax	2,807	3,869
Total comprehensive income for the period	64,928	62,909
Total comprehensive income attributable to:		
Equity holders of the Bank	64,317	62,256
Non-controlling interests	611	653
	64,928	62,909

Note: The comparative amounts of Net gain on financial investments, Credit impairment losses, Impairment losses on other assets and Other comprehensive income have been reclassified to conform with the current period's presentation.

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
Assets		
Cash and balances with central banks	2,434,089	2,805,107
Deposits with banks and other financial institutions	175,532	109,728
Precious metals	108,455	21,268
Placements with and loans to banks and other financial institutions	487,107	552,013
Derivative financial assets	26,144	36,944
Financial assets held under resale agreements	789,236	371,001
Loans and advances to customers	12,155,507	11,461,542
Financial investments		
Financial assets at fair value through profit or loss	622,704	643,245
Debt instrument investments at amortized cost	4,580,678	4,503,698
Other debt instrument and other equity investments at fair value through other comprehensive income	1,795,340	1,738,132
Investment in associates and joint ventures	4,051	4,005
Property and equipment	149,321	152,452
Goodwill	1,381	1,381
Deferred tax assets	117,432	113,293
Other assets	210,949	95,662
Total assets	23,657,926	22,609,471
Liabilities		
Borrowings from central banks	429,055	561,195
Deposits from banks and other financial institutions	1,202,597	1,124,322
Placements from banks and other financial institutions	342,724	325,541
Financial liabilities at fair value through profit or loss	249,906	286,303
Derivative financial liabilities	24,392	34,554
Financial assets sold under repurchase agreements	48,316	157,101
Due to customers	18,447,181	17,346,290
Debt securities issued	780,050	780,673
Deferred tax liabilities	160	139
Other liabilities	396,030	318,566
Total liabilities	21,920,411	20,934,684

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

AS AT 31 MARCH 2019

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
Equity		
Ordinary shares	349,983	349,983
Preference shares	79,899	79,899
Capital reserve	173,556	173,556
Investment revaluation reserve	22,791	18,992
Surplus reserve	154,279	154,257
General reserve	239,346	239,190
Retained earnings	711,817	652,944
Foreign currency translation reserve	740	1,473
	<hr/>	<hr/>
Equity attributable to equity holders of the Bank	1,732,411	1,670,294
Non-controlling interests	5,104	4,493
	<hr/>	<hr/>
Total equity	<hr/> 1,737,515	<hr/> 1,674,787
Total equity and liabilities	<hr/> 23,657,926	<hr/> 22,609,471

The consolidated financial statements on page I to VI were approved and authorized for issue by the Board of Directors on 26 April 2019 and were signed on its behalf by:

Zhou Mubing

Chairman

Zhang Keqiu

Executive Director

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED 31 MARCH 2019

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2019	2018
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	74,664	71,346
Adjustments for:		
Amortization of intangible assets and other assets	504	655
Depreciation of property and equipment	4,081	3,495
Credit impairment losses	42,566	33,962
Impairment losses on other assets	(71)	10
Interest income arising from investment securities	(56,181)	(52,998)
Interest expense on debt securities issued	6,805	4,236
Revaluation (gain)/loss on financial instruments at fair value through profit or loss	(3,120)	3,542
Net gain on investment securities	(177)	(206)
Share of result of associate and joint ventures	(45)	(3)
Net gain on disposal of property, equipment and other assets	(153)	(203)
Net foreign exchange (gain)/loss	(1,971)	510
	<u>66,902</u>	<u>64,346</u>
Net change in operating assets and operating liabilities:		
Net decrease/(increase) in balances with central banks, deposits with banks and other financial institutions	163,562	(38,571)
Net increase in placements with and loans to banks and other financial institutions	(22,503)	(24,173)
Net increase in financial assets held under resale agreements	(14,400)	(770)
Net increase in loans and advances to customers	(722,707)	(436,541)
Net (decrease)/increase in borrowings from central bank	(131,332)	35,000
Net increase in placements from banks and other financial institutions	17,059	10,349
Net increase in due to customers and deposits from banks and other financial institutions	1,178,966	610,993
Increase in other operating assets	(174,202)	(94,063)
Decrease in other operating liabilities	(83,774)	(241,002)
	<u>277,571</u>	<u>(114,432)</u>
Cash from operations	<u>(13,697)</u>	<u>(3,506)</u>
Income tax paid		
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	<u>263,874</u>	<u>(117,938)</u>

AGRICULTURAL BANK OF CHINA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
FOR THE THREE MONTHS ENDED 31 MARCH 2019
(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March	
	2019	2018
	(Unaudited)	(Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from disposal/redemption of investment securities	378,246	575,220
Cash received from interest income arising from investment securities	49,930	49,745
Cash received from disposal of property, equipment and other assets	200	436
Cash paid for purchase of investment securities	(508,249)	(566,499)
Cash paid for purchase of property, equipment and other assets	(468)	(4,888)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	(80,341)	54,014
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from debt securities issued	241,199	278,567
Repayments of debt securities issued	(238,671)	(165,425)
Cash payments for interest on debt securities issued	(4,083)	(1,826)
Cash payments for transaction cost of debt securities issued	(2)	-
Dividends paid to: Preference shareholders	(2,200)	(2,200)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(3,757)	109,116
NET INCREASE IN CASH AND CASH EQUIVALENTS	179,776	45,192
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	979,473	1,001,246
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3,319)	(4,023)
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	1,155,930	1,042,415