NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. This Offering is available only to investors who are addressees outside of the United States.

IMPORTANT: You must read the following before continuing. The following applies to the preliminary offering circular following this page (the "**Offering Circular**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON, ELECTRONICALLY OR OTHERWISE, AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must not be located in the United States. This Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to CCB International Capital Limited, The Hongkong and Shanghai Banking Corporation Limited, Morgan Stanley & Co. International plc, Standard Chartered Bank, Australia and New Zealand Banking Group Limited, Citigroup Global Markets Limited, DBS Bank Ltd. and UBS AG, Hong Kong Branch, collectively the "**Joint Lead Managers**" that you and any customers you represent are not, and the electronic mail address that you gave the Joint Lead Managers to which this e-mail has been delivered is not, located in the United States and that you consent to delivery of such Offering Circular and any amendments or supplements thereto by electronic transmission.

The attached document is being furnished in connection with an offshore transaction in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached Offering Circular.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee or the Agents (each as defined in the attached Offering Circular) to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Joint Lead Manager or any affiliate of them is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee, the Agents, nor any person who controls any of them, nor their respective directors, officers, employees, representatives nor agents, nor affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Actions that you may not take. If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

The information in this preliminary offering circular is not complete and may be changed. This preliminary offering circular is not an offer to sell securities and it is not a solicitation of an offer to buy securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY OFFERING CIRCULAR DATED 13 JULY 2015
SUBJECT TO AMENDMENT AND COMPLETION

STRICTLY CONFIDENTIAL

CCBL (CAYMAN) CORPORATION LIMITED

(an exempted company incorporated in the Cayman Islands with limited liability)

U.S.$[●]

[●] per cent. Guaranteed Notes due 20[●]
unconditionally and irrevocably guaranteed by

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

(incorporated in Ireland with limited liability)

WITH THE BENEFIT OF A KEEPWELL AND LIQUIDITY SUPPORT DEED AND DEED OF ASSET PURCHASE UNDERTAKING PROVIDED BY

建信金融租赁有限公司
CCB Financial Leasing Corporation Limited

CCB FINANCIAL LEASING CORPORATION LIMITED

(incorporated in the People's Republic of China with limited liability)

Issue Price for the Notes: [●] per cent.

The [●] per cent. guaranteed notes due 20[●] (the "**Notes**") will be issued in the aggregate principal amount of U.S.$[●] by CCBL (Cayman) Corporation Limited (the "**Issuer**") and are in registered form in the denomination of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof. The Notes will be unconditionally and irrevocably guaranteed (the "**Guarantee of the Notes**") by CCB Leasing (International) Corporation Limited (the "**Guarantor**"). The Issuer is a direct, wholly-owned subsidiary of the Guarantor. The Guarantor in turn is under the management control of CCB Financial Leasing Corporation Limited (the "**Company**" or "**CCB Leasing**"). The Company and the Guarantor are both wholly-owned subsidiaries of China Construction Bank Corporation.

The Issuer, the Guarantor and the Company will enter into a keepwell and liquidity support deed on or about [●] (the "**Keepwell and Liquidity Support Deed**") and a deed of asset purchase undertaking on or about [●] (the "**Deed of Asset Purchase Undertaking**") with Citicorp International Limited (the "**Trustee**") as trustee of the Notes as further described in "*Description of Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking*". **Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking constitutes a direct or indirect guarantee of the Notes by the Company**.

The Notes will bear interest from [●] at the rate of [●] per cent. per annum. Interest on the Notes is payable in arrear on [●] and [●] in each year, commencing with the first Interest Payment Date (as defined in the Terms and Conditions of the Notes) falling on [●].

The Notes will constitute direct, general, unconditional, unsubordinated and, subject to the creation of any security permitted or approved in accordance with Condition 3(a) (*Negative Pledge*) of the Terms and Conditions, unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Guarantee of the Notes will constitute direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

All payments of principal and/or interest in respect of the Notes or under the Guarantee of the Notes will be made without withholding or deduction for taxes of the Cayman Islands, Republic of Ireland or the PRC or by or within any of its political subdivision or authorities having power to tax to the extent described in "*Terms and Conditions of the Notes – Taxation*".

Unless previously redeemed, or purchased and cancelled as provided herein, the Issuer will redeem the Notes at its principal amount on [●] (the "**Maturity Date**"). At any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (as defined in the Terms and Conditions) (which notice shall be irrevocable), the Issuer may redeem the Notes in whole, but not in part, at their principal amount together with interest accrued to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that the Issuer of the Guarantor has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, Republic of Ireland or the PRC (as the case may be) or any political subdivision or any authority thereof or therein having power to tax, and such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it. At any time following the occurrence of a Change of Control (as defined in the Terms and Conditions), each holder of Notes (each a "**Noteholder**") will have the right, at such Noteholder's option, to require the Issuer to redeem all but not some only of such Noteholder's Notes on the Put Settlement Date (as defined in the Terms and Conditions) at 101 per cent. of their principal amount together with accrued interest to such date). See "*Terms and Conditions of the Notes – Redemption and Purchase*".

Application has been made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) only and such permission is expected to become effective on or about [●].

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

Investing in the Notes involves certain risks. See "*Risk Factors*" beginning on page 11 for a description of certain factors to be considered in connection with an investment in the Notes.

The Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States and are only being offered and sold outside the United States in compliance with Regulation S under the Securities Act ("Regulation S"). For a description of these and certain restrictions on offers and sales of the Notes and the Guarantee of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Notes will be represented by beneficial interests in a global note certificate (the "**Global Note Certificate**") in registered form which will be registered in the name of a nominee of, and shall be deposited on or about [●] (the "**Issue Date**") with a common depositary for, Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**", together with Euroclear, the "**Clearing Systems**"). Beneficial interests in the Global Note Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Except as described herein, individual certificates for the Notes will not be issued in exchange for interests in the Global Note Certificate.

The Notes are expected to be rated "A" by Fitch Ratings Limited ("**Fitch**") and "A3" by Moody's Investors Services, Inc. ("**Moody's**"). A rating is not a recommendation to buy, sell or hold the Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Joint Global Coordinators

CCB International | **HSBC** | **Morgan Stanley** | **Standard Chartered Bank**

Joint Bookrunners and Joint Lead Managers

CCB International | **HSBC** | **Morgan Stanley** | **Standard Chartered Bank**

ANZ | **Citigroup** | **DBS Bank Ltd.** | **UBS**

Offering Circular dated [●]

IMPORTANT NOTICE

Each of the Issuer, the Guarantor and the Company accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms that, to the best of its knowledge and belief, (i) this Offering Circular (including any amendments and supplements thereto) contains all information with respect to the Issuer, the Guarantor, the Company, the Group (as defined herein), the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking which is material in the context of the issue and offering of the Notes (including all information which, according to the particular nature of the Issuer, the Guarantor, the Company, the Group and of the Notes, the Guarantee of the Notes the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Guarantor, the Company and the Group and of the rights attaching to the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, (ii) the statements contained in this Offering Circular relating to the Issuer, the Guarantor, the Company, the Group, the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking are in all material respects true and accurate and not misleading, (iii) the opinions and intentions relating to the Issuer, the Guarantor, the Company and the Group expressed in this Offering Circular are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other material facts relating to the Issuer, the Guarantor, the Company, the Group, the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking, the omission of which would, in the context of the issue and offering of the Notes, the Guarantee of the Notes and the provision of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, make any statement in this Offering Circular, in light of the circumstances under which they were made, misleading, and (v) all reasonable enquiries have been made by the Issuer, the Guarantor and the Company to ascertain such facts and to verify the accuracy of all such information and statements.

This Offering Circular has been prepared by the Issuer, the Guarantor and the Company solely for use in connection with the proposed offering of the Notes described in this Offering Circular. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor, the Company, CCB International Capital Limited, The Hongkong and Shanghai Banking Corporation Limited, Morgan Stanley & Co. International plc, Standard Chartered Bank, Australia and New Zealand Banking Group Limited, Citigroup Global Markets Limited, DBS Bank Ltd. and UBS AG, Hong Kong Branch (collectively the "**Joint Lead Managers**"), the Trustee and the Agents (as defined in the "*Terms and Conditions of the Notes*") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Notes or the possession or distribution of this Offering Circular or any offering or publicity material relating to the Notes in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Notes, the Guarantor giving the Guarantee of the Notes and the circulation of documents relating thereto in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*". This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful. By purchasing the Notes, investors represent and agree to all of those provisions contained in that section of this Offering Circular.

No person has been or is authorised in connection with the issue, offer or sale of the Notes to give any information or to make any representation concerning the Issuer, the Guarantor, the Company, the Group, the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Company, the Group, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers or advisers. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Notes shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Guarantor, the Company or the Group, or any of them since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers or advisers to subscribe for or purchase any of the Notes and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Offering Circular is being furnished by the Issuer, the Guarantor and the Company in connection with the offering of the Notes exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Notes. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer, the Guarantor, the Company and other sources identified in this Offering Circular. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Notes offered by this Offering Circular is prohibited. Each offeree of the Notes, by accepting delivery of this Offering Circular, agrees to the foregoing.

No representation or warranty, express or implied, is made or given by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers or advisers as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular or any other information supplied in connection with the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers or advisers. The Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers or advisers have not independently verified any of the information contained in this Offering Circular and can give no assurance that this information is accurate, truthful or complete.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers or advisers accepts any responsibility for the contents of this Offering Circular or any statement made or purported to be made by any such person or on its behalf in connection with the Issuer, the Guarantor, the Company, the Group, the issue and offering of the Notes, the Guarantee of the Notes or the entry into the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Deed. Each of the Joint Lead Managers, the Trustee, the Agents and their respective affiliates, directors, officers or advisers accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers or advisers undertakes to review the financial condition or affairs of the Issuer, the Guarantor, the Company or the Group for so long as the Notes remain outstanding nor to advise any investor or potential investor of the Notes of any information coming to the attention of any of the Joint Lead Managers, the Trustee, the Agents or their respective affiliates, directors, officers or advisers.

This Offering Circular is not intended to provide the basis of any credit or other evaluation, nor should it be considered as a recommendation by the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee or the Agents that any recipient of this Offering Circular should purchase the Notes. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

Any of the Joint Lead Managers and their respective affiliates may purchase the Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of the Issuer, the Guarantor or the Company or their respective subsidiaries or associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Notes). Furthermore, investors in the Notes may include entities affiliated with the Group.

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer, the Guarantor, the Company and the Group. The Issuer, the Guarantor and the Company accept full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

Investors are advised to read and understand the contents of this Offering Circular before investing. If in doubt, investors should consult their advisers.

IN CONNECTION WITH THE ISSUE OF THE NOTES, EACH OF THE JOINT LEAD MANAGERS ACTING IN THEIR RESPECTIVE CAPACITY AS A STABILISING MANAGER (THE "STABILISING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND DIRECTIVES, OVER-ALLOT THE NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND SUCH STABILISING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD.

Listing of the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Guarantor, the Company, the Group or the Notes. In making an investment decision, investors must rely on their own examination of the Issuer, the Guarantor, the Company, the Group and the terms of the offering of the Notes, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Notes. The Issuer, the Guarantor, the Company, the Group, the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers or advisers are not making any representation to any purchaser of the Notes regarding the legality of any investment in the Notes by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers or advisers in connection with its investigation of the accuracy of such information or its investment decision.

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer, the Guarantor and the Company believe this information to be reliable, it has not been independently verified by the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee or the Agents or their respective directors, officers, advisers and affiliates, and none of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee or the Agents or their respective directors, officers, affiliates, advisers or employees makes any representation as to the accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarises certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents.

The contents of this Offering Circular have not been reviewed by any regulatory authority in any jurisdiction. Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of this Offering Circular, investors should obtain independent professional advice.

PRESENTATION OF FINANCIAL INFORMATION

The audited consolidated financial statements of the Company Group as at and for the years ended 31 December 2013 and 2014 (collectively, the "**Company Audited Financial Statements**") have been prepared and presented in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**") and have been audited by PricewaterhouseCoopers Zhong Tian LLP.

The Company Audited Financial Statements have only been prepared in Chinese and are included elsewhere in this Offering Circular. English translations of such financial statements (the "**Financial Statements Translation**") have been prepared and included in this Offering Circular for reference only. Should there be any inconsistency between the Company Audited Financial Statements and the Financial Statements Translation, the Company Audited Financial Statements included elsewhere in this Offering Circular in Chinese shall prevail. The Financial Statements Translation does not itself constitute audited financial statements, and is qualified in their entirety by, and is subject to the more detailed information and the financial information set out or referred to in, the Company Audited Financial Statements. None of the Joint Lead Managers, the Trustee, the Agents nor their respective affiliates, directors, officers and advisors has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete. Consequently, such Financial Statements Translation should not be relied upon by potential purchasers to provide the same quality of information associated with information that has been subject to an audit or review. Potential purchasers must exercise caution when using such financial information to evaluate the financial condition, results of operations and prospects of the Group.

PRC GAAP differs in certain material respects from the International Financial Reporting Standards ("**IFRS**"). For a discussion of certain differences between PRC GAAP and IFRS, see "*Summary of Significant Differences between PRC GAAP and IFRS*".

The audited consolidated financial statements of the Guarantor as at and for the period from 9 September 2014 (date of its incorporation) to 31 May 2015 have been prepared in accordance with IFRS, have been audited by PricewaterhouseCoopers Ireland, and are included elsewhere in this Offering Circular (the "**Guarantor Audited Financial Statements**"). The Guarantor Audited Financial Statements for the period from incorporation on 9 September 2014 to 31 May 2015 are not the statutory financial statements of the Guarantor. They were prepared by the directors of the Guarantor solely for the purpose of the offering of the Notes.

The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position included in the Guarantor Audited Financial Statements have been prepared in accordance with IFRS. However, certain disclosures required to be made in accordance with IFRS (including, but not limited to, cash flow statement and related party transactions) have not been made in the Guarantor Audited Financial Statements. Therefore, the Guarantor Audited Financial Statements do not and are not intended to comply with all the requirements of IFRS as adopted by the European Union.

The accounting policies used by the directors of the Guarantor in preparation of the Guarantor Audited Financial Statements are set out in note 2 "Accounting Policies" to the Guarantor Audited Financial Statements. See "*Notes to the Consolidated Financial Statements – Accounting Policies*" on F-328 of this Offering Circular.

CERTAIN DEFINITIONS AND CONVENTIONS

Unless the context otherwise requires, references in this Offering Circular to "**Hong Kong dollars**", "**HK dollars**" or "**HK$**" are to the lawful currency of Hong Kong, "**Renminbi**", "**CNY**" and "**RMB**" are to the lawful currency of the PRC, "**U.S. dollars**", "**U.S.$**" and "**USD**" are to the lawful currency of the United States of America (the "**United States**"), "**PRC**" and "**China**" are to the People's Republic of China which for the purpose of this Offering Circular excludes Hong Kong, Macau and Taiwan, "**Hong Kong**" is to the Hong Kong Special Administrative Region of the PRC, and "**Macau**" is to the Macau Special Administrative Region of the PRC.

In this Offering Circular, certain amounts and percentages may have been rounded up or down, including but not limited to where information has been presented in thousands, millions, or billions of units. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates titles and the like are translations of their Chinese names and are included for identification purposes only.

REFERENCES TO COMPANY AND GROUP DATA

The Company and the Guarantor are both wholly-owned subsidiaries of China Construction Bank Corporation ("**CCB**"). CCB's leasing business comprises both domestic and offshore leasing businesses. The domestic financial leasing operations in the PRC are owned and operated by the Company and its subsidiaries (together with the Company, the "**Company Group**"). The offshore leasing platform is held by the Guarantor and its subsidiaries (together with the Guarantor, the "**Guarantor Group**"), but is managed and operated by the Company. The Company Group and Guarantor Group are referred to in this Offering Circular collectively as the "**Group**". The financial statements of the Guarantor Group are not consolidated into the Company Group's consolidated financial statements. Please see "*Business – Overview*" for a structure diagram setting out the relationship between CCB, the Company, the Guarantor and the Issuer.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes "forward-looking statements". All statements other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where the Group participates or is seeking to participate, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "will", "may", "anticipate", "seek", "should", "estimate" or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Group's control, which may cause its actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the risks inherent to the industry in which the Group operates;
- the business and operating strategies and the future business development of the Group;
- the general economic, political, social conditions and developments globally;
- changes in competitive conditions and its ability to compete under these conditions;
- the Group's operations and business prospects and maintenance of long-term liquidity;
- the Group's capital expenditure and development plans;
- the Group's expectations with respect to its ability to acquire and maintain regulatory qualifications required to operate its business;
- the availability and charges of bank loans and other forms of financing;
- the Group's financial condition and results of operations;
- the Group's dividend distribution plans;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Group operates;
- macroeconomic policies of the PRC government to manage economic growth; and
- other factors beyond the Group's control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "*Risk Factors*" and elsewhere in this Offering Circular. The Group cautions investors not to place undue reliance on these forward-looking statements which reflect their managements' view only as at the date of this Offering Circular.

The Group does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur and the actual results of the Group could differ materially from those anticipated in these forward-looking statements.

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SUMMARY

This summary does not contain all the information that may be important to prospective investors in deciding to invest in the Notes. Prospective investors should read the entire Offering Circular, including the section entitled "Risk Factors" and the financial statements and related notes thereto, before making an investment decision.

The Group is one of the leading financial leasing companies in the PRC. The Company is one of the core subsidiaries and only financial leasing platform of CCB. With the strong support from the parent bank, the Company has grown rapidly since its incorporation in 2007, and has become one of the top ten companies in the PRC leasing industry in terms of total assets, registered share capital and new lease investments. The Company Group had total assets of RMB77.1 billion as at 31 December 2014, and total operating income of RMB1.5 billion for the year ended 31 December 2014. According to survey data compiled by the China Banking Association – Financial Leasing Committee (中國銀行業協會金融租賃專業委員會), for the year ended 31 December 2014, the Company ranked fifth in terms of new lease investment amongst the 30 financial leasing companies under the supervision of the CBRC.

As the sole leasing platform of CCB, the Group has a diversified leasing business portfolio covering a wide range of industries, including rail transit, road transport, power equipment, aviation, shipping, medical equipment and education and others, such as manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

- Rail transit – Rail transit leasing is one of the Group's core business and the key area of focus for development. The Group provides mid- to long-term leases of rail transit structures, such as metro tunnel links and platforms, and trains to its customers, which are mostly state-owned PRC enterprises with high credit ratings. As at 31 December 2014, through CCB's customer networks, the Group has provided finance lease services for rail transit facilities in 10 provinces and municipalities in the PRC.

- Road – The Group's road leasing business focuses on highway leases and benefits greatly from the rapid growth of the road transport industry in the PRC. As at 31 December 2014, the Group provided mid- to long-term road leasing services for highway projects located in 9 provinces in the PRC.

- Power equipment – The Group believes that it has traditionally enjoyed a competitive advantage in the power equipment industry. The Group provides mid- to long-term leases of power generation equipment and power stations to its customers, which are mainly the five largest power generation companies in the PRC.

- Aviation – The Group commenced its aviation leasing business in 2012 and since has been expanding both its domestic and offshore aviation leasing operations. The Company Group's customers are domestic PRC airlines and the Guarantor Group's customers include both international and domestic clients. As at 31 December 2014, the Company Group owned a fleet of 36 aircraft in the PRC.

- Shipping – The Group leases a range of vessels including bulk carriers, cutter suction dredgers, liquefied gas carriers and tugboats. As at 31 December 2014, the Group owned and leased 11 vessels.

- Medical equipment and education – The Group also provides leasing services to municipal public hospitals and educational institutions with good credit profile.

- Others – Through CCB's extensive presence and network in the PRC, the Group also leases equipment for a variety of industries, including manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

For the years ended 31 December 2013 and 2014, the Company Group's total operating income was approximately RMB1.1 billion and RMB1.5 billion, respectively, and the Company Group's net profit for the corresponding years was approximately RMB377.5 million and RMB505.1 million, respectively. As at 31 December 2013 and 2014, the Company Group had total assets of approximately RMB51.2 billion and RMB77.1 billion, respectively.

See "*Description of the Group*" for more details.

Competitive Strengths

The Group believes that its key strengths include:

- Strong support from CCB;
- Leading position in the PRC leasing market;
- Diversified business mix and asset portfolio;
- Specialised aviation leasing business;
- Excellent asset quality;
- Sound fund management and high financial flexibility; and
- Comprehensive and prudent risk management system.

See "*Description of the Group – Competitive Strengths*" for more details.

Business Strategies

The Group's goal is to position itself as a large, professional international financial leasing group by developing a quality brand name in the industry. It plans to achieve this goal by pursuing the following strategic initiatives:

- Maintain a leading position;
- Focus on business development;
- Continue to grow internationally;
- Expand marketing channels and strategies; and
- Strengthen financial and fund management strategies.

See "*Description of the Group – Business Strategies*" for more details.

THE OFFERING

The following summary contains some basic information about the Notes and is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this summary. For a complete description of the terms of the Notes, see "Terms and Conditions of the Notes" in this Offering Circular.

Issuer	CCBL (Cayman) Corporation Limited.
Guarantor	CCB Leasing (International) Corporation Limited.
Company	CCB Financial Leasing Corporation Limited.
Notes	U.S.$[●] [●] per cent. Guaranteed Notes due 20[●].
Guarantee of the Notes	Due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes is irrevocably and unconditionally guaranteed by the Guarantor.
Issue Price	[●] per cent.
Form and Denomination	The Notes will be issued in registered form in the denomination of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof.
Interest	The Notes will bear interest from and including [●] at the rate of [●] per cent. per annum, payable in arrear on [●] and [●] in each year.
Issue Date	[●].
Maturity Date	[●].
Status of the Notes	The Notes will constitute direct, general, unconditional, unsubordinated and, subject to the creation of any security permitted or approved in accordance with Condition 3(a) (*Negative Pledge*) of the Terms and Conditions, unsecured obligations of the Issuer, which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Status of the Guarantee of the Notes	The Guarantee of the Notes will constitute direct, general, unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other existing and future unsubordinated and unsecured obligations of the Guarantor from time to time outstanding, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Keepwell and Liquidity Support Deed and Deed of Asset Purchase Undertaking.................	The Issuer, the Guarantor, the Company and the Trustee will enter into the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, as further described in "*Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking*".
Negative Pledge.............................	The Notes will contain a negative pledge provision as further described in Condition 3(a) (*Negative Pledge*) of the Terms and Conditions.
Redemption at Maturity.................	Unless previously redeemed or purchased and cancelled, the Notes will be redeemed on its maturity date at its principal amount.
Taxation	All payments of principal and interest in respect of the Notes or under the Guarantee of the Notes by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands, the Republic of Ireland or the PRC or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer or the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note in the circumstances set out in Condition 7 *(Taxation)* of the Terms and Conditions.
Redemption for Tax Reasons..........	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with the Terms and Conditions (which notice shall be irrevocable) at their principal amount, together with interest accrued to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that (i) the Issuer or the Guarantor has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (in the case of the Issuer only), the Republic of Ireland or the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after [●], and (ii) such obligation cannot be avoided by the Issuer or the Guarantor (as the case may be) taking reasonable measures available to it; *provided, however, that* no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor (as the case may be) would be obliged to pay such additional amounts as further described in Condition 5(b) (*Redemption for tax reasons*) of the Terms and Conditions.

Redemption for Change of Control	At any time following the occurrence of a Change of Control, any Noteholder will have the right, at such Noteholder's option, to require the Issuer to redeem all but not some only of that Noteholder's Notes on the Put Settlement Date at 101 per cent. of their principal amount, together with accrued interest to such Put Settlement Date, as further described in Condition 5(c) (*Redemption for Change of Control*) of the Terms and Conditions.
Events of Default...........................	Upon the occurrence of certain events as described in Condition 8 (*Events of Default*) of the Terms and Conditions, the Trustee at its discretion may and, if so requested in writing by Noteholders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.
Cross-Acceleration..........................	The Notes will contain a cross-acceleration provision as further described in Condition 8(c) (*Events of Default – Cross-acceleration of Issuer, Guarantor, Company or Principal Subsidiary*) of the Terms and Conditions.
Clearing Systems	The Notes will be represented by beneficial interests in a Global Note Certificate in registered form, which will be registered in the name of a nominee of, and deposited on or about the Issue Date with a common depositary for, Euroclear and Clearstream, Luxembourg. Beneficial interests in the Global Note Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream, Luxembourg. Except as described herein, individual certificates for the Notes will not be issued in exchange for beneficial interests in the Global Note Certificate.
Clearance and Settlement...............	The Notes have been accepted for clearance by Euroclear and Clearstream, Luxembourg under the following codes: ISIN: [●] Common Code: [●]
Governing Law and Jurisdiction	English law, Hong Kong courts.
Trustee...	Citicorp International Limited.
Registrar	Citigroup Global Markets Deutschland AG.
Principal Paying Agent and Transfer Agent	Citibank, N.A., London Branch.

Listing	Application has been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes on the Hong Kong Stock Exchange by way of debt issues to professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) only and such permission is expected to become effective on or about [●].
Rating	The Notes are expected to be rated "A" by Fitch and "A3" by Moody's. A rating is not a recommendation to buy, sell or hold any securities. Ratings are subject to revision or withdrawal at any time by the rating agencies.
Use of Proceeds	See "*Use of Proceeds*".

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary consolidated financial information of the Company as at and for the periods indicated.

The summary audited consolidated financial information of the Company as at and for the years ended 31 December 2012, 2013 and 2014 set forth below is derived from the Company Audited Financial Statements (which have been audited by PricewaterhouseCoopers Zhong Tian LLP). The information set out below should be read in conjunction with, and is qualified in its entirety by reference to, such audited consolidated financial statements, including the notes thereto, included elsewhere in this Offering Circular.

The Company Audited Financial Statements have only been prepared in Chinese and are included elsewhere in this Offering Circular. The Financial Statements Translation have been prepared and included in this Offering Circular for reference only. Should there be any inconsistency between the Company Audited Financial Statements and the Financial Statements Translation, the Company Audited Financial Statements included elsewhere in this Offering Circular in Chinese shall prevail. The Financial Statements Translation does not itself constitute audited financial statements, and is qualified in their entirety by, and is subject to the more detailed information and the financial information set out or referred to in, the Company Audited Financial Statements. None of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee, the Agents nor their respective affiliates, directors, officers and advisors has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete. Consequently, such Financial Statements Translation should not be relied upon by potential purchasers to provide the same quality of information associated with information that has been subject to an audit or review. Potential purchasers must exercise caution when using such financial information to evaluate the financial condition, results of operations and prospects of the Group.

The Company Audited Financial Statements were prepared and presented in accordance with PRC GAAP. PRC GAAP differs in certain material respects from IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "Summary of Certain Differences Between PRC GAAP and IFRS".

Consolidated Balance Sheets of the Company Group

	As at 31 December		
	2012	2013	2014
	(RMB)	(RMB)	(RMB)
Assets			
Cash and deposits with banks	2,031,130,151	2,727,628,256	3,195,854,634
Due from central bank	27,713,920	10,529,440	7,301,306
Interest receivable	13,960,150	3,668,056	25,862,369
Finance lease receivables	35,631,105,999	44,055,032,172	68,748,187,626
Finance lease prepayments	2,301,032,000	–	240,240,697
Property and equipment	100,442,599	4,177,847,592	4,574,152,416
Construction in progress	4,790,113	1,651,119	1,955,760
Intangible assets	5,651,252	9,971,863	10,762,419
Deferred tax assets	60,987,943	108,057,455	159,857,720
Other assets	111,599,376	123,663,842	163,335,322
Total Assets	40,288,413,503	51,218,049,795	77,127,510,269
Liabilities and Equity			
Liabilities			
Borrowings from banks	32,066,831,000	42,396,365,900	65,355,727,620
Guaranteed deposits	189,047,874	74,191,500	53,191,500
Rental received in advance	2,278,420,180	2,190,544,864	1,848,256,805
Employee benefits payable	25,103,416	42,390,942	48,779,276
Taxes payable	64,264,079	(6,098,111)	81,985,578
Commission fee payable	21,739,146	28,970,983	39,106,621
Interest payable	161,252,314	234,667,712	380,689,328
Obligation under finance lease	–	–	722,240,818
Other liabilities	144,362,575	542,360,733	2,377,670,247
Total Liabilities	34,951,020,584	45,503,394,523	70,907,647,793
Equity			
Paid-in capital	4,500,000,000	4,500,000,000	4,500,000,000
Other comprehensive income	–	(192,229)	(81,252)
Surplus reserve	99,169,672	138,390,725	190,886,897
General reserve	9,677,837	625,924,201	931,077,332
Retained earnings	728,545,410	450,532,575	597,979,499
Total Equity	5,337,392,919	5,714,655,272	6,219,862,476
Total Liabilities and Equity	40,288,413,503	51,218,049,795	77,127,510,269

Consolidated Income Statements of the Company Group

	Year ended 31 December		
	2012	2013	2014
	(RMB)	(RMB)	(RMB)
Operating income			
Net interest income	928,611,742	1,017,725,536	1,187,998,554
Net fee and commission expenses	(99,665,492)	(112,141,927)	(72,008,286)
Net operating lease income	5,200,660	183,473,953	430,557,999
Total Operating income	834,146,910	1,089,057,562	1,546,548,267
Operating expenses			
Business taxes and surcharges	(46,992,697)	(56,207,905)	(64,879,112)
Operating and administrative expenses	(91,207,892)	(107,491,653)	(141,423,620)
Impairment losses	(214,784,995)	(305,578,641)	(463,969,332)
Foreign exchange gain/(loss)	(176,448)	(968,524)	1,059,231
Other operating expenses	(3,002,579)	(89,215,831)	(211,452,091)
Total Operating expenses	(356,164,611)	(559,462,554)	(880,664,924)
Operating profit	477,982,299	529,595,008	665,883,343
Non-operating income	5,513,922	123,518	41,119,723
Non-operating expenses	(13,349)	(16,932)	(662,525)
Profit before tax	483,482,872	529,701,594	706,340,541
Less: Income tax expense	(127,009,738)	(152,247,012)	(201,244,314)
Net profit	356,473,134	377,454,582	505,096,227
Other comprehensive income	–	(192,229)	110,977
Items to be included in profit or loss	–	(192,229)	110,977
Exchange reserve	–	(192,229)	110,977
Total comprehensive income	356,473,134	377,262,353	505,207,204

Consolidated Cash Flow Statements of the Company Group

	Year ended 31 December		
	2012	2013	2014
	(RMB)	(RMB)	(RMB)
Cash flows from operating activities			
Cash received from guarantee deposit, rental received in advance and pledged deposits	825,156,000	415,443,110	1,899,940,209
Cash received from finance lease rental and transaction fees	9,810,167,953	11,868,466,479	21,107,667,342
Cash received from operating lease rental	6,300,000	184,165,854	436,038,702
Net increase in borrowed money	2,400,000,000	10,439,062,093	22,973,219,595
Cash received from other operating activities	114,466,648	189,354,013	233,302,050
Subtotal of cash inflow from operating activities	13,156,090,601	23,096,491,549	46,650,167,898
Cash paid for purchasing finance lease assets	(8,989,587,757)	(15,856,055,469)	(41,952,672,166)
Cash paid for interest, fee and commission	(1,942,671,355)	(1,629,178,041)	(2,906,342,642)
Time deposits	–	–	(2,447,600,000)
Net increase in deposit with central banks	(27,713,920)	17,184,480	3,228,134
Cash paid to and for employees	(51,004,027)	(53,528,285)	(83,920,104)
Payment of all types of taxes	(175,769,774)	(363,926,774)	(342,357,611)
Cash paid relating to other operating activities	(173,524,167)	(241,733,121)	(261,984,985)
Subtotal of cash outflow from operating activities	(11,360,271,000)	(18,127,237,210)	(47,991,649,374)
Net cash from operating activities	1,795,819,601	4,969,254,339	(1,341,481,476)
Cash flows from investing activities			
Proceeds from disposal of fixed assets, intangible assets and other long-term assets	–	2,100	–
Subtotal of cash inflow from investing activities	–	2,100	–
Purchase of fixed assets, intangible assets and other long-term assets	(3,502,497)	(4,266,072,620)	(613,885,402)
Subtotal of cash outflow from investing activities	(3,502,497)	(4,266,072,620)	(613,885,402)
Net cash used in investing activities	(3,502,497)	(4,266,070,520)	(613,885,402)
Effect of exchange rate changes on cash and cash equivalents	(176,907)	(6,685,714)	(24,006,744)
Net (decrease)/increase in cash and cash equivalents	1,707,547,390	696,498,105	(1,979,373,622)
Add: Opening balances of cash and cash equivalents	323,582,761	2,031,130,151	2,727,628,256
Closing balances of cash and cash equivalents	2,031,130,151	2,727,628,256	748,254,634

Prior to making any investment decision, prospective investors should consider carefully all of the information contained in this Offering Circular, including the risks and uncertainties described below. The business, financial condition or results of operations of the Group could be materially and adversely affected by any of these risks. Each of the Issuer, the Guarantor and the Company believes that the following factors may affect the Issuer's, the Guarantor's and/or the Company's ability to fulfil its respective obligations under the Notes, the Guarantee of the Notes, the Keepwell Deed and/or the Asset Purchase Deed. Additional considerations and uncertainties not presently known to the Issuer, the Guarantor or the Company or which they currently deem immaterial may also have an adverse effect on an investment in the Notes. All of these factors are contingencies which may or may not occur and none of the Issuer, the Guarantor and the Company is in a position to express a view on the likelihood of any such contingency occurring.

Factors which each of the Issuer, the Guarantor and the Company believes may be material for the purpose of assessing the market risks associated with the Notes are also described below. Each of the Issuer, the Guarantor and the Company believes that the factors described below represent the principal risks inherent in investing in the Notes. However, the Issuer, the Guarantor and/or the Company may be unable to repay principal, interest or other amounts or fulfil other obligations on or in connection with the Notes, the Guarantee of the Notes, the Keepwell and/or the Asset Purchase Deed for other reasons and each of the Issuer, the Guarantor and the Company does not represent that the statements below regarding the risks of investment in the Notes are exhaustive.

Risks Relating to the Group's Business

Any inability to effectively mitigate credit risk and maintain the Group's asset quality may have a material adverse impact on the Group's business, financial condition and results of operations

The sustainability of the Group's business and future growth depends largely on its ability to effectively manage its credit risk and maintain the quality of its receivables portfolio. As such, any deterioration in its asset quality or impairment in the collectability of lease receivables could materially and adversely affect its results of operations. The Company Group's impaired finance lease receivables to the sum of finance lease receivables and finance lease prepayments (before deducting provision) ratio as at 31 December 2012, 2013, 2014 was 0.31 per cent, 0.26 per cent. and 0.14 per cent. The Group may not be able to effectively control the level of its non-performing assets in its current lease receivables portfolio or effectively control the level of new non-performing assets in the future. The amount of the Group's non-performing assets may increase in the future due to a substantial increase in its lease contract value, a deterioration in the quality of its lease receivables portfolio, or a decline in the quality of future receivables.

The quality of the Group's lease receivables portfolio may deteriorate for a variety of reasons, including factors beyond its control, such as a slowdown in the economic growth of the PRC or global economies, a recurrence of a global credit crisis or other adverse macroeconomic trends, or a slowdown in aviation, highway, affordable housing and other real estate, commercial vehicles and construction equipment, shipping, rail transit and any other industries in which the Group primarily engages. Such events could cause operational, financial and liquidity problems for the Group's customers and negatively affect their ability to make timely lease payments. If the level of the Group's impaired lease receivables increases, the Group's business, financial condition and results of operations may be materially and adversely affected.

The Group's financial leasing businesses are capital intensive with long payback periods and the Group may not be able to maintain sufficient liquidity to meet its business needs

As the sole leasing platform of CCB, the Group has built a diversified leasing business covering a wide variety of industries, including aviation, road, shipping, rail transit, power equipment, medical equipment and education, which typically require significant initial cash outlays and have long payback periods. Due to the capital intensive nature of its business operations, a substantial amount of capital as well as ongoing funding activities are required to support the growth of the Group's leased assets portfolio and, to fund future expansion. Although the Group generally generates significant funds from its operations, continuing to meet its cash requirements over the long term requires substantial liquidity and access to sources of funds. The Group primarily funds its operations and expansion through both domestic and foreign bank loans and cash flow from its operations. As at 31 December 2014, the aggregate amount of borrowings from banks of the Company Group was RMB65.4 billion. In addition, the Company also relies on direct and indirect financial support from its parent, CCB, for the expansion of its business. As at 31 December 2014, CCB had contributed 22.8 per cent. of the Group's total borrowing. If there are changes in international and/or domestic macroeconomic conditions and policies, or if the Group fails to maintain its existing and future loan arrangements on commercially acceptable terms, there is no guarantee that the Group will be able to continue to obtain adequate funding in the future on reasonable commercial terms, or at all. If sufficient financing is not available to meet the Group's needs, or cannot be obtained on commercially acceptable terms, or at all, the Group may not be able to refinance its existing portfolio, fund the operation and/or expansion of its business, introduce new services or compete effectively.

Increases in funding costs may adversely affect the Group's results of operations

Interest rate fluctuations and changes in the cost of funding may have a significant influence on the financial performance of the Group. Any increase in financing cost will cause a negative impact on the Group's profitability. A significant part of the Group's financing is denominated in floating interest rate or short-term financing on a rolling basis. Therefore, a relatively high interest rate is a major factor of any increase in cost of funding. For example, there was a temporary liquidity shortage in the PRC in June 2013 and the level of Shanghai Interbank Offered Rate (SHIBOR) remained relatively high in the fourth quarter of 2013 and throughout 2014 and led to an increase in the Group's funding costs. Other factors that may affect the cost of funding include the public rating of the Group and CCB and the efficiency of its liquidity management. Increased funding costs have a direct negative effect on the Group's profitability, and sustained increased funding costs will materially and adversely affect the Group's results of operations.

The Group does not directly or indirectly own its offshore platform

The Group's operations consist of both domestic and offshore leasing businesses. The domestic leasing operations in the PRC are owned and operated by the Company Group, whereas the Guarantor Group (which is the offshore leasing platform of the Group) although managed and operated by the Company Group, are held indirectly by CCBI through its wholly-owned subsidiary, which do not form part of the Company Group. If either CCB or CCBI repudiates the arrangement, the Company will have no control over the Guarantor Group. Please see "*Description of the Group – Overview*" for a structure diagram setting out the relationship between CCB, the Company and the Guarantor. The financial statements of the Guarantor are not consolidated into the Company Group's consolidated financial statements. Investors must rely on their own examination of the Group when evaluating a potential investment in the Notes.

The Group is exposed to risks associated with entering into contracts with public organisations, and its performance may be significantly affected by changes in government policies

The Group's customers include agencies and entities owned, controlled by or otherwise associated with local governments. Revenue contributed by these customer accounts for a substantial part of the Group's total revenue. Government policies historically have and will continue to have a significant impact on the Group's business. Any changes in the government's budget, environmental laws or other policy considerations may result in reduced demand for the Group's leasing business. To the extent that the Group's customers are funded or supported by the government, any decrease in such funding or support could lead to customer defaults or contract termination, which would adversely affect the Group's business, financial position and results of operations, which, in turn, may adversely affect the Group's ability to meet its financial obligations.

The Group is subject to risks related to default payments and breaches by its lessees or other contractual counterparties

The Group's success is dependent upon the ability of its lessees to perform their contractual obligations under the leases. The ability of each lessee to perform its contractual obligations is, in turn, dependent on its financial condition and cash flow. If a lessee defaults, there can be no assurance that any security deposits paid under the lease will be adequate to cover the lessee's unpaid lease obligations, or that the maintenance reserves collected during the lease term will be sufficient to cover the Group's maintenance expenses or the costs of re-leasing the aircraft or other leased assets.

Moreover, in relation to the Group's aviation, shipping, power equipment and medical equipment and education leasing business, it is primarily the responsibility of the lessees to maintain such aircraft, vessels and equipment and their respective records in accordance with the manufacturers' recommended maintenance programmes and to comply with all governmental regulatory requirements. The maintenance of such aircraft, vessels and equipment during the lease term and their condition at the maturity of the lease may affect their future rental or value. Failure of the lessee to perform required or recommended maintenance may also result in the aircraft being grounded or the vessels and equipment being rendered inoperative, which may result in the Group incurring substantial costs to restore the aircraft, vessels and equipment to an acceptable condition prior to the sale of the aircraft, vessels and equipment, and thus may have an adverse effect on the Group's business, financial condition and results of operations.

The Group is subject to various PRC and overseas regulatory requirements and the Group's failure to comply with such requirements could materially and adversely affect its business, financial condition, results of operations and reputation.

PRC regulatory authorities such as the China Banking Regulatory Commission ("**CBRC**") oversee the Group's compliance with applicable regulatory requirements and guidelines. From time to time, it is possible that weaknesses in certain areas of the Group's operations, such as risk management and internal controls, may be identified, which may result in sanctions, fines or penalties being imposed on the Group. There can be no assurance that the Group will be able to comply with all such requirements and guidelines at all times or that the Group will not be subject to sanctions, fines or other penalties in the future as a result of non-compliance. If sanctions, fines and other penalties are imposed on the Group for its non-compliance, the Group's business, financial condition, results of operations and reputation may be materially and adversely affected.

Also, there can be no assurance that existing policies, laws and regulations governing the financial leasing industry will not change in the future or that any such changes will not materially and adversely affect the Company's business, financial condition and results of operations nor can there be any assurance that the Company will be able to adapt to all such changes on a timely basis.

The Group is required to hold various licences, permits and approvals issued by relevant authorities for the operation of its businesses. Any infringement of legal or regulatory requirements, or any suspension or revocation of these licences, permits and approvals may have a material adverse impact on the Group's business and operations. There can be no assurance that the Group will be able to satisfy such regulatory requirements or it will be able to retain, obtain or renew relevant licences, permits or approvals in the future. Any failure to comply with the regulatory and legal requirements may hinder the Group's business operations and materially and adversely affect its results of operations and financial condition.

Furthermore, regulatory requirements and approvals may affect the Group's ability to buy or sell the aircraft, vessels and equipment. For example, regulatory approvals are required for the import, re-export, deregistration or registration of the aircraft in various jurisdictions. Certain jurisdictions set maximum age limits for aircraft being imported or registered. Subsequent changes in applicable laws may modify such requirements, or approvals previously granted may be withdrawn. These changes may adversely affect the ability of the Group to sell these aircraft and may impair the values of these aircraft and thus have an adverse effect on the Group's financial performance and its ability to meet its financial obligations.

The Group is subject to risks related to a variety of industries

The Group is an operating lessor of rail transit, highway, power equipment, aircraft, shipping and other equipments and is exposed to cash flow risk from lessees for the duration of the leases and equity risk from the values of of rail transit, highway, power equipment, aircraft, shipping and other equipments. The Group is subject indirectly to the same set of risk factors as its lessees, which may affect the financial condition and cash flows of the lessees and their ability to perform their obligations under the leases. These risk factors include demand for railway, highway, air and marine transportation and cargo services, industry competition, competition from substitute services, revenue and cost structures, fluctuations in fuel prices, interest rates and foreign exchange rates, labour costs and union issues, maintenance costs, insurance costs, security costs, the impact of carrier bankruptcies and the effect of certain events such as wars, social unrest, pandemics, natural disasters, major accidents and acts of terrorism. The relevant industries are also affected by government regulation of operations and mergers and acquisitions, environmental regulation, railway, highway, airport and other infrastructural constraints, the availability of new or used aircraft, ship and other equipments for lease or purchase, the availability and cost of debt and equity capital to lessee companies. The Group's financial performance is dependent on the financial strength of its lessees and their ability to manage these risks effectively. To the extent that the Group's lessees experience negative effects from these risk factors, the Group may experience:

(a) a reduced demand for its rail transit, highway, power equipment, aircraft, ship or other equipments and hence, lower lease rates or equipment values;

(b) a higher incidence of lease defaults resulting in higher legal and technical costs associated with the repossession of the rail transit, highway, power equipment aircraft, ship or other equipments and its records, as well as lost revenue from such idle rail transit, highway, power equipment, aircraft, ship or other equipments;

(c) a need to restructure lease payments for delinquent lessee companies in financial difficulty which may result in lower lease revenues or the need to make provisions for rental amounts in arrears; or

(d) an inability to immediately place available rail transit, highway, power equipment aircraft, ship or other equipments on commercially viable terms and possibly incurring additional storage, insurance and maintenance costs resulting from the idleness of such rail transit, highway, power equipment aircraft, ship or other equipments and their preparation for re-lease.

The Group has expanded its businesses in jurisdictions other than China, which has increased the complexity of the risks that the Group faces

The Group has started to expand its international operations and set up its offshore leasing platform. The Group's international expansion into multiple jurisdictions exposes it to a variety of regulatory and business challenges and risks and has increased the complexity of the Group's risks in a number of areas, including currency risk, interest rate risk, credit risk, regulatory and compliance risk, reputational risk and operational risk. This exposes the Bank to additional risks including default risk resulting from the failure in the performance of lessees, and the Group's inexperience in various aspects of the economic and legal framework in overseas markets. If the Group is unable to manage the risks resulting from its international expansion, its business, reputation, results of operations and financial condition may be adversely affected.

The Group's customers may be subject to various PRC and overseas regulatory control and changes in such regulations may affect customers from meeting their leasing obligations to the Group

The aviation, shipping, rail and other industries in which many of the Group's customers operate, and the operation of aircraft, vessels and equipment are subject to domestic and international regulatory controls as well as additional controls imposed by various national or federal civil aviation authorities, including, for example, the airworthiness directives for aircraft operated by airlines within the jurisdiction of such authorities. The regulatory authorities may suspend or revoke the licence granted to the Group's customers to operate their businesses for failure to comply with these regulations, which may result in the grounding of aircraft or interruption of business. If the business activities of any of the Group's lessees are disrupted due to failure to meet regulatory requirements, the ability of such lessees to meet their lease obligations towards the Group may be adversely affected.

The Group is subject to risks related to tax law changes

In 2011, the State Council approved the "Pilot Proposals for the Change from Business Tax to Value-Added Tax" (the "**Proposals**"). The Proposals came into force on 1 January 2012, and were first carried out and on trial in Shanghai in the transportation business and certain service businesses including tangible personal property leasing service businesses. Such Proposals were extended to other eight provinces and cities including, without limitation, Tianjin and Anhui province from 1 September 2012, and were further extended to cover the whole nation from 1 August 2013. Such Proposals may lead to an increase in the overall tax payable by leasing companies, which, among other things, is mainly caused by (i) an increase of applicable tax rate from 5 per cent. to 17 per cent. and (ii) a change of method in calculating the taxable amount. From 1 January 2014, the Group, when serving financing lease for corporeal movables, has been subject to value-added tax instead of business tax. However, before 31 December 2015, the Group would be refunded the tax it has paid in excess of 3 per cent. of its actual value-added tax liabilities. There can be no assurance that such Proposals will not be applied in the future to the entire leasing sector in which the Group operates. In the event that the Company is required to pay its tax in accordance with such Proposals, it may result in an increase in the overall tax liability of the Group and would therefore adversely affect the Group's business, financial condition and results of operations.

In addition, the Group currently enjoys certain preferential tax treatment granted by local government. There is no assurance that the preferential tax treatment that the Group currently enjoys will be continued.

Any deficiencies in the Group's risk management and internal control systems may materially and adversely affect the Group's business, financial condition and results of operations

The Group has implemented a risk management system to protect the long-term interests of its shareholders, customers and employees. However, the Group's risk management systems and internal control policies may not be effective in mitigating its exposure to all types of risk, including unidentified or unanticipated risks. Some risk management and control methods are based upon historical market behaviour and past events. As such, the Group may not be able to adequately identify or estimate future risk exposures, which could be significantly greater than that indicated by measures based on historical data. Other risk management methods depend on evaluation of information regarding markets, customers or other relevant matters, which may be inaccurate, incomplete, obsolete or improperly evaluated. For instance, the information infrastructure in the PRC is still under development and there is no extensive and unified nationwide credit information system. As such, the Group is only able to rely on publicly available resources and its internal resources to assess credit risks associated with a particular customer. Such assessment may not be based on complete, accurate or reliable information. Furthermore, as the Group enters into new industry sectors, expands into new customer segments or develops additional product and service offerings, it may not be in a position to adequately identify, predict and manage future risk exposures.

In addition, management of operational, legal or regulatory risks requires various sets of policies and procedures in order to accurately record and verify a large number of transactions and events. Such policies and procedures may not be fully effective. Any failure of the Group's risk management procedures or any failure to identify applicable risks may have a material adverse effect on its results of operations and financial condition.

Any decrease in the residual value of the aircraft, vessels or equipment that the Group finances could adversely affect its business, financial condition and results of operations

Declines in the residual value of the aircraft, vessels or equipment financed by the Group may reduce the Group's earnings. The Group recognises the residual value of leased aircraft, vessels and equipment (as the case may be) as the estimated future market value of the leased asset at the maturity of the lease. The Group estimates the residual value of the leased asset at the inception of a lease based on a number of factors, including historical sale prices, management's experience and any known significant market and product trends. If the estimated market value of the Group's leased assets declines significantly due to economic factors, obsolescence or other adverse circumstances, the Group may not realise the expected residual value of the leased assets, which could adversely affect the Group's business, financial condition and results of operations.

Any default on the Group's borrowings secured by its leased assets may adversely affect the Group's business, financial conditions and results of operations

The Group has mortgaged certain of its leased assets to secure some of its bank loans. If the Group defaults on such bank loans, the lenders may foreclose such leased assets the Group mortgages, which may disrupt and adversely affect the Group's business. Although the terms of the Group's indebtedness may limit the Group's ability to create certain security over its assets, there can be no assurance that the Group will not mortgage its leased assets to secure its borrowings in the future. There can also be no assurance that the Group will not default on any of its borrowings in the future.

The realisable value of collateral or guarantees securing the Group's leases and the assets underlying its leases, which are disposed of upon repossession, may be inadequate to cover related lease receivables

As at 31 December 2014, a considerable part of the Group's leases is secured by guarantees. To mitigate credit risks of its leases, the Group may request the lessees to provide guarantees and/or collaterals for their respective leases. However, such guarantees and/or collaterals need to be negotiated on a case-by-case basis, depending on the nature of the business of the relevant lessee. In the event of any material default on the lease payment terms, the Group is contractually entitled to enforce its security rights over any guarantee or collateral, and/or repossess and dispose of the assets underlying its leases to realise their value. However, the value of such collateral and/or assets underlying such leases to be disposed of may decline and may be materially and adversely affected by a number of factors, such as any damage, loss, oversupply, devaluation or reduced market demand. Similarly, a significant deterioration in the financial condition or creditworthiness of guarantors under the Group's guaranteed leases could significantly reduce any amounts which the Group may be able to recover under such guarantees.

The Group's policies require periodic internal review of collaterals, guarantees and assets underlying its leases for impairment testing purposes. If the value of such collaterals, guarantees or assets underlying the Group's leases proves to be inadequate to cover the related lease receivables, the Group may need to obtain additional security from its customers or other sources, but there can be no assurance that it will be able to do so. Any decline in the value of such collaterals, guarantees or assets underlying the Group's leases or the Group's inability to obtain additional security may result in impairment losses and require the Group to make additional allowance for impairment losses against its lease receivables, which may in turn materially and adversely affect its business, financial condition and results of operations.

The Group may not be able to successfully enforce its rights to the underlying collateral or guarantees to its leases, or enforce its rights to repossess leased assets

In the PRC, the procedures for liquidating or otherwise realising the collateral value of tangible assets and the procedures for enforcing the Group's rights to a guarantee or to repossess and dispose of the asset underlying its leases could be time-consuming and in practice it may be difficult to realise such collateral value, enforce the guarantee or repossess and dispose of assets underlying the Group's leases. Although the Group could apply to a PRC court in accordance with the PRC Civil Procedure Law for the attachment or disposal of any underlying collateral, the enforcement of a guarantee or the repossession of the assets underlying the Group's leases upon default, it is uncertain whether any judgment made by local courts would be enforceable, or the extent to which such judgment could be enforced, due to uncertainties of the PRC legal system governing such enforcement. In addition, under PRC law, the Group's rights to any collateral securing its leases may be subordinated to other claims. For example, according to the PRC Bankruptcy Law, which took effect on 1 June 2007, claims for the amount that a company in bankruptcy owed its employees, including, but not limited to, salaries, medical insurance and pension benefits, will have priority over the Group's rights to collateral, if not adequately provided for in liquidation proceedings. Therefore, upon any default of any lessee or any guarantor under the Group's lease, if the Group is unable to successfully enforce its right in respect of any collateral or any guarantee related to any assets underlying its leases to be repossessed and disposed of on a timely basis, it may have a material adverse effect on its asset quality, business, financial condition or results of operations.

The Group's provisions for impairment losses on finance lease receivables may not be adequate to cover future credit losses, and may have a material adverse impact on the Group's business, financial condition and results of operations

The Group makes provisions for impairment losses on finance lease receivables in accordance with PRC GAAP. As at 31 December 2012, 2013 and 2014, the Company Group's allowance for impairment losses on finance lease receivables were RMB582 million, RMB855 million and RMB1,298 million, respectively, representing 1.61 per cent., 1.90 per cent. and 1.85 per cent. of the Company Group's finance lease receivables, net of unrealised financial income, respectively. This reflected both the growth of the Group's business operations and its approach to provisions in view of the macroeconomic environment. The amount of provisions for impairment losses on the Group's finance lease receivables is determined on the basis of its internal provisioning procedures and guidelines taking into account a number of factors, such as the nature and industry-specific characteristics of the Group's customers and their creditworthiness, economic conditions and trends, write-off experience, delinquencies and the value of underlying collateral and guarantees. As the Group's provisions require significant judgment and estimation, its allowance for impairment losses may not always be adequate to cover actual credit losses in its business operations. The Group's allowance may prove to be inadequate if unforeseen or adverse changes occur in the PRC economy or other economies in which the Group operates or if other events adversely affect specific customers, industries or markets. Under such circumstances, the Group may need to make additional provisions for its finance lease receivables, which could significantly reduce its profit and may materially and adversely affect its business, financial condition and results of operations.

The Group may not be able to sell or re-lease the aircraft, vessels or equipment upon termination or expiry of an existing lease

Upon termination or expiry of an existing lease, the Group needs to sell the aircraft, vessels or equipment (as the case may be). There can be no assurance that the Group will be able to sell the aircraft, vessels or equipment (as the case may be) at a price favourable to the Company or at all.

Factors that could affect the Group's ability to sell the aircraft, vessels or equipment include business cycles in the relevant industry, global and domestic financial market conditions, market disruption risks market demand for the assets, transaction cost such as tax and re-instalment cost, which could adversely affect the liquidity, the interest rates, the availability of funding sources and the recovery of lease receivables.

With respect to aircraft, vessels or equipment acquired or leased out by the Group, in some leases, lessees have the discretion as to whether or not they wish to extend the leases after expiration of the initial lease term. In these circumstances, the Group will not be able to predict whether such lessees would exercise such an option. If lessees decide not to extend, the Group may not be able to re-lease the aircraft, vessels or equipment on similar terms. The Group's ability to lease out aircraft, vessels and equipment and re-lease aircraft, vessels and equipment on the expiration or termination of the initial leases, the lease hire payable under any renewal or replacement lease and the Group's ability to dispose of aircraft, vessels and equipment profitably will depend upon, among other things, the then prevailing availability of lessees and economic conditions in the relevant market at that time. If the Group is unable to lease out aircraft, vessels or equipment, the Group may be required to bear substantial costs and expenses for insurance, maintenance and compliance with government regulations. If the Group receives less income as a result of lower lease hire under replacement leases or is unable to lease out the aircraft, vessels and equipment on expiry of their initial leases, this may have a material and adverse effect on the Group's business, results of operations and financial condition.

The Group depends on its key senior management members and key senior officers and may have difficulty attracting and retaining skilled employees

The Group's leasing business is a highly specialised area which requires professional knowledge and know-how in business areas including, but not limited to, finance, accounting, international trade, insurance, aviation, shipping and other related industries and various areas of law. The Group's success depends, to a significant extent, upon the abilities, expertise and dedication of its key senior management members, senior officers and skilled employees. There is significant competition in the PRC for such talent. If such key personnel leave the Group to join other employers, including the Group's competitors, the Group may face difficulties employing and assimilating suitable replacement personnel in the short term. In addition, the Group's continued success also depends on its ability to attract and retain qualified personnel to manage its existing operations and future growth. Qualified individuals are in high demand and the Group may not be able to successfully attract, assimilate or retain all the personnel it needs with the required industry expertise. The Group may also need to offer superior compensation and other benefits to attract and retain key personnel and there is no assurance that the Group's compensation and benefits payments will not increase unpredictably or at a greater rate than its revenues. Failure to recruit, train, develop and retain personnel with the necessary qualifications may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is dependent on the proper functioning of its information technology systems

The success of the Group's operations is highly dependent on the ability of its information technology systems to accurately process a large number of transactions and information in a timely manner. The proper functioning of the Group's financial control, risk management, accounting, customer service and other data processing systems is critical to its business and its ability to compete effectively. The Group has established its own internal back-up systems to maintain principal functions in the event of system failures. However, there can be no assurance that its operations will not be materially disrupted if any of the Group's systems fail due to, among other things, fire, natural disasters, power loss, software faults, computer virus attacks, conversion errors due to system upgrades, or security breaches. The internal safety measures may not be effective in preventing any harm or damage resulting from risks threatening the Company's information technology systems. Any disruption to any of the Group's information technology systems could have a material adverse effect on its business, financial condition and results of operations.

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees or third parties

Fraud or other misconduct by employees (such as unauthorised business transactions and breaches of its internal policies and procedures) or third parties (such as breach of law) may be difficult to detect and prevent and could subject the Group to financial loss and sanctions imposed by governmental authorities and seriously harm its reputation. The Group's risk management systems, information technology systems and internal control procedures are designed to monitor its operations and overall compliance. However, there can be no assurance that it will be able to identify all non-compliance or suspicious transactions in a timely manner or at all. Furthermore, it is not always possible to detect and prevent fraud or other misconduct and the precautions undertaken by the Group to prevent and detect such activities may not be effective. Hence, it is possible that fraud or other misconduct may have previously occurred but was undetected, or that fraud or other misconduct may occur in the future. Any failure to detect and prevent such illegal activities may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be subject to risks related to epidemics, acts of terrorism, wars, or other natural or man-made calamities

The Group, its suppliers and customers may experience shutdowns of their respective operations as a result of severe communicable diseases, such as severe acute respiratory syndrome (SARS), avian influenza (bird flu), H7N9 flu and MERS, which may have an adverse effect on the Group's business, financial condition and results of operations. For example, the outbreak of any contagious disease that escalates into a regional or global pandemic may have an adverse impact on airlines that operate to or from affected areas or regions. Air travel may be severely reduced even though international and national response plans to address such events have been developed or are in development. Other natural calamities such as earthquakes, floods or tsunamis may devastate destinations and significantly reduce travel to affected areas for a period of time.

Similarly, acts of God, acts of war, terrorist attacks, epidemics, political unrest, labour unrest and other similar events may result in political instability and volatility in the world's financial and commodities markets. Terrorist attacks, pirate attacks, hijacking, war or armed hostilities, or the fear of such events, could adversely affect the aviation and shipping industry and may have an adverse effect on the financial condition and liquidity of the Group's lessees, aircraft and vessel values and rental rates, and may lead to lease restructurings or repossessions, all of which could adversely affect the Group's business, financial condition and results of operations.

The Group may be subject to additional operating costs

The Group may incur other operational costs upon a lessee's default or where the terms of the lease require the Group to pay a portion of additional operating costs. Such costs, which can be substantial, may include:

(a) the costs of casualty, liability or war risk insurance and the liability costs or losses when insurance coverage has not been or cannot be obtained as required or is insufficient in amount or scope;

(b) the costs of licensing, exporting or importing leased assets, the costs of storing and operating leased assets, airport taxes, custom duties, air navigation charges, landing fees and similar governmental or quasi-governmental impositions; and

(c) the penalties and costs associated with the failure of lessees to keep the leased assets registered under all appropriate local requirements or obtain required governmental licences, consents and approvals.

The failure to pay some of these costs can result in liens on the aircraft, vessels or other leased assets or a loss of insurance. Any of these events could result in the grounding of the aircraft and prevent the sale or other use of the aircraft until the problem is resolved. This could adversely affect the Group's business, financial condition and results of operations.

The Group may not have adequate insurance coverage on potential liabilities or losses

The Group has obtained insurance coverage for its business operations in accordance with legal requirements, and in respect of assets which it deems material for its operations. The Group faces various risks in connection with its businesses and may lack adequate insurance coverage or may have no relevant insurance coverage. In addition, the Group does not maintain business interruption insurance. As a result, its insurance coverage may be inadequate to cover such losses, should they arise. Any such uninsured losses may materially and adversely affect its business, financial position and results of operations.

The Group does not actively manage or control the operations of its aircraft, vessels and equipment other than making them available to its lessees. However, since the relevant member of the Group is the sole owner of the aircraft, vessels and equipment, it can be directly or indirectly liable for any losses resulting from misuse of the aircraft, vessels and equipment or be subject to other legal consequences in jurisdictions in which the Group or its lessees are present. If such events should take place, the Group would have to expend resources in its defence. The Group generally requires its lessees to obtain specified levels of insurance and indemnify it for, and insure against, liabilities arising out of their use and operation of the aircraft vessels and equipment. Some lessees may fail to maintain adequate insurance coverage during a lease term, which, although in contravention of the lease terms, would necessitate the Group taking some corrective action such as terminating the lease or securing insurance for the aircraft, vessels or equipment, which could adversely affect the Group's results of operations.

Claims may be asserted against the Group

Although the Group does not control the operation of its leased assets such as aircraft, vessels and equipment, its ownership of the assets could give rise, in some jurisdictions, to strict liability for losses resulting from their operation.

Lessees of the Group are normally required under the leases to indemnify the Group for, and insure against, amongst others, liabilities arising out of the use and operation of the assets, including third-party claims for death or injury to persons and damage to property for which the Group may be deemed liable. In some cases, the lessees are also required to maintain insurance on the leased assets against public liability, property damage, war risks and all other risks at agreed upon levels.

There can be no assurance that the lessee's insurance, and any contingent insurance undertaken by the Group, will be adequate or sufficient to cover all types of claims that may be asserted against the Company. Any insurance coverage shortfall or default by lessees to fulfil their indemnification or insurance obligations, as well as the lack of available insurance, could reduce the proceeds upon an event of loss and could subject the Group to uninsured liabilities, any of which could have an adverse impact on the Group's financial performance and its ability to meet its financial obligations.

Risks Relating to the Industry

The Group operates in a competitive market environment where highly specialised expertise is required for the efficient management of assets

The leasing business is a highly competitive industry. The Group faces competition from both international and domestic players (including the financing divisions of vendors, manufacturers of aircraft, vessels and equipment, financial institutions including banks, hedge funds and private equity firms, other leasing companies, aircraft brokers, as well as airlines) in its business, and competes with them in capturing new business opportunities. Some of the Group's competitors may have significant financial resources, marketing and other capabilities, more extensive know-how and business relationships and longer operating track records. The Group competes with its competitors on the basis of availability of product types that meet customers' needs, delivery dates, lease rates, lease terms, maintenance reserves and aircraft condition. The Group's revenue is affected by these competitive factors and its success depends on its ability to compete effectively. In addition, the leasing business also requires specialised expertise and extensive experience. For example, in the aircraft financing business of the Group, there is a high percentage of operating leases. As the Group has expanded and grown in the past several years, its assets have increased and the leases have begun to expire, and it has become increasingly difficult to lease and manage the old assets. Furthermore, with the growth of the business, the Group's asset portfolio has also become increasingly diversified into different types and industries, requiring highly specialised expertise and skilled employees to manage the different assets efficiently.

The industries that the Group is engaged in are cyclical

A significant part of the Group's net lease receivables relates to the transportation industry. The transportation industry is highly cyclical with demand for and supply of aircraft and vessels to be leased or sold being affected by several factors, including global and regional economic conditions. These factors are beyond the Group's control and the nature, timing and degree of changes in industry conditions are largely unpredictable. Any decrease in demand for the Group's services in the transportation industry due to cyclical downturns could result in extensive customer defaults, decreased revenue and an inability to grow or maintain its business, and could materially and adversely affect its business, results of operations and financial condition.

Changes in currency exchange rates could have an adverse effect on the Group's business, financial condition and results of operations

The Group receives rental income and makes purchase payments in various currencies such as the RMB and U.S. dollar. The value of the RMB against the U.S. dollar and other currencies may fluctuate significantly and is affected by, among other things, the domestic and international economies, political conditions and supply and demand of currency. On 21 July 2005, the PRC government changed its policy of pegging the value of the RMB to the U.S. dollar. Under the new policy, the RMB is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. This change in policy resulted in an appreciation in the value of the RMB against the U.S. dollar. It is possible that the PRC government could adopt a more flexible currency policy, which could result in further and more significant revaluations of the RMB against the U.S. dollar or any other foreign currency. As a portion of the Company's debts and assets are denominated in currencies other than RMB, fluctuations of the RMB against any such currencies could have an adverse effect on the Company's business, financial condition and results of operations.

Although the Company manages exchange rate risks with a variety of techniques, including a match funding programme and a broadly diversified funding programme, there can be no assurance that fluctuations in exchange rates will not have an adverse effect on the Group's earnings and cash flows. If any of the variety of instruments and strategies the Group uses to hedge its exposure to these various types of risk are ineffective, the Group may incur losses.

Disruptions or volatility in global and domestic financial markets could adversely impact the industries and markets in which the Group serves and operates

The Group is a leasing company specialising in providing customised leasing services including aviation financing, shipping financing, and equipment financial leasing, and is largely dependent on the growth of the Group's target industries, including the aircraft, shipping and equipment industries. The demand for the Group's services is substantially influenced by general global and domestic economic conditions. Global and domestic economic conditions may cause volatility and disruptions in the capital and credit markets.

The outlook for the PRC and world economy and financial markets remains uncertain. In Europe, several countries (including Greece) continue to face difficulties in refinancing sovereign debt. In the United States, the unemployment rate remains high, and recovery in the housing market remains subdued. In Asia and other emerging markets, the political unrest in the Koreas has resulted in economic instability and uncertainty, and some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, Syria and the Ukraine, political unrest has resulted in economic instability and uncertainty. The PRC's economic growth may slow down due to weakened exports.

Should global or domestic economic conditions deteriorate or access to credit markets be reduced, the Group and its customers could experience reduced levels of liquidity and increased credit spreads. For example, during the recent financial crisis arising out of the European sovereign debt crisis and slow economic growth in developed economies, certain customers of the Group experienced reduced liquidity, credit and credit capacity, which resulted in reduced demand for the Group's services.

The extent of any impact on the Group's ability to meet funding or liquidity needs would depend on several factors, including its operating cash flows, the duration of any market disruptions, changes in counterparty credit risk, the impact of government intervention in financial markets, such as the effects of any programs or legislation designed to increase or restrict liquidity in certain areas of the market, general credit conditions, the volatility of equity and debt markets, any credit ratings and the credit capacity of the Group and the costs of financing and other general economic and business conditions. Market disruption and volatility may also lead to a number of other risks, including but not limited to:

- market developments that may affect customer confidence, reduce the demand for financing services or cause increases in delinquencies and default rates, which could increase the Group's write-offs and provisions for credit losses;

- the process the Group uses to estimate losses from its credit exposure requires a high degree of management's judgment regarding numerous subjective and qualitative factors, including forecasts of economic conditions and how economic predictors might impair the ability of its customers to perform their contractual obligations under the leases. Financial market disruption and volatility may reduce the accuracy of the Group's judgments;

- the Group's ability to engage in routine funding transactions or borrow from other financial institutions on acceptable terms, or at all, could be adversely affected by disruptions in the capital markets or other events, including actions by rating agencies and a deterioration in investor expectations; and

- the ability of the Group's funding counterparties to provide funding could be adversely affected by market volatility or disruptions in the equity and credit markets.

Therefore, any market disruption or volatility may materially and adversely affect the Group's business, financial condition and results of operations.

Risks Relating to the PRC

Changes in the economic, political and social conditions in the PRC may have a material adverse effect on the Group's business, results of operations and financial condition

The PRC economy differs from the economies in developed countries in many respects, including the degree of government involvement, control of capital investment, as well as the overall level of development. The Group believes the PRC Government has indicated its commitment to the continued reform of the economic system as well as the structure of the government. The PRC Government's reform policies have emphasised the independence of enterprises and the use of market mechanisms. Since the introduction of these reforms, significant progress has been achieved in economic development, and enterprises have enjoyed an improved environment for their development. However, any changes in the political, economic or social conditions in the PRC may have a material adverse effect on the Group's present and future business operations.

The slowdown of the PRC's economy caused in part by the recent challenging global economic conditions may adversely affect the target industries in which the Group operates and results in a material adverse effect on the Group's business, results of operations and financial condition

Most of the Group's revenue is derived from the provision of financial leasing services and extended value-added services. The Group relies primarily on domestic demand to achieve growth in its revenue. Such demand is materially affected by industrial development and the overall economic growth in the PRC as well as policy support for its target industries and for its financial services. Any deterioration of these industries in the PRC resulting from a global economic downturn or the Chinese government's macroeconomic measures affecting these industries may have a material adverse impact on its financial performance. Furthermore, any deterioration in the financial condition of its customers in these industries or any industry-specific difficulties encountered by these customers could affect its business (such as the deterioration of the quality of its existing lease receivables and its ability to generate new leases), thereby materially and adversely affecting its business, financial condition, results of operations.

Furthermore, the global crisis in financial services and credit markets since 2008 caused a slowdown in the growth of the global economy with a corresponding impact on the Chinese economy. Although the global and PRC economies have largely recovered, there can be no assurance that any such recovery is sustainable. In addition, macroeconomic events in 2011 such as the tightening of monetary policy by the PRC and other governments and the sovereign debt crisis in Europe may have an adverse effect on the global and the PRC economies. If the crisis in global financial services and credit markets were to persist, there is no certainty as to its impact on the global economy, especially the Chinese economy. As a result of global economic cycles, there can be no assurance that the Chinese economy will grow in a sustained or steady manner. Any slowdown or recession in the Chinese economy may affect the Group's ability to secure new leases and contracts and its ability to obtain sufficient financing, which may in turn have a material adverse effect on its business, results of operations and financial condition.

Under the new Enterprise Income Tax law (the "New EIT Law"), the Issuer or the Guarantor (or any other overseas entity of the Group) may be treated as a PRC resident enterprise for PRC tax purposes, which will subject it to PRC enterprise income tax on its worldwide income and PRC withholding taxes on interest it pays on the Notes

Under the PRC Enterprise Income Tax Law and its Implementing Regulation, which became effective on 1 January 2008, enterprises organised under the laws of jurisdictions outside the PRC with their "de facto management bodies" located within the PRC are deemed to be "resident enterprises for PRC tax purposes", meaning that they are treated in a manner similar to PRC enterprises for enterprise income tax purposes, and therefore subject to PRC enterprise income tax at the rate of 25 per cent. on their worldwide income, although dividends paid from one resident to another may qualify as "tax-exempt income". The Implementing Regulation defines the term "de facto management body" as a management body that exercises substantial and overall control and management over the production and operations, personnel, accounting and properties of an enterprise. A circular issued by the State Administration of Taxation on 22 April 2009 provides that a foreign enterprise controlled by a PRC company or a PRC company group will be classified as a "resident enterprise" with a "de facto management body" located within the PRC if all of the following requirements are satisfied: (i) the senior management and core management departments in charge of daily operations are located mainly within the PRC; (ii) financial and human resources decision are subject to determination or approval by persons or bodies in the PRC; (iii) major assets, accounting books, company seals and minutes and files of board and shareholders' meeting are located or kept within the PRC; and (iv) at least half of the enterprise's directors with voting rights or senior management reside within the PRC. The State Administration of Taxation issued a circular, which became effective on 1 September 2011, and which provides that a foreign enterprise controlled by a PRC company or a PRC company group shall be deemed a "resident enterprise" by the final decision of the State Administration of Taxation through the application of the foreign enterprise or the investigation of the relevant tax authorities.

The Group confirms that, as of the date of this Offering Circular, none of its overseas entities, including the Issuer and the Guarantor, has been treated as a PRC resident enterprise by the PRC tax authorities. There is however no assurance that the Issuer, the Guarantor or other overseas entities in the Group will not be treated as "resident enterprises" under the New EIT Law, any aforesaid circulars or any amended regulations in the future. If the Issuer is treated as a PRC resident enterprise for PRC enterprise income tax purpose, among other things, it would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide income. Furthermore, if the Issuer were treated as a PRC resident enterprise, payments of interest by the Issuer may be regarded as derived from sources within the PRC and therefore the Issuer may be obligated to withhold PRC income tax at 10 per cent. on payments of interest on the Notes to non-PRC resident enterprise investors, unless any such non-PRC investor's jurisdiction of incorporation has a tax treaty with the PRC that provides for preferential withholding tax treatment. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20 per cent., unless a lower treaty rate is applicable. In addition, if the Issuer were treated as a PRC resident enterprise, any gain realised on the transfer of the Notes by non-PRC resident investors may be regarded as derived from sources within the PRC and may be subject to a 10 per cent. PRC income tax in the case of non-PRC resident enterprises or 20 per cent. in the case of non-PRC resident individuals (or a lower applicable treaty rate, if any). According to an arrangement between Mainland China and Hong Kong for the avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes.

If the Issuer or the Guarantor is required to withhold PRC tax from interest payments on the Notes, the Issuer or the Guarantor (as the case may be) may be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Notes of such amounts as would have been received had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Notes and could have an adverse effect on the Issuer's financial condition.

The uncertainties of the PRC legal system and its laws and regulations may have a negative impact on the Group's operations

The Group's domestic leasing business is conducted in the PRC and such operations are located in the PRC, hence its business operations are regulated primarily by PRC laws and regulations. The PRC legal system is a civil law system based on written statutes. Unlike the common law systems, past court judgments in the PRC have limited precedential value and may be cited only for reference. Furthermore, PRC written statutes often require detailed interpretations by courts and enforcement bodies for their application and enforcement. Since 1979, the PRC government has been committed to developing and refining its legal system and has achieved significant progress in the development of its laws and regulations governing business and commercial matters, such as in foreign investment, company organisation and management, commercial transactions, tax and trade. However, as these laws and regulations are still evolving, in view of how the PRC's financial services industry is still developing, and because of the limited number and non-binding nature of published cases, there exist uncertainties about their interpretation and enforcement, and such uncertainties may have a negative impact on The Group's business.

Furthermore, the administration of PRC laws and regulations may be subject to a certain degree of discretion by the executive authorities. This has resulted in the outcome of dispute resolutions not being as consistent or predictable compared to more developed jurisdictions. In addition, it may be difficult to obtain a swift and equitable enforcement of laws in the PRC, or the enforcement of judgments by a court of another jurisdiction. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to holders of the Notes.

Certain PRC regulations governing PRC companies are less developed than those applicable to companies incorporated in more developed countries

Most of the Group's members are established in the PRC and are subject to PRC regulations governing PRC companies. These regulations contain certain provisions that are required to be included in the joint venture contracts, articles of association and all other major operational agreements of these PRC companies and are intended to regulate the internal affairs of these companies. These regulations in general, and the provisions for protection of shareholders' rights and access to information in particular, are less developed than those applicable to companies incorporated in Hong Kong, the United States, the United Kingdom and other developed countries or regions.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts. There is also no assurance that the PRC courts will recognise and enforce judgments of the Hong Kong courts in respect of English law governed matters or disputes

The Notes, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken. Under the "Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned", judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgment would be subject to the procedural requirements and public policy considerations as set forth in applicable provisions of the PRC laws relating to the enforceability of foreign court judgments, and could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC or such judgment could not satisfy certain requirements or conditions. While it is expected that the PRC courts will recognise and enforce a judgment given by Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the Trustee will be submitted to the exclusive jurisdiction of the Hong Kong courts under the Terms and Conditions of the Notes, and thus the Trustee's ability to initiate a claim outside of Hong Kong will be limited.

Although the Company has stated its intention to waive sovereign immunity in the relevant transaction documents, the Company, as a state-owned enterprise, may be entitled to immunity if it can demonstrate to the Hong Kong courts that it was acting under the control of the state at the time that it entered into the Terms and Conditions of the Notes and the transaction documents. This will be a fact-sensitive analysis on a case-by-case basis. The Trustee's ability to bring enforcement action against the Company in Hong Kong may be limited if the Company can demonstrate its entitlement to crown immunity and does not waive such immunity at the time of proceedings in the Hong Kong courts.

Any force majeure events, including the outbreak, or threatened outbreak, of any severe communicable diseases in Hong Kong or the PRC, could materially and adversely affect the Group's business and results of operations

Any force majeure events, including the outbreak, or threatened outbreak, of any severe communicable disease (such as severe acute respiratory syndrome or avian influenza) in Hong Kong or the PRC, could materially and adversely affect the overall business sentiment and environment in the PRC, particularly if such outbreak is inadequately controlled. This, in turn, could materially and adversely affect domestic consumption, labour supply and, possibly, the overall gross domestic product ("**GDP**") growth of the PRC. The Group's domestic revenue is currently derived from its PRC operations, and any labour shortages on contraction or slowdown in the growth of domestic consumption in the PRC could materially and adversely affect the Group's business, financial condition and results of operations. In addition, if any of the Group's employees are affected by any severe communicable disease, it could adversely affect or disrupt production levels and operations at the relevant plants and materially and adversely affect the Group's business, financial condition and results of operations, which may also involve a closure of the Group's facilities to prevent the spread of the disease. The spread of any severe communicable disease in the PRC may also affect the operations of the Group's customers and suppliers, which could materially and adversely affect the Group's business, financial condition, and results of operations.

Risks Relating to the Notes

Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking is a guarantee of the payment obligations under the Notes and performance by the Company of its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking is subject to the approvals of the PRC authorities

The Company will enter into a Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking in relation to the Notes, as further discussed in "*Description of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking*". Pursuant to the terms of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Trustee may take action against the Company to enforce the provisions of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. However, neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking nor any actions taken thereunder can be deemed as a guarantee by the Company of the payment obligation of the Issuer or the Guarantor under the Notes. Accordingly, the Company will only be obliged to cause the Issuer or the Guarantor to obtain, before the due date of the relevant payment obligations, funds sufficient by means as permitted by applicable laws and regulations so as to enable the Issuer or the Guarantor to pay such payment obligations in full as they fall due, rather than assume the payment obligation as in the case of a guarantee.

Furthermore, even if the Company intends to perform its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, depending on the manner in which the Company performs its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking in causing the Issuer or Guarantor to obtain, before the due date of the relevant payment obligations, funds sufficient to meet its obligations under the Notes, such performance may be subject to obtaining prior consent, approvals, registration and/or filings from relevant PRC governmental authorities, including the National Development and Reform Commission ("**NDRC**"), the Ministry of Commerce of the People's Republic of China ("**MOFCOM**") and the State Administration of Foreign Exchange of the PRC ("**SAFE**"). PRC counsel to the Joint Lead Managers, the Issuer and the Guarantor have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking would be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including but not limited to NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC, are required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company should register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined the Deed of Asset Purchase Undertaking) required under the PRC laws. Although the Company is required to use all reasonable efforts to obtain any required consents and approvals in order to fulfil its obligations under the Deed of Asset Purchase Undertaking, there is no assurance that such consents or approvals will be obtained in a timely manner or at all. In the event that the Company fails to obtain the requisite consents or approvals, the Issuer or the Guarantor may have insufficient funds to discharge their outstanding payment obligations to the holders of the Notes. Further, in the event of an insolvency of a Relevant Transferor, any sale proceeds received by that Relevant Transferor may be subject to the insolvency claims of third parties. The Trustee's claim against the sale proceeds will be an unsecured claim and may rank lower in priority to any claims by secured third party creditors of such Relevant Transferor where it is the Issuer or the Guarantor. Where a Relevant Transferor is not the Issuer or Guarantor, the Trustee will not have a direct claim against the sale proceeds received by such Relevant Transferor. In addition, in the event of an insolvency of a Relevant Transferor, any transaction deemed to be at an undervalue may be set aside in insolvency proceedings.

In addition, under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Company will undertake, among other things, to cause the Guarantor or the Issuer to have sufficient liquidity to ensure timely payment of any amounts payable in respect of the Notes. However, any claim by the Issuer, the Guarantor, the Trustee and/or Noteholders against the Company in relation to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking will be effectively subordinated to all existing and future obligations of the Company's subsidiaries (which do not guarantee the Notes) and all claims by creditors of such subsidiaries (which do not guarantee the Notes) will have priority to the assets of such entities over the claims of the Issuer, the Guarantor, the Trustee and/or Noteholders under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

Performance by the Company of its undertaking under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may be subject to consent from third party creditors and shareholders, and may also be restricted if any of the assets are secured in favour of third party creditors

The ability of the Company to purchase or procure a subsidiary of the Company to purchase certain assets from one or more Relevant Transferors pursuant to the terms of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking may be affected by any present or future financing agreements, lease agreements or other agreements of the Company, the Guarantor and their respective subsidiaries:

- in the event that such financing agreements, lease agreements or other agreements contain non-disposal or other restrictive covenants that would prevent the sale of any asset by a Relevant Transferor, the Company, the Guarantor or a relevant subsidiary would need to obtain the consent from the third party creditor or counterparty (as the case may be) before the Relevant Transferor is able to proceed with the sale of such assets;
- in the event that such financing agreements, lease agreements or other agreements contain restrictive covenants that restrict the terms any asset sale or purchase, such covenants would need to be complied with, or waivers therefrom would need to be obtained, in connection with any sale and purchase of assets; and
- in the event that certain assets have been secured in favour of third party creditors, the Company and its subsidiaries would need to arrange for these security interests to be released before the Relevant Transferor is able to proceed with the sale of such assets.

Certain of the Guarantor's financing agreements restrict the Guarantor's ability to dispose of assets and restrict the Guarantor from dealing with its affiliates except on an arms-length basis, in each case, subject to certain exceptions.

In addition, under the Terms and Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, there are no restrictions on the Guarantor or its subsidiaries entering into financing agreements, lease agreements or other agreements with such non-disposal or other restrictive covenants or securing the assets of any of the Guarantor and its subsidiaries' in favour of its creditors. In the event the obligation to purchase assets under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking becomes effective, there is no assurance that the Guarantor or its relevant subsidiary will be able to obtain any required consents from its creditors or that it will be able to arrange for any existing security arrangement to be released in order for the sale of the assets to proceed.

If such consents or releases cannot be obtained, the Guarantor or its relevant subsidiary may need to repay the indebtedness owed to its third party creditors in order to be able to sell the relevant assets to the Company, failing which, the Issuer and the Guarantor may have insufficient funds to discharge their respective payment obligations to the holders of the Notes.

The proceeds realisable from the asset sale pursuant to the Deed of Asset Purchase Undertaking may not be sufficient to satisfy the Issuer's obligations under the Notes

Under the Terms and Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, there are no restrictions on the Guarantor or its subsidiaries to dispose of any of their assets or secure in favour of third party creditors or any requirement to maintain a certain minimum value in respect of their assets. The holders of the Notes also have no security interest in any of such assets held by the Guarantor or its subsidiaries. Such assets may be sold and transferred to third parties outside the Group, be secured in favour of third party creditors or depreciate in value over a period of time. There can be no assurance that upon the occurrence of a Triggering Event, there are sufficient assets held by the Guarantor or its subsidiaries available for sale to the Company or the designated purchasers (as the case may be) for the performance by the Company of its obligations under the Deed of Asset Purchase Undertaking.

Furthermore, the purchase price determined in respect of the assets to be purchased in the event of an asset sale pursuant to the Deed of Asset Purchase Undertaking will depend upon market and economic conditions and other similar factors and applicable laws. No independent appraisals of any assets held by the Guarantor or its subsidiaries have been prepared by or on behalf of the Company, the Guarantor or the Issuer in connection with this offering of the Notes. Accordingly, there can be no assurance that the proceeds of any asset sale pursuant to the Deed of Asset Purchase Undertaking following a Triggering Event would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes.

The Notes and the Guarantee of the Notes are unsecured obligations

As the Notes and the Guarantee of the Notes are unsecured obligations, their repayment may be compromised if:

- the Issuer, the Guarantor or the Company enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Issuer's, the Guarantor's or the Company's secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Issuer's, the Guarantor's or the Company's indebtedness.

If any of these events were to occur, the Issuer's or (as the case may be) the Guarantor's and the Company's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Notes.

The Notes and the Guarantee of the Notes will be structurally subordinated to the existing and future indebtedness and other liabilities of the Guarantor's existing and future subsidiaries, other than the Issuer, and effectively subordinated to the Issuer's and the Guarantor's secured debt to the extent of the value of the collateral securing such indebtedness

The Notes and the Guarantee of the Notes will be structurally subordinated to any debt and other liabilities and commitments, including trade payables and lease obligations, of the Guarantor's existing and future subsidiaries, other than the Issuer, whether or not secured. The Notes will not be guaranteed by any of the Guarantor's subsidiaries, and the Issuer and the Guarantor may not have direct access to the assets of such subsidiaries unless these assets are transferred by dividend, loan or otherwise to the Issuer or the Guarantor. The ability of such subsidiaries to pay dividends or otherwise transfer assets to the Guarantor is subject to various restrictions under applicable law. Each of the Guarantor's subsidiaries (other than the Issuer) are separate legal entities that have no obligation to pay any amounts due under the Notes or the Guarantee of the Notes or make any funds available therefore, whether by dividends, loans or other payments. The Issuer's and the Guarantor's right to receive assets of any of the Guarantor's subsidiaries upon that subsidiary's liquidation or reorganisation will be effectively subordinated to the claim of that subsidiary's creditors (except to the extent that the Issuer or the Guarantor are creditors of that subsidiary). Consequently, the Notes and the Guarantee of the Notes will be effectively subordinated to all liabilities, including trade payables and lease obligations, of any of the Guarantor's subsidiaries, other than the Issuer, and any subsidiaries that the Guarantor may in the future acquire or establish.

The Notes are subject to optional redemption by the Issuer and may have a lower market value than notes that cannot be redeemed

The Issuer has the option to redeem the Notes, in whole or in part, at the price as described under "*Terms and Conditions of the Notes – Redemption and Purchase*" at any time. Such an optional redemption feature is likely to limit the market value of the Notes, and the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. The Issuer may be expected to redeem the Notes when its cost of borrowing (taking into account costs of exercising such optional redemption) is lower than its costs under the Notes. At those times, Investors may not be able to reinvest the redemption proceeds at an effective interest rate to achieve the returns Investors would have been able to achieve had there been no redemption. Investors should consider reinvestment risk in light of other investments available at that time.

The Notes may not be a suitable investment for all investors

The Notes are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes or the Guarantee of the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

An active trading market for the Notes may not develop

The Notes are a new issue of securities for which there is currently no trading market. Application has been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong). No assurance can be given that an active trading market for the Notes will develop or as to the liquidity or sustainability of any such market, the ability of holders to sell their Notes or the price at which holders will be able to sell their Notes. Liquidity of the Notes will be adversely affected if the Notes are held or allocated to limited investors. None of the Joint Lead Managers is obliged to make a market in the Notes and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Joint Lead Managers. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, holders will only be able to resell their Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

The liquidity and price of the Notes following the offering may be volatile

The price and trading volume of the Notes may be highly volatile. Factors such as variations in the Company Group's and the Guarantor Group's respective turnover, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in price for comparable companies, changes in government regulations and changes in general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the trading volume and price of the Notes. There is no assurance that these developments will not occur in the future.

Developments in other markets may adversely affect the market price of the Notes

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Notes is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issues in other countries, including the PRC. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

The ratings of the Notes may be downgraded or withdrawn

The Notes are expected to be assigned a rating of "A" by Fitch and "A3" by Moody's. The ratings represent only the opinions of the rating agencies and their assessment of the ability of the Issuer, Guarantor and the Company to perform their obligations under the Notes, the Guarantee of the Notes, the

Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking as applicable, and credit risks in determining the likelihood that payments will be made when due under the Notes. Ratings are not recommendations to buy, sell or hold the Notes and may be subject to suspension, reduction or withdrawal at any time. None of the Issuer, the Guarantor or the Company is obligated to inform holders of the Notes if the ratings are downgraded or withdrawn. Each rating should be evaluated independently of the other rating. Moreover, other international rating agencies that none of the Issuer, the Guarantor or the Company has engaged to provide a rating may nonetheless issue an unsolicited rating. If any such unsolicited ratings are issued, there can be no assurance that such ratings will not be different from those ratings stated hereby. A downgrade or withdrawal of the ratings may materially and adversely affect the market price of the Notes and the Issuer's, the Guarantor's or the Company's ability to access the debt capital markets.

Changes in interest rates may have an adverse effect on the price of the Notes

The Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Investment in the Notes is subject to exchange rate risks

Investment in the Notes is subject to exchange rate risks. The value of the U.S. dollar against the RMB and other foreign currencies fluctuates and is affected by changes in the United States and international political and economic conditions and by many other factors. All payments of interest and principal with respect to the Notes will be made in U.S. dollars. As a result, the value of these U.S. dollar payments may vary with the prevailing exchange rates in the marketplace. If the value of the U.S. dollar depreciates against the RMB or other foreign currencies, the value of a Noteholder's investment in RMB or other applicable foreign currency terms will decline.

The Issuer's ability to make payments under the Notes will depend on timely payments under on-lent loans of the proceeds from the issue of the Notes

The Issuer is a wholly owned subsidiary of the Guarantor formed for the principal purpose of issuing the Notes and will on-lend the entire proceeds from the issue of the Notes to other entities of the Group. The Issuer does not and will not have any net assets other than such on-lent loans and its ability to make payments under the Notes depends on timely payments under such loans. In the event that the recipients of such on-lent loans do not make such payments due to limitation in such loans or other agreements, lack of available cash flow or other factors, the Issuer's ability to make payments under the Notes may be adversely affected.

The Issuer may be unable to redeem the Notes

On certain dates, including but not limited to the occurrence of a Change of Control and at maturity of the Notes, the Issuer may, and at maturity, will be required to, redeem all of the Notes. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability to redeem the Notes in such event may also be limited by the terms of other debt instruments. Failure to redeem the Notes by the Issuer, in such circumstances, would constitute an Event of Default under the Notes, which may also constitute a default under the terms of other indebtedness of the Company or its subsidiaries.

The insolvency laws of the Cayman Islands, the Republic of Ireland and the PRC and other local insolvency laws may differ from those of another jurisdiction with which the holders of the Notes are familiar

As the Issuer, the Guarantor and the Company are incorporated under the laws of the Cayman Islands, the Republic of Ireland and the PRC, respectively, any insolvency proceedings relating to the Issuer, the Guarantor or the Company, even if brought in other jurisdictions, would likely involve Cayman Islands, Irish or PRC insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Notes are familiar.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts and the Noteholders would need to be subject to the exclusive jurisdiction of the Hong Kong courts. There is also no assurance that the PRC courts will recognise and enforce judgements of the Hong Kong courts in respect of English law governed matters or disputes

The Terms and Conditions of the Notes and the transaction documents are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken. Under the Arrangement on Reciprocal Recognition and Enforcement of Judgements in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (the "**Arrangement**"), judgements of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgements have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgement could be refused if the PRC courts consider that the enforcement of such judgement is contrary to the Arrangement. While it is expected that the PRC courts will recognise and enforce a judgement given by Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgements as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the Noteholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the Noteholders' ability to initiate a claim outside of Hong Kong will be limited.

If any member of the Group is unable to comply with the restrictions and covenants in its financing agreements, there could be a default under the terms of these agreements, which could cause repayment of its debt to be accelerated

If any member of the Group is unable to comply with its current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to such member of the Group, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. Furthermore, some of the Group's debt agreements contain cross-acceleration or cross-default provisions. As a result, such member of the Group's default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Notes, or result in a default under the Group's other debt agreements. In addition, under the Guarantor's and the Company's debt agreements, events of default may be triggered by certain events relating to a delisting of CCB or downgrade of CCB's credit ratings below certain specified levels. If any of these events occur, there is no assurance that their respective assets and cash flows would be sufficient to repay in full all of their respective indebtedness, or that the Guarantor and the Company would be able to find alternative financing. Even if they could obtain alternative financing, they cannot assure holders that it would be on terms that are favourable or acceptable to them.

The Notes will be represented by a Global Note Certificate and holders of a beneficial interest in a Global Note Certificate must rely on the procedures of the Clearing Systems

The Notes will be represented by beneficial interests in a Global Note Certificate. The Global Note Certificate will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the Global Note Certificate, investors will not be entitled to receive individual note certificates (the "**Individual Note Certificates**"). The Clearing System will maintain records of the beneficial interests in the Global Note Certificate. While the Notes are represented by a Global Note Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by a Global Note Certificate, the Issuer will discharge its payment obligations under the relevant tranche of the Notes by making payments to the relevant Clearing System for distribution to their account holders.

A holder of a beneficial interest in a Global Note Certificate must rely on the procedures of the Clearing System to receive payments under the Notes. The Issuer does not have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Note Certificate.

Holders of beneficial interests in the Global Note Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the Clearing System to appoint appropriate proxies.

There may be less publicly available information about the Issuer, the Guarantor, the Company and the Group than is available for companies in certain other jurisdictions

Each of the Issuer, the Guarantor and the Company are private companies and they are not required under the applicable laws and regulations to publish their financial statements or make periodic public announcements. Therefore, there is limited publicly available information about the Issuer, the Guarantor, the Company and the Group. In making an investment decision, investors must rely upon their own examination of the Issuer, the Guarantor, the Company and the Group, the terms of the offering and the financial information of the Company Group and the Guarantor Group. The consolidated financial statements of the commercial operations of the Company Group included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. See "*Summary of Significant Differences between PRC GAAP and IFRS*" for details. Each investor should consult its own professional advisers for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

The Trustee may request the Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction

Where the Trustee is, under the provisions of the Trust Deed, bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security and/or pre-funding to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security, in breach of the terms of the Trust Deed or the Terms and Conditions and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

Decisions that may be made on behalf of all Noteholders may be adverse to the interests of individual Noteholders

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority of the Noteholders. Furthermore, there is a risk that the decision of the majority of Noteholders may be adverse to the interests of the individuals.

Gains on the transfer of the Notes may be subject to income tax under PRC tax laws

Under the New EIT Law and its implementation rules, any gains realised on the transfer of the Notes by holders who are deemed under the New EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the New EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Notes by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply, respectively, unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Notes minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to an arrangement between Mainland China and Hong Kong for the avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes.

If a Noteholder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax on gains on the transfer of the Notes, the value of the relevant Noteholder's investment in the Notes may be materially and adversely affected.

The Notes are redeemable in the event of certain withholding taxes being applicable

No assurances are made by the Issuer or the Guarantor as to whether or not payments on the Notes may be made without withholding taxes or deductions applying from the Issue Date on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands, the Republic of Ireland or the PRC or any subdivision or authority therein or thereof having power to tax. Although pursuant to the Terms and Conditions of the Notes each of the Issuer and the Guarantor is required to gross up payments on account of any such withholding taxes or deductions, the Issuer also has the right to redeem the Notes at any time in the event it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, the Republic of Ireland or the PRC or any political subdivision or any authority therein or thereof having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), as set out in the terms and conditions of the Notes.

The Issuer, the Guarantor, the Company or other members of the Group may issue additional Notes in the future

The Issuer, the Guarantor, the Company or other members of the Group may, from time to time, and without prior consultation of the Noteholders, create and issue further Notes (see "*Terms and Conditions of the Notes – Further Issues*") or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital-raising activity will not adversely affect the market price of the Notes.

Any payments received under the Notes may be subject to the Foreign Account Tax Compliance Act ("FATCA")

Whilst the Notes are in global form and held within Clearing Systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the Clearing Systems (see "*Taxation – FATCA*"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depositary or common safekeeper for the Clearing Systems (as registered holder of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the Clearing Systems and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "**IGA**") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

Risks Relating to Irish Taxes

Changes in Irish Tax Laws

Changes in Irish tax laws may adversely impact the business of the Issuer and the value of Noteholders' investment.

In particular, the Issuer intends to satisfy the conditions to be a "Qualifying Company" as defined in Section 110 of Ireland's Taxes Consolidation Act 1997 ("**TCA 1997**") (the "**Irish Securitisation Regime**"). There is no guarantee that the tax treatment of an Irish securitisation company will not change in the future. The tax deductibility of the Issuer's interest costs will depend on the applicability of Section 110 of TCA 1997 and the current practice of the Revenue Commissioners in Ireland in relation to same. Any change to these rules may have an impact on Noteholders.

Changes in Qualifying Company Status

The Issuer intends to satisfy the conditions to be a "Qualifying Company" as defined in Section 110 of TCA 1997 and subject to Irish corporation tax at 25 per cent.. If the Issuer ceases to satisfy the conditions to be a "Qualifying Company" as defined in Section 110 of TCA 1997, the Issuer will not be entitled to benefits under the Irish Securitisation Regime.

Changes in Tax Residency of the Issuer

The Issuer intends to be a tax resident in Ireland. The net proceeds from the issue of the Notes will be on-lent to the Guarantor under a facility agreement. If the Issuer ceases to be a tax resident in Ireland, the Issuer will cease to be a Qualifying Lender as defined in the facility agreement entered into between the Issuer and the Guarantor. As a consequence, withholding tax on interest payments to the Issuer may apply and the obligation for the Guarantor to gross up may not apply.

Irish Withholding Tax Risks

The Issuer intends to rely on an exemption from interest withholding tax provided under the Irish tax law in respect of interest on the Notes (see "*Taxation*"). If such exemption is no longer applicable or available, the Issuer has agreed to pay such additional amounts as will result in the receipt by the Noteholders of the amounts which would otherwise have been receivable in respect to principal, and/or interest had no such deduction or withholding been required, except in circumstances set out in Condition 7 *(Taxation)* of the Terms and Conditions.

To the extent that withholding tax exemption ceased to apply and the Noteholders do not meet the criteria specified in Condition 9 *(Taxation)* of the Terms and Conditions, interest payments to Noteholders may be reduced by the amount of tax required to be withheld by the Issuer.

USE OF PROCEEDS

The net proceeds the Group expects to receive from this offering, after deducting underwriting commissions and estimated offering expenses, will be approximately U.S.$[●]. The net proceeds of this offering will be on-lent to the Guarantor Group for general corporate purposes.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which (subject to modification and except for the paragraphs in italics) will be endorsed on the Note Certificates issued in respect of the Notes:

The U.S.$[●] [●] per cent. Guaranteed Notes due [●] (the "**Notes**", which expression includes any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series therewith) of CCBL (Cayman) Corporation Limited (the "**Issuer**") are constituted by, are subject to, and have the benefit of, a trust deed dated [●] (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, CCB Leasing (International) Corporation Limited (the "**Guarantor**"), CCB Financial Leasing Corporation Limited (the "**Company**"), and Citicorp International Limited as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of an agency agreement dated [●] (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the Guarantor, the Company, Citigroup Global Markets Deutschland AG as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), Citibank N.A., London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and the transfer agents named therein (the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the Trustee. References herein to the "**Agents**" are to the Registrar, the Principal Paying Agent, the Transfer Agents and the Paying Agents (as defined below) and any reference to an "**Agent**" is to any one of them.

The Notes have the benefit of (i) a keepwell and liquidity support deed dated on or about [●] (as amended or supplemented from time to time, the "**Keepwell and Liquidity Support Deed**") between the Issuer, the Guarantor, the Company and the Trustee; and (ii) a deed of asset purchase undertaking dated on or about [●] (as amended or supplemented from time to time, the "**Deed of Asset Purchase Undertaking**") between the Issuer, the Company, the Guarantor and the Trustee. Certain provisions of these Conditions are summaries of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, and are subject to their detailed provisions. The Noteholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking applicable to them. Copies of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking are available for inspection by Noteholders during normal business hours at the Specified Offices (as defined in the Agency Agreement) of each of the Agents.

1. Form, Denomination, Status and Guarantee

(a) *Form and denomination*: The Notes are in registered form in the denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (each, an "**Authorised Denomination**").

(b) *Status of the Notes*: The Notes constitute direct, general, unconditional, unsubordinated and, (subject to Condition 3(a) (*Negative pledge*)) unsecured obligations of the Issuer, which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(c) *Guarantee of the Notes*: The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. This guarantee (the "**Guarantee of the Notes**") constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

*Upon issue, the Notes will be evidenced by a global note certificate (the "**Global Note Certificate**") substantially in the form scheduled to the Trust Deed. The Global Note Certificate will be registered in the name of a nominee for, and deposited with, a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), and will be exchangeable for individual Note Certificates (as defined below) only in the circumstances set out therein.*

2. Register, Title and Transfers

(a) *Register*: The Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly. A certificate (each, a "**Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) *Title*: The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking under the Contracts (Rights of Third Parties) Act 1999.

(c) *Transfers*: Subject to paragraphs (f) (*Closed periods*) and (g) (*Regulations concerning transfers and registration*) below, a Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Denominations. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.

Transfers of interests in the Notes evidenced by the Global Note Certificate will be effected in accordance with the rules of the relevant clearing systems.

(d) *Registration and delivery of Note Certificates*: Within five business days of the surrender of a Note Certificate in accordance with paragraph (c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means any day on which banks are open for general business (including dealings in foreign currencies) in New York City, the place in which the Principal Paying Agent is located and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, the place in which the Note Certificate is surrendered (or, as the case may be, endorsed).

(e) *No charge*: The transfer of a Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(f) *Closed periods*: Noteholders may not require transfers to be registered (i) during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes, (ii) after a Put Exercise Notice (as defined in Condition 5(c) (*Redemption for Change of Control*) has been delivered in respect of the relevant Note(s) in accordance with Condition 5(c) (*Redemption for Change of Control*); (iii) after any such Note(s) has/have been called for redemption; and (v) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(f) (*Record Date*).

(g) *Regulations concerning transfers and registration*: All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be made available for inspection by the Registrar to any Noteholder who requests in writing for such regulations.

3. Covenants

(a) *Negative pledge*: So long as any Note remains outstanding (as defined in the Trust Deed),

(i) neither the Issuer nor the Guarantor shall, and the Issuer and the Guarantor shall procure that none of their respective Principal Subsidiaries will, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto (A) securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders; and

(ii) the Company has undertaken to the Trustee in the Keepwell and Liquidity Support Deed not to, and to procure its Principal Subsidiaries not to, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto (A) securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

(b) *Relevant Indebtedness*: The Company has undertaken to the Trustee in the Keepwell and Liquidity Support Deed that so long as any of the Notes remain outstanding, the Company shall not create or have any Relevant Indebtedness or any guarantee or indemnity in respect thereof unless the Company at the same time or prior thereto:

(i) provides an unsubordinated guarantee or indemnity in respect of the Notes; or

(ii) offers to exchange the Notes for securities issued or guaranteed by the Company with terms substantially identical to those of the Notes as certified by an Independent Investment Bank,

provided that if Regulatory Approvals are required in order to effect the action set out in this Condition 3(b) (*Relevant Indebtedness*), the Company shall be required to use all reasonable efforts to obtain all requisite Regulatory Approvals, *provided further that*, if, having used such efforts, it is unable to obtain such Regulatory Approvals, the Company shall be permitted to create or have such Relevant Indebtedness or a guarantee (or indemnity the economic effect of which shall be similar to a guarantee) in respect of such Relevant Indebtedness, without complying with any further obligations under this Condition 3(b) (*Relevant Indebtedness*).

(c) *Rating maintenance*: So long as any Note remains outstanding, save with the approval of an Extraordinary Resolution of Noteholders, the Issuer, the Guarantor and the Company shall use their respective reasonable endeavours to maintain a rating on the Notes by a Rating Agency.

(d) *Financial statements etc.*: So long as any Note remains outstanding, each of the Guarantor and the Company shall provide the Trustee with:

(i) a Compliance Certificate (on which the Trustee may rely as to such compliance) within 14 days from request by the Trustee and at the time of provision of the Company Audited Financial Reports (in the case of the Company) and the Guarantor Audited Financial Reports (in the case of the Guarantor);

(ii) a copy of the relevant Company Audited Financial Reports and the Guarantor Audited Financial Reports (as the case may be) within 180 days of the end of each Relevant Period prepared in accordance with PRC GAAP or IFRS (as the case may be) (in each case, audited by an internationally recognised firm of independent accountants), *provided that* if such statements shall be in the Chinese language, the Guarantor or the Company (as the case may be) shall provide the Trustee with an English translation of the same translated by (x) an internationally recognised firm of accountants or (y) a professional translation service provider and checked by an internationally recognised firm of independent accountants, together with a certificate signed by a director or an authorised officer of the Guarantor or the Company (as the case may be) certifying that such translation is complete and accurate; and

(iii) a copy of the Company Unaudited Management Accounts and the Guarantor Unaudited Management Accounts within 90 days of the end of each Relevant Period prepared on a basis consistent with the Company Audited Financial Reports and the Guarantor Audited Financial Reports, (as the case may be), *provided that* if such statements shall be in the Chinese language, the Company or the Guarantor (as the case may be) shall provide the Trustee with an English translation of the same together with a certificate signed by a director or an authorised officer of the Company or the Guarantor (as the case may be) certifying that such translation is complete and accurate,

provided that, if at any time the capital stock of the Company or the Guarantor is listed for trading on a recognised stock exchange, the Company or the Guarantor may make available to the Trustee, as soon as they are available but in any event not more than 14 days after any financial or other reports of the Company or the Guarantor are filed with the exchange on which the Company's or the Guarantor's capital stock is at such time listed for trading, true and correct copies of any financial or other report filed with such exchange in lieu of the reports or accounts of the Company or the Guarantor identified in this Condition 3(d).

(e) *Obligation to acquire Assets*: In the event of a Triggering Event, the Company has agreed in the Deed of Asset Purchase Undertaking that it shall purchase (either by itself or through a Subsidiary of the Company as designated by it) certain Assets held by the Issuer, the Guarantor and/or any of their respective Subsidiaries (each a "**Relevant Transferor**") in the manner as set out in the Deed of Asset Purchase Undertaking in order to assist the Issuer and the Guarantor under their respective obligations under the Notes, the Guarantee of the Notes and the Trust Deed. The Guarantor has undertaken to the Trustee in the Deed of Asset Purchase Undertaking that it shall procure each Relevant Transferor that is not the Issuer or the Guarantor to promptly on-lend or otherwise transfer any payment (each an "**On-Loan**") received pursuant to the Deed of Asset Purchase Undertaking to the Issuer or the Guarantor (as the case may be) and shall, or shall procure the Issuer to, promptly apply all proceeds from each On-Loan towards satisfying their respective obligations under the Notes and the Trust Deed.

Each of the Guarantor and the Issuer shall take all actions necessary for the proceeds received from each On-Loan towards the payment in full of any outstanding amounts as they fall due under the Trust Deed and the Notes (including any interest accrued but unpaid on the Notes). Each of the Issuer, the Guarantor and the Company has undertaken in the Deed of Asset Purchase Undertaking that all obligations of the Issuer or the Guarantor owing to a Relevant Transferor under each On-Loan shall be subordinated to sums payable and all obligations owing to the Trustee and the Noteholders by the Issuer or the Guarantor (as the case may be) whether present or future, actual or contingent, and all claims, rights, damages, remedies and/or proceeds in respect of any or all of the foregoing.

(f) *Issuer Activities*: So long as any Note remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Trust Deed), the Issuer shall not conduct any business or any activities other than the issue of the Notes and the on-lending of the proceeds thereof, and any other activities reasonably incidental thereto.

In these Conditions:

"**Approval Authorities**" means, as applicable, any national, state, municipal, provincial or local government (including any subdivision, court, administrative agency or commission or other authority thereof) or any quasi-governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority of any jurisdiction whose licences, authorisations, registrations or other approvals are necessary for undertaking the transactions contemplated by, as applicable, the Deed of Asset Purchase Undertaking and the Relevant Documents (as defined in the Deed of Asset Purchase Undertaking);

"**Assets**" means the airplanes, ships, equipment and/or other assets held by a Relevant Transferor which is subject to the purchase pursuant to the Deed of Asset Purchase Undertaking, but which shall not include any share or share capital of a Relevant Transferor;

"**Company Audited Financial Reports**" means the annual audited consolidated balance sheets, income statements and cash flow statements of the Company and its Subsidiaries and balance sheets, income statements, cash flow statements and statement of changes in equity of the Company together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**Company Unaudited Management Accounts**" means the semi-annual unaudited consolidated balance sheets and consolidated income statements of the Company and its Subsidiaries together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them (if any);

"**Compliance Certificate**" means a certificate of each of the Guarantor and the Company signed by any of their respective directors or authorised officers certifying that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Guarantor or (as the case may be) the Company as at a date (the "**Certification Date**") not more than five days before the date of the certificate:

(a) no Event of Default or other Triggering Event or an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 8 (*Events of Default*), become an Event of Default or other Triggering Event had occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and

(b) each of the Issuer and the Guarantor (in the case of the Guarantor) and the Company (in the case of the Company) has complied with all its obligations under the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Notes;

"**Guarantor Audited Financial Reports**" means the annual audited consolidated statement of financial position, statement of profit or loss and other comprehensive income and cash flows statement of the Guarantor and its Subsidiaries and statement of changes in equity of the Guarantor together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them;

"**Guarantor Unaudited Management Accounts**" means the semi-annual unaudited consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income of the Guarantor and its Subsidiaries together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them (if any);

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**IFRS**" means the International Financing Reporting Standards;

"**Independent Investment Bank**" means an independent investment bank of international repute (acting as an expert) selected by the Issuer (at the expense of the Issuer) and notified in writing to the Trustee;

"**Net Assets**" means total assets less total liabilities;

"**Permitted Security Interest**" means:

(a) any Security Interest on any property or asset existing at the time of acquisition of such property or asset or to secure the payment of all or any part of the purchase price or construction cost thereof or to secure any indebtedness incurred prior to, or at the time of, such acquisition or the completion of construction of such property or asset for the purpose of financing all or any part of the purchase price or construction cost thereof;

(b) any lien arising by operation of law;

(c) any Security Interest on any property or asset securing Relevant Indebtedness if (i) by the terms of such indebtedness it is expressly provided that recourse by the holders of such indebtedness is limited to the properties or assets of the issuer or the borrower and the revenues to be generated by the operation of, or loss of or damage to, such properties or assets, for repayment of the moneys advanced and payment of interest thereon and (ii) such indebtedness is not guaranteed by the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company; and

(d) any Security Interest on any property or asset of the Company, the Guarantor or any Principal Subsidiary of the Guarantor or the Company which is created pursuant to any securitisation, repackaging or like arrangement in accordance with normal market practice;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**PRC**" means the People's Republic of China, which, for the purposes of these Conditions, shall not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

"**PRC GAAP**" means the Accounting Standards for Business Enterprises in the PRC;

"**Principal Subsidiary**", with respect to the Guarantor or the Company, means any Subsidiary of the Guarantor or the Company (as the case may be) whose Net Assets or total revenue, as shown by the accounts of such Subsidiary, based upon which the latest audited consolidated financial statements of the Guarantor or the Company in the Company Audited Financial Reports or the Guarantor Audited Financial Reports (as the case may be) have been prepared and provided to the Trustee, are at least 5.0 per cent. of the Net Assets or total revenue (as the case may be) of the Guarantor or the Company (as the case may be) shown by such audited financial statements in the Company Audited Financial Reports or the Guarantor Audited Financial Reports (as the case may be), **provided that** if any such Subsidiary (the "**Transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to the Guarantor or the Company or another of their respective Subsidiaries (the "**Transferee**") then (1) if the whole of the business, undertaking and assets of the Transferor shall be so transferred, the Transferor shall thereupon cease to be a Principal Subsidiary and the Transferee (unless it is the Guarantor or the Company) shall thereupon become a Principal Subsidiary; and (2) if a substantial part only of the business, undertaking and assets of the Transferor shall be so transferred, the Transferor shall remain a Principal Subsidiary and the Transferee (unless it is the Guarantor or the Company) shall thereupon become a Principal Subsidiary;

Any Subsidiary which becomes a Principal Subsidiary by virtue of (1) above or which remains or becomes a Principal Subsidiary by virtue of (2) above shall continue to be a Principal Subsidiary until the earlier of the date of issue of (A) the first Company Audited Financial Reports or the Guarantor Audited Financial Reports (as the case may be) prepared as at a date later than the date of the relevant transfer which show the Net Assets or total revenue as shown by the accounts of such Subsidiary, based upon which such audited consolidated financial statements of the Guarantor or the Company in the Company Audited Financial Reports or the Guarantor Audited Financial Reports (as the case may be) have been prepared, to be less than 5.0 per cent. of the Net Assets or total revenue (as the case may be) of the Guarantor or the Company (as the case may be) as shown by such audited consolidated financial statements or (B) a report by the auditors of the Guarantor or the Company (as the case may be) dated on or after the date of the relevant transfer which shows the Net Assets or total revenue of such Subsidiary to be less than 5.0 per cent. of the Net Assets or total revenue (as the case may be) of the Guarantor or the Company (as the case may be). A certificate by the Guarantor or the Company (as the case may be) that a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

"**Rating Agency**" means any one of Moody's Investors Service, Inc., Fitch Ratings Limited or Standard & Poor's Ratings Services and their respective successors;

"**Regulatory Approvals**" means all necessary regulatory or governmental approvals, consents, licences, orders, permits, registrations, filings, clearances and any other authorisations from the relevant Approval Authorities;

"**Relevant Indebtedness**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities (a) which for the time being is, or is intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market, (b) which has an original maturity in excess of one year, (c) which is issued outside of the PRC, and (d) which does not have the benefit of credit enhancement through a standby letter of credit, bank guarantee or other similar arrangement or instrument from a commercial bank;

"**Relevant Period**" means (a) in relation to the Company Audited Financial Reports and the Guarantor Audited Financial Reports, each period of twelve months ending on the last day of their respective financial years (being 31 December of that financial year); (b) in relation to the Company Unaudited Management Accounts and the Guarantor Unaudited Management Accounts, each period of six months ending on the last day of their respective first half financial years (being 30 June of that financial year);

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**") whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person; and

"**Triggering Event**" means any of the following events:

(a) an Event of Default; or

(b) the failure by the Issuer or the Guarantor to provide the Trustee with a liquidity notice on or prior to the relevant liquidity notice date in accordance with the terms of the Deed of Asset Purchase Undertaking.

4. Interest

The Notes bear interest from [●] (the "**Issue Date**") at the rate of [●] per cent. per annum, (the "**Rate of Interest**") payable in arrear on [●] and [●] in each year (each, an "**Interest Payment Date**"), subject as provided in Condition 6 (*Payments*).

Each Note will cease to bear interest from the due date for redemption unless, upon surrender of the Note Certificate representing such Note, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

The amount of interest payable on each Interest Payment Date shall be U.S.$[●] in respect of each Note of U.S.$200,000 denomination and U.S.$[●] in respect of each U.S.$1,000 principal amount of the Notes. If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the Authorised Denomination of such Note divided by the Calculation Amount, where:

"**Calculation Amount**" means U.S.$1,000; and

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months).

5. Redemption and Purchase

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on [●], subject as provided in Condition 6 (*Payments*).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their principal amount, together with interest accrued to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

   (i) (A) the Issuer has or will become obliged to pay the Additional Amounts, as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, the Republic of Ireland, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after [●]; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

   (ii) (A) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay Additional Amounts as provided or referred to in Condition 7 (*Taxation*) or the Guarantee of the Notes (as the case may be) as a result of any change in, or amendment to, the laws or regulations of the Republic of Ireland, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after [●]; and (B) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it;

provided, however, that, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such Additional Amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee:

(A) a certificate signed by any director of the Issuer stating that the circumstances referred to in (i)(A) and (i)(B) above prevail and setting out the details of such circumstances or (as the case may be) a certificate signed by any director of the Guarantor stating that the circumstances referred to in (ii)(A) and (ii)(B) above prevail and setting out details of such circumstances; and

(B) an opinion in form and substance satisfactory to the Trustee of independent legal or tax advisers of recognised standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such Additional Amounts as a result of such change or amendment.

The Trustee shall be entitled to accept and rely upon such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (i)(A) and (i)(B) or (as the case may be) (ii)(A) and (ii)(B) above, in which event they shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 5(b) (*Redemption for tax reasons*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(b) (*Redemption for tax reasons*).

(c) *Redemption for Change of Control*: At any time following the occurrence of a Change of Control, the Issuer shall, at the option of the Holder of any Note (the "**Put Option**") redeem all but not some only of the Notes held by such Holder on the Put Settlement Date at a price equal to 101 per cent. of its principal amount together with interest accrued to such date. Following the occurrence of a Change of Control, the Issuer shall give notice to Noteholders and the Trustee in accordance with Condition 15 (*Notices*) by not later than seven days following the first day on which it becomes aware of the occurrence of a Change of Control, which notice shall specify the procedure for exercise by Noteholders of their rights to require redemption of the Notes pursuant to this Condition 5(c) (*Redemption for Change of Control*).

In order to exercise the Put Option, the Holder of a Note must, within 30 days (i) following a Change of Control or (ii) following (if later) the day upon which the Issuer gives such relevant notice to Noteholders in accordance with Condition 15 (*Notices*), deposit the Note Certificate relating to such Note with any Paying Agent together with a duly completed and signed notice of redemption (a "**Put Exercise Notice**") in the form obtainable from the Specified Office of any Paying Agent. The "**Put Settlement Date**" shall be the 14th day after the expiry of such period of 30 days as referred to above. No Note Certificate, once deposited with a duly completed Put Exercise Notice in accordance with this Condition 5(c) (*Redemption for Change of Control*), may be withdrawn; *provided*, *however*, *that* if, prior to the Put Settlement Date, the Notes evidenced by any Note Certificate so deposited become immediately due and payable or, upon due presentation of any Note Certificate on the Put Settlement Date, payment of the redemption moneys is improperly withheld or refused, such Note Certificate shall, without prejudice to the exercise of the Put Option, be returned to the Holder by uninsured first class mail (airmail if overseas) at the address specified by such Holder in the relevant Put Exercise Notice.

The Trustee and the Agents shall not be obliged to take any steps to ascertain whether a Change of Control has occurred or to monitor the occurrence of a Change of Control, and shall not be liable to any Noteholders or any other person for not so doing.

In this Condition 5(c),

a "**Change of Control**" occurs when:

(a) the Controlling Persons cease to Control the Company or the Guarantor; or

(b) the Guarantor ceases to, directly or indirectly, own or control 100 per cent. of the voting rights of the issued share capital of the Issuer; or

(c) the Company ceases to Control the Issuer or the Guarantor.

"**Control**" means (where applicable), with respect to a Person, (i) the ownership, acquisition or control of 51 per cent. or more of the voting rights of the issued share capital of such Person, whether obtained directly or indirectly or (ii) the right to appoint and/or remove a majority of the members of the Person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person;

"**Controlling Persons**" mean China Construction Bank Corporation ("**CCB Bank**") or its successor; and

a "**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

(d) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*) to (c) (*Redemption for Change of Control*) above, subject to applicable laws and regulations.

(e) *Purchase*: The Issuer, the Company, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.

(f) *Cancellation*: All Notes so redeemed or purchased by the Issuer, the Company, the Guarantor or any of their respective Subsidiaries may be held, reissued, resold or at the option of the Issuer, surrendered to the Principal Paying Agent for cancellation.

(g) *Calculations*: Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption and shall not be liable to the Noteholders or any other person for not doing so.

6. Payments

(a) *Principal*: Payments of principal shall be made by U.S. dollar cheque drawn on, or, upon application by a Holder of a Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment by transfer to a U.S. dollar account maintained by the payee with, a bank in New York City and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) *Interest*: Payments of interest shall be made by U.S. dollar cheque drawn on, or upon application by a Holder of a Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a U.S. dollar account maintained by the payee with, a bank in New York City and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

*Notwithstanding the foregoing, so long as the Global Note Certificate is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system, each payment in respect of the Global Note Certificate will be made to the person shown as the Holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(c) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an inter-governmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) *Payments on business days*: Where payment is to be made by transfer to a U.S. dollar account, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated and, where payment is to be made by U.S. dollar cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition 6 (*Payments*) arriving after the due date for payment or being lost in the mail. In this paragraph, "**business day**" means any day on which banks are open for general business in New York City and the place in which the Principal Paying Agent is located and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, in the place in which the Note Certificate is surrendered (or, as the case may be, endorsed).

(e) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(f) *Record date*: Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

7. Taxation

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands, the Republic of Ireland or the PRC or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. Where such withholding or deduction is made by the Issuer or the Guarantor as a result of the Issuer or the Guarantor (as the case may be) being deemed by PRC tax authorities to be a PRC tax resident at the rate of up to (and including) 10 per cent. (the "**Applicable Rate**"), the Issuer or the Guarantor (as the case may be) will pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

In the event that the Issuer or the Guarantor is required to make a deduction or withholding (i) in relation to interest amounts only, by or within the PRC in excess of the Applicable Rate; or (ii) in relation to all payments, by or within the Cayman Islands or the Republic of Ireland, the Issuer or the Guarantor (as the case may be) shall pay such additional amounts (in each case, the "**Additional Amounts**") as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note:

(a) held by a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note; or

(b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, this Directive; or

(c) held by a Holder who would have been able to avoid such withholding or deduction by arranging to receive the relevant payment through another Paying Agent in a member state of the European Union; or

(d) where (in the case of a payment of principal or interest on redemption) the relevant Note Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such Additional Amounts if it had surrendered the relevant Note Certificate on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received in New York City by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to principal or interest shall be deemed to include any Additional Amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*) or any undertaking given in addition to or in substitution of this Condition 7 (*Taxation*) pursuant to the Trust Deed.

If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than the Cayman Islands, the Republic of Ireland or the PRC, references in these Conditions to the Cayman Islands, the Republic of Ireland or the PRC shall be construed as references to the Cayman Islands, the Republic of Ireland, the PRC and/or such other jurisdiction.

8. Events of Default

If any of the following events occurs, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or pre-funded and/or secured to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality:

(a) *Non-payment*: default is made for more than seven days when payment is due (in the case of principal) or for more than 14 days in the payment of any interest due (in the case of interest) in respect of any of the Notes; or

(b) *Breach of other obligations*: the Issuer, the Guarantor or the Company defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the Guarantee of the Notes, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Trust Deed (other than the non-compliance of Clause 3 of the Deed of Asset Purchase Undertaking or where it gives rise to a redemption pursuant to Condition 5(c) (*Redemption for Change of Control*)) and such default (x) is incapable of remedy or (y) being a default which is capable of remedy remains unremedied for 45 days; or

(c) *Cross-acceleration of Issuer, Guarantor, Company or Principal Subsidiary*:

(i) any indebtedness of the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer, the Guarantor, the Company or (as the case may be) the relevant Principal Subsidiary or (*provided that* no event of default, howsoever described, has occurred) any person entitled to such indebtedness; or

(iii) the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor, the Company fails to pay when due any amount payable by it under any guarantee of any indebtedness;

provided that the amount of indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee referred to in sub-paragraph (iii) above, individually or in the aggregate, exceeds U.S.$50,000,000 (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgment*: one or more judgment(s) or order(s) for the payment of any amount exceeding U.S.$50,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company, such judgment continue(s) unsatisfied and unstayed for a period of 60 days after the date(s) thereof or, if later, the date therein specified for payment and no further appeal or judicial review from such judgment is permissible under applicable law; or

(e) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets or revenues of the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company; or

(f) *Insolvency, etc.*: (i) the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company or the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company, (iii) the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company takes any action for a readjustment or deferment of a substantial part of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of all or a substantial part of its indebtedness or any guarantee of all or a substantial part of its indebtedness given by it, in each case, except on terms approved by an Extraordinary Resolution of the Noteholders; or

(g) *Winding up, etc.*: (i) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company or (ii) the Issuer, the Guarantor, the Company or any Principal Subsidiary of the Guarantor or the Company ceases or threatens to cease to carry on all or a substantial part of its business except (A) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Noteholders, or (B) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Company, the Issuer, the Guarantor or any of their respective Principal Subsidiaries, or (C) a members' voluntary solvent winding-up of any Principal Subsidiary, or (D) in the case of a Principal Subsidiary, any disposal or sale of a Principal Subsidiary to any other person on arms' length terms for market consideration; or

(h) *Analogous event*: any event occurs which under the laws of the Cayman Islands, Hong Kong, the Republic of Ireland or the PRC has an analogous effect to any of the events referred to in paragraphs (d) (*Unsatisfied judgment*) to (g) (*Winding up, etc.*) above; or

(i) *Unlawfulness*: it is or will become unlawful for the Issuer, the Guarantor or the Company to perform or comply with any of their respective obligations under or in respect of the Notes, the Guarantee of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking; or

(j) *Guarantee, Keepwell and Liquidity Support Deed and Deed of Asset Purchase Undertaking*: the Guarantee of the Notes, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking is not (or is claimed by the Guarantor or the Company not to be) in full force and effect, or any of the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking is modified, amended or terminated other than in accordance with its terms or these Conditions.

9. Prescription

Claims for principal, premium and interest on redemption shall become void unless the relevant Note Certificates are surrendered for payment within ten years (in the case of principal or premium) or five years (in the case of interest) of the appropriate Relevant Date.

10. Replacement of Note Certificates

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

11. Trustee and Agents

Under the Trust Deed, the Trustee is entitled to be indemnified and/or pre-funded and/or secured to its satisfaction, as well as relieved from responsibility in certain circumstances and to be paid its fees, costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee and the Agents are entitled to enter into business transactions with the Issuer, the Guarantor, the Company and any entity relating to the Issuer, the Guarantor or the Company without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual Holders of Notes as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer, the Guarantor, the Company and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The initial Agents and their initial Specified Offices are listed below. The Issuer, the Guarantor and the Company reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor registrar or principal paying agent and additional or successor paying agents and transfer agents; *provided, however, that* the Issuer, the Guarantor and the Company shall at all times maintain (a) a principal paying agent and a registrar and (b) a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

12. Meetings of Noteholders, Modification and Waiver

(a) *Meetings of Noteholders*: The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer, the Guarantor and the Company (acting together) or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals (including any proposal (i) to change any date fixed for payment of principal or interest in respect of the Notes, (ii) to reduce the amount of principal or interest payable on any date in respect of the Notes, (iii) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, (iv) to change the currency of payments under the Notes, (v) to cancel or amend any of the rights or obligations of the Issuer, the Guarantor or the Company of the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking, (vi) to amend the terms of the Guarantee of the Notes, or (vii) to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of Noteholders holding not less than 90 per cent. of the aggregate principal amount of the outstanding Notes who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders or by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Noteholders.

(b) *Modification and waiver*: The Trustee may, without the consent of the Noteholders, agree (i) to any modification of these Conditions, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and (ii) to any modification of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement which is of a formal, minor or technical nature or is to correct a manifest error. In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and any such authorisation, waiver or modification shall be notified to the Noteholders by the Issuer as soon as practicable thereafter.

(c) *Directions from Noteholders*: Notwithstanding anything to the contrary in these Conditions or the Trust Deed, whenever the Trustee is required or entitled by the terms of these Conditions, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed or the Deed of Asset Purchase Undertaking to exercise any discretion or power, take any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction or certification, to seek directions from the Noteholders by way of an Extraordinary Resolution and shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction or certification where the Trustee is seeking such directions.

(d) *Certificates and reports*: The Trustee may rely without liability to Noteholders or to other person on a report, advice, opinion, confirmation or certificate from any lawyers, valuers, accountants (including the auditors, surveyors), financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Guarantor, the Company, the Trustee and the Noteholders.

13. Enforcement

The Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking or the Agency Agreement, but it shall not be bound to do so unless:

(a) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(b) it has been indemnified and/or pre-funded and/or secured to its satisfaction.

No Noteholder may proceed directly against the Issuer, the Guarantor or the Company unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

14. Further Issues

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time create and issue other series of Notes having the benefit of the Trust Deed, *provided that* (a) the Rating Agencies which have provided credit ratings in respect of the Notes have been informed of such issue and such issue will not result in any adverse change in the then credit rating(s) of the Notes and (b) such supplemental documents are executed and further opinions are obtained as the Trustee may require, as further set out in the Trust Deed.

15. Notices

Notices to the Noteholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

Until such time as any individual certificates are issued and so long as the Global Note Certificate is held in its entirely on behalf of Euroclear and Clearstream, Luxembourg any notice to the Noteholders shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

16. Governing Law and Jurisdiction

(a) *Governing law*: The Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement and any non-contractual obligations arising out of or in connection with the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement are governed by English law.

(b) *Jurisdiction*: Each of the Issuer, the Guarantor and the Company has in the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement (i) agreed for the benefit of the Trustee and the Noteholders that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking and the Agency Agreement); (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated a person in Hong Kong to accept service of any process on its behalf; and (iv) to the extent that it may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Global Note Certificate for the Notes contains provisions which apply to the Notes while they are in global form, some of which modify the effect of the Terms and Conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions.

The Notes will be represented by a Global Note Certificate which will be registered in the name of Citivic Nominees Limited as nominee for, and deposited with, a common depositary for Euroclear and Clearstream, Luxembourg.

Under the Global Note Certificate, the Issuer, for value received, will promise to pay the amount payable upon redemption under the Terms and Conditions of Notes represented by the Global Note Certificate to the Noteholder in such circumstances as the same may become payable in accordance with the Terms and Conditions.

The Global Note Certificate will become exchangeable in whole, but not in part, for Individual Note Certificates if (a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to permanently cease business or (b) any of the circumstances described in Condition 8 (*Events of Default*) occurs.

Whenever the Global Note Certificate is to be exchanged for Individual Note Certificates, such Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of that Global Note Certificate within five business days of the delivery, by or on behalf of the registered Noteholder of the Global Note Certificate, Euroclear and/or Clearstream, Luxembourg, to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Note Certificate at the Specified Office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of the Notes scheduled thereto and, in particular, shall be effected without charge to any Noteholder or the Trustee, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

In addition, the Global Note Certificate will contain provisions that modify the Terms and Conditions as they apply to the Notes evidenced by the Global Note Certificate. The following is a summary of certain of those provisions:

Payment Record Date: Each payment in respect of the Global Note Certificate will be made to the person shown as the Noteholder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

Exercise of put option: In order to exercise the option contained in Condition 5(c) (*Redemption for Change of Control*) (the "**Put Option**"), the Noteholder must, within the period specified in the Terms and Conditions for the deposit of the Global Note Certificate and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which the Put Option is being exercised. Any such notice shall be irrevocable and may not be withdrawn.

Notices: Notwithstanding Condition 15 (*Notices*), so long as the Global Note Certificate is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**"), notices to Noteholders represented by the Global Note Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or (as the case may be) such Alternative Clearing System.

DESCRIPTION OF THE KEEPWELL AND LIQUIDITY SUPPORT DEED AND THE DEED OF ASSET PURCHASE UNDERTAKING

The following contains summaries of certain key provisions of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. Such statements do not purport to be complete and are qualified in their entirety by reference to the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking. Capitalised terms used in this section shall have the meanings given to them in the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, as the case may be.

Control of the Guarantor; Ownership of the Issuer and Primary Overseas Platform

Pursuant to the Keepwell and Liquidity Support Deed:

(i) the Company will undertake to procure the Guarantor to, and the Guarantor will undertake to, directly or indirectly own and hold 100 per cent. of the legal and beneficial title to all the outstanding shares of the Issuer;

(ii) the Company will undertake to procure CCB (or its successor) to Control each of the Company and the Guarantor;

(iii) the Company will undertake to Control each of the Guarantor and the Issuer;

(iv) each of the Company and the Guarantor will undertake to procure that the title, rights and interests in the shares of the Issuer are not pledged or in any way encumbered other than in accordance with the Notes; and

(v) the Company will undertake to procure that the title, rights and interests in the shares of the Guarantor are not pledged or in any way encumbered other than in accordance with the Notes.

In these undertakings, "**Control**" means (where applicable), with respect to an entity, (i) the ownership, acquisition or control of 51 per cent. or more of the voting rights of the issued share capital of such entity, whether obtained directly or indirectly or (ii) the right to appoint and/or remove a majority of the members of the entity's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such entity.

Pursuant to the Keepwell and Liquidity Support Deed, the Company will undertake with the Issuer, the Guarantor and the Trustee that it shall maintain the Guarantor as a primary overseas leasing platform of the Company for its offshore leasing business.

Maintenance of Consolidated Net Worth and Liquidity

Pursuant to the Keepwell and Liquidity Support Deed:

(i) each of the Company and the Guarantor will undertake to procure the Issuer to have a Net Worth of at least U.S.$1 at all times;

(ii) the Company will undertake to procure the Guarantor to, and the Guarantor will undertake to, have a Consolidated Net Worth of at least U.S.$1 at all times;

(iii) each of the Company and the Guarantor will undertake to procure the Issuer to have sufficient liquidity to make timely payment of any amounts payable by it under or in respect of the Notes in accordance with the Terms and Conditions of the Notes and/or the Trust Deed and/or the Agency Agreement;

(iv) each of the Company and the Guarantor will undertake to procure the Issuer to remain solvent and a going concern at all times under the laws of its jurisdiction of incorporation or applicable accounting standards so long as any Note is outstanding;

(v) the Company will undertake to procure the Guarantor to have sufficient liquidity to make timely payment of any amounts payable by it under or in respect of the Notes in accordance with the Terms and Conditions of the Notes and/or the Trust Deed and/or Agency Agreement; and

(vi) the Company will undertake to procure the Guarantor to remain solvent and a going concern at all times under the laws of its jurisdiction of incorporation or applicable accounting standards so long as any Note is outstanding.

In these undertakings, "**Net Worth**" means, in respect of the Issuer, the excess of the total assets of the Issuer over the total liabilities of the Issuer, each of "total assets" and "total liabilities" to be determined in accordance with the applicable accounting standards, and "**Consolidated Net Worth**" means, in respect of the Guarantor, the excess of the total assets of the Guarantor and its consolidated Subsidiaries over the total liabilities of the Guarantor and its consolidated Subsidiaries, each of "total assets" and "total liabilities" to be determined in accordance with IFRS consistently applied (which may be based upon internal management accounts).

Negative Pledge

Pursuant to the Keepwell and Liquidity Support Deed, so long as any of the Notes remain outstanding, the Company will undertake to the Trustee not to, and to procure its Principal Subsidiaries not to, create or permit to subsist any Security Interest (save for Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness (as defined in the Terms and Conditions of the Notes) or guarantee or indemnity in respect of Relevant Indebtedness (as defined in the Terms and Conditions of the Notes) without at the same time or prior thereto (A) securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

Relevant Indebtedness

So long as any of the Notes remain outstanding, the Company will undertake not to create or incur any Relevant Indebtedness or any guarantee or indemnify in respect thereof unless the Company at the same time or prior thereto:

(i) provides an unsubordinated guarantee or indemnity in respect of the Notes; or

(ii) offers to exchange the Notes for securities issued or guaranteed by the Company with terms substantially identical to those of the Notes as certified by an Independent Investment Bank,

provided that if Regulatory Approvals are required in order to effect the relevant action, the Company shall be required to use all reasonable efforts to obtain all requisite Regulatory Approvals, *provided further that*, if, having used such efforts, it is unable to obtain such Regulatory Approvals, the Company shall be permitted to create or have such Relevant Indebtedness or a guarantee (or indemnity the economic effect of which shall be similar to a guarantee) in respect of such Relevant Indebtedness, without complying with any further obligations.

Other Undertakings

Pursuant to the Keepwell and Liquidity Support Deed, for so long as the Notes are outstanding:

(i) each of the Company, the Guarantor and the Issuer will undertake to promptly take any and all action necessary to comply with their respective obligations under the Keepwell and Liquidity Support Deed;

(ii) the Company will undertake to procure the Issuer and the Guarantor to remain in full compliance with the Terms and Conditions of the Notes, the Trust Deed, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking, the Agency Agreement and all applicable rules and regulations in Hong Kong, the PRC and England;

(iii) the Company will undertake to ensure that each of the Issuer and the Guarantor has sufficient funds to meet its obligations with respect to its respective payment obligations under the Notes, the Guarantee of the Notes and the Trust Deed;

(iv) the Company will undertake to procure that the articles of association of each of the Issuer and the Guarantor shall not be amended in a manner that is, directly or indirectly, materially adverse to Noteholders;

(v) the Company will undertake to procure that, save with the approval of an Extraordinary Resolution, the Issuer shall not conduct any business or any activities other than the issue of the Notes and the on-lending of the proceeds thereof, and any other activities reasonably incidental thereto.

Obligation to Acquire Assets

Pursuant to the Deed of Asset Purchase Undertaking, in the event that a Triggering Event has occurred, upon the receipt of a written Purchase Notice provided by the Trustee in accordance with the Trust Deed, the Company will agree that it shall purchase (either by itself or through a Subsidiary of the Company as designated by it (the "**Designated Purchaser**")) (the "**Purchase**") and each of the Guarantor and the Issuer agrees that it shall sell (or procure any of its Subsidiaries to sell) to the Company:

(i) the Assets held by (in the case of the Guarantor) the Guarantor and/or any Subsidiary of the Guarantor and (in the case of the Issuer) the Issuer and/or any Subsidiary of the Issuer, as designated by the Guarantor and/or the Issuer (as the case may be) and notified in writing to the Trustee within seven Business Days after the date of the Purchase Notice; and

(ii) in the absence of a designation and notification within seven Business Days after the date of the Purchase Notice from the Trustee, all the Assets held by each of the Guarantor and the Issuer and their Subsidiaries,

(each such designated entity (in the case of (i) above) or each of the Guarantor and the Issuer and their Subsidiaries (in the case of (ii) above), a "**Relevant Transferor**") at the Purchase Price (as defined below) on the relevant Purchase Closing Date on the terms set out in the Deed of Asset Purchase Undertaking and the relevant Asset Purchase Agreement (as defined below).

The obligations to acquire assets set out in the Deed of Asset Purchase Undertaking shall be suspended if, the Company, the Guarantor and the Issuer receive a notice in writing from the Trustee (a "**Suspension Notice**") stating that any of the following events has occurred (each a "**Suspension Event**"):

(i) the Trustee (a) has received a notice in writing from the Principal Paying Agent under the Notes that all of the payment obligations of the Issuer in respect of any principal, premium and interest under the Notes have been satisfied in full and (b) is satisfied that all amounts due and payable to the Trustee under the Trust Deed have been satisfied in full; or

(ii) in the event of a Liquidity Notice Failure Event, the Trustee (a) has received a notice in writing from the Principal Paying Agent that the payment obligations of the Issuer and/or the Guarantor in respect of any principal, premium and interest under the Notes and the Guarantee of the Notes due on the Interest Payment Date immediately following the relevant Liquidity Notice Date (being the date falling 30 days before each interest payment date) together with any default interest due as at the date of the notice from the Principal Paying Agent have been satisfied in full and (b) is satisfied that all amounts due and payable to the Trustee under the Trust Deed as at the date of the notice from the Principal Paying Agent have been satisfied in full; or

(iii) in the event of an Event of Default where a Purchase Notice has been given, such Event of Default has been waived by the Trustee acting on the instructions of the Noteholders by Extraordinary Resolution.

The Suspension Notice shall be provided by the Trustee to the Company, the Guarantor and the Issuer within four Business Days after the Business Day on which a Suspension Event occurs.

Determination of Purchase Price

Within seven Business Days after the date of the Purchase Notice, the Company shall determine in accordance with any applicable laws and regulations effective at the time of determination (i) the purchase price of the Relevant Asset(s) in U.S. dollars (the "**Purchase Price**"); and (ii) the other applicable terms relating to the Purchase which shall not conflict with the Company's obligations in the Deed of Asset Purchase Undertaking, *provided that* the Purchase Price shall be no less than the Relevant Amount.

If the Triggering Event is a Liquidity Notice Failure Event, Relevant Amount shall be an amount in U.S. dollars that is no less than the amount sufficient to enable the Issuer to meet its payment obligations under or in respect of the Notes in accordance with the Terms and Conditions of the Notes and/or the Trust Deed on the immediately next Interest Payment Date, together with all costs, fees, expenses and other amounts payable to the Trustee and/or the Agents under or in connection with the Notes, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and/or this Deed as at the date of such Purchase Notice plus provisions for fees, costs, expenses and other amounts which may be incurred after the date of the Purchase Notice, as notified by the Trustee in the Purchase Notice, or if the Triggering Event is an Event of Default, Relevant Amount shall be an amount in U.S. dollars that is no less than the amount sufficient to enable the Issuer to discharge in full its obligations under the Notes and the Trust Deed (including without limitation the payment of the principal amount of the Notes then outstanding as at the date of the Purchase Notice and any interest due and unpaid and/or accrued but unpaid on the Notes up to but excluding the Purchase Closing Date), together with all costs, fees, expenses and other amounts payable to the Trustee and/or the Agents under or in connection with the Notes, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and/or this Deed as at the date of such Purchase Notice plus provisions for fees, costs, expenses and other amounts which may be incurred after the date of the Purchase Notice, as notified by the Trustee in the Purchase Notice.

Closing

The Company undertakes to the Trustee that within 30 days after the date of the Purchase Notice:

(i) it shall (or shall procure the Designated Purchaser to), and shall procure each Relevant Transferor to, execute, an asset sale agreement (the "**Asset Purchase Agreement**");

(ii) it shall procure the transfer of the Relevant Assets to it or the Designated Purchaser; and

(iii) it shall make payment (or procure the payment by the Designated Purchaser) to or to the order of each Relevant Transferor the Purchase Price payable in immediately available funds in US dollars to such account as may be designated by such Relevant Transferor and notified in writing to the Trustee,

provided if the Trustee receives an opinion of a PRC counsel of recognised international standing in form and substance satisfactory to the Trustee stating that under applicable PRC law as at the date of the opinion, approvals, consents, clearances or other authorisations of a PRC government authority is required for the purchase of any Relevant Asset under the Deed of Asset Purchase Undertaking, the Company undertakes to use its reasonable endeavours to obtain such approval, clearance or other authorisation and complete the completion of the Purchase within six months from the date of the Purchase Notice.

PRC counsel to the Issuer, the Guarantor and the Company have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking would be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including but not limited to NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC (中華人民共和國海關總署), are required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company should register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined in the Deed of Asset Purchase Undertaking) required under the PRC laws.

Use of Proceeds

Pursuant to the Deed of Asset Purchase Undertaking:

(i) the Guarantor will undertake to the Trustee that it shall procure each Relevant Transferor that is not the Issuer or the Guarantor to promptly on-lend or otherwise transfer any payment (each an "**On-Loan**") received pursuant to Clause 2 of the Deed of Asset Purchase Undertaking to the Issuer or the Guarantor (as the case may be) and shall procure the Issuer (as applicable) to promptly apply all proceeds from each On-Loan towards satisfying its obligations under the Notes and the Trust Deed;

(ii) each of the Guarantor and the Issuer will undertake to take all actions necessary for the proceeds received from each On-Loan towards the payment in full of any outstanding amounts as they fall due under the Trust Deed and the Notes (including any interest accrued but unpaid on the Notes); and

(iii) each of the Issuer, the Guarantor and the Company agrees that all obligations of the Issuer or the Guarantor owing to a Relevant Transferor (as the case may be) under each On-Loan shall be subordinated to sums payable and all obligations owing to the Trustee and the Noteholders by the Issuer or the Guarantor (as the case may be) whether present or future, actual or contingent, and all claims, rights, damages, remedies and/or proceeds in respect of any or all of the foregoing.

Neither the Keepwell and Liquidity Support Deed nor the Deed of Asset Purchase Undertaking is, and nothing therein contained and nothing done pursuant thereto by the Company shall be deemed to constitute, or shall be construed as, or shall be deemed an evidence of, a guarantee by or any similar legal binding obligation of the Company of the payment of any obligation, responsibilities, indebtedness or liability, of any kind or character whatsoever, of the Issuer or the Guarantor under the laws of any jurisdiction, including the PRC.

In order for each of the Issuer, the Guarantor and the Company to comply with their respective obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, the Issuer, the Guarantor and/or the Company may require Regulatory Approvals. The Company undertakes to use its reasonable efforts to obtain such Regulatory Approvals within the time stipulated by the relevant Approval Authorities, if applicable.

A certificate signed by a director or authorised signatory of the Company as to the fact stating that the Company has used reasonable efforts to fulfil its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, but having used such endeavours, it has not been able to fulfil its obligations under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and setting forth a statement of facts showing such endeavours, together with any evidence or records of communication, filings and/or submissions supporting such endeavours, and an opinion of a PRC counsel of recognised international standing, stating the applicable Regulatory Approvals under the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and, where applicable, setting out the legal analysis as to why these cannot be obtained or are not reasonably achievable under the applicable PRC laws and regulations, shall be *prima facie* evidence of that fact.

The Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking, as to which time shall be of the essence, shall be governed by and construed in accordance with English law. The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

CAPITALISATION AND INDEBTEDNESS

Capitalisation and Indebtedness of the Company

The following table sets forth the capitalisation of the Company, on a consolidation basis, as at 31 December 2014 and as adjusted to give effect to the issue of the Notes before deduction of any fees, commissions and expenses. The table should be read in conjunction with the financial statements and the accompanying notes included in this Offering Circular.

	As at 31 December 2014			
	Actual		As adjusted	
	(RMB'000)	*(U.S.$'000)*	*(RMB'000)*	*(U.S.$'000)*
Debt:(1)				
Borrowings from banks	65,355,728	10,533,771	65,355,728	10,533,771
Notes to be issued(2)	–	–	[●]	[●]
Total debt	**65,355,728**	**10,533,771**	**[●]**	**[●]**
Equity:				
Paid-in capital	4,500,000	725,292	4,500,000	725,292
Other comprehensive income	(81)	(13)	(81)	(13)
Surplus reserve	190,887	30,766	190,887	30,766
General reserve	931,077	150,067	931,077	150,067
Retained earnings	597,979	96,380	597,979	96,380
Total equity(3)	**6,219,862**	**1,002,492**	**6,219,862**	**1,002,492**
Total capitalisation	**71,575,590**	**11,536,263**	**[●]**	**[●]**

(1) The Company Group has incurred additional borrowings in the ordinary course of business since 31 December 2014. As at 30 June 2015, the amount of borrowings from banks of the Company Group was RMB85.7 billion.

(2) Refers to the aggregate principal amount of the Notes before deducting the commissions and estimated offering expenses. This amount has been translated into U.S. dollars for convenience purpose at a rate of U.S.$1.00 to RMB6.2044.

(3) The Company received capital injection of RMB3.5 billion from CCB in February 2015, as at the date of this Offering Circular, the Company's share capital is RMB8 billion.

Except as otherwise disclosed above, there has been no material adverse change in the total capitalisation and indebtedness of the Company Group on a consolidation basis since 31 December 2014 up to the date of this Offering Circular.

Capitalisation and Indebtedness of the Guarantor

The following table sets forth the capitalisation of the Guarantor, on a consolidation basis, as at 31 May 2015 and as adjusted to give effect to the issue of the Notes before deduction of any fees, commissions and expenses. The table should be read in conjunction with the financial statements and the accompanying notes included in this Offering Circular.

	As at 31 May 2015	
	Actual	**As adjusted**
	(U.S.$'000)	
Non-current liabilities:		
Loans and borrowings	250,000	250,000
Securities deposit	4,623	4,623
Notes to be issued	–	[●]
Total non-current liabilities	**254,623**	**[●]**
Equity:		
Share capital	–	–
Retained earnings	1,718	1,718
Total equity	**1,718**	**1,718**
Total capitalisation	**256,341**	**[●]**

There has been no adverse material change in the total capitalisation and indebtedness of the Guarantor Group, on a consolidation basis, since 31 May 2015.

DESCRIPTION OF THE ISSUER

Formation

CCBL (Cayman) Corporation Limited is an exempted company incorporated with limited liability under the Companies Law (2013 Revision) of the Cayman Islands. It was incorporated in the Cayman Islands on 23 June 2015 under registration number 301206. The Issuer expects to become tax resident in Ireland. Its registered office is at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

Business Activity

The Issuer was established with unrestricted objects as set out in its memorandum of association and the Issuer has full power and authority to carry out any object not prohibited by law. The Issuer does not sell any products or provide any services and it has undertaken no business activities since the date of its incorporation, other than those incidental to its incorporation and establishment and those incidental to the issue of the Notes.

Financial Statements

Under Cayman Islands law, the Issuer is not required to publish interim or annual financial statements. The Issuer has not published, and does not propose to publish, any financial statements. The Issuer is, however, required to keep proper books of account as are necessary to give a true and fair view of the state of the Issuer's affairs and to explain its transactions.

Directors and Officers

The Directors of the Issuer are Neil Fleming, Brian Goulding and Shuguang Mi and each of their business addresses are c/o 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland. The Issuer does not have any employees and has no subsidiaries.

Share Capital

Under its memorandum of association the Issuer has a share capital of U.S.$50,000 with a nominal or par value of U.S.$1.00 each and one share has been issued to and held by the Guarantor.

No part of the equity securities of the Issuer is listed or dealt in on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought.

As at the date of this Offering Circular, the Issuer does not have any debt outstanding.

DESCRIPTION OF THE GUARANTOR

Overview

The Guarantor is a single member private company limited by shares incorporated on 9 September 2014 under the laws of Ireland. The Guarantor's issued share capital is indirectly wholly owned by CCB International (Holdings) Limited ("**CCBI**"). As at the date of this Offering Circular, the authorised share capital of the Guarantor is U.S.$100,000,000, divided into 100,000,000 ordinary shares of U.S.$1.00 each, and the issued share capital of the Guarantor is U.S.$1.00. The Guarantor's registered office is at 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland. None of the Guarantor's equity securities is listed or dealt with on any stock exchange.

Although the Guarantor's issued share capital is not owned by the Company Group and the financial statements of the Guarantor Group are not consolidated into the Company Group's consolidated financial statements, the Guarantor Group is managed and operated by the Company through a memorandum between the Company and CCBI and a service agreement between the Company and the Guarantor. One director is appointed by the Company and the other two directors are appointed by the Company's shareholder. The Guarantor Group is the offshore leasing platform of the Group and its principal activity is the purchase, sale, leasing and subleasing of aircraft.

Business Operations

As at 31 May 2015, the Guarantor was the holding company for two subsidiary companies, both incorporated under the laws of Ireland. The Guarantor owns six aircraft through these subsidiaries. The Guarantor believes that most of these aircraft are popular commercial jets which are in high demand. The following table sets forth the types and numbers of aircraft owned or managed by the Guarantor Group as at 31 May 2015:

Type of Aircraft Owned by the Guarantor Group	Quantity
Embraer E195	2
Airbus A319	1
Airbus A320	1
Boeing B737-800	2

These aircraft are leased to Azul Linhas Aereas Brasileiras, Air China, China Eastern Airlines, Shanghai Airlines and Sichuan Airlines as at 31 May 2015.

The Guarantor Group finances the acquisition and maintenance of its aircraft through bank financing. As at 31 May 2015, the Guarantor Group received approximately U.S.$300 million of credit line (of which U.S.$150 million was drawn) from Deutsche Bank. The Guarantor Group also receives support from CCB in the form of loans. As at 31 May 2015, the balance provided by CCB to the Guarantor Group was U.S.$100 million.

Directors, Management and Operating Structure

As at the date of this Offering Circular, the Guarantor has three directors and none of the directors holds any shares, or options to acquire any shares, of the Guarantor. The directors of the Guarantor are Shuguang Mi, Brian Goulding and Neil Fleming.

The Guarantor engages local Irish professional services firms to complete its accounting functions, while the Guarantor Group's business operations receive various administrative support from the Company.

Financial Information

The summary audited consolidated financial information of the Guarantor as at 31 May 2015 and for the period from 9 September 2014 (date of its incorporation) to 31 May 2015 has been derived from the Guarantor Audited Financial Statements, which have been audited by PricewaterhouseCoopers Ireland and included elsewhere in this Offering Circular. The information set out below should be read in conjunction with, and is qualified in its entirety by reference to, Guarantor Audited Financial Statements and, including the notes thereto, included elsewhere in this Offering Circular.

The Guarantor Audited Financial Statements are not the statutory financial statements of the Guarantor. They were prepared by the directors of the Guarantor solely for the purpose of the offering of the Notes.

The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position included in the Guarantor Audited Financial Statements have been prepared in accordance with IFRS. However, certain disclosures required to be made in accordance with IFRS (including, but not limited to, cash flow statement and related party transactions) have not been made in the Guarantor Audited Financial Statements. Therefore, the Guarantor Audited Financial Statements do not and are not intended to comply with all the requirements of IFRS as adopted by the European Union.

The accounting policies used by the directors of the Guarantor in preparation of the Guarantor Audited Financial Statements are set out in note 2 "Accounting Policies" to the Guarantor Audited Financial Statements. See "*Notes to the Consolidated Financial Statements – Accounting Policies*" on F-328 of this Offering Circular.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	9 September 2014 to 31 May 2015
	(U.S.$)
REVENUE	
Operating lease revenue	4,256,224
EXPENSES	
Administrative expenses	(426,770)
Depreciation	(1,582,420)
OPERATING PROFIT	2,247,034
Finance income	1,153,603
Finance expense	(1,437,482)
NET FINANCE COSTS	283,879
PROFIT BEFORE INCOME TAX	1,963,155
Deferred tax expense	(245,394)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	1,717,761
Other comprehensive income	–
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,717,761

Consolidated Statement of Financial Position

	As at 31 May 2015
	(U.S.$)
ASSETS	
NON-CURRENT ASSETS	
Aircraft	209,919,383
	209,919,383
CURRENT ASSETS	
Cash and cash equivalents	13,128,566
Trade and other receivables	45,869,633
Unamortised arrangement fees	1,659,751
	60,657,950
	270,577,333
TOTAL ASSETS	
EQUITY AND LIABILITIES	
EQUITY	
Share capital	–
Retained earnings	1,717,761
TOTAL EQUITY	1,717,761
LIABILITIES	
NON-CURRENT LIABILITIES	
Loans and borrowings	250,000,000
Security deposit	4,623,234
	254,623,234
CURRENT LIABILITIES	
Loans and borrowings	–
Interest payable	2,389,777
Operating lease income prepaid	2,564,206
Trade and other payables	9,036,961
Deferred tax liability	245,394
	14,236,338
TOTAL LIABILITIES	268,859,572
TOTAL EQUITY AND LIABILITIES	270,577,333

DESCRIPTION OF THE GROUP

Overview

The Group is one of the leading financial leasing companies in the PRC. The Company is one of the core subsidiaries and only financial leasing platform of CCB. With the strong support from the parent bank, the Company has grown rapidly since its incorporation in 2007, and has become one of the top ten companies in the PRC leasing industry in terms of total assets, registered share capital and new lease investments. The Company Group had total assets of RMB77.1 billion as at 31 December 2014, and total operating income of RMB1.5 billion for the year ended 31 December 2014. According to survey data compiled by the China Banking Association – Financial Leasing Committee (中國銀行業協會金融租賃專業委員會), for the year ended 31 December 2014, the Company ranked fifth in terms of new lease investment amongst the 30 financial leasing companies under the supervision of the CBRC.

As the sole leasing platform of CCB, the Group has a diversified leasing business portfolio covering a wide range of industries, including rail transit, road transport, power equipment, aviation, shipping, medical equipment and education and others, such as manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

- Rail transit – Rail transit leasing is one of the Group's core business and the key area of focus for development. The Group provides mid- to long-term leases of rail transit structures, such as metro tunnel links and platforms, and trains to its customers, which are mostly state-owned PRC enterprises with high credit ratings. As at 31 December 2014, through CCB's customer networks, the Group has provided finance lease services for rail transit facilities in 10 provinces and municipalities in the PRC.

- Road – The Group's road leasing business focuses on highway leases and benefits greatly from the rapid growth of the road transport industry in the PRC. As at 31 December 2014, the Group provided mid- to long-term road leasing services for highway projects located in 9 provinces in the PRC.

- Power equipment – The Group believes that it has traditionally enjoyed a competitive advantage in the power equipment industry. The Group provides mid- to long-term leases of power generation equipment and power stations to its customers, which are mainly the five largest power generation companies in the PRC.

- Aviation – The Group commenced its aviation leasing business in 2012 and since has been expanding both its domestic and offshore aviation leasing operations. The Company Group's customers are domestic PRC airlines and the Guarantor Group's customers include both international and domestic clients. As at 31 December 2014, the Company Group owned a fleet of 36 aircraft in the PRC.

- Shipping – The Group leases a range of vessels including bulk carriers, cutter suction dredgers, liquefied gas carriers and tugboats. As at 31 December 2014, the Group owned and leased 11 vessels.

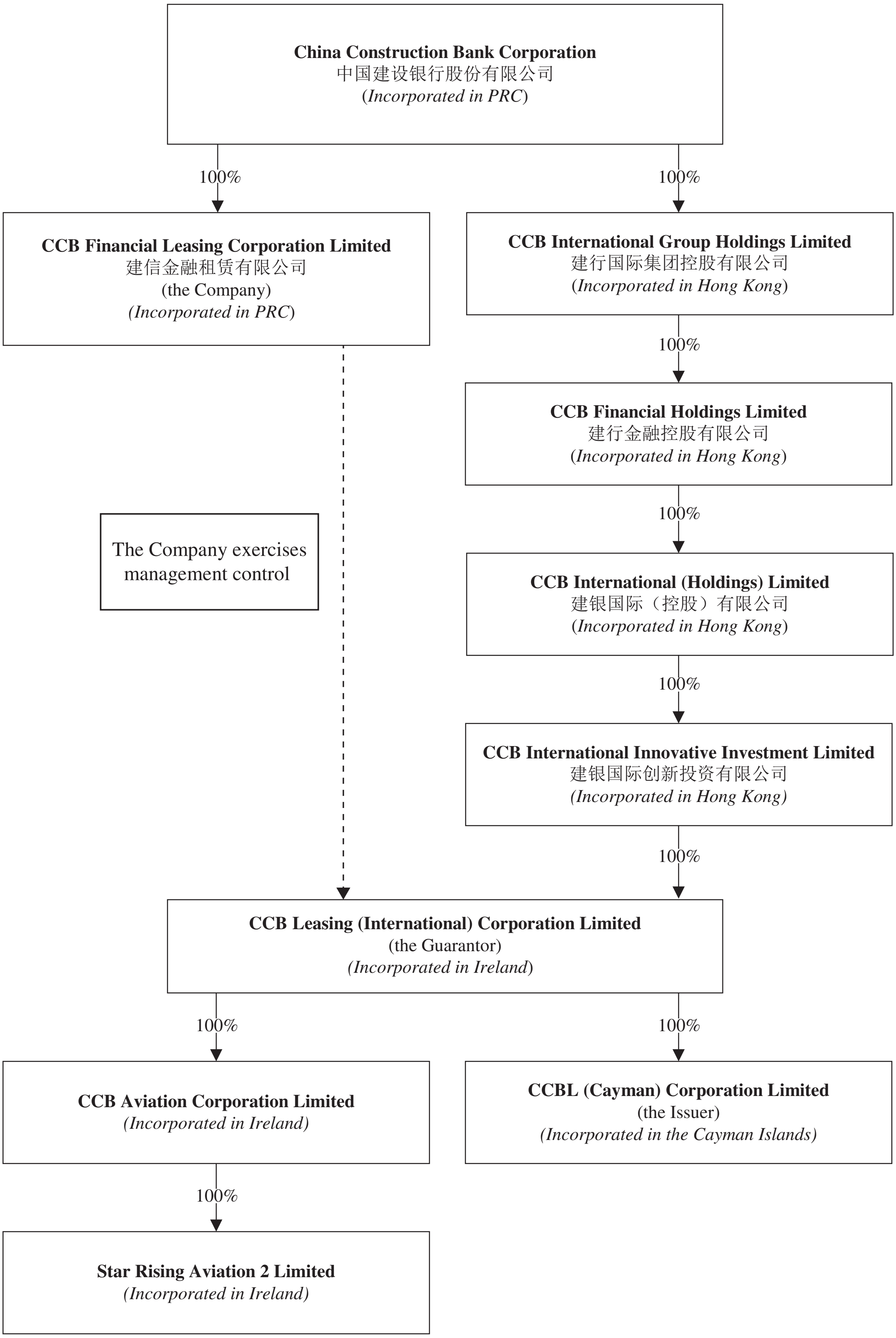
- Medical equipment and education – The Group also provides leasing services to municipal public hospitals and educational institutions with good credit profile.

- Others – Through CCB's extensive presence and network in the PRC, the Group also leases equipment for a variety of industries, including manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

As at 31 December 2014, the Company had 41 wholly-owned special purpose vehicles ("**SPV**") (one of which is based in Beijing, ten of which are based in Shanghai and 30 of which are based in Tianjin) engaging in aviation and ship leasing business in the PRC.

For the years ended 31 December 2013 and 2014, the Company Group's total operating income was approximately RMB1.1 billion and RMB1.5 billion, respectively, and the Company Group's net profit for the corresponding years was approximately RMB377.5 million and RMB505.1 million, respectively. As at 31 December 2013 and 2014, the Company Group had total assets of approximately RMB51.2 billion and RMB77.1 billion, respectively.

The diagram below shows the simplified organisational structure of the Company, the Guarantor and CCB.



History of the Company

The Company was incorporated in December 2007 with registered capital of RMB4.5 billion. At the time of incorporation, the Company was the only PRC financial leasing firm jointly founded with a non-PRC commercial bank, with 75.1 per cent. of its interest held by CCB and the remaining 24.9 per cent. interest held by Bank of America. In March 2008, the Company signed a sale-leaseback agreement with Huaneng

Lancang River Hydropower. With total financing amount of RMB1.43 billion, it was then the largest transaction for a single leasing contract independently designed and executed in the market in the PRC. In August 2009, the Company began to engage in interbank borrowing and lending in the PRC interbank offering market. In 2010, it set up its SPVs in Beijing and Tianjin Tariff Free Zone ("**TFZ**"). In November 2012, with approval from CBRC, CCB acquired the 24.9 per cent. interest in the Company from Bank of America and the Company became a wholly-owned subsidiary of CCB.

In February 2015, CCB completed a RMB3.5 billion capital injection into the Company. As a result, the Company's share capital has increased to RMB8 billion as at the date of this Offering Circular.

Industry Overview

Recent Development in the Global Leasing Industry

Despite the adverse impact of the global financial crisis in 2008 and 2009, since the second half of 2010, the international financial leasing industry has shown signs of robust recovery as the number of new leasing projects increased, the amount of bad debt declined from its peak and profits stabilised. According to a survey conducted by the White Clarke Group (the "**2015 White Clarke Global Leasing Report**"), there was a remarkable rebound in the industry in 2011 where new business volumes increased by 20 per cent.; in the subsequent year, 2012, the industry also grew by a respectable 9 per cent. The sentiment in the aviation leasing industry has improved as asset valuations have recovered and airline companies have returned to profitability. In the shipping industry, the supply of container ships remains stable while the volume of dry bulk carriers and oil tankers has experienced a substantial increase in volume. The industry associations in Germany, England and France have indicated a similar upward trend. Three regions, North America, Europe and Asia, represent close to 96 per cent. of world leasing market volume, with Asia representing U.S.$177.3 billion, or 20.1 per cent., of the global market volume in 2013. The performance of the leasing industry in Asia is dominated by the PRC market. Despite the economic growth in the PRC contracting to 7.7 per cent. per annum in 2013, the leasing sector enjoyed a year-on-year growth of 61 per cent. over the previous five years according to the 2015 White Clarke Global Leasing Report. The table extracted from the 2015 White Clarke Global Leasing Report below shows the top 10 countries categorised by annual lease volume, market penetration rate and growth rate as at the end of 2013.

Ranking	Country	Annual Volume (U.S.$bn)	% Growth 2012-2013	% Market Penetration
1	US	317.88	8.00	22.0
2	China (People's Republic)	88.90	-2.59	3.1
3	Germany	71.31	-0.33	16.6
4	UK	69.79	12.61	31.0
5	Japan	67.26	30.00	9.8
6	France	34.31	-2.88	12.5
7	Russia	25.22	0.39	N/A
8	Sweden	20.82	-2.57	24.4
9	Italy	18.93	-0.27	9.4
10	Canada	12.47	8.00	32.0

In developing countries, the leasing industry is generally regarded as a "sunrise industry". Alongside bank credit and capital markets, leasing is one of the three key financial instruments that play an important role in the nation's economic development. The leasing industry in the PRC started in the early 1980s, but the industry had grown at a relatively slow pace before 2007. Since 2007, due to the huge demand driven by the PRC economic development, and the promulgation of new laws, regulations and favourable policies (such as accounting standards and taxation), the PRC leasing industry has entered a stage of rapid development. Especially in the last three years, the social recognition of leasing has greatly increased, and the role of leasing in the economic development of the country has been fully recognised and supported by the PRC government. Together with the relaxation of market access, the entry of new capital and the growth of market size, the industry has entered a new growth phase.

Growth in the PRC Market

The PRC's economic growth and consumer demand for leasing products have been and are likely to continue to be key drivers for growth in the leasing industry, which has experienced rapid development in the PRC in recent years. The market penetration, defined as leasing volume divided by fixed investment in plant and equipment, of the domestic leasing industry in the PRC was 3.1 per cent. in 2013, far lower than that of many developed nations. For example, the penetration rates of the leasing industry in Canada, the United Kingdom and the United States were reported to be 32.0 per cent., 31.0 per cent. and 22.0 per cent. in 2013, respectively, according to the 2015 White Clarke Global Leasing Report, indicating room for further development of the leasing industry in the PRC.

At the same time, an improved social and policy environment has led to development of the leasing industry in the PRC. First, the urbanisation of the PRC, the continued growth of fixed asset investment, recovery of equipment and import and export provide a solid foundation for leasing. Second, there is greater awareness of the leasing industry with more businesses utilising leases to make fixed-asset purchases. Third, the policy environment has improved. For example, since 2007, certain qualified financial institutions have been permitted to invest in or establish financial leasing companies. The CBRC promulgated the Measures on Financial Leasing Companies (Order of CBRC [2014] No. 3) (the "**Measures on Financial Leasing Companies**") in March 2014, which provides more comprehensive protection for the rights and obligations of the respective parties in a leasing transaction and allows more financial institutions to participate in the financial leasing industry. Furthermore, the PRC State Council, the State General Administration of Customs, SAT, CBRC, MOF and MOFCOM have all promulgated new regulations aimed at overcoming regulatory impediments that have traditionally hindered the development of the leasing industry. These reforms and further liberalisation of the leasing industry have given the industry a sound basis for further growth.

Financial Leasing Companies in the PRC

Leasing companies in the PRC can be broadly divided into three types, according to their regulatory reporting lines: (i) non-bank financial leasing companies that are approved and regulated by the CBRC; (ii) foreign-invested leasing companies that are approved and regulated by the Ministry of Commerce ("**MOC**") or provincial MOC authorities; and (iii) certain pilot domestic leasing companies that are jointly approved and regulated by the MOC and the SAT.

The number of registered leasing companies in the PRC had increased from 93 in 2007 to 2,202 by the end of 2014, out of which, 30 were financial leasing companies, 152 were domestic leasing companies and 2,020 were foreign-invested leasing companies. The total amount of registered capital of leasing companies in the PRC was approximately RMB661.1 billion as at 31 December 2014. As the number of leasing companies and the available capital rapidly increase, the leasing industry in the PRC has entered a phase of rapid growth. Evaluating the competitive landscape, bank-affiliated and non-bank financial leasing companies have clear market-leading positions with strong competitive advantages, especially in the area of customer networks and financing costs. As at 31 December 2014, the 30 financial leasing companies in the PRC have accumulated total assets of approximately RMB1,281.3 billion, representing a year-on-year growth of close to 26.6 per cent., and realised net profits of approximately RMB16.4 billion.

The Measures on Financial Leasing Companies, as revised in March 2014, further relaxed the entry barrier for financial leasing companies, and, as a result, apart from the major state-owned banks and central state-owned enterprises, more financial institutions, including rural commercial banks, insurance companies and government investment companies became qualified as initiators of financial leasing companies. Up to now, 29 financial leasing companies have been approved for establishment, and it is expected that financial leasing companies will maintain a rapid pace of development.

Financial leasing companies are under strict regulation by the CBRC. According to the Measures on Financial Leasing Companies, the key regulated indicators include the following: the ratio of net capital and risk-weighted assets should not be less than the minimum criteria required by the CBRC; the balance of all finance leasing transactions provided to a single lessee shall not exceed 30 per cent. of its net capital; the balance of all finance leasing provided to a single group shall not exceed 50 per cent. of its net capital; the balance of all finance leasing provided to a single related party may not exceed 30 per cent. of its net capital; the balance of all finance leasing provided to all related parties shall not exceed 50 per cent. of its net capital; the balance of all finance leasing provided to the related parties of a shareholder should not exceed the contribution by that shareholder, and at the same time, should fulfil the requirements pertaining to related-party transactions; and interbank borrowing may not exceed 100 per cent. of its net capital. Other than the above, financial leasing companies are subject to certain pilot rules governing the PRC commercial banks, for example, categorising assets into five risk categories as well as the "Administrative Measures for the Capital of Commercial Banks of the PRC (Trial)". Financial leasing companies are required to file reports with the CBRC on a regular basis and are subject to scheduled or un-scheduled and on-site or off-site inspections by the CBRC.

One Belt and One Road

In November 2014, the PRC government announced that it will set up an infrastructure fund and work with the newly founded Asian Infrastructure Investment Bank to promote the "One Belt and One Road" initiative. On land, the "One Belt and One Road" initiative stretches from Xi'an to Venice including Istanbul, Moscow and Rotterdam and will focus on jointly building a new Eurasian land bridge and developing the China – Mongolia – Russia, China – Central Asia – West Asia and China – Indochina Peninsula economic corridors. At sea, the "One Belt and One Road" initiative will focus on jointly building smooth, secure and efficient transport routes connecting major sea ports along the One Belt and One Road route from Fuzhou to Venice, including Jakarta, Colombo and Nairobi.

The Group believes that the "One Belt and One Road" initiative will bring significant growth opportunities for the Group as the initiative is expected to increase trade among and investment to countries involved in this initiative. The Group believes it is well positioned to benefit from this initiative by providing leasing service in infrastructure construction (for instance, railway, road, rail transit, port and power equipment) in those developing countries involved.

Competitive Strengths

The Group believes that its key strengths include:

Strong Support from CCB

The Group is the only financial leasing platform of CCB and a key element in CCB's broader integrated "comprehensive, diversified and intensive" financial services business model. The Company's leasing business focuses on areas such as rail transit, road, aviation, shipping and power equipment because those segments align with CCB's development strategies focusing on infrastructure and equipment industries, which are essential to China's economic growth. As a core subsidiary of CCB, the Company is of strategic importance to CCB. The Group has enjoyed, and will continue to benefit from, significant competitive advantages in the form of:

- Overall guidance on strategic planning and daily operation – CCB supports and guides through the Group's strategy alignment mechanism designed to offer overall support and guidance on policies, sales channels, customers and products. All board members of the Company are delegated by CCB and the development strategies and operating plans of the Company are subject to approval by CCB. Further, the daily operation of the Company is directed through the equity investment department of CCB exercising shareholder's rights on behalf of CCB.

- Customer resources sharing and business synergies – The Group benefits from CCB's brand name along with CCB's recognition in areas such as market development, competition and implementation of strategies. Customers are mainly referred to the Group through CCB, and CCB's database of internal ratings and credit facilities of customers are important references for project applications and approvals. The local branches of CCB serve the Group's business in both opening lease accounts and post-monitoring matters. As at 31 December 2014, the Company had set up business cooperation with 31 branches of CCB.

- Integrated risk management system – The Group shares CCB's comprehensive risk management system. Material risk-related matters are required to be reported to corresponding departments at CCB and the Group regularly reports risk statements to CCB. Upon receiving such reports, CCB identifies, measures, monitors, summarises and evaluates the risks faced by the Group.

- Capital and financing support – CCB's financial support of the Group has led to capital injections such as the RMB3.5 billion capital contribution made in February 2015. CCB also provides direct lending to the Company Group. As at 31 December 2014, approximately 23 per cent. of the Company Group's borrowings from banks was directly provided by CCB.

Leading Position in the PRC Leasing Market

The Group enjoys competitive advantages over its competitors in branding, resources, products, funding and innovation. The Company's track record of innovation in lease services include services provided to hospitals and educational institutions, expedited lease asset turnover and transfer, green business solutions meeting the capital needs of environmentally friendly businesses and the use of TFZs and offshore SPVs in aviation leasing to improve cost efficiency and diversify customer base. CCB has enjoyed a close relationship with local governments, large enterprises and industries in the PRC with strategic advantages for many years and engages in a variety of businesses that covers all major lease products. The Group's business is funded through both direct and indirect capital contributions from CCB, through which the Group benefits from cost advantages in bank borrowings and capital markets by way of credit enhancement.

As at 31 December 2014, the Company Group's total assets ranked second among the four domestic financial leasing companies backed by state-owned PRC commercial banks and sixth among the 30 financial leasing companies regulated by the CBRC, with 171 customers covering 35 industries across 32 provinces or municipalities. As at the same date, the Company ranked second among the top four domestic financial leasing companies backed by state-owned PRC commercial banks and fifth among the 30 financial leasing companies regulated by CBRC in terms of new lease investment.

The Group's leading position in the PRC leasing industry has also been recognised with numerous awards for excellence, including the award for "Top 10 Financial Leasing Companies in China" in 2014 by the Annual Meeting of China Leasing Industry.

Diversified Business Mix and Asset Portfolio

The Company Group has competitive advantages in the infrastructure and equipment leasing industry such as rail transit, road, power equipment and aircraft; it has robust development in green leasing such as hydropower and biomass power generation, new energy automobile and energy saving and environment friendly themes; in addition, it has also achieved breakthrough in medical and education area which highly related to social welfare. The Company Group has built a diversified business mix asset portfolio. As at 31 December 2014, the Company Group's total lease assets attributable to the rail transit, aviation, road and power equipment leasing sectors contributed to a majority of the Company Group's total lease assets. As at the same date, the Company Group's lease assets also encompassed other sectors such as manufacturing, port, waterworks, construction lease and commercial service and mining and real estate as well as shipping and medical equipment and education. During the year ended 31 December 2014, the ratio of the Company Group's interest income arising from finance lease to net operating lease income was 9:1. Furthermore, the Company maintains a balanced asset portfolio by ensuring a proper structure of tenor of its leased assets, with tenors spreading from less than one year to over ten years. The Company Group believes that its diversified asset portfolio allows it to provide more comprehensive leasing services to its customers and at the same time protects the Company Group from a potential downturn in any specific industry. The table below shows the geographical breakdown of the Company Group's lease assets by book value (before deducting provision) at 31 December 2014:

Location	**Percentage**
Guangdong	12.2%
Henan	11.2%
Shandong	8.7%
Shenzhen	8.4%
Hebei	6.2%
Yunnan	5.2%
Beijing	5.0%
Chongqing	3.9%
Ningbo	3.7%
Hubei	2.5%
Others[1]	33.0%

1 Others include Jiangsu, Guizhou, Tianjin, Shaanxi, Gansu, Shanxi, Suzhou, Heilongjiang, Inter Mongolia, Guangxi, Dalian, Anhui, Shanghai, Jiangxi, Zhejiang, Fujian, Xiamen, Liaoning, Jilin, Qingdao, Ningxia and other places.

The Group's competitive advantages are derived from its business synergies and diversified product lines in key industries. In the rail transit, road and power equipment industries, for instance, CCB has an extensive customer base and enjoys a close relationship with its customers, leading to projects such as the Henan Zhongyuan Expressway project and the Huaneng Lancang River Xiaowan Hydropower station project; in the aviation industry, the Company has established offshore platforms to leverage the offshore aviation leasing capabilities. The Company's comprehensive and accurate pricing model ensures a reasonable risk-return profile, differentiating the Company from other PRC financial leasing companies.

Specialised Aviation Leasing Business

The Group's aviation leasing business benefits from its extensive experience in the aviation and leasing industries. The Group's business directors have extensive experience working at leading airlines, aircraft manufacturers, financial institutions and leasing companies such as Air China, China Eastern Airlines, China Aircraft Leasing, Embraer, KPMG and ICBC Leasing, among others. The Group also utilises sophisticated aircraft asset valuation systems from reputable advisors including Ascend Flightglobal Consultancy and International Bureau of Aviation and conducts impairment loss tests on an annual basis using the income approach for aircraft under operating lease. As at 31 December 2014, aviation leasing was the Company Group's second largest segment by lease asset book value (before deducting provision).

Excellent Asset Quality

As at 31 December 2014, the Company Group had the lowest impaired finance lease receivables to the sum of finance lease receivables and finance lease prepayments (before deducting provision) ratio (0.14 per cent.), and highest provision coverage ratio (1,319.1 per cent.) among the 30 leasing companies regulated by the CBRC. The impaired finance lease receivables to the sum of finance lease receivables and finance lease prepayments (before deducting provision) ratio of the Company Group has maintained at a low rate in the years leading up to 2014 as well, at 0.31 per cent. and 0.26 per cent. as at 31 December 2012 and 2013, respectively. Also, the Company Group's customers are diversified across industries and have high CCB internal credit ratings, with over 95 per cent. of the lease assets by book value (before deducting provision) having lessees, including all of the Company Group's top ten lessees by book value (before deducting provision) of leasing assets as of 2014, with a CCB internal rating of AA- or above as at 31 December 2014. Furthermore, the Group mitigates its risks through obtaining security and third-party guarantees on a significant portion of its business.

The table below shows the percentage breakdown of the Company Group's lease assets by book value (before deducting provision) categorised by the Company Group's customers' CCB internal credit rating as at 31 December 2014:

Rating	**Percentage**
AAA	19.7%
AA- or above	75.6%
A- or above	3.6%
BBB+ or below	0.1%
No rating	1.0%

Sound Fund Management and High Financial Flexibility

The Group's sound fund management supports its steady business growth through credit facilities from banks. As at 31 December 2014, the Company Group had obtained credit facilities amounting to RMB174.2 billion from 59 major PRC and international banks (46 domestic banks and 13 international banks) in both local and foreign currencies. As at the same date, the aggregate amount of Company Group's borrowings from banks was RMB65.4 billion. Both the sources and types of funding are well diversified, with credit facilities originated from domestic commercial banks, policy banks, trusts to foreign commercial banks, and types of funding used including onshore U.S. dollar loans and others. As at 31 December 2014, CCB, other PRC banks, foreign bank's branches established in the PRC and trusts comprised 22.8 per cent., 64.3 per cent., 10.6 per cent., and 2.3 per cent., respectively, of the Company Group's borrowings from banks. Funding from CCB is especially important as it allows the Group to flexibly arrange the timeline of borrowing to balance liquidity and funding costs. The Company Group had RMB65.4 billion in total borrowings as at 31 December 2014, of which RMB borrowings amounted to RMB52.2 billion and foreign currency borrowings amounted to RMB13.2 billion.

The Company has set up centralised cash management for its SPVs in order to ensure efficient fund management. Moreover, through CCB, the Company will set up a cross-border, two-way cash pool designed to further enhance efficiency of fund usage. Lastly, the Company uses sophisticated asset-liability management techniques in order to effectively control interest rate, foreign exchange rate and liquidity risks and has fully integrated its liquidity, maturity and market risk management for optimal asset-liability management framework.

Comprehensive and Prudent Risk Management System

The Group utilises a comprehensive risk management system structured to manage risks both vertically and horizontally. The Risk Management Committee reviews and advises the board of directors on risk policies, while the Risk and Internal Control Management Committee formulates and supervises the overall risk management and internal control strategies. The Asset and Liability Management Committee analyses the management of liquidity and profitability of the Group. The Risk Management Department, Marketing Department, Financial Marketing Department, Operation Department and General Affairs Department all help divide risk management duties and responsibilities. The Group's risk management procedures and systems align with CCB's risk management framework as all members of the board of directors of the Company are appointed by CCB and its strategies and policies are submitted to the Risk Management Committee comprised of personnel appointed by CCB. See "– *Risk Management*" for more details.

Business Strategies

The Group's goal is to position itself as a large, professional international financial leasing group by developing a quality brand name in the industry. It plans to achieve this goal by pursuing the following strategic initiatives:

Maintain a Leading Position

The Group plans to enhance value creation, product innovation, market development and risk control for sustainable business growth. Through CCB's business coverage and customer network, the Group intends to provide professional, diversified and efficient lease products and services. The Group also seeks to improve its competitiveness and business value through continued and increased investment in research and development. Finally, the Group aims to maintain a leading industry position as one of the top ten businesses in terms of size of lease assets and return on equity in the PRC leasing industry.

Focus on Business Development

The Group plans to solidify and enhance its traditional advantages by focusing on manufacturer leases, steadily promoting SME leases and actively promoting operating leases with favourable tax implications and high returns. The Group also strongly believes in opening its business to a wide range of customers. While maintaining a good relationship with CCB's current customers is and will continue to be its focus, the Group also aims to continue relationship development with other customers with growth potential. The Company plans to do so through tailor-made solutions and risk matching for customers with special needs. In terms of geographical focus, the Group plans to concentrate on central and western China for energy and infrastructure leases, coastal regions in southeast China for transport, oil and petrochemical, medical, construction, heavy manufacturing, aviation and shipping leases, and northeast China for equipment manufacturing leases.

Continue to Grow Internationally

The Group plans to expand internationally. Specifically, the Group envisions its Irish leasing platform to serve as a catalyst for the active development of offshore aviation leases and explore project contracts opportunities in export leases in oil, gas, mining, equipment manufacturing, construction machinery manufacturing, renewable energy and high-tech industries. The course of internationalisation will also encompass the inbound leasing business, as the Company intends to import direct leases to aid the technological upgrade process of domestic SMEs.

Expand Marketing Channels and Strategies

Besides marketing initiatives mainly through CCB's branches, the Group plans to strengthen its self-marketing activities. The Group will also strengthen its marketing efforts and expand beyond CCB's marketing initiatives by marketing the Group in conjunction with CCB to large groups and corporations, thereby independently positioning the Group for aviation leases and vendor leases with complicated deal structures and engaging in joint marketing with other leasing companies.

Strengthen Financial and Fund Management Strategies

The Group will continue its comprehensive financial management and plans to focus on management of its leasing assets to maintain a reasonable cost-to-income ratio and increase investment to fulfil the Group's funding and business expansion needs. Furthermore, the Group aims to improve its asset and liability management to optimise the liability structures of its leasing assets and improve liquidity risk and market risk management. Lastly, the Group plans to diversify its global financing channels beyond the current level of cooperation with PRC financial institutions, with a view to securing more stable and diverse funding sources and instruments.

Awards

The Group's accomplishments in the PRC leasing industry have been recognised by awards from prestigious organisations as follows:

- "2014 Green Label" by *CBRC Beijing Branch* for its excellence in risk management and prevention;
- "2014 Top 10 Financial Leasing Companies in China" by the *Annual Meeting of China Leasing Industry*;
- "Outstanding Contribution" by the *Financial Leasing Committee of China Banking Association* in 2013;
- "2012 Top 10 China Innovative Shipping Supporting Company" by the *China Shipping Annual Festival*; and
- "2010 Top 10 Financial Leasing Enterprises by Excellence in China" by *Annual Meeting of China Financial Leasing Industry.*

Business of the Group

The Group's principal business is leasing equipment and other assets to customers in a variety of industries including:

- Rail transit;
- Road;
- Power equipment;
- Aviation;
- Shipping;
- Medical equipment and education; and
- Others, such as manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

Rail Transit Leasing

According to the PRC's Transport Statistic Bulletin, in 2014, the PRC's urban transportation system transported 131.6 billion passengers, an increase of 2.5 per cent. over the previous year with bus, taxi and rail transportation accounting for 59.4 per cent., 30.9 per cent. and 9.6 per cent., respectively. Rail transportation passenger traffic has been growing especially rapidly, enjoying a substantially higher growth rate compared to that of bus and taxi transportation. As at 31 December 2014, the PRC's Ministry of Construction had approved rail transportation projects for 38 cities, with many more cities still making such plans.

Rail transit leasing is one of the Group's core business and the key area of focus for development. The Group provides mid- to long-term leases of rail transit structures, such as metro tunnel links and platforms, and trains to its customers, which are mostly state-owned PRC enterprises with high credit ratings, such as Beijing Infrastructure Investment, Wuhan Metro, Ningbo Rail Transit and Suzhou Rail Transit. The Company has provided finance lease services to rail transit companies in 10 provinces and municipalities in the PRC: Guangdong, Beijing, Zhejiang, Jiangsu, Hubei, Chongqing, Heilongjiang, Shaanxi, Tianjin and Liaoning.

Rail transit leases are serviced by revenue from tickets, advertising and real estate rent, other subway management-related revenues and government fiscal support. As at 31 December 2014, rail transit leasing was the Company Group's largest segment by lease asset book value (before deducting provision).

Road Leasing

According to the National Highway Network Plan (2013-2030) of the PRC published in June 2013, by 2030, total passenger traffic volume, passenger volume, freight and cargo volume will have increased, as compared with the time of publication, by a multiple of 2.7, 3.2, 2.2 and 2.4 times, respectively: traffic on major roads will have increased to over 100,000 vehicles per day, more than four times the current level. There are 118,000 kilometres of national highway planned, with 71,000 kilometres already built, 22,000 kilometres under construction and 25,000 kilometres yet to be built.

The Group is one of the leaders in highway leasing in the PRC. The Group's road leasing business focuses on highway leases and greatly benefits from the rapid growth of the road industry in the PRC and the Company has leveraged CCB's resources for joint customer development and risk management to grow its highway leasing business. In addition, the Company utilises CCB's resources for post-lease management, such as rental account monitoring and credit risk management.

The main business model of highway leasing relies on the sale and leaseback of highways and related structures that are operational and have a steady cash inflow in the form of toll revenue. The terms of lease typically require the lessees to pledge the toll-collecting rights as security to the Group. For large highway development projects, the Group mitigates the concentration risk on a single customer by using factoring, sale of leased assets, lease receivables and assignment of claims. At the same time, the Group continues to be the manager of these assets and receives management fees.

As at 31 December 2014, the Group provided leasing services for highway assets located in nine provinces and municipalities in the PRC. The Group's highway customers are mostly state-owned highway infrastructure companies. The major highway leasing customers of the Company are Henan Zhongyuan Expressway, Zhangjiangshi Communication Investment Group, Yunnan Highway Developmental Investment and Gansu Provincial Highway Aviation Tourism Investment Group. The top five provinces in which the Company Group's highway assets are located are Henan, Guangdong, Gansu, Yunnan and Zhejiang. As at 31 December 2014, road leasing was the Company Group's third largest segment by lease asset book value (before deducting provision).

Power Equipment Leasing

The Group believes that it has traditionally enjoyed a competitive advantage in the power equipment industry. The Group provides mid- to long-term leases of power generation equipment and dams to its customers, which are mainly the top five power group companies in the PRC, such as China Huaneng Group, China Guodian Corporation, China Huadian Corporation, China Datong Corporation and China Power Investment Corporation. The top five provinces and autonomous regions in which the Group's power equipment leasing assets are located are Yunnan, Henan, Chongqing, Inner Mongolia and Guangdong.

As at 31 December 2014, power equipment leasing was the Company Group's fourth largest segment by lease asset book value (before deducting provision).

Aviation Leasing

During 2012 and 2013, despite consecutive years of weak global GDP growth. Boeing's "Current Market Outlook 2014-2033" forecasts demand for 36,770 new airplanes valued at U.S.$5.2 trillion, while Airbus's "Flying on Demand 2014-2033" forecasts demand for 31,358 new deliveries between 2014 and 2033.

During the past decades, the percentage of leased aircraft in airline fleets has grown rapidly. Because Basel III limits commercial debt to shorter tenors and export credit is becoming more expensive, operating leases have become an economic option for many lessees. According to the data provided by Boeing Capital Corporation, the number of aircraft subject to operating leases increased from 3,722 in 1970 to 19,594 in 2012, and it is estimated to reach 20,726 in 2014, which accounted, or would account, for 0.5 per cent., 24.7 per cent. and 40.7 per cent. of the global airplane fleet, respectively. It is estimated that this ratio will further increase to beyond 50 per cent. by 2020.

The Group is one of the leading aviation leasing companies in the PRC. As at 31 December 2014, the Group had three aviation leasing business management platforms: two were located in the PRC (the Shanghai TFZ and the Tianjin TFZ) and one in Ireland.

The Group owns a modern and relatively young fleet of aircraft. As at 31 December 2012, 31 December 2013 and 31 December 2014, the Company Group owned a fleet of 5 aircraft, 16 aircraft and 36 aircraft (11 of which were under operating lease), respectively, in the PRC. As at 31 December 2012, the book value (before deducting provision) of the aircraft owned by the Company Group for finance lease amounted to RMB1.7 billion. The Company Group started its operating lease business in 2013. As at 31 December 2013, the book value (before deducting provision) of the aircraft owned by the Company Group for finance lease and operating lease amounted to RMB2.6 billion and RMB4.0 billion, respectively. As at 31 December 2014, the book value (before deducting provision) of the aircraft owned by the Company Group for finance lease and operating lease amounted to RMB7.4 billion and RMB4.4 billion, respectively. The portfolio comprises mainly modern, in-production and fuel-efficient aircraft manufactured by Air bus and Boeing. As at 31 December 2014, the top customers of the Company Group in aviation leasing include Shenzhen Airlines, China Eastern Airlines, China Southern Airlines, Cathay Pacific and Singapore Airlines.

The following table shows the Company Group's commercial fleet composition as at 31 December 2014:

Fleet size	36
By aircraft type	
Wide body	6
Narrow body	30
By aircraft manufacturer	
Airbus	17
Boeing	19
Commercial aircraft age	
Weighted average fleet age	1.9 years
Average remaining tenor	9.3 years

Within its aircraft leasing business, the Group conducts all of its international aircraft leasing business through the Guarantor. The Guarantor leases nine aircraft to Azul Linhas Aereas Brasileiras S.A., Singapore Airlines, Air China, Shanghai Airlines, China Eastern Airlines and Sichuan Airlines. See "*Description of The Guarantor*".

The Group normally acquires aircraft by way of sale-and-leaseback transactions in which the Company purchases an aircraft from an airline and then leases the aircraft back to such airline on a long-term basis and acquiring aircraft with leases attached from other lessors.

As at 31 December 2014, aviation leasing was the Company Group's second largest segment by lease asset book value (before deducting provision).

In aviation leasing, the Group plans to focus on financing leases supplemented by operating leases of mainstream aircraft models with stable valuations and good market liquidity. While maintaining its position in the PRC market, the Group plans to develop in overseas markets from the Guarantor's operations and leverage the strategic partnerships that the Group has established with major aircraft manufacturers. The Group will further develop its global network in aviation leasing by developing its SPV leasing platforms, including its leasing platforms in the Shanghai TFZ, the Tianjin TFZ, Ireland and other overseas jurisdictions.

Ship Leasing

The PRC is the world's largest shipbuilding nation. According to the data provided by the China Association of National Shipbuilding Industry, in 2014, PRC's shipbuilding capacity, new orders and carrying orders accounted for 39.9 per cent., 46.5 per cent. and 47.2 per cent. of the global market, respectively. New orders continue to grow in 2015, and shipbuilding market has shown signs of recovery.

Based on its assessment of the market, the Company established a dedicated ship leasing department in 2014 to further develop in this market. The Company leases a range of vessels, including bulk carriers, cutter suction dredgers, liquefied gas carriers and tugboats. As at 31 December 2014, the Company Group owned and leased 11 vessels.

Medical Equipment and Education Leasing

The Group also provides leasing services to municipal public hospitals and educational institutions with good credit profiles. Nearly all of the Group's medical equipment and education leasing customers are public hospitals with Grade 2A or above. The top five provinces in which the Group's medical equipment and education leasing assets are located are Guizhou, Anhui, Henan, Yunnan and Zhejiang.

Others

The Group leases equipment for a variety of other industries, including manufacturing, port, waterworks, construction lease and commercial service, mining and real estate.

The Group is committed to CCB's strategy to develop a full range of financial services for CCB Group, including proprietary investments, bank loans, debt instruments, leasing and investment banking. The Group will follow the strategic direction of CCB and position itself to capture the opportunities offered by the economic reform and transformation of the PRC in key growth areas, such as new industrialisation, urbanisation, modernisation of the agriculture sector, evolution of the technology sector and overseas expansion strategies of PRC enterprises. The Group plans to maintain diversified business strategies and enhance its professional capabilities according to changes in the macroeconomic environment while developing other specialised leasing businesses.

Business Network

As at 31 December 2014, the Company Group had 41 subsidiaries, incorporated in Tianjin, Shanghai and Beijing, as vehicles or holding companies for leasing projects.

The Group also collaborates with CCB branches around the PRC to source new leasing engagements. In 2014, the Group collaborated with 31 different CCB branches in expanding new leasing business.

Competition

In the general leasing business, the Group mainly competes with other bank-backed financial leasing companies in the PRC, such as ICBC Leasing, Minsheng Leasing, Bocomm Leasing, CMB Leasing and CDB Leasing, the other five largest PRC financial leasing companies backed by banks.

In addition, the Group provides a more diverse variety of products compared with most of its international competitors. The credit rating of the Group is also higher than most of its international competitors. Furthermore, the Company has more stable and established partnerships with PRC clients and producers.

Funding

As the Company seeks to maintain compliance with all applicable regulatory financial metrics, as at 31 December 2014, the Company Group maintained a capital adequacy ratio of 9.23 per cent. and share capital of RMB4.5 billion.

Most of the Group's debt funding comes from borrowings from banks, cash pledged from lessees, rental received in advance and guaranteed deposits, which amounted to RMB65.4 billion, RMB2.3 billion, RMB1.8 billion and RMB0.05 billion, respectively, as at 31 December 2014.

The Group has established relationships with financial institutions providing credit facilities to the Group. With its diverse lender base, the Group is able to effectively diversify funding risks thanks to low concentration of the available funding channels. As at 31 December 2014, the Company Group received approximately RMB174.2 billion of credit line from 59 banks, including 46 PRC banks and 13 international banks. As at 31 December 2014, the top ten PRC banks with which the Group had the loan balances were CCB, Agricultural Bank of China, Bank of China, Industrial and Commercial Bank of China, Bank of Communications, Industrial Bank of China, Minsheng Bank, Everbright Bank, Shanghai Pudong Development Bank and China Merchants Bank. As at 31 December 2014, the top ten international banks with which the Group had the loan balances were Credit Suisse, Deutsche Bank, the Royal Bank of Scotland, Fubon Bank, Standard Chartered Bank, Maybank, Bank of Asia, EastWest Bank, Hongkong and Shanghai Banking Corporation and Nanyang Commercial Bank.

In addition, the Group greatly benefits from CCB's funding support. As the Company's largest shareholder and promoter, CCB is also required to financially support the Company. The promoters agree in the Articles of Association of a financial leasing company to provide liquidity support in case of difficulties with payment and to replenish capital promptly in the event of capital reduction by accumulated operating loss.

The Group seeks to maintain prudent financial ratios in its business. For the year ended 31 December 2014, the Company Group maintained a total liability-to-shareholders' equity ratio of 11.4x. The Company has also been seeking to maintain a reasonable liability maturity structure, of its total outstanding interest-bearing liabilities on a consolidated basis, such that, as at 31 December 2014, the Company Group's RMB-denominated borrowings from banks was approximately 80 per cent. and foreign currency-denominated borrowings from banks was approximately 20 per cent. In addition, a large majority of the Company Group's borrowings were unsecured borrowings.

Risk Management Framework

The Group has established a comprehensive risk management mechanism, involving various levels of risk control. The Group's risk management systems identify, evaluate and monitor these risks. The major financial risks are: credit risk, market risk and liquidity risk. Market risk can be further segmented into currency risk and interest rate risk. The goal of the Group's risk management system is to achieve an appropriate balance between risk and return and minimise the potential adverse effects on the Group's financial performance.

The Company's Board of Directors sets the Company's overall risk management strategy. The senior management establishes risk management policies and procedures to implement the risk management strategies approved by the Board of Directors. The Risk Management Committee, Related Party Transactions Control Committee and Audit Committee report to the Board of Directors while the Asset and Liability Management Committee and Risk and Internal Control Committee report to the President. The Company's senior management also report to the President.

There are also separate Risk Management segments that report to the President and perform the following functions:

- Risk Management Department – oversees company-wide risk management and manages credit assessment and approval, operating risk and compliance with connected transaction and anti-money laundering policies;
- Financial Market Department – is responsible for managing market risk and liquidity risk;
- Business Department – is responsible for preliminary credit risk management;
- Operation Department – is responsible for recovery and disposal of assets and other transaction related legal matters; and
- General Affairs Department – Internal Audit – is responsible for internal audit, internal control, risk monitoring and evaluation of the Company.

Credit Risk

Credit risk is the risk that a counterparty fails to meet its contractual obligations at the relevant due date. Credit risk primarily arises from the Group's leasing business and treasury operations. The Group applies qualitative and quantitative metrics to identify credit risk, which mirrors CCB's policies and framework. It ascertains an applicable rating to a counterparty in order to proceed with a transaction. It also examines quantitative metrics such as non-performing ratio, provision coverage, single customer concentration and other related data.

The Group has formulated a credit risk control system that works well with the characteristics of the leasing business. The main features of the system are as follows:

- Strict customer selection process: The Group receives customer referrals from CCB's branches and uses CCB's customer ratings as one of the conditions of service. The Group's customers are mainly large PRC state-owned enterprises or other industry leaders who are rated AA-or above by CCB. If a customer does not meet the Group's credit requirements, the Group will seek other means of credit enhancement, such as parent or affiliate guarantees.

- Multilayer risk identification: The Company has account managers within its Business Department who perform preliminary risk identification and due diligence for each project. After the initial risk identification, the Company's Project Management Committee and Risk Management Department will further evaluate each project until a decision to approve or reject the project is reached. In certain cases, projects will be referred to the Company's Credit Department for additional evaluation.

- Prudent risk control: The Group engages in post-transaction monitoring which include regular on-site and random off-site inspections of the customers' operations, financial conditions and credit positions. To identify and control risks arising from each asset, the Group uses five risk categories: normal, special mention, sub-standard, doubtful and loss.

The Company is supported by CCB's industry and policy experts. The Company uses CCB's credit database and scoring template to assess the credit risk of lessees but produces a separate credit assessment report based on its own assessment metrics. Guidance on leasing risks is issued by CCB and the Company at the start of every year, which is subject to quarterly evaluation. Large-scale leasing project assessments are further reviewed by CCB headquarters after being assessed by the Company.

The Company measures and monitors the quality of finance lease receivables and other financial assets according to the "Guiding Principles on the Risk-Based Loan Categorization" (貸款風險分類指引) promulgated by the CBRC. After asset allocation, the Company continues to monitor and adjust for changes in risk, continuously weighing risk versus expected return. Business managers are held accountable for risk and are responsible for post-lease credit monitoring on a quarterly basis.

Post-Transaction Project Management

Post-transaction project management includes asset quality classification, lease management and transfer and disposal of leased assets (including non-performing assets). Asset quality classifications are carried out by the Business Department, Operation Department, and Risk Management Department. The classification is based on the actual value and the risks associated with the assets, so as to allow effective measures to be taken to protect the value of the assets.

Lease management includes collecting rentals and conducting post-lease reviews. Reminders and notices of payment are issued to the lessees around one to two weeks before the due date. If any lease payment is overdue, the relevant department would communicate with the lessees and consider whether to accept deferred payments with interest. Post-lease reviews are performed in accordance with the Group's policy and the frequency of checks performed is linked to asset quality. In principle, reviews are performed once every 12 months for assets in the "normal" category, every six months for the "special mention" category and in greater frequency for the "non-performing" categories (which comprise "sub-standard", "doubtful" and "loss" categories). Upon the occurrence of any high-risk events, post-lease reviews will be performed immediately. After the completion of post-lease reviews, reports are submitted to the Risk Management Department of the Company.

Leased asset transfers are generally used to adjust the Group's asset structure and provide capacity for new projects. The transfer and disposal of non-performing assets is also an important means of risk mitigation.

To control risk, leased assets are generally required to be insured by the lessee. Lessees normally undertake to look after and protect the value of leased assets, including making insurance claims or undertaking litigation. In financing leases, the leased asset would normally be transferred to the lessee at the end of the lease.

Market Risk

Market risk refers to the potential loss suffered by the Group as a result of adverse movements in market prices, primarily interest rates and foreign currency exchange rates. The Board of Directors sets market risk strategy, appetite, policies and procedures. Senior management and the Asset and Liability

Management Committee oversee and approve risk measurement procedures and stress tests. The Risk Management Department takes the lead in management of market risk and regularly submits risk report to the Risk Management Committee of the Board of Directors. The Financial Market Department oversees day-to-day risk management, including hedging and stress test levels.

The Group relies on market risk exposure and sensitivity analysis as the main technical method to measure and control market risk. The Group sets market risk appetite at the beginning of every year and revaluates those levels quarterly. The Group aims to maintain low foreign currency risk by raising funds in relevant foreign currencies for projects that are denominated in foreign currencies. The Group regularly calculates and monitors foreign exchange exposure, as well as the difference between interest-bearing assets and liabilities which would mature in a certain period or require repricing, in order to perform sensitivity analyses using different exchange rates and interest rates. Desired transaction targets and limits are subject to capital authorisation checks. The Group prepares post-transaction reports to assess the success of the risk assessment procedures and make future improvements.

The Group has limited foreign currency exposure. Foreign exchange risks may occur when financial statements of foreign subsidiaries are translated, for consolidation purposes, into RMB, the reporting currency of the Group. The Company's primary source of currency rate risk arises from aircraft operating leases by its SPVs in Shanghai TFZ and the Tianjin TFZ, as the reporting currency for these SPVs is RMB with the asset value of their aircraft also recorded in RMB, whereas the Group funds their business with U.S. dollar-denominated debt to match the denominated currency of the market value of the aircraft. Although the Company Group's financial statements may show foreign exchange risks due to currency conversion on the reporting date, the Company believes that there is very limited actual foreign exchange risk. The Company utilises currency forward contracts to hedge currency risk.

The Group's primary source of interest rate risk comes from the different benchmarks between its long-term interest-bearing assets and liabilities. The Group manages the interest rate risk by adjusting the maturity structure of its assets and liabilities and controlling the re-pricing of the leased assets and corresponding liabilities.

In relation to US dollar-denominated assets, the primary source of risk is re-pricing risk, which results from the fact that lease payments are calculated based on a fixed interest rate while bank borrowings are priced with floating interest rates. The Group utilises interest rate swaps to hedge this risk.

In relation to RMB-denominated assets, as the lease payments are re-priced periodically, the main interest risk derives from benchmark risk, which is risk that the benchmark interest rates adopted in pricing of the leased assets (the PBOC's benchmark rates) is different from the benchmark rate adopted for the funding (interbank SHIBOR rates or fixed rate).

Liquidity Risk

Liquidity risk refers to the risk that the Group is unable to obtain funds at a reasonable cost to repay liabilities or realise investment opportunities. The primary source of liquidity demand for the Group is repayment of maturing bank borrowings and withdrawal requests from lessees under finance leases. The Group's goal of liquidity risk management is to ensure that sufficient capital resource is available at any time to meet such demands.

The Asset and Liability Management Committee is the administrative body responsible for monitoring and analysing liquidity risk, asset and liability management and profit management. The Risk Management Department takes the lead in management of liquidity risk and regularly submits risk report to the Risk Management Committee of the board of directors. The Financial Market Department oversees day-to-day risk management, including capital budgeting, balancing current funds, maintaining appropriate working capital and carrying our regular liquidity stress tests. The Group's objectives of liquidity risk management include:

- managing and controlling cash flow mismatch;
- holding liquid reserves in order to meet any stress demand; and
- balancing between revenue and liquidity risk.

The Company Group has maintained cash and deposits with banks equal to 4.1 per cent. of total assets as at 31 December 2014.

The Group has liquidity management procedures which are followed on a daily basis and designed according to monthly and weekly cash management plans. The Group uses interbank money market transactions to adjust any liquidity exposures and improve the overall operational efficiency of funds.

Through stress testing, the Group is able to gauge cash flows under different scenarios and adjust its liquidity reserves according to market conditions. This allows the Group to maintain its high-quality liquid assets and mitigate any potential liquidity risks.

Management and Disposal of Non-performing Assets

If payments on any lease contracts are overdue, the payment collection business unit will take charge of the collection process based on the Group's lease payment management procedures and take appropriate legal measures to protect the value of the Group's assets.

If any lease receivable becomes non-collectable, a specialised team within the Group will take responsibility for taking recourse in accordance with the Group's non-performing asset management policy. Such recourse may include seeking recourse from the guarantor, disposing the collateral, transferring the lease, recovering and sale of the leased assets and taking legal actions. If, after taking all possible means of recourse or disposal, there are still debts outstanding, the Group will, in accordance with relevant Group policies, write off the balance as bad debt.

Employees

As at 31 December 2014, the Group had a total of 135 full-time employees, of whom 3.7 per cent. have obtained a qualification of doctoral degree or above, 45.2 per cent. have obtained a master's degree and 45.9 per cent. have obtained a bachelor's degree.

The Group is committed to recruiting, training and retaining skilled and experienced employees throughout its operations. The Company intends to achieve this by offering competitive remuneration packages as well as by focusing on training and career development. In accordance with the relevant PRC laws and regulations, the Group contributes to social welfare insurance for its full-time employees in the PRC, including basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance and maternity insurance.

The Group's labour union safeguards the rights and interests of the employees and coordinates closely with management with respect to human resources matters. The Group's operations have never been affected by any strike or significant labour dispute. The Group believes its relationship with the labour union and the Group's employees is good.

Legal Proceedings

From time to time, the Group is involved in legal proceedings, claims or disputes in the ordinary course of its business.

As at the date of this Offering Circular, there is no litigation, arbitration or claim pending or threatened against the Group, which could be expected to have a material adverse effect on its business, financial condition and results of operations.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors and Board of Directors

The Company's board of directors is responsible for the overall corporate governance of the Company including establishing the Company's strategic direction and management goals, as well as monitoring the achievement of these goals. The following table sets forth information regarding the Company's directors as at the date of this Offering Circular.

Directors	Year of birth	Position
Mr. Gu Jingpu	1956	Chairman
Mr. Wang Qiang	1963	Executive Director, President
Mr. Yuan Guijun	1964	Director
Mr. Gu Yu	1962	Director

For additional biographical information on each of the Company's directors, see "– *Management Biographical Information – Directors*" on page 83 of this Offering Circular.

Special Committees

The Company's board of directors has established three special committees: the Risk Management Committee, the Related Party Transaction Control Committee and the Audit Committee.

Risk Management Committee

The primary responsibilities of the Company's Risk Management Committee include:

- to review and advise the board of directors on the Company's risk management strategies, policies and control procedures, to monitor and access such strategies, policies and procedures, and to evaluate their effectiveness;
- to monitor the establishment of structures and procedures, to evaluate the effectiveness of the Company's risk management system, and to make proposals for improvement;
- to monitor and assess the effectiveness of the control of credit risks, market risks and operational risks by the senior management team and to make proposals for improvement of risk management and internal controls;
- to conduct periodic assessments of the Company's risk profile and to make proposals to the board of directors;
- to examine and approve significant risk management matters, including transactions that are beyond the authority of the Company's President or transactions that are submitted to the risk management committee for further consideration, as it is authorised to do so by the Company's board of directors;
- to ensure regulatory compliance with relevant laws, administrative regulations and rules; and
- any other matters relating to risk management.

The Risk Management Committee is composed of the executive director and one of the other directors of the Company.

Related Party Transaction Control Committee

The primary responsibilities of the Company's Related Party Transaction Control Committee include:

- to identify related parties and to report its findings to the Company's board of directors and board of supervisors, and to promptly inform the business departments of the identities of such related parties;

- to conduct preliminary reviews of the relevant related party transactions and submit the findings to the Company's board of directors or, as appropriate, to the shareholders' general meetings, for approval;
- to review and approve related party transactions that are within the board of directors' authority and to maintain records of related party transactions and other related matters;
- to ensure regulatory compliance with relevant laws, administrative regulations and rules; and
- any other matters as authorised by the Company's board of directors.

The Related Party Transaction Control Committee is composed of the executive director and a director.

Audit Committee

The primary responsibilities of the Audit Committee include:

- to oversee the Company's financial reporting and approve the appointment of the Company's independent registered public accounting firm;
- to review the Company's financial information, auditor's examinations, key financial statement issues, the plans and evaluation of internal control and the administration of the Company's financial affairs by the board of directors; and
- to examine the agenda for, and financial statements and other reports to be submitted by, the board of directors to each general meeting of shareholders.

The Audit Committee is composed of two directors.

Supervisors and Board of Supervisors

The Company's board of supervisors is composed of two supervisors. The Company's directors and senior management members may not serve as supervisors. The supervisors include supervisors acting as representatives of both shareholders and employees. The following table sets forth information regarding the Company's supervisors as at the date of this Offering Circular.

Supervisors	Year of birth	Representation
Mr. Shang Chaohui	1970	Shareholders
Ms. Xu Haiyan...........................	1973	Employees

The board of supervisors is the Company's supervisory authority and is accountable to the shareholders' general meeting. It monitors the financial management of the Company and the conduct of the board of directors and senior management and their respective members in order to prevent abuse of power and encroachment on the rights and interests of its shareholders. In addition, the Company's board of directors is required by the Company's Articles of Association to be subject to the supervision of the Company's board of supervisors, and shall not obstruct or hinder the board of supervisors from conducting examination and audit activities pursuant to its responsibilities and rights.

The board of supervisors is accountable to the shareholders' general meeting and reports to the shareholders' general meeting. According to the Company's articles of association, the shareholders' general meeting shall exercise its responsibilities and rights to elect and remove supervisors acting as representatives of the shareholders, approve the remuneration of the supervisors and consider and approve the work reports of the board of supervisors. In addition, the supervisors acting as representatives of the employees shall be elected and removed by democratic election of the employees.

Senior Management

The Company's senior management include the Chairman, the President, the Vice President and the Assistant to President. All of the Company's senior management team are appointed and dismissed by the Company's board of directors.

The following table sets forth information regarding the Company's senior management members as at the date of this Offering Circular.

Senior Management	Year of birth	Position
Mr. Gu Jingpu	1956	Chairman
Mr. Wang Qiang	1963	President
Mr. Zhang Lei	1971	Vice President
Mr. An Zhicheng	1967	Assistant to President

For additional biographical information on each of the Company's senior management members see "*– Management Biographical Information – Senior management*" on page 84 of this Offering Circular.

Special Committees

The Company's senior management has established two specialised committees: the Asset and Liability Management Committee and the Risk and Internal Control Management Committee.

Asset and Liability Management Committee

The primary responsibilities of the Asset and Liability Management Committee include:

- to organise trainings on accounting policies and tax regulations;
- to organise trainings on the Company's relevant strategies and methods on management of asset-liability, capital adequacy ratio and profitability;
- to arrange seminars on liquidity management (at least once a year) and liquidity risks assessment and report the liquidity risk and contingency plans to the senior management;
- to organise regular analysis and real-time monitoring of the Company's operations and financial status, and to make reasonable prediction on the Company's main financial indicators and trends;
- to review and monitor the Company's financial gap management, asset-liability mismatch management and other related matters;
- to organise trainings on the major funding plans;
- to organise review the Company's pricing policies;
- to organise completion the Company's annual operational plans, budget internal decomposition and the corresponding assessment;
- to organise monitoring the capital adequacy ratio to ensure it meets the regulatory requirement; and
- to organise coordination and implementation and stipulate other matters assigned by the senior management.

Each of the departments of the Company is a member department under the assets and liabilities committee; the head of the finance department is also the head of the assets and liabilities committee and it is also composed of the heads of each department of the Company, internal auditors and compliance staff.

Risk and Internal Control Management Committee

The primary responsibilities of the Company's Risk and Internal Control Management Committee include:

- to evaluate the effectiveness of the company's risk management and internal control and to make proposals for company's various business risks and risk management; to analyze the deep problems of the company's risk management and internal control combined with internal and external auditor's reports and external regulatory reports and regulatory requirements, to make proposals for improvement, and to guide and supervise the effective implementation of the proposals;
- to review policies of various risks under the company's overall risk management framework, such as credit risk, market risk, operational risk, liquidity risk, legal risk, legal risk and reputation risk;

- to assess the impact of the major risk on the company's business activities, to review the resolution to the company's major risks, resolution to company's non-performing assets and resolution to asset write-off scheme;
- to review risk management and internal control plan and the implementation of inspection and supervision of the relevant work;
- to examine the company's comprehensive risk reports, internal control evaluation reports and reports related to risk management and internal management;
- to organize and implement other important work assigned by board of directors and senior management; and
- to deal with other important matters to be decided by the Risk and Internal Control Management Committee.

Risk and Internal Control Management Committee is composed of senior management, internal auditors and compliance staff.

Management Biographical Information

The following contains certain biographical information about each of the Company's directors, supervisors and senior management members as at the date of this Offering Circular.

Directors

Mr. Gu Jingpu – Chairman. Mr. Gu has served as the Company's Chairman and Legal Representative since August 2013. Previously, Mr. Gu served as Head of the Management Committee of CCB Rural Bank and Deputy Head of the Information Technology and Procedures Division under the Bank Development Committee, Controller of Wholesale Banking, Deputy Director and General Manager of the Internal Audit Department, General Manager and Party Secretary of Guangdong Branch, Vice Chairman of the Risk and Internal Control Management Committee and General Manager of the Risk Management Department of CCB. Mr. Gu joined the Company in April 2013. Mr. Gu is a senior economist. Mr. Gu has a doctoral degree in management from Sun Yat-sen University and a bachelor's degree in finance from Central Institute of Finance and Banking.

Mr. Wang Qiang – Executive Director and President. Mr. Wang has served as the Executive Director of the Company since February 2014. In addition, Mr. Wang has served as the Company's President since May 2014. Mr. Wang served as Credit Approver of the Office of Credit Approval under the Risk and Internal Control Management Committee, Credit Approver and Senior Credit Approver of the Credit Approval Department and Deputy General Manager of the Wholesale Banking Division of CCB from April 2002 to August 2013. Mr. Wang joined CCB in April 2002 and the Company in August 2013. Mr. Wang is a senior economist. Mr. Wang has a bachelor's degree in investment and economics from Liaoning University of Finance and Economics.

Mr. Yuan Guijun – Director. Mr. Yuan has served as the Company's director since February 2014. Previously, Mr. Yuan served as the General Manager of the Company's Liaoning Branch from October 2013 to February 2014. Since 2004, Mr. Yuan has served as Assistant to General Manager and Deputy General Manager of the Risk Management Department, Deputy General Manager of the Risk Control Department and Deputy General Manager and General Manager of the Business Department of CCB. Mr. Yuan joined CCB in March 2004 and the Company in 2013. Mr. Yuan has an Executive MBA from Tsinghua University and a bachelor's degree in infrastructure finance and credit from Dongbei University of Finance and Economics.

Mr. Gu Yu – Director. Mr. Gu has served as the Company's director since February 2014. Previously, Mr. Gu served as Assistant to the General Manager and Deputy General Manager of the Capital Department, Head of Shanghai Trading Centre of the Capital Trading Department and Deputy General Manager of the Capital Market Department of CCB. Mr. Gu joined CCB in 2001 and the Company in 2014. He has also served as the Chairman of the Bond Market Professional Committee of the National Association of Financial Market Institutional Investors. Mr. Gu has a doctoral degree in finance and a master's degree in money and banking from the Graduate School of the People's Bank of China.

Supervisors

Mr. Shang Chaohui – Supervisor. Mr. Shang has served as the Company's Supervisor since August 2013 and has served as the Secretary of the Chinese Communist Party Committee of CCB Shanxi Branch since May 2015. From August 2005 to May 2015, Mr. Shang served as President's Assistant of CCB Hebei Branch, Risk Director of CCB Zhejiang Branch, Vice President and a member of the Chinese Communist Party Committee of CCB Hebei Branch and Deputy Manager of Risk Management Department and Credit Management Department of CCB Headquarter. Mr. Shang is a senior economist. He has a bachelor's degree in Planning Statistics from Hebei Institute of Finance and Economics and a PhD degree in Management Science and Engineering from Hebei University of Technology.

Mr. Xu Haiyan – Supervisor. Ms. Xu has served as the Company's Employee Representative Supervisor since July 2014. In addition, Ms. Xu has served as the General Manager of the Company's Operations Department since December 2013. Previously, Ms. Xu served various positions in CCB Shaanxi Branch, including Head of the Asset Protection Department and the Legal Department, Level Four Credit Approver of the Credit Approval Department, Deputy General Manager of the Legal Department and General Manager of the Compliance Department. Ms. Xu also served as the General Manager Level Credit Approver of the Company's Risk Management Department. Ms. Xu joined CCB in December 2001 and the Company in October 2013. Ms. Xu, senior economist, has a bachelor's degree in thermal power engineering and a master's degree in economic law from Xi'an Jiaotong University.

Senior Management

Mr. Gu Jingpu – See "*– Directors*".

Mr. Wang Qiang – See "*– Directors*".

Mr. Zhang Lei – Vice President. Mr. Zhang has served as the Company's Vice President since October 2014. In addition, Mr. Zhang has served as the Assistant to President of the Company since January 2008. Mr. Zhang worked in the Supervisory Department, Business Department, Office of Coordination Department and the Office of the President of CCB from August 1996 to December 2007. Mr. Zhang joined the Company in 2008. Mr. Zhang has a master's degree in law from Peking University.

Mr. An Zhicheng – Assistant to President. Mr. An has served as the Company's Assistant to President since December 2014. Previously, Mr. An served as Manager of the Export Department of Tianjin Foreign Trade Import and Export Company, Representative of Ying Ya Commercial Co., Ltd.'s Tianjin office, Vice President of Beijing Cangrong Guanghua Consulting Co., Ltd. and Vice President of Binhai Fund Management Co., Ltd. Mr. An joined the Company in 2014. Mr. An is an international business operator. Mr. An has a bachelor's degree in money and banking from Chinese Academy of Social Sciences.

EXCHANGE RATES

PRC

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the markets during the prior day. The PBOC also takes into account other factors such as the general conditions existing in the international foreign exchange market. Since 1994, the exchange rate for the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, has been set by the PBOC based on the previous day's inter-bank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to 20 July 2005, the official exchange rate for the conversion of Renminbi to U.S. dollars was generally stable. On 21 July 2005, the PRC government changed its decade-old policy of pegging the value of the Renminbi to that of the U.S. dollar to allow the value of the Renminbi to fluctuate within a narrow and managed band based on market supply and demand and by reference to a basket of currencies. This change in policy has resulted in a significant appreciation of the Renminbi against the U.S. dollar.

The PRC government has made further adjustments to the exchange rate system. The PBOC authorised the China Foreign Exchange Trading Center, effective since 4 January 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi at 9:15 a.m. each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and as the over the counter exchange rate for that business day. On 18 May 2007, the PBOC enlarged, effective from 21 May 2007, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. On 19 June 2010, the PBOC announced that in view of the recent economic situation and financial market developments in China and abroad, and as the balance of payments situation in China, it has decided to proceed further with the reform of the Renminbi exchange rate regime and to enhance the Renminbi exchange rate flexibility. According to the announcement, the exchange rate floating bands will remain the same as previously announced but the PBOC will place more emphasis on reflecting the market supply and demand with reference to a basket of currencies. On 12 April 2012, the PBOC announced that effective from 16 April 2012, the floating band for the trading prices in the inter-bank spot exchange market of Renminbi against the U.S. dollar would be enlarged from 0.5 per cent. to 1.0 per cent. around the central parity rate, which allows the Renminbi to fluctuate against the U.S. dollar by up to 1.0 per cent. above or below the central parity rate published by the PBOC. The PRC government may in the future make further adjustments to the exchange rate system.

Although the PRC governmental policies have been introduced in 1996 to relax restrictions on the convertibility of the Renminbi into foreign currency for current account items, conversion of the Renminbi into foreign currency for capital items, such as foreign direct investment, loans or security, still requires the approval of the State Administration of Foreign Exchange and other relevant authorities.

The following table sets forth for the periods indicated, certain information concerning the exchange rates between Renminbi and U.S. dollars. For periods prior to 1 January 2009, the exchange rates reflect the noon buying rates as reported by the Federal Reserve Bank of New York. For periods after 1 January 2009, the exchange rates reflect the exchange rates as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System of the United States.

	Exchange Rate			
Period	**Period End**	**Average[(1)]**	**High**	**Low**
	(RMB per U.S.$1.00)			
2008	6.8225	6.9193	7.2946	6.7800
2009	6.8259	6.8295	6.8470	6.8176
2010	6.6000	6.7603	6.8330	6.6000
2011	6.2939	6.4475	6.6364	6.2939
2012	6.2301	6.2990	6.3879	6.2221
2013	6.0537	6.1410	6.2438	6.0537
2014	6.2046	6.1702	6.2591	6.0402
2015				
January	6.2495	6.2181	6.2535	6.1870
February	6.2695	6.2518	6.2695	6.2399
March	6.1990	6.2386	6.2741	6.1955
April	6.2018	6.2010	6.2185	6.1927
May	6.1980	6.2035	6.2086	6.1958
June	6.2000	6.2052	6.2086	6.1976
July (through 2 July 2015)	6.2044	6.2026	6.2044	6.2008

Note:

(1) Calculated by averaging the rates on the last business day of each month during the relevant year, except for monthly average rates, which were calculated by averaging the daily rates for such month or part thereof.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Notes is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as tax advice for any holder of the Notes or any person acquiring, selling or otherwise dealing in the Notes.

Persons considering the purchase of the Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of the Notes.

PRC

The following summary describes the principal PRC tax consequences of ownership and disposition of the Notes by beneficial owners who, or which, are not residents of mainland China for PRC tax purposes. These beneficial owners are referred to as non-PRC Noteholders in this section. In considering whether to invest in the Notes, investors should consult their individual tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Pursuant to the New Enterprise Income Tax Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose "**de facto management bodies**" are within the territory of China are deemed to be PRC tax resident enterprises for the purpose of the New Enterprise Income Tax Law and are subject to enterprise income tax at the rate of 25 per cent. in respect of their worldwide income. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "**de facto management body**" of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the New Enterprise Income Tax Law and be subject to enterprise income tax at the rate of 25 per cent. on its worldwide income. As at the date of this Offering Circular, the Issuer has not been notified or informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the New Enterprise Income Tax Law. For as long as this continues to be the case, holders of the Notes will not be subject to withholding tax, income tax or any other taxes or duties (including stamp duty) imposed by any governmental authority in the PRC in respect of the holding of the Notes or any repayment of principal and payment of interest or premium made thereon.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the New Enterprise Income Tax Law and related implementation regulations. Pursuant to the New Enterprise Income Tax Law and its implementation regulations, any non-resident enterprise without an establishment or place of business within the PRC or whose income is not effectively connected with an establishment or place of business inside the PRC shall pay enterprise income tax at the rate of 10 per cent. on the income sourced inside the PRC, unless a preferential rate is provided by tax treaties or arrangements entered into between the country or region where the non-resident is established and the PRC, and such income tax shall be withheld at source by the applicable PRC payer. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20 per cent., unless a lower treaty rate is applicable. Accordingly, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities, the Issuer may be required to withhold income tax from the payments of interest or redemption premium in respect of the Notes to any non-PRC resident Noteholder. However, despite the potential withholding of PRC tax by the Issuer, the Issuer has agreed to pay additional amounts to holders of the Notes, subject to certain exceptions, so that holders of the Notes would receive the full amount of the scheduled payment, as further set out in the Terms and Conditions of the Notes.

If the Issuer were treated as a PRC tax resident enterprise under the New Enterprise Income Tax Law and related implementation regulations, any gain realised from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly may be subject to a 10 per cent. PRC income tax in the case of non-PRC enterprise Noteholders or 20 per cent. in the case of non-PRC individual Noteholders (or lower applicable treaty rate, if any).

No PRC stamp duty will be chargeable upon the issue or transfer of a Note (for so long as the register of Noteholders is maintained outside the PRC).

Cayman Islands

Under existing Cayman Islands laws, payments of interest, principal and other amounts on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest, principal and other amounts on the Notes or a distribution to any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax.

The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. No stamp duty is payable in respect of the issue of the Notes. The Notes or an instrument of transfer in respect of a Note is stampable if executed in or brought into the Cayman Islands.

Ireland

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Notes. The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note where:

(a) the Notes are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as the Hong Kong Stock Exchange) and which carry a right to interest; and

(b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

    (i) the Notes are held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

    (ii) the Noteholder is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and

(c) one of the following conditions is satisfied:

    (i) the Noteholder is resident for tax purposes in Ireland; or

    (ii) the Noteholder is subject, without any reduction computed by reference to the amount of such interest, premium or other distribution, to a tax in a relevant territory which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a swap agreement,

where the aggregate value of such assets, loans, advances or swap agreements represents not less than 75 per cent. of the assets of the Issuer; or

(iv) at the time of issue of the Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the beneficial owner of the Notes would be subject to tax on any interest payments,

where the term:

(i) "relevant territory" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty ("**Relevant Territory**"); and

(ii) "swap agreement" means any agreement, arrangement or understanding that–

(A) provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

(B) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Notes continue to be quoted on the Irish Stock Exchange, are held in Euroclear and/or Clearstream, Luxembourg, and one of the conditions set out in paragraph (c) above is met, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph (c) above is met.

Encashment Tax

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest. Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions and the universal social charge in respect of interest they receive on the Notes.

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the Taxes Consolidation Act, 1997 ("**TCA**"), the recipient is not resident in Ireland and is resident in a Relevant Territory and, the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come into force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a relevant territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a relevant territory are resident for the purposes of tax in a relevant territory and is not under the control of person(s) who are not so resident or is a company not resident in Ireland where the principal class of shares of the company or its 75 per cent. parent is substantially and regularly traded on a recognised stock exchange. For the purpose of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or, in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes unless such holder is either resident or ordinarily resident in Ireland or carries on a trade or business in Ireland through a branch or agency in respect of which the Notes were used or held.

Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Notes are regarded as property situate in Ireland (i.e. if the Notes are physically located in Ireland or if the register of the Notes is maintained in Ireland).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Irish Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Notes.

EU Savings Directive

Ireland has implemented the EC Council Directive 2003/48/EC on the taxation of savings income into national law. Accordingly, any Irish paying agent making an interest payment on behalf of the Issuer to an individual or certain residual entities resident in another Member State of the European Union or certain associated and dependent territories of a Member State will have to provide details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address) to the Irish Revenue Commissioners who in turn are obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

The Issuer, or any person or agent acting on behalf of the Issuer, shall be entitled to require Noteholders to provide any information regarding their tax status, identity or residency in order to satisfy the disclosure requirements in Directive 2003/48/EC and Noteholders will be deemed by their subscription for Notes to have authorised the automatic disclosure of such information by the Issuer, or any person or agent acting on behalf of the Issuer, to the relevant tax authorities.

Hong Kong

Withholding tax

No withholding tax is payable in Hong Kong in respect of payments of principal (including any premium payable on redemption of the Notes) or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**Inland Revenue Ordinance**"), interest on the Notes may be subject to profits tax if it is received by or accrued to:

- a corporation, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong and where such interest is derived from Hong Kong;
- a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business and where such interest is derived from Hong Kong; or
- a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrued are made available outside Hong Kong.

Sums derived from the sale, disposal or redemption of the Notes will not be subject to profits tax in Hong Kong unless such sale, disposal or redemption is or forms part of the revenue or profits of such trade, profession or business carried on in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired or disposed of, including where such activities were undertaken.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of the Notes will be subject to Hong Kong profits tax.

Stamp duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of the Notes.

EU Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria may instead apply a withholding system in relation to such payments, deducting tax at rates rising overtime to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The Council of the European Union formally adopted a Council Directive amending the Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include extending the scope of the Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

However, the European Commission has proposed the repeal of the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

Investors who are in any doubt as to their position should consult their professional advisors.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by 1 January 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FATCA

Whilst the Notes are in global form and held within the Clearing Systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Guarantor, any paying agent and the common depositary, given that each of the entities in the payment chain between the Issuer and the Clearing Systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the Clearing Systems. If this were to happen, then a non-FATCA-compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances. Further, foreign financial institutions in a jurisdiction which has entered into an IGA are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE HOLDERS IS SUBJECT TO CHANGE. EACH HOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN PRC GAAP AND IFRS

The consolidated financial statements of the Group included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. The following is a general summary of certain differences between PRC GAAP and IFRS on recognition and presentation as applicable to the Group. The Company is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the financial information and related footnote disclosure as to the difference between PRC GAAP and IFRS and no attempt has been made to quantify such differences. Had any such quantification or reconciliation been undertaken by the Company, other potentially significant accounting and disclosure differences may have been required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate PRC GAAP and IFRS have significant ongoing projects that could affect future comparisons or events that may occur in the future.

Accordingly, there is no assurance that the following summary of differences between PRC GAAP and IFRS is complete. In making an investment decision, each investor must rely upon its own examination of the Group, the terms of the offering and other disclosure contained herein. Each investor should consult its own professional advisors for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

Reversal of an Impairment Loss

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period. Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Related Party Disclosures

Under PRC GAAP, government-related entities are not treated as related parties. Under IFRS, government-related entities are still treated as related parties.

SUBSCRIPTION AND SALE

The Issuer, the Guarantor and the Company have entered into a subscription agreement with the Joint Lead Managers dated [●] (the "**Subscription Agreement**") pursuant to which and subject to certain conditions contained therein, the Issuer, the Guarantor and the Company have undertaken, among other things, that the Notes will be issued on [●] (the "**Closing Date**"), and the Joint Lead Managers have severally and not jointly agreed with the Issuer to subscribe and pay for, or procure subscribers to subscribe and pay for, the Notes at an issue price of [●] per cent., of the amount set forth below:

	Principal Amount of the Notes
	(U.S.$)
CCB International Capital Limited	[●]
The Hongkong and Shanghai Banking Corporation Limited	[●]
Morgan Stanley & Co. International plc	[●]
Standard Chartered Bank	[●]
Australia and New Zealand Banking Group Limited	[●]
Citigroup Global Markets Limited	[●]
DBS Bank Ltd.	[●]
UBS AG, Hong Kong Branch	[●]
Total	**[●]**

The Subscription Agreement provides that each of the Company, the Guarantor and the Issuer has agreed to pay the Joint Lead Managers certain fees and commissions, to reimburse the Joint Lead Managers for certain of their expenses in connection with the initial sale and distribution of the Notes, and each of the Issuer, the Guarantor and the Company will indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent, and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Joint Lead Managers and certain of their subsidiaries or affiliates may have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with the Issuer, the Guarantor, the Company or any member of the Company Group or the Guarantor Group and/or their respective subsidiaries and affiliates, from time to time, for which they have received customary fees and expenses. The Joint Lead Managers and their subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer, the Guarantor, the Company or any member of the Company Group or the Guarantor Group in the ordinary course of their business.

Certain of the Joint Lead Managers, that is, CCB International Capital Limited, is an affiliate of the Issuer, the Guarantor and the Company.

If a jurisdiction requires that the offering of the Notes be made by a licensed broker or dealer and a Joint Lead Manager or any affiliate of that Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering of the Notes shall be deemed to be made by that Joint Lead Manager or its affiliate on behalf of the Issuer in such jurisdiction.

The Joint Lead Managers and their respective affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. References herein to the Notes being offered should be read as including any offering of the Notes to the Joint Lead Managers and/or their affiliates acting in such capacity in the ordinary course of their various business activities.

The Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer, the Guarantor, the Company or members of the Company Group or the Guarantor Group. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Notes should not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material, circular, prospectus, form of application or advertisement in connection with the Notes should be distributed or published in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not, save as disclosed in this Offering Circular, impose any obligations on the Issuer, the Guarantor, the Company, any member of the Company Group or the Guarantor Group or the Joint Lead Managers.

The distribution of this Offering Circular, or any offering material, and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular, or any offering material, are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of this Offering Circular or any amendment or supplement thereto or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Neither the Issuer, the Guarantor nor the Company will have any responsibility for, and each Joint Lead Manager will obtain any consent, approval or permission required by it for, the acquisition, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer, sale or delivery. None of the Joint Lead Managers is authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes, other than as contained in this Offering Circular or any amendment or supplement thereto.

United States

Each Joint Lead Manager has represented, warranted and undertaken that it has not offered or sold, and will not offer or sell, any Notes or the Guarantee of the Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that neither it nor any of its affiliates (including any person acting on behalf of the Joint Lead Manager or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the Notes and the Guarantee of the Notes.

Terms used in the paragraph above have the meanings given to them by Regulation S under the Securities Act.

United Kingdom

Each of the Joint Lead Managers has represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer, the Guarantor or the Company; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Cayman Islands

No invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Notes unless the Issuer is listed on the Cayman Islands Stock Exchange.

Hong Kong

Each of the Joint Lead Managers has represented, warranted and undertaken that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that Ordinance.

Ireland

In relation to the Notes, each Joint Lead Manager subscribing for or purchasing such Notes has represented to, warranted and undertaken with the Issuer, the Guarantor and the Company that:

(1) it will not underwrite the issue of, or place the Notes, otherwise than in conformity than with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), as amended, including, without limitation, Parts 7 and 152 thereof and the provisions of the Investor Compensation Act 1998;

(2) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 – 2014 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1998;

(3) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005;

(4) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by the Central Bank of Ireland under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 or section 1370 of the Companies Act 2014;

(5) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Companies Act 2014; and

(6) any issue of the Notes with a legal maturity of less than one year will be carried out in strict compliance with the Central Bank of Ireland's implementation notice for credit institutions BSD C 01/02 of 12 November 2002 (as may be amended, replaced or up-dated) and issued pursuant to Section 8(2) of the Irish Central Bank Act, 1971 (as amended).

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**") and, accordingly, each Joint Lead Manager has represented, warranted and undertaken that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, or otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

People's Republic of China

Each of the Joint Lead Managers has represented, warranted and undertaken that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including Hong Kong, Macau or Taiwan), except as permitted by the securities laws and other relevant laws and regulations of the PRC.

Singapore

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, each Joint Lead Manager has represented, warranted and undertaken that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 276 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor (under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets and further for corporations, in accordance with the conditions specified in Section 275(1A) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offer of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

GENERAL INFORMATION

1. **Clearing Systems**: The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under Common Code number [●] and the International Securities Identification Number for the Notes is [●].

2. **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue of and performance of its obligations under the Notes, the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking, the Trust Deed and the Agency Agreement. The issue of the Notes was authorised by resolution of the board of directors of the Issuer passed on 25 June 2015. The Guarantor has obtained all consents, approvals and authorisations in connection with the giving of the Guarantee of the Notes and the performance of its obligations under the Keepwell and Liquidity Support Deed, the Deed of Asset Purchase Undertaking, the Trust Deed, the Guarantee of the Notes and the Agency Agreement. The giving of the Guarantee of the Notes was authorised by resolution of the board of directors of the Guarantor passed on 25 June 2015. The Company has obtained all necessary consents, approvals and authorisations in connection with the entry into of the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and the entry into the transaction documents in connection with the Notes was authorised by resolution of the board of directors of the Company passed on 8 July 2015. PRC counsel to the Company and the Joint Lead Managers have advised that no approvals or consents are required from any regulatory authorities or other relevant authorities in the PRC for the Company to enter into the Trust Deed, the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking.

3. **No Material Adverse Change**: Except as disclosed in this Offering Circular, there has been no material adverse change since 31 December 2014 (in the case of the Company Group), or 31 May 2015 (in the case of the Guarantor Group) in the financial or trading position, prospects or results of operations of the Guarantor Group or the Company Group.

4. **Litigation**: None of the Issuer, the Guarantor, the Company or any member of the Group is involved in any litigation or arbitration proceedings, which the Issuer, the Guarantor, the Company or the Group (as the case may be) believes are material in the context of the Notes, the giving of the Guarantee of the Notes and the entry into of the Keepwell and Liquidity Support Deed and the Deed of Asset Purchase Undertaking and, so far as the Issuer, the Guarantor or the Company is aware, no such litigation or arbitration proceedings are pending or threatened.

5. **Listing of Notes**: Application has been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors (as defined in the SFO) only and such permission is expected to become effective on or about [●].

6. **Available Documents**: As long as any Note is outstanding, copies of the following documents will be available for inspection during normal business hours at the specified office of the Principal Paying Agent:

   (a) constitutional documents (or equivalent) of the Issuer, the Guarantor and the Company;

   (b) copies of (i) the Company Audited Financial Statements, and (ii) the Guarantor Audited Financial Statements;

   (c) the Agency Agreement;

   (d) the Trust Deed;

   (e) the Keepwell and Liquidity Support Deed; and

   (f) the Deed of Asset Purchase Undertaking.

7. **Auditors**: The Company Audited Financial Statements have been audited by PricewaterhouseCoopers Zhong Tian LLP in respect of the audited consolidated financial statements for the years ended 31 December 2013 and 2014.

The Company Audited Financial Statements have only been prepared in Chinese and are included elsewhere in this Offering Circular. The Financial Statements Translation have been prepared and included in this Offering Circular for reference only. Should there be any inconsistency between the Company Audited Financial Statements and the Financial Statements Translation, the Company Audited Financial Statements included elsewhere in this Offering Circular in Chinese shall prevail. The Financial Statements Translation does not itself constitute audited financial statements, and is qualified in their entirety by, and is subject to the more detailed information and the financial information set out or referred to in, the Company Audited Financial Statements. None of the Issuer, the Guarantor, the Company, the Joint Lead Managers, the Trustee, the Agents nor their respective affiliates, directors, officers and advisors has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete. Consequently, such Financial Statements Translation should not be relied upon by potential purchasers to provide the same quality of information associated with information that has been subject to an audit or review. Potential purchasers must exercise caution when using such financial information to evaluate the financial condition, results of operations and prospects of the Group.

The Guarantor Audited Financial Statements have been audited by PricewaterhouseCoopers Ireland, the auditor of the Guarantor. The Guarantor Audited Financial Statements are not the statutory financial statements of the Guarantor. They were prepared by the directors of the Guarantor solely for the purpose of the offering of the Notes.

The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position included in the Guarantor Audited Financial Statements have been prepared in accordance with IFRS. However, certain disclosures required to be made in accordance with IFRS (including, but not limited to, cash flow statement and related party transactions) have not been made in the Guarantor Audited Financial Statements. Therefore, the Guarantor Audited Financial Statements do not and are not intended to comply with all the requirements of IFRS as adopted by the European Union.

The accounting policies used by the directors of the Guarantor in preparation of the Guarantor Audited Financial Statements are set out in note 2 "Accounting Policies" to the Guarantor Audited Financial Statements. See "*Notes to the Consolidated Financial Statements – Accounting Policies*" on F-328 of this Offering Circular.

8. **Asset purchases under the Deed of Asset Purchase Undertaking**: PRC counsel to the Joint Lead Managers, the Guarantor and the Issuer have confirmed that (i) if the assets to be purchased under the Deed of Asset Purchase Undertaking were to be imported into the PRC, the relevant PRC governmental approvals or permits from PRC approval authorities, including but not limited to NDRC, Civil Aviation Administration of China, MOFCOM and the General Administration of Customs of the PRC (中華人民共和國海關總署), would be required and (ii) if the purchased assets under the Deed of Asset Purchase Undertaking would not be imported into the PRC, and those assets would be leased by the Company after the purchase (falling within the ambit of the finance leasing laws in the PRC), the Company would be required to register such lease at the local foreign exchange authority within 15 working days upon an external claim and there are no other Regulatory Approvals (as defined in the Deed of Asset Purchase Undertaking) required under the PRC laws.

INDEX TO FINANCIAL STATEMENTS

CCB FINANCIAL LEASING CORPORATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

English Translation for Reference Only

Auditor's Report

PwC ZT Shen Zi (2015) No. 22057
(Page 1 of 2)

To the Board of Directors of CCB Financial Leasing Corporation Limited,

We have audited the accompanying financial statements of CCB Financial Leasing Corporation Limited (hereinafter "the Company"), which comprise the consolidated and company balance sheets as at 31 December 2014, and the consolidated and company income statements, the consolidated and company statements of changes in owners' equity and the consolidated and company cash flow statements for the year then ended, and the notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with China Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of the Company as at 31 December 2014, and their financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, the People's Republic of China

27 March 2015

CCB Financial Leasing Corporation Limited
Consolidated balance sheets
As at 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2014	31 December 2013
Assets			
Cash and deposits with banks	6	3,195,854,634	2,727,628,256
Due from central bank	7	7,301,306	10,529,440
Interest receivable		25,862,369	3,668,056
Finance lease receivables	8	68,748,187,626	44,055,032,172
Finance lease prepayments	10	240,240,697	-
Property and equipment	11	4,574,152,416	4,177,847,592
Construction in progress	12	1,955,760	1,651,119
Intangible assets	13	10,762,419	9,971,863
Deferred tax assets	14	159,857,720	108,057,455
Other assets	15	163,335,322	123,663,842
Total Assets		77,127,510,269	51,218,049,795

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated balance sheets (continued)
As at 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2014	31 December 2013
Liabilities and Equity			
Liabilities			
Borrowings from banks	16	65,355,727,620	42,396,365,900
Guaranteed deposits	17	53,191,500	74,191,500
Rental received in advance	18	1,848,256,805	2,190,544,864
Employee benefits payable	19	48,779,276	42,390,942
Taxes payable	20	81,985,578	(6,098,111)
Commission fee payable		39,106,621	28,970,983
Interest payable		380,689,328	234,667,712
Obligation under finance lease	22	722,240,818	-
Other liabilities	21	2,377,670,247	542,360,733
Total Liabilities		70,907,647,793	45,503,394,523
Equity			
Paid-in capital	23	4,500,000,000	4,500,000,000
Other comprehensive income	24	(81,252)	(192,229)
Surplus reserve	25	190,886,897	138,390,725
General reserve	26	931,077,332	625,924,201
Retained earnings	27	597,979,499	450,532,575
Total Equity		6,219,862,476	5,714,655,272
Total Liabilities and Equity		77,127,510,269	51,218,049,795

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Balance sheets
As at 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2014	31 December 2013
Assets			
Cash and deposits with banks	6	2,850,282,211	2,269,839,113
Due from central bank	7	7,301,306	10,529,440
Interest receivable		78,952,103	24,928,760
Finance lease receivables	8	60,902,499,530	40,930,715,239
Finance lease prepayments	10	240,240,697	-
Loans to subsidiaries	38(5)	5,296,093,632	4,400,377,530
Long-term Equity Investments	9	33,600,000	33,600,000
Property and equipment	11	117,761,265	129,932,603
Construction in progress	12	1,955,760	1,651,119
Intangible assets	13	10,762,419	9,971,863
Deferred tax assets	14	147,600,568	104,714,566
Other assets	15	206,538,966	214,287,924
Total Assets		69,893,588,457	48,130,548,157

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Balance sheets (continued)
As at 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2014	31 December 2013
Liabilities and Equity			
Liabilities			
Borrowings from banks	16	58,934,995,000	39,299,205,900
Guaranteed deposits	17	51,691,500	72,691,500
Rental received in advance	18	1,832,030,246	2,190,544,864
Employee benefits payable	19	48,779,276	42,390,942
Taxes payable	20	73,127,877	(11,446,282)
Commission fee payable		39,106,621	28,970,983
Interest payable		341,599,651	219,388,238
Other liabilities	21	2,300,855,285	542,360,733
Total Liabilities		63,622,185,456	42,384,106,878
Equity			
Paid-in capital	23	4,500,000,000	4,500,000,000
Surplus reserve	25	190,886,897	138,390,725
General reserve	26	931,077,332	625,924,201
Retained earnings	27	649,438,772	482,126,353
Total Equity		6,271,403,001	5,746,441,279
Total Liabilities and Equity		69,893,588,457	48,130,548,157

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated income statements
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2014	2013
Operating income			
Net interest income	28	1,187,998,554	1,017,725,536
Net fee and commission expenses	29	(72,008,286)	(112,141,927)
Net operating lease income		430,557,999	183,473,953
Total Operating income		1,546,548,267	1,089,057,562
Operating expenses			
Business taxes and surcharges		(64,879,112)	(56,207,905)
Operating and administrative Expenses	30	(141,423,620)	(107,491,653)
Impairment losses	31	(463,969,332)	(305,578,641)
Foreign exchange gain/(loss)		1,059,231	(968,524)
Other operating expenses	32	(211,452,091)	(89,215,831)
Total Operating expenses		(880,664,924)	(559,462,554)
Operating profit		665,883,343	529,595,008
Non-operating income	33	41,119,723	123,518
Non-operating expenses		(662,525)	(16,932)
Profit before tax		706,340,541	529,701,594
Less: Income tax expense	34	(201,244,314)	(152,247,012)
Net profit		505,096,227	377,454,582
Other comprehensive income	24	110,977	(192,229)
Items to be included in profit or loss	24	110,977	(192,229)
Exchange reserve	24	110,977	(192,229)
Total comprehensive income		505,207,204	377,262,353

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Income statements
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2014	2013
Operating income			
Net interest income	28	1,293,834,786	1,048,911,313
Net fee and commission expenses	29	(54,149,038)	(108,689,684)
Net operating lease income		35,849,670	-
Total operating income		1,275,535,418	940,221,629
Operating expenses			
Business taxes and surcharges		(53,926,081)	(50,684,735)
Operating and administrative Expenses	30	(139,670,225)	(106,152,938)
Impairment losses	31	(375,465,749)	(226,204,355)
Foreign exchange gain		259,793	10,163
Other operating expenses	32	(14,582,700)	-
Total operating expenses		(583,384,962)	(383,031,865)
Operating profit		692,150,456	557,189,764
Non-operating income	33	10,648,378	120,638
Non-operating expenses		(662,525)	(16,932)
Profit before tax		702,136,309	557,293,470
Less: Income tax expense	34	(177,174,587)	(141,169,954)
Net profit		524,961,722	416,123,516
Other comprehensive income	24	-	-
Total comprehensive income		524,961,722	416,123,516

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated statement of changes in equity
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2014		4,500,000,000	(192,229)	138,390,725	625,924,201	450,532,575	5,714,655,272
Movements during the year		-	110,977	52,496,172	305,153,131	147,446,924	505,207,204
1. Net profit for the year		-	-	-	-	505,096,227	505,096,227
2. Other comprehensive income	24	-	110,977	-	-	-	110,977
3. Profit distribution		-	-	52,496,172	305,153,131	(357,649,303)	-
- Appropriation to surplus reserve	27	-	-	52,496,172	-	(52,496,172)	-
- Appropriation to general reserve	27	-	-	-	305,153,131	(305,153,131)	-
- Appropriation to equity Shareholders	27	-	-	-	-	-	-
As at 31 December 2014		4,500,000,000	(81,252)	190,886,897	931,077,332	597,979,499	6,219,862,476

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements

CCB Financial Leasing Corporation Limited
Consolidated statement of changes in equity (continued)
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Exchange reserve	Total Equity
As at 1 January 2013		4,500,000,000	-	99,169,672	9,677,837	728,545,410	-	5,337,392,919
Movements during the year		-	-	39,221,053	616,246,364	(278,012,835)	(192,229)	377,262,353
1. Net profit for the year		-	-	-	-	377,454,582	-	377,454,582
2. Other comprehensive income	24	-	-	-	-	-	(192,229)	(192,229)
3. Profit distribution		-	-	39,221,053	616,246,364	(655,467,417)	-	-
- Appropriation to surplus reserve	27	-	-	39,221,053	-	(39,221,053)	-	-
- Appropriation to general reserve	27	-	-	-	616,246,364	(616,246,364)	-	-
- Appropriation to equity Shareholders	27	-	-	-	-	-	-	-
As at 31 December 2013		4,500,000,000	-	138,390,725	625,924,201	450,532,575	(192,229)	5,714,655,272
- Impact from accounting policies changes		-	(192,229)	-	-	-	192,229	-
As at 31 December 2013 (Restated)		4,500,000,000	(192,229)	138,390,725	625,924,201	450,532,575	-	5,714,655,272

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Statement of changes in equity
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2014		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279
Movements during the year		-	52,496,172	305,153,131	167,312,419	524,961,722
1. Net profit for the year		-	-	-	524,961,722	524,961,722
2. Profit distribution			52,496,172	305,153,131	(357,649,303)	-
- Appropriation to surplus reserve	27	-	52,496,172	-	(52,496,172)	-
- Appropriation to general reserve	27	-	-	305,153,131	(305,153,131)	-
- Appropriation to equity Shareholders	27	-	-	-	-	-
As at 31 December 2014		4,500,000,000	190,886,897	931,077,332	649,438,772	6,271,403,001

Gu Jingpu Legal Representative	Wang Qiang President & Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Statement of changes in equity (continued)
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2013		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763
Movements during the year		-	41,612,352	616,246,364	(241,735,200)	416,123,516
1. Net profit for the year		-	-	-	416,123,516	416,123,516
2. Profit distribution		-	41,612,352	616,246,364	(657,858,716)	-
- Appropriation to surplus reserve	27	-	41,612,352	-	(41,612,352)	-
- Appropriation to general reserve	27	-	-	616,246,364	(616,246,364)	-
- Appropriation to equity Shareholders	27	-	-	-	-	-
As at 31 December 2013		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated cash flow statements
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2014	2013
1. Cash flows from operating activities			
Cash received from guarantee deposit, rental received in advance and pledged deposits		1,899,940,209	415,443,110
Cash received from finance lease rental and transaction fees		21,107,667,342	11,868,466,479
Cash received from operating lease rental		436,038,702	184,165,854
Net increase in borrowed money		22,973,219,595	10,439,062,093
Cash received from other operating activities		233,302,050	189,354,013
Subtotal of cash inflow from operating activities		46,650,167,898	23,096,491,549
Cash paid for purchasing finance lease assets		(41,952,672,166)	(15,856,055,469)
Cash paid for interest, fee and commission		(2,906,342,642)	(1,629,178,041)
Time deposits		(2,447,600,000)	-
Net increase in deposit with central banks		3,228,134	17,184,480
Cash paid to and for employees		(83,920,104)	(53,528,285)
Payment of all types of taxes		(342,357,611)	(363,926,774)
Cash paid relating to other operating activities		(261,984,985)	(241,733,121)
Subtotal of cash outflow from operating activities		(47,991,649,374)	(18,127,237,210)
Net cash from operating activities	35(1)	(1,341,481,476)	4,969,254,339

The notes on pages 17 to 85 form part of these consolidated financial statements.

(Expressed in Renminbi Yuan)

	Note	2014	2013
2. Cash flows from investing activities			
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		-	2,100
Subtotal of cash inflow from investing activities		-	2,100
Purchase of fixed assets, intangible assets and other long-term assets		(613,885,402)	(4,266,072,620)
Subtotal of cash outflow from investing activities		(613,885,402)	(4,266,072,620)
Net cash used in investing activities		(613,885,402)	(4,266,070,520)
3. Effect of exchange rate changes on cash and cash equivalents		(24,006,744)	(6,685,714)
4. Net (decrease)/increase in cash and cash equivalents	35(2)	(1,979,373,622)	696,498,105
Add: Opening balances of cash and cash equivalents		2,727,628,256	2,031,130,151
5. Closing balances of cash and cash equivalents	35(3)	748,254,634	2,727,628,256

Gu Jingpu	Wang Qiang	Ding Li	(Company stamp)
Legal Representative	President & Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Cash flow statements
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2014	2013
1. Cash flows from operating activities			
Cash received from guarantee deposit, rental received in advance and pledged deposits		1,843,377,838	415,443,110
Cash received from finance lease rental and transaction fees		20,346,779,914	11,490,509,412
Net increase in borrowed money		19,631,708,781	8,024,874,145
Collection of loans to subsidiaries		5,749,971,466	1,192,492,560
Cash received from other operating activities		227,010,021	189,093,265
Subtotal of cash inflow from operating activities		47,798,848,020	21,312,412,492
Cash paid for purchasing finance lease assets		(37,357,027,300)	(14,516,242,202)
Cash paid for interest, fee and commission		(2,802,194,239)	(1,537,843,387)
Time deposits		(2,447,600,000)	-
Net increase in deposit with central banks		3,228,134	17,184,480
Cash paid to and for employees		(83,920,104)	(53,528,285)
Payment of all types of taxes		(261,904,970)	(335,336,562)
Cash loaned to and advances paid for subsidiaries		(6,453,290,880)	(4,272,284,086)
Cash paid relating to other operating activities		(237,169,607)	(225,476,128)
Subtotal of cash outflow from operating activities		(49,639,878,966)	(20,923,526,170)
Net cash from operating activities	35(1)	(1,841,030,946)	388,886,322

The notes on pages 17 to 85 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Cash flow statements (continued)
For the year ended 31 December 2014
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2014	2013
2. Cash flows from investing activities			
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		-	2,100
Subtotal of cash inflow from investing activities		-	2,100
Cash paid for investing activities		-	(1,000,000)
Purchase of fixed assets, intangible assets and other long-term assets		(5,089,250)	(131,168,742)
Subtotal of cash outflow from investing activities		(5,089,250)	(132,168,742)
Net cash used in investing activities		(5,089,250)	(132,166,642)
3. Effect of exchange rate changes on cash and cash equivalents		(21,036,706)	(3,043,321)
4. Net (decrease)/increase in cash and cash equivalents	35(2)	(1,867,156,902)	253,676,359
Add: Opening balances of cash and cash equivalents		2,269,839,113	2,016,162,754
6. Closing balances of cash and cash equivalents	35(3)	402,682,211	2,269,839,113

Gu Jingpu	Wang Qiang	Ding Li	(Company stamp)
Legal Representative	President & Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 85 form part of these consolidated financial statements.

1 Company information

CCB Financial Leasing Corporation Limited (the "Company") is a joint stock company incorporated by China Construction Bank Corporation ("CCB") and Bank of America Corporation ("BOA") in Beijing, the Peoples Republic of China (the "PRC") on 26 December 2007 with the approval of China Banking Regulatory Commission ("CBRC") with registered capital of RMB 4.5 billion. In 2012, CCB purchased the equity held by BOA and became the company's sole shareholder. In 2013, the Company changed its registered Chinese name following its restructuring from a joint-stock company to a limited liability company and completed the procedures for changing its business licence on 4 September 2013.

The Company operates under the corporate legal person licence No. 100000400011958 granted by the State Administration for Industry and Commerce of the PRC and the financial licence No. M0013H211000001 granted by the CBRC.

As at 31 December 2014, the Company has 41 subsidiaries (refer to Note 5 for the detailed information of subsidiaries). The Company and all the subsidiaries are referred to as the "Group" or individually as "Group entities". The Group is principally engaged in finance lease, treasury business and other financial businesses approved by the CBRC.

The consolidated financial statements were approved by the Board of Directors on 27 March 2015.

2 Basis of preparation

(1) Statement of compliance

The Group’s financial statements were prepared in accordance with the Accounting Standards for Business Enterprises (“ASBE”), specific standards of the Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and thereafter (hereafter referred to as “the Accounting Standard for Business Enterprises” or “CAS), truly and completely present the financial position and the operating results, cash flows of the Group and the Company.

The financial statements were prepared on the basis of going concern.

(2) Accounting year

The Group uses the calendar year as the accounting year, which is from 1 January to 31 December.

(3) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets and financial liabilities that are measured at fair value.

2 Basis of preparation (continued)

(4) Functional and presentation currency

The consolidated financial statements are presented in Renminbi ("RMB"). Renminbi is also the recording currency for the Company's 41 subsidiaries other than CCB Jin Five Leasing (Tianjin) Co., Ltd., CCB Jin Seven Leasing (Tianjin) Co., Ltd., CCB Jin Eight Leasing (Tianjin) Co., Ltd., CCB Jin Eleven Leasing (Tianjin) Co., Ltd., CCB Jin Twelve Leasing (Tianjin) Co., Ltd., CCB Jin Thirteen Leasing (Tianjin) Co., Ltd., CCB Jin Sixteen Leasing (Tianjin) Co., Ltd., CCB Jin Seventeen Leasing (Tianjin) Co., Ltd., CCB Jin Eighteen Leasing (Tianjin) Co., Ltd., CCB Jin Nineteen Leasing (Tianjin) Co., Ltd., CCB Jin Twenty Leasing (Tianjin) Co., Ltd., CCB Jin Twenty One Leasing (Tianjin) Co., Ltd., CCB Jin Twenty Two Leasing (Tianjin) Co., Ltd., who use US Dollar ("USD") as their recording currency. The Group uses Renminbi as the reporting currency in preparing its consolidated financial statements.

3 Significant accounting policies and accounting estimates

(1) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and the subsidiaries under its control. The Company controls an entity when the Company has power over the entity, and is exposed to, or has the rights to the variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. For unrealized losses arising from intra-group transactions, if there is any evidence of asset impairments, full impairment provision will be charged.

(2) Foreign currency translation

(a) Translation of foreign currency transactions

Upon initial recognition, foreign currency transactions are translated into the reporting currency at the spot exchange rates or approximate exchange rates on the transaction date.

3 Significant accounting policies and accounting estimates (continued)

(2) Foreign currency translation (continued)

(a) Translation of foreign currency transactions (continued)

A spot exchange rate is an exchange rate quoted by the People's Bank of China ("the PBOC") and other recognized exchange rates ruling at the transaction dates. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, normally the average exchange rate of the current period.

Monetary items denominated in foreign currencies are translated into the functional currency at the spot exchange rates at the balance sheet date. The resulting exchange differences are recognised in the income statement. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currency using the spot exchange rates at the transaction dates. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the spot exchange rates at the dates the fair values are determined; exchange differences are recognised as other comprehensive income, except for the differences arising from the translation of available-for-sale equity instruments, which are recognised in capital reserve.

(b) Translation of financial statements denominated in foreign currencies

Foreign currency financial statements of subsidiaries are translated into RMB for the preparation of consolidated financial statements. At the end of each reporting period, the assets and liabilities in the financial statements denominated in foreign currencies are translated into RMB at the spot exchange rates ruling at that date. The income and expenses of foreign operations are translated into RMB at the spot exchange rates or the rates that approximate the spot exchange rates on the transaction dates. Foreign exchange differences arising from foreign operations are recognised as "other comprehensive income" in the shareholders' equity on the balance sheet. The effect of exchange rate changes on cash is presented separately in the statement of cash flows.

(3) Cash and cash equivalents

Cash and cash equivalents comprise non-restricted balances with banks and non-bank financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Significant accounting policies and accounting estimates (continued)

(4) Long-term Equity Investments to Subsidiaries

In the consolidated financial statements, investments to subsidiaries are accounted for in accordance with the accounting policies as set out in Note 3(1).

For the separate financial statements of the Company, investments in subsidiaries are accounted for at cost. At initial recognition, when the subsidiaries are acquired with cash, the investment is measured at the actual purchased price. When the subsidiaries are acquired through issuing equity securities, the investment is measured at the fair value of the equity securities. When the subsidiaries are acquired by the investors, the investment is measured according to the value agreed in the investment contracts or agreements.

For the separate financial statements of the Company, in the subsequent measurement, investments in subsidiaries are accounted for at cost. Those cash dividends or profits the subsidiaries already declared, except those already declared but unpaid at the time of acquisition and have been included in the cost of the initial acquirement, will be recognized as investment income. After the recognition of the above investment income, the Company will monitor whether the carrying value of the long-term equity investment is greater than the share of the subsidiary's net assets (including related goodwill). If greater, the Company will perform the impairment assessment in accordance with Note 3(9). If the recoverable amount is lower than the carrying amount of long-term equity investment, the Company will accrue provision and the investment will be accounted in the financial statements at net value after deduction of the provision (note 3(9)).

(5) Lease

A finance lease is a lease that transfers in substance all the risks and rewards incident to ownership of an asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred or not. An operating lease is a lease other than a finance lease.

(a) Finance lease

Where the Group is a lessor under finance leases, an amount representing the sum of the minimum lease payments at the commencement of the lease term, is included on the balance sheet under "Finance lease receivables", meanwhile the unguaranteed balance will be recorded. The difference between the total amount of the minimum lease payments and the unguaranteed balance and their present value will be recognized as unrealized financing income.

3 Significant accounting policies and accounting estimates (continued)

(5) Lease (continued)

(a) Finance lease (continued)

Unrealised finance income under finance leases are amortised using an effective interest rate method over the lease term. On financial statements date, the balance of finance lease receivables minus unrealized finance income will be included on the balance sheet under "Finance lease receivables".
Where the Group is a lessee under finance leases, the leased asset is recognised at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The difference between the recorded amount of the leased asset and the minimum lease payments is accounted for as unrecognized finance charge and is amortised using the effective interest method over the period of the lease. An Obligation under finance lease is recorded at the amount equal to the minimum lease payments less the unrecognised finance charge.

Impairment losses are accounted for in accordance with the accounting policy as set out in Note 3(6) (b).

The Group will review at least once every year the unguaranteed balance (usually at each year-end), and if the recoverable amount is lower than the carrying amount, impairment losses will be recognized. If there are indications that the factors based on which an impairment loss was recognized in prior periods have been changed, resulting in the recoverable amount of the unguaranteed balance becoming higher than its carrying amount, the impairment loss recognized in prior periods, should be reversed within the initial recognized loss amount and recognized in the income statement for the current period.

(b) Operating lease

Where the Group is a lessee under operating leases, lease payments are recognized on a straight-line basis over the period of the lease, and are charged as a cost or expense for the current period.

Where the Group is a lessor under operating leases, the operating lease assets are amortised in accordance with the accounting policy stated in Note 3(7), and impairment losses are recognized in accordance with the accounting policy stated in Note 3(9). Lease receipts are recognized on a straight-line basis over the period of the lease, and are recognized as an income for the current period. Contingent lease receipts or payments can be recognized as an income or expense when incurred.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments

(a) Recognition and measurement of financial assets and financial liabilities

All financial assets and financial liabilities are recognised on the balance sheet, when and only when, the Group becomes a party to the contractual provisions of the instrument.

The Group classifies financial instruments into different categories at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred. The categories are: financial assets and financial liabilities at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets and other financial liabilities.

Financial instruments are measured initially at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the instruments. Transaction costs for financial instruments at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, financial assets and financial liabilities are measured as follows:

- Financial assets and financial liabilities at fair value through profit or loss （including trading financial assets or liabilities）

A financial asset or financial liability is classified as financial assets and financial liabilities at fair value through profit or loss if it is: (i) acquired or incurred for the purpose of selling or repurchasing in the near term; or (ii) a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument, and a derivative that tied to equity instruments with no quoted price in an active market and cannot be reliably measured and that can only be settled through delivering the equity instrument).

Subsequent to initial recognition, financial assets and financial liabilities at fair value through profit or loss are measured at fair value, and changes therein are recognised in the income statement.

- Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, receivables are stated at amortised cost using the effective interest method.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments

(a) Recognition and measurement of financial assets and financial liabilities (continued)

– Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are stated at amortised cost using the effective interest method.

– Available for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and other financial assets which do not fall into any of the above categories.

Investments in equity instruments are measured at cost when they do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

Except the above Investments in equity instruments equity investment whose fair value cannot be reliably measured, other available-for-sale financial assets are measured at fair value. A gain or loss on available-for-sale financial asset is recognised directly in equity, except for impairment losses and foreign exchange gains or losses which resulted from monetary financial assets, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in equity are removed from equity and recognised in the income statement.

– Other financial liabilities

Financial liabilities other than the financial liabilities at fair value through profit or loss are classified as other financial liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(b) Impairment

The Group assesses at the balance sheet date the carrying amount of a financial asset (other than those at fair value through profit or loss). If there is objective evidence that the financial asset is impaired, the Group will recognise the impairment loss in the income statement. Losses expected as a result of future events, no matter how likely, are not recognised as impairment losses.

Objective evidence that a financial asset is impaired included the following events that occurred after the initial recognition of the asset and that the event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated:

- significant financial difficulty of the borrower or issuer;
- a breach of contract by the borrower, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the borrowers' financial difficulty, granting to the borrower a concession that the Group would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisations;
- disappearance of an active market for that financial asset because of financial difficulties of the issuer;
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including: adverse changes in the payment status of borrowers in the group, an increase in the unemployment rate in the geographical area of the borrowers, a decrease in property prices for mortgages in the relevant area, or adverse changes in industry conditions that affect the borrowers in the group;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the issuer;
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost; and

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(b) Impairment (continued)

– other objective evidence indicating there is an impairment of a financial asset.

Loans and receivables and held-to-maturity investments

Individual assessment

Loans and receivables and held-to-maturity investments, which are considered individually significant, are assessed individually for impairment. If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred on an individual basis, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate, and recognise in the income statement.

The calculation of the present value of the estimated future cash flows of a collateralised loan or receivable reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

Collective assessment

Loans and receivables which include homogeneous groups of loans and receivables not considered individually significant, individually assessed loans and receivables with no objective evidence of impairment on an individual basis are assessed for impairment losses on a collective basis. If there is observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of a financial asset, the impairment is recognised and recorded in the income statement. The collective impairment loss is assessed after taking into account: (i) historical loss experience in portfolios of similar risk characteristics; (ii) the emergence period between a loss occurring and that loss being identified; and (iii) the current economic and credit environments and whether in management’s experience these indicate that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(c) Impairment (continued)

<u>Collective assessment</u>

Collective assessment covers those loans and receivables that were impaired at the balance sheet date but were not individually identified as such until some time in the future. As soon as information is available that specifically identifies objective evidence of impairment on individual assets in a pool, those assets are removed from the pool of financial assets.

<u>Impairment reversal and written-off of loans and receivables</u>

If, in a subsequent period, the amount of the impairment loss on loans and receivables decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds the amortised cost at the date of the reversal, had the impairment not been recognised. The amount of the reversal is recognised in the income statement.

When management determine that a loan and receivable has no reasonable prospect of recovery after the Group has completed all the necessary legal or other proceedings, the loan and receivable is written off against its allowance for impairment losses. If in a subsequent period the loan and receivable written off is recovered, the amount recovered will be recognised in the income statement through impairment allowances.

Available-for-Sale financial assets and other Long-term Equity Investments

Available-for-Sale financial assets and other Long-term Equity Investments are assessed individually for impairment. If Available-for-Sale financial assets are impaired, even if they are not derecognized, the Group will still transfer the accumulated loss recognized in equity into the income statement of the current period.

If, in a subsequent period, the amount of the impairment loss on available-for-sale debt instruments decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Impairment loss on available-for-sale equity instruments cannot be reversed.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(c) Determination of fair value

If there is an active market for financial assets or liabilities, the fair value of the financial instrument is based on quoted price in the active market without any deduction for transaction costs that may occur on sales or disposals. The appropriate quoted price in an active market for a financial asset held or liability to be issued is usually the current bid prices, and the asking price is for an asset to be acquired or liability held.

If a quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include recent arm's length market transactions between knowledgeable and willing parties, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Periodically, the Group reviews the valuation techniques and tests them for validity.

(d) Derecognition

A financial asset is derecognized if the Group's contractual rights to the cash flows from the financial asset expire or if the Group transfers substantially all the risks and rewards of ownership of the financial asset to another party.

Where a transfer of a financial asset in its entirely meets the criteria of the derecognition, the difference between the two amounts below is recognised in the income statement:

- carrying amount of the financial asset transferred
- the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognised directly in equity.

The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged/cancelled.

(e) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis, or by realising the asset and settling the liability simultaneously.

(Expressed in Renminbi Yuan)

3 Significant accounting policies and accounting estimates (continued)

(7) Property and equipment

Property and equipment consist of buildings, equipment, transportation instruments, computer equipment, office equipment and etc. Items of property and equipment are measured at cost.

The subsequent costs of replacing part of an item of property or equipment are recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the income statement as incurred.

Depreciation is calculated to write off the cost, less estimated residual value if applicable, of items of property and equipment and is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Impaired property and equipment are depreciated net of accumulated impairment losses over the remaining useful lives.

Depreciation is calculated on a straight-line basis over the estimated useful lives. The estimated useful lives and estimated net residual value are as follows:

	Estimated useful lives	Estimated net residual value	Annual depreciation rates
Property and equipment:			
Computer equipment	3 – 5 years	3%	19.4%-32.3%
Office equipment	3 – 5 years	3%	19.4%-32.3%
Transportation equipment	5 – 8 years	3%	12.1%-19.4%
Operating lease assets:			
Aircraft	20-25 years	5%	3.44%-4.75%
Vessels	30 years	13.76%	2.90%
automobile manufacturing equipment	10 years	5%	10.09%-14.43%

The Group reviews the estimated useful lives and estimated net residual value of a property or equipment and the depreciation method applied at least once at each financial year.

3 Significant accounting policies and accounting estimates (continued)

(7) Property and equipment (continued)

Property and equipment will be derecognized once they are disposed or are expected to generate zero benefits through future use or disposal. Gains or losses arising from the disposal or retirement of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of disposal or retirement.

(8) Intangible assets

Intangible assets (for intangible assets with finite useful life only) are stated on the balance sheet at cost less impairment losses (see Note 3(9)). For an intangible asset with finite useful life, its cost less residual value and impairment loss is amortised on a straight-line basis over its estimated useful life.

An intangible asset is regarded as having an indefinite useful life and is not amortised when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. As at the balance sheet date, the Group has no intangible asset with an indefinite useful life.

(9) Allowances for impairment losses on non-financial assets

The Group assesses at the balance sheet date the carrying amount of property and equipment, construction in progress, intangible assets and equity investments in subsidiaries if there is any indication that the asset may be impaired.

Cash-generating Unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGU consists of assets that can generate positive cash flow. Whether a group of assets can generate positive cash flow independently is the main factor when determining they are a CGU or not, meanwhile the management of operating business, ways of determining how an asset can be used or disposed by the management should also be taken into consideration.
The recoverable amount of an asset (or CGU, group of CGUs) is the higher of its fair value less costs to sell and the present value of the expected future cash flows.

The difference of an asset's fair value and disposal expense is determined by the selling price of fair trade minus appropriate disposal expense. The Group considers all relevant factors in estimating the present value of future cash flows using appropriate pre-tax discounted rate, such as the expected future cash flows, the useful life and the discount rate.

3 Significant accounting policies and accounting estimates (continued)

(9) Allowances for impairment losses on non-financial assets (continued)

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to the income statement. And impairment loss is recognized accordingly on the balance sheet. For CGU or group of CGUs, the amount of impairment loss reduces the carrying amount of assets within the CGU or group of CGUs, pro rata on the basis of the carrying amount of each asset. However, the carrying amount of each asset after deduction should not be lower than the highest of the following three amounts: the asset's fair value minus disposal expense (if can be determined), present value of the asset's future cash flow (if can be determined) and zero.

Impairment loss cannot be reversed in subsequent accounting period once recognized.

(10) Borrowing costs

The borrowing costs are directly attributable to the acquisition and construction of a fixed asset that needs a substantially long period of time of acquisition and construction for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(11) Employee benefits

Employee benefits are all forms of consideration given and compensations incurred by the Group in exchange for services rendered by employees or the termination of the employment relationship, including short-term benefits and post-employment benefits. Employee benefits are recognised as a liability in the period in which the associated services are rendered by its employees, with a corresponding increase in cost of relevant assets or the expenses in profit or loss. Where payment or settlement is deferred and the effect of discount would be material, these amounts are stated at their present values on the financial statements.

3 Significant accounting policies and accounting estimates (continued)

(11) Employee benefits

(a) Short-term benefits

Short-term benefits includes salaries, bonus, allowance, subsidies, expenses for employee benefit, medical insurance, work injury insurance, maternity insurance, housing fund, labour union and education. The Group makes housing fund and social insurance contributions to government agencies in proportion to each employee's salary and expenses monthly in the period in which the associated services are rendered by its employees, recognises short-term benefits incurred as liabilities and recognises them in profit or loss on an accrual basis.

(b) Post-employment benefits

The Group's post-employment benefit plan is defined contribution plan. A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity with no legal or constructive obligations to pay further contributions. For defined contribution plans, the Group pays contributions to basic retirement insurance, annuity scheme and unemployment insurance for the employees during the reporting period.

Defined contribution retirement schemes

Pursuant to the relevant laws and regulations in the PRC, the Group has joined defined contribution retirement schemes for the employees arranged by local government labor and security authorities. The Group makes contributions to the retirement schemes at the applicable rates based on the amounts stipulated by the local government organizations. The contributions are charged to the income statement on an accrual basis. When employees retire, the local government labor and security authorities are responsible for the payment of the basic retirement benefits to the retired employees.

Annuity schemes

In addition to the statutory provision schemes, the Group's employees have joined the annuity scheme set up by the Group under "CCB Financial Leasing Corporation Limited Annuity Scheme" (the "scheme") in accordance with state enterprise annuity regulations. The Group has made annuity contributions in proportion to its employees' gross wages, which are expensed in profit or loss when the contributions are made.

3 Significant accounting policies and accounting estimates (continued)

(12) Income tax

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the end of each reporting period, and any adjustment to tax payable in respect of previous periods. Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax also arises from unused tax losses and unused tax credits. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Current income tax and movements in deferred tax balances are recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

At the end of each reporting period, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled according to the requirements of tax laws. The Group also considers the possibility of realisation and the settlement of deferred tax assets and deferred tax liabilities in the calculation.

Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Group has the legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. Otherwise, the balances of deferred tax assets and deferred tax liabilities, and movements therein, are presented separately from each other and are not offset.

(13) Provisions and contingent liabilities

A provision is recognised on the balance sheet if the Group has a present legal or constructive obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of the time value of money is material, the best estimate for the provision is determined by discounting the related future cash outflows.

3 Significant accounting policies and accounting estimates (continued)

(13) Provisions and contingent liabilities (continued)

A possible obligation arising from past transactions or events whose existence can only be confirmed by the occurrence or non-occurrence of one or more future uncertain events; or a present obligation that arises from past transactions or events and it is not probable that an outflow of economic benefits is required to settle the obligation or the amount of the obligation cannot be measured reliably, is disclosed as contingent liabilities.

(14) Interest income and expense

Interest income and expense of financial instruments carried at amortised cost are recognised on an accrual basis using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial assets or financial liabilities to the net carrying amount of the financial asset or financial liability.

Once a financial asset is impaired, interest income is recognised using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial assets or financial liabilities (for example, prepayment, repurchase and similar options) but not future credit losses. The calculation includes all transaction costs, including fees and commissions, and premiums and discounts paid or received between parties to the contract.

(15) Fee and commission income and expense

Fee and commission income and expense are recognised on an accrual basis when the service is rendered or received.

(16) Profit distribution

The proposed dividend which is approved and declared after the balance sheet date are not recognised as a liability on the balance sheet and disclosed in the note to the financial statements separately.

3 Significant accounting policies and accounting estimates (continued)

(17) Related parties

If the Group has the power, directly or indirectly, to control, jointly control or exercise significant influence over another party, or vice versa, or where the Group and one or more parties are subject to common control or jointly control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. If an enterprise has no other relations with the Group except they and the Group are all controlled by the same country, the enterprise will not be regarded as the Group's related party. The Group's and the Company's related parties are included but not limit to the following:

(i) the Company's parents;
(ii) the Company's subsidiaries;
(iii) other entities which are controlled by the Company's parents;
(iv) an investor who can exercise significant influence over the Group;
(v) other entities or individuals if a party has control over both the entities or individuals and the Group
(vi) key management personnel of the Group and close family members of such individuals;
(vii) key management personnel of the Company's parents;
(viii) close family members of key management personnel of the Company's parents; and
(ix) other entities that are controlled or jointly controlled by the Group's key management personnel, or close family member of such individuals.

(18) Operating segments

The Group identifies operating segments based on the internal organization structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

3 Significant accounting policies and accounting estimates (continued)

(18) Operating segments (continued)

Considering that the Group's business activities were mainly leasing operations and these operations were not noticeably exposed to risks associated with geographical areas, these operations were not managed by operating segments, and accordingly, no segment information is available.

(19) Government subsidies

Government subsidies are monetary assets the Group acquired from the government without compensation. These subsidies include tax return, financial subsidies, etc. These assets are measured by the received or receivable amount. Government subsidies are confirmed when the Group can meet the requirements attached to subsidies and when the collection of said subsidies can be guaranteed.

Assets related government subsidies are subsidies acquired by the Corporation and will be used for procurement or construction or by other means become long-term assets. Profit related government subsidies are those not included in assets related government subsidies. All government subsidies the Group receive are profit related.

Profit related government subsidies used for the purpose of compensating subsequent periods' expenses or losses will be recognized as deferred income. It will be recognized as current profit and losses in the period when related expenses occurred. Subsidies used to compensate past expenses or losses will be recognized in the income statement for the current period.

(20) Significant accounting estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income. Actual results may differ from these estimates. The key assumptions and judgements of uncertain factors are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Significant accounting policies and accounting estimates (continued)

(20) Significant accounting estimates and judgments (continued)

(a) Impairment losses on finance lease receivables

As stated in note 3(6)(b), the Group reviewed the portfolios of finance lease receivables periodically to assess whether there is any evidence of impairment and to assess the amount of impairment losses to be accrued.
Objective evidence for impairment includes observable data indicating that there is a measurable decrease in the estimated future cash flows identified with an individual or collective finance lease receivable, or observable data indicating borrowers of the Group's one individual receivable or asset portfolios are going through adverse changes in his financial status.
Impairment losses can be reversed if there is indication that evidence of impairment has changed.

(b) Income taxes

There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgment is required from the Group in determining the amounts for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which such determination is made.

(Expressed in Renminbi Yuan)

3 Significant accounting policies and accounting estimates (continued)

(21) Changes of significant accounting policy

In 2014, Ministry of Finance released “ASBE No.39-Fair Value Measurements”, “ASBE No.40 - Joint Venture Arrangements”, “ASBE No.41-Equity Disclosure of Other Entities”, “ASBE No.2 - Long-Term Equity Investment (Revised)”, “ASBE No.9-Employee Compensation (Revised)”, “ASBENo.30-Presentation of Financial Statement (Revised)”, “ASBE No.33-Consolidationof Financial Statements (Revised)”, and “ASBE No.37-Presentation of Financial Instruments (Revised)”, it is required that “ASBE No.37-Presentation of Financial Instruments (Revised)” be adopted since 2014 Financial statements, and all other standards must be adopted since July 1, 2014.
The Group and the Company abided by the above standards in the composition of the 2014 Financial Statement. In accordance with “ASBE No. 30-Presentation of Financial Statement”, the Group has listed converted difference in Foreign Currency Statements in Other comprehensive Income. In accordance with “ASBE No. 9-Employee Benefits”, the Group and the Company has re-stated Employee Benefits Payable and made adjustments in the comparative statement accordingly.

The adoption of other accounting standards has no significant impact on the Group’s and the Company’s financial statements.

4 Taxation

The Group’s main applicable taxes, tax rates and tax base are as follows:

Category	Tax rates	Tax base
Income tax	25%	Taxable income
Value-added tax	17%	Taxable value added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less deductible VAT input of current period)
Business tax	5%	Taxable turnover amount

4 Taxation

In 2012, the Company and Tianjin Dongjiang Bonded Port re-signed the "Memorandum of cooperation between Tianjin Dongjiang Bonded Port Management Committee and the CCB Financial Leasing Corporation Limited". The memorandum stipulates that subsidiaries of the Company established in Dongjiang Bonded Port area engaging in the leasing of aircraft, ships, ocean engineering structures and other products (including finance lease, operating lease and other related services) are entitled to full refund of the local government's share of corporate income tax for 3 years since the first profit-making year, and half of such refund in the next 4 to 10 years. For 10 years since the start of business, the above subsidiaries are entitled to full refund of business tax, urban construction tax and education surcharges. After business tax was replaced by VAT, the same time period and ratio for refund should be applied to local government's share of VAT, taxes and fees attached to VAT and other turnover taxes.

In 2014 the Company and Tianjin Dongjiang Bonded Port signed the "Supplementary Memorandum of Cooperation between Tianjin Dongjiang Bonded Port Management Committee and the CCB Financial Leasing Corporation Limited (I)". The memorandum stipulates that subsidiaries of the Company established in Dongjiang Bonded Port Area engaging in the leasing of aircraft, ships, ocean engineering structures and other products, are entitled to full refund of the local government's share of the corporation income tax for 3 years since the start of business, and half of such refund in the next 4 to 12 years. For 12 years since the start of business, the above subsidiaries are entitled to full refund of business tax, urban construction tax and education surcharge. For the finance leasing of tangible movable property business, the part of VAT over 3% will be levied and immediately refunded. For the leasing of tangible movable property business (including finance lease and operating lease), if VAT and surcharge are higher than the previously levied business tax and surcharge, the increased part should be fully compensated with government subsidies.

According to the "Notice of launching Business Tax to Value Added Tax Transformation Pilot Program" (Cai Shui [2011] No. 110) and the "Notice of Launching Business Tax to Value Added Tax Transformation Pilot Program for the Transportation Industry and Certain Modern Service Industries in Shanghai" (Cai Shui [2011] No. 111), both issued by the Ministry of Finance and the State Administration of Taxation, since January 1, 2012, subsidiaries of the Group registered in Shanghai are subject to VAT when engaged in operating lease business of tangible personal properties.
According to the "Notice of Launching Business Tax to Value Added Tax Transformation Pilot Program for the Transportation Industry and Certain Modern Service Industries in Beijing and Other Seven Provinces and Cites" (Cai Shui [2012] No. 71), since September 1, 2012, the Company and subsidiaries of the Group registered in Beijing are subject to VAT for new tangible personal property operating lease business. Since December 1, 2012, subsidiaries of the Group registered in Tianjin are subject to VAT for new tangible personal property operating lease business.

(Expressed in Renminbi Yuan)

5 Subsidiaries

As at 31 December 2014, subsidiaries consolidated in this report are as follows:

Name of subsidiaries	Place of registration	Industry	Registered capital	% of ownership directly and indirectly held by the Company	% of voting rights directly and indirectly held by the Company
CCB Jing One Leasing (Beijing) Co., Ltd.	Beijing, PRC	Leasing	100,000	100%	100%
CCB Jin One Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Two Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Three Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Four Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Five Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Six Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Seven Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Eight Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Nine Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Ten Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Eleven Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twelve Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Thirteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Fourteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Fifteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Sixteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Seventeen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%

(Expressed in Renminbi Yuan)

5 Subsidiaries (continued)

Name of subsidiaries	Place of registration	Industry	Registered capital	% of ownership directly and indirectly held by the Company	% of voting rights directly and indirectly held by the Company
CCB Jin Eighteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Nineteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty One Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Two Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Three Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Four Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Five Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Six Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Seven Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Eight Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Nine Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Thirty Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Hu One Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Two Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Three Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Four Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Five Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Six Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%

(Expressed in Renminbi Yuan)

5 Subsidiaries (continued)

Name of subsidiaries	Place of registration	Industry	Registered capital	% of ownership directly and indirectly held by the Company	% of voting rights directly and indirectly held by the Company
CCB Hu Seven Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Eight Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Nine Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Ten Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%

6 Cash and deposits with banks

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Cash at bank	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113

As at 31 December 2014, the Group and the Company have time deposit of USD 400 million (equivalent to RMB 2.45 billion) were made collateral asset. (As at 31 December 2013: None)

7 Due from central bank

As at 31 December 2014, the balance with central bank of the Group and the Company is RMB 7,301,306 (31December 2013: 10,529,440). According to "People's Bank of China’s Notice on the Inclusion of Margin Deposits in the Deposit Reserve Range", "People's Bank of China’s Notice on Ratifying Certain Financial Leasing Companies Deposit Reserve Range", "People's Bank of China’s Notice on Lowering the RMB Deposit Reserve Rate" and the policy of "directional lowering the deposit reserve ratio and directing credit resources to boost support for on agriculture, rural areas, and farmers as well as SMEs", starting from 16 June 2014, the Group and the Company is required to maintain a deposit reserve based on 14.0% (31 December 2013: 14.5%) of guaranteed deposits received under lease contracts. The general reserve deposit could not be used for daily operation of the Group.

(Expressed in Renminbi Yuan)

8 Finance lease receivables

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Minimum lease payment from lessees	82,932,081,232	53,364,632,148	73,719,037,293	49,553,702,579
Less: unrealised finance income	(12,885,797,795)	(8,454,319,738)	(11,647,215,173)	(7,825,422,478)
Total finance lease receivables	70,046,283,437	44,910,312,410	62,071,822,120	41,728,280,101
Less: Allowance for impairment losses collectively assessed	(1,200,064,080)	(754,685,955)	(1,071,290,859)	(696,970,579)
Allowance for impairment losses individually assessed	(98,031,731)	(100,594,283)	(98,031,731)	(100,594,283)
Net book value of finance lease receivables	68,748,187,626	44,055,032,172	60,902,499,530	40,930,715,239

The future minimum lease payments after the balance sheet date from lessees are summarized below:

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Without time limit	106,652,113	130,579,447	106,652,113	130,579,447
Within 1 year (inclusive)	21,555,126,693	13,766,811,140	20,393,760,575	13,261,600,779
1 and 2 years (inclusive)	17,200,713,128	11,415,558,123	16,057,840,605	10,917,833,724
2 and 3 years (inclusive)	13,709,108,516	8,045,488,850	12,588,074,509	7,555,115,566
Over 3 years	30,360,480,782	20,006,194,588	24,572,709,491	17,688,573,063
Total	82,932,081,232	53,364,632,148	73,719,037,293	49,553,702,579

(Expressed in Renminbi Yuan)

8 Finance lease receivables (continued)

Movements of allowance for impairment losses of finance lease receivables:

	Group		Company	
	2014	2013	2014	2013
Balance at 1 January	855,280,238	581,733,295	797,564,862	545,592,507
Charge for the year	442,815,573	247,778,943	371,757,728	226,204,355
Transfers in	-	25,768,000	-	25,768,000
Balance at 31 December	1,298,095,811	855,280,238	1,169,322,590	797,564,862

As at 31 December 2014, the Group's finance lease receivables are all arising from rent-after-sale business and direct lease business. The effective lease interest rate will adjust based on the credit interest rate benchmark released by the PBoC on the date of adjustments.

9 Long-term equity investment

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Investments in subsidiaries	-	-	33,600,000	33,600,000
Less: impairment	-	-	-	-
Net value	-	-	33,600,000	33,600,000

As at 31 December 2013, investments to subsidiaries are analyzed as follows:

	Company	
	31 December 2014	31 December 2013
CCB Jing One Leasing (Beijing) Co., Ltd.	100,000	100,000
CCB Jin One Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Two Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Three Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Four Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Five Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Six Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Seven Leasing (Tianjin) Co., Ltd.	500,000	500,000

(Expressed in Renminbi Yuan)

9 Long-term equity investment (Continued)

	Company	
	31 December 2014	31 December 2013
CCB Jin Eight Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Nine Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Ten Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Eleven Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Twelve Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Thirteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Fourteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Fifteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Sixteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Seventeen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Eighteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Nineteen Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Jin Twenty Leasing (Tianjin) Co., Ltd.	100,000	100,000
CCB Hu One Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Two Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Three Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Four Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Five Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Six Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Seven Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Eight Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Nine Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Ten Leasing (Shanghai) Co., Ltd.	500,000	500,000
Total	33,600,000	33,600,000

For detailed information of each subsidiary, please refer to Note 5.

(Expressed in Renminbi Yuan)

10 Finance lease prepayments

	Group & Company	
	31 December 2014	31 December 2013
Finance lease prepayments	243,948,718	-
Less: Allowance for prepayment for finance lease collectively assessed	(3,708,021)	-
Net book value of finance lease prepayments	240,240,697	-

Movements of allowance for impairment losses of finance lease prepayment:

	Group & Company	
	2014	2013
Balance at 1 January	-	25,768,000
Charge for the year	3,708,021	-
Transfer out	-	(25,768,000)
Balance at 31 December	3,708,021	-

(Expressed in Renminbi Yuan)

11 Property and equipment

Group

	Operating lease fixed assets	*Computer equipment*	*Transportation equipment*	*Office equipment*	*Total*
Cost					
31 December 2013	4,327,271,216	6,827,901	2,625,690	466,372	4,337,191,179
Additions	621,935,337	2,995,604	-	381,546	625,312,487
Deduction	-	(313,302)	-	-	(313,302)
31 December 2014	4,949,206,553	9,510,203	2,625,690	847,918	4,962,190,364
Accumulated depreciation					
31 December 2013	(92,599,365)	(5,363,868)	(2,462,987)	(354,607)	(100,780,827)
Additions	(210,919,924)	(801,153)	(83,933)	(67,055)	(211,872,065)
Deduction	-	299,655	-	-	299,655
31 December 2014	(303,519,289)	(5,865,366)	(2,546,920)	(421,662)	(312,353,237)
Impairment provision					
31 December 2013	(58,562,760)	-	-	-	(58,562,760)
Additions	(17,121,951)	-	-	-	(17,121,951)
31 December 2014	(75,684,711)	-	-	-	(75,684,711)
Net Book Value					
31 December 2014	4,570,002,553	3,644,837	78,770	426,256	4,574,152,416
31 December 2013	4,176,109,091	1,464,033	162,703	111,765	4,177,847,592

(Expressed in Renminbi Yuan)

11 Property and equipment (continued)

The operating leasing assets of the Group

	Aircraft	Vessel	Automobile manufacturing equipment	Total
Cost				
31 December 2013	4,095,300,089	103,777,025	128,194,102	4,327,271,216
Additions	621,935,337	-	-	621,935,337
Deduction	-	-	-	-
31 December 2014	4,717,235,426	103,777,025	128,194,102	4,949,206,553
Accumulated depreciation				
31 December 2013	(85,385,100)	(7,214,265)	-	(92,599,365)
Additions	(195,459,175)	(878,049)	(14,582,700)	(210,919,924)
Deduction	-	-	-	-
31 December 2014	(280,844,275)	(8,092,314)	(14,582,700)	(303,519,289)
Impairment provision				
31 December 2013	-	(58,562,760)	-	(58,562,760)
Additions	-	(17,121,951)	-	(17,121,951)
31 December 2014	-	(75,684,711)	-	(75,684,711)
Net Book Value				
31 December 2014	4,436,391,151	20,000,000	113,611,402	4,570,002,553
31 December 2013	4,009,914,989	38,000,000	128,194,102	4,176,109,091

(Expressed in Renminbi Yuan)

11 Property and equipment (continued)

Company

	Operating lease fixed assets	*Computer equipment*	*Transportation equipment*	*Office equipment*	*Total*
Cost					
31 December 2013	128,194,102	6,827,901	2,625,690	466,372	138,114,065
Additions	-	2,995,604	-	381,546	3,377,150
Deduction	-	(313,302)	-	-	(313,302)
31 December 2014	128,194,102	9,510,203	2,625,690	847,918	141,177,913
Accumulated depreciation					
31 December 2013	-	(5,363,868)	(2,462,987)	(354,607)	(8,181,462)
Additions	(14,582,700)	(801,153)	(83,933)	(67,055)	(15,534,841)
Deduction	-	299,655	-	-	299,655
31 December 2014	(14,582,700)	(5,865,366)	(2,546,920)	(421,662)	(23,416,648)
Net Book Value					
31 December 2014	113,611,402	3,644,837	78,770	426,256	117,761,265
31 December 2013	128,194,102	1,464,033	162,703	111,765	129,932,603

All of the Company's operating lease assets are equipment.

(Expressed in Renminbi Yuan)

12 Construction in progress

	Group & Company	
	31 December 2014	31 December 2013
31 December 2013	1,651,119	4,790,113
Additions	1,527,510	1,954,106
Transfer out to intangible assets	(1,222,869)	(5,093,100)
31 December 2014	1,955,760	1,651,119

13 Intangible assets

Group & Company

	Softwar	Others	Total
Cost			
31 December 2013	11,421,013	812,200	12,233,213
Additions	184,591	648,214	832,805
Transfer in from construction in progress	595,283	627,586	1,222,869
31 December 2014	12,200,887	2,088,000	14,288,887
Less: Amortization			
31 December 2013	(2,224,836)	(36,514)	(2,261,350)
Charge for the year	(1,167,975)	(97,143)	(1,265,118)
31 December 2014	(3,392,811)	(133,657)	(3,526,468)
Net carrying value			
31 December 2014	8,808,076	1,954,343	10,762,419
31 December 2013	9,196,177	775,686	9,971,863

(Expressed in Renminbi Yuan)

14 Deferred tax assets

Group

	31 December 2014		31 December 2013	
	Deferred tax assets	Deductible temporary differences	Deferred tax assets	Deductible temporary differences
Deferred tax assets				
- Impairment provisioı	149,725,378	598,901,510	98,413,405	393,653,620
- Employee benefits payable	10,132,342	40,529,370	9,644,050	38,576,200
	159,857,720	639,430,880	108,057,455	432,229,820

Company

	31 December 2014		31 December 2013	
	Deferred tax assets	Deductible temporary differences	Deferred tax assets	Deductible temporary differences
Deferred tax assets				
- Impairment provisioı	137,468,226	549,872,902	95,070,516	380,282,064
- Employee benefits payable	10,132,342	40,529,370	9,644,050	38,576,200
	147,600,568	590,402,272	104,714,566	418,858,264

(Expressed in Renminbi Yuan)

15 Other assets

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Deferred agency fee expenses	73,124,638	84,993,915	70,367,504	82,830,193
Deferred commission expenses	61,583,383	29,642,567	23,389,214	19,325,623
Held-for-leasing Finance leased equipment	18,500,000	-	-	-
Prepaid rental expenses	6,055,697	5,878,268	6,055,697	5,878,268
Loans to subsidiaries (Note 38(5))	-	-	102,654,947	103,104,747
Others	4,071,604	3,149,092	4,071,604	3,149,093
Total	163,335,322	123,663,84	206,538,966	214,287,924

As at 31 December 2014, the Held-for-leasing Finance leased equipment is due to commence leasing in January 2015 under finance leasing contract.

16 Borrowings from banks

Analysis by the type of the counterparty

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Commercial banks	65,355,727,620	42,396,365,900	58,934,995,000	39,299,205,900

17 Guaranteed deposits

As at 31 December 2014, balance of the Group's guaranteed deposits is RMB 53,191,500 (2013: RMB 74,191,500), balance of the Company's guaranteed deposits is RMB 51,691,500, (2013: RMB 72,691,500), all of which are the guaranteed deposits received from lessees under finance lease.

(Expressed in Renminbi Yuan)

18 Rental received in advance

As at 31 December 2014, rental received by the Group in advance of RMB 1,848,256,805, (2013: RMB 2,190,544,864), rental received by the Company in advance of RMB 1,832,030,246, (2013: RMB 2,190,544,864), all of which are the rentals received from the lessees prior to the commencement of the finance lease contract.

19 Employee benefits payable

Group & Company

	Note	31 December 2014 As at 1 January	Increased	Decreased	As at 31December
Short-term benefits	(1)	41,956,628	84,868,986	(78,582,334)	48,243,280
Post-employment benefits					
Defined contribution plans	(2)	434,314	6,372,272	(6,270,590)	535,996
Total		42,390,942	91,241,258	(84,852,924)	48,779,276

	Note	31 December 2013 As at 1 January	Increased	Decreased	As at 31December
Short-term benefits	(1)	24,620,370	63,225,671	(45,889,413)	41,956,628
Post-employment benefits					
Defined contribution plans	(2)	483,046	5,043,428	(5,092,160)	434,314
Total		25,103,416	68,269,099	(50,981,573)	42,390,942

(Expressed in Renminbi Yuan)

19 Employee benefits payable (continued)

(1) Short-term benefits

	31 December 2014			
	As at 1 January	Increased	Decreased	As at 31December
Salaries, bonuses, allowances and subsidies	38,576,200	71,300,000	(69,346,830)	40,529,370
Social insurance expenses				
Of which: Medical insurance expenses	178,820	5,544,005	(2,311,836)	3,410,989
Work injury insurance expenses	4,462	59,351	(58,306)	5,507
Maternity insurance expenses	11,900	158,212	(155,427)	14,685
Housing funds	-	4,597,538	(4,597,538)	-
Union running costs and employee education costs	3,185,246	3,208,500	(2,111,017)	4,282,729
Other short-term benefits	-	1,380	(1,380)	-
Total	41,956,628	84,868,986	(78,582,334)	48,243,280

	31 December 2013			
	As at 1 January	Increased	Decreased	As at 31December
Salaries, bonuses, allowances and subsidies	21,846,868	52,503,965	(35,774,633)	38,576,200
Social insurance expenses				
Of which: Medical insurance expenses	127,475	4,319,234	(4,267,889)	178,820
Work injury insurance expenses	3,181	42,836	(41,555)	4,462
Maternity insurance expenses	8,482	114,224	(110,806)	11,900
Housing funds	-	3,881,834	(3,881,834)	-
Union running costs and employee education costs	2,634,364	2,362,678	(1,811,796)	3,185,246
Other short-term benefits	-	900	(900)	-
Total	24,620,370	63,225,671	(45,889,413)	41,956,628

(Expressed in Renminbi Yuan)

19 Employee benefits payable (continued)

(2) Post-employment benefits

Defined contribution plans

	31 December 2014			
	As at 1 January	Increased	Decreased	As at 31December
Defined pension benefits	416,482	3,954,725	(3,857,219)	513,988
Unemployment insurance expenses	17,832	197,804	(193,628)	22,008
Annuity schemes expenses	-	2,219,743	(2,219,743)	-
Total	434,314	6,372,272	(6,270,590)	535,996

	31 December 2013			
	As at 1 January	Increased	Decreased	As at 31December
Defined pension benefits	296,860	2,855,617	(2,735,995)	416,482
Unemployment insurance expenses	12,706	142,781	(137,655)	17,832
Annuity schemes expenses	173,480	2,045,030	(2,218,510)	-
Total	483,046	5,043,428	(5,092,160)	434,314

(Expressed in Renminbi Yuan)

20 Taxes payable

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Income tax	42,600,696	(5,924,843)	36,544,247	(7,193,397)
Business tax and surcharges	14,625,268	12,353,336	14,381,529	12,007,349
Value added tax and surcharges	17,336,849	(15,261,295)	14,860,043	(18,841,739)
Individual income tax	6,509,133	1,297,781	6,509,133	1,297,781
Stamp duty	913,632	1,436,910	832,925	1,283,724
Total	81,985,578	(6,098,111	73,127,877	(11,446,282)

21 Other liabilities

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Cash pledged from lessees	2,341,704,370	527,638,000	2,289,237,065	527,638,000
Deferred finance lease income	18,718,019	-	-	-
Commission received in advance	7,803,717	-	7,743,590	-
Deferred income under operating lease	7,108,542	2,307,494	1,539,031	2,307,494
Rental payable to CCB (Note 38(1))	1,397,993	1,397,993	1,397,993	1,397,993
Compensation, taxes and other expenses payable to BOA	-	6,485,889	-	6,485,889
Others	937,606	4,531,357	937,606	4,531,357
Total	2,377,670,247	542,360,733	2,300,855,285	542,360,733

All pledged cash are those received from the lessees in advance under leases.

(Expressed in Renminbi Yuan)

22 Obligation under finance lease

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Obligation under finance lease	722,240,818	-	-	-

The future minimum lease payments after balance sheet date are as follows:

	31 December 2014	31 December 2013
Within 1 year (including 1year)	85,872,793	-
1 to 3 years (including 3 years)	167,443,456	-
3 to 5 years (including 5 years)	161,626,424	-
Over 5 years	378,790,968	-
Total	793,733,641	-

On balance sheet date, the Group’s unrecognized finance lease expense is RMB 71,492,823. (31 December 2013: None)

23 Paid-in capital

Structure of the Group and the Company’s Paid-in capital is as follows:

	Group & Company	
	31 December 2014	31 December 2013
CCB	4,500,000,000	4,500,000,000

(Expressed in Renminbi Yuan)

24 Other comprehensive income

	Other comprehensive income on balance sheet			Other comprehensive income in income statement		
	31 December 2013	Off-tax amount attributable to parent company	31 December 2014	The amount before Income taxes	Less: Corporate income tax	Off-tax amount attributable to parent company
Foreign exchange differences arising from foreign operations	(192,229)	110,977	(81,252)	110,977	-	110,977

	Other comprehensive income on balance sheet			Other comprehensive income in income statement		
	31 December 2012	Off-tax amount attributable to parent company	31 December 2013	The amount before Income taxes	Less: Corporate income tax	Off-tax amount attributable to parent company
Foreign exchange differences arising from foreign operations	-	(192,229)	(192,229)	(192,229)	-	(192,229)

(Expressed in Renminbi Yuan)

25 Surplus reserve

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Statutory surplus reserve fund				
As at 1 January	138,390,725	99,169,672	138,390,725	96,778,373
Appropriated in the year	52,496,172	39,221,053	52,496,172	41,612,352
As at 31 December	190,886,897	138,390,725	190,886,897	138,390,725

Pursuant to Company Law of the PRC (Revised in 2005) issued on 27 October 2005, the Company is required to appropriate 10% of its net profit to the statutory surplus reserve fund until the reserve fund balance reaches 50% of the Company's registered capital. Statutory surplus reserve can be used to cover the losses, expand production operations, or convert into capital.

26 General reserve

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
As at 1 January	625,924,201	9,677,837	625,924,201	9,677,837
Appropriated in the year	305,153,131	616,246,364	305,153,131	616,246,364
As at 31 December	931,077,332	625,924,201	931,077,332	625,924,201

Pursuant to the "Regulation on Management of Financial Institutions for Reserves", issued by the Ministry of Finance on 30 March 2012, the general reserve balance for financial institutions should not be lower than 1.5% of the ending balance of gross risk-bearing assets. The financial enterprises are given up to 5 years to comply with this requirement.

27 Profit distributions

(1) Year-end profit distribution in 2014

The Shareholder approved the profit distribution for 2014 on 27 March 2015:

- According to “The Company Law of the People’s Republic of China”, The Company appropriated 10% of its profit after tax to the statutory surplus reserve fund, which is RMB52,496,172;
- According to the “Regulation on Management of Financial Institutions for Reserves” issued by the Ministry of Finance, The Company appropriated RMB 305,153,131 to the general reserve.

(2) Year-end profit distribution in 2013

The Shareholder approved the profit distribution for 2013 on 28 March 2014:

- According to “The Company Law of the People’s Republic of China”, the Company appropriated 10% of its profit after tax to the statutory surplus reserve fund; which is RMB 41,612,352;
- According to the “Regulation on Management of Financial Institutions for Reserves” issued by the Ministry of Finance, The Company appropriated RMB 295,364,582 to the general reserve.

(Expressed in Renminbi Yuan)

28 Net interest income

	Group		Company	
	2014	2013	2014	2013
Interest income arising from:				
- Finance lease	3,920,745,553	2,568,113,031	3,735,253,552	2,441,929,934
- Deposits with commercial banks	44,047,184	26,316,818	42,964,138	26,126,616
- loans to subsidiaries (Note 38(5))	-	-	208,540,921	73,653,147
Subtotal	3,964,792,737	2,594,429,849	3,986,758,611	2,541,709,697
Interest expense arising from:				
- Borrowings from commercial banks	(2,776,794,183)	(1,576,704,313)	(2,692,923,825)	(1,492,798,384)
Subtotal	(2,776,794,183)	(1,576,704,313)	(2,692,923,825)	(1,492,798,384)
Net interest income	1,187,998,554	1,017,725,536	1,293,834,786	1,048,911,313

29 Net fee and commission expenses

	Group		Company	
	2014	2013	2014	2013
Fee and commission income	88,506,594	1,800,000	88,457,588	1,800,000
Fee and commission expenses				
- Service fees- (Note 38(1))	(76,855,073)	(88,317,404)	(74,680,690)	(86,346,090)
- Borrowing fees	(65,332,083)	(18,451,272)	(60,338,066)	(17,813,573)
- Others	(18,327,724)	(7,173,251)	(7,587,870)	(6,330,021)
Subtotal	(160,514,880)	(113,941,927)	(142,606,626)	(110,489,684)
Net fee and commission expenses	(72,008,286)	(112,141,927)	(54,149,038)	(108,689,684)

(Expressed in Renminbi Yuan)

30 Operating expenses

	Group		Company	
	2014	2013	2014	2013
Staff costs				
- Salaries, bonuses, allowances and subsidies	71,300,000	52,503,965	71,300,000	52,503,965
- Defined contribution retirement schemes and annuity contributions	6,372,272	5,043,428	6,372,272	5,043,428
- Other social insurance and welfare	9,977,811	5,086,198	9,977,811	5,086,198
- Housing funds	4,597,538	3,881,834	4,597,538	3,881,834
- Union running costs and employee education costs	3,208,500	2,362,678	3,208,500	2,362,678
Total staff costs	95,456,121	68,878,103	95,456,121	68,878,103
Rental expenses	16,349,520	12,061,135	16,349,520	12,061,135
Depreciation and amortization	2,217,259	2,243,119	2,217,259	2,243,119
Publicity and entertainment expenses	2,348,671	2,945,502	2,348,671	2,945,502
Supervision fee	3,153,896	4,065,243	3,153,896	4,065,243
Traveling expenses	4,861,904	2,625,106	4,861,904	2,625,106
Meeting expenses	136,623	382,679	136,623	382,679
Transportation expenses	931,814	672,227	931,814	672,227
Others	15,967,812	13,618,539	14,214,417	12,279,824
Total	141,423,620	107,491,653	139,670,225	106,152,938

(Expressed in Renminbi Yuan)

31 Provisions for impairment losses

	Group		Company	
	2014	2013	2014	2013
Finance lease receivables	443,139,360	248,048,591	371,757,728	226,204,355
Finance lease prepayments	3,708,021	-	3,708,021	-
Operating lease asset	17,121,951	57,530,050	-	-
Total	463,969,332	305,578,641	375,465,749	226,204,355

32 Other operating expenses

For the year ended 31 December 2014, other operating expenses of the Group is RMB 211,452,091(For the year ended 31 December 2013: RMB 89,215,831), other operating expenses of the Company is RMB 14,582,700 (For the year ended 31 December 2013: RMB 0), all of which are depreciation charges of operating lease assets.

33 Non-operating income

	Group		Company	
	2014	2013	2014	2013
Tax return	41,116,895	123,518	10,645,550	120,638
Others	2,828	-	2,828	-
Total	41,119,723	123,518	10,648,378	120,638

(Expressed in Renminbi Yuan)

34 Income tax

(1) Recognised in the income statement

	Group		Company	
	2014	2013	2014	2013
Current tax expenses	253,044,579	199,316,524	220,060,589	188,621,807
Deferred tax expenses	(51,800,265)	(47,069,512)	(42,886,002)	(47,451,853)
Total	201,244,314	152,247,012	177,174,587	141,169,954

(2) Reconciliation between tax expense and accounting profit

	Group		Company	
	2014	2013	2014	2013
Profit before tax	706,340,541	529,701,594	702,136,309	557,293,470
Tax rate	25%	25%	25%	25%
Expected income tax charged at statutory tax rate	176,585,135	132,425,399	175,534,077	139,323,368
Non-deductible expenses	5,941,041	1,496,394	1,640,510	1,458,630
Tax clearance difference for last year	-	387,956	-	387,956
Others	18,718,138	17,937,263	-	-
Total income tax	201,244,314	152,247,012	177,174,587	141,169,954

(Expressed in Renminbi Yuan)

35 Notes to cash flow statement

(1) Reconciliation of net profit to net cash inflow from operating activities

	Group		Company	
	2014	2013	2014	2013
Net profit	505,096,227	377,454,582	524,961,722	416,123,516
Add: Cash received from dispose property and equipment	13,647	16,932	13,647	16,932
Provisions for impairment losses	463,645,545	305,308,993	375,465,749	226,204,355
Property and equipment depreciation	211,872,065	88,926,448	15,534,841	1,295,873
Intangible assets amortisation	1,265,118	947,246	1,265,118	947,246
Deferred commission and others amortisation	103,434,535	109,629,523	99,450,784	95,645,886
Net increase in deferred tax assets	(51,800,265)	(47,069,512)	(42,886,002)	(47,451,853)
Increase in operating receivables	(27,989,591,939)	(6,464,890,532)	(24,073,303,873)	(8,512,588,588)
Increase in operating payable	25,414,583,591	10,598,930,659	21,258,467,068	8,208,692,955
Net cash from operating activities	(1,341,481,476)	4,969,254,339	(1,841,030,946)	388,886,322

(2) Net changes in cash and cash equivalents

	Group		Company	
	2014	2013	2014	2013
Cash and cash equivalents at year end	748,254,634	2,727,628,256	402,682,211	2,269,839,113
Less: Cash and cash equivalents at year beginning	(2,727,628,256)	(2,031,130,151)	(2,269,839,113)	(2,016,162,754)
Net increase in cash and cash equivalents	(1,979,373,622)	696,498,105	(1,867,156,902)	253,676,359

(3) Cash and cash equivalents

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Cash and deposits with bank (Note 6)	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113
Less: Time deposits	(2,447,600,000)	-	(2,447,600,000)	-
Cash and cash equivalents at year end	748,254,634	2,727,628,256	402,682,211	2,269,839,113

(Expressed in Renminbi Yuan)

36 Commitments

(1) Finance lease commitment

As at the balance sheet date, the credit commitments of the Group are as follows:

	31 December 2014	31 December 2013
Finance lease commitment	2,100,146,000	100,000,000

(2) Operating lease commitments

As at the balance sheet date, the future minimum lease payments under non-cancellable operating lease for office premises were as follows:

	31 December 2014	31 December 2013
Less than one year (inclusive)	16,420,641	15,684,161
Between one year to two years (inclusive)	7,872,855	14,736,691
Between two years to three years (inclusive)	1,371,552	6,185,650
Total	25,665,048	36,606,502

37 Contingent liabilities

(1) Unsettled law suits and disputes

As at 31 December 2014, the Company was involved as defendant in outstanding proceeding and dispute. According to internal legal counsel and external legal counsel representing the Company, this proceeding and dispute is unlikely to result in losses to the Company, and accordingly, no provisions have been recognized (2013: Nil).

(2) Contingent liabilities

As at 31 December 2014, the Company has risk exposure of USD 35 million, for detailed information, please refer to Note 38 (1) (2013:Nil).

(Expressed in Renminbi Yuan)

38 Related party transactions

(1) CCB

The parent company of the Company is CCB and the main information of which is as follows:

Nature: Corporation Limited
Business: Commercial bank business
Legal representative: Wang Hongzhang
Registered capital: RMB 250.01 billion
Place of registration: Beijing

CCB was incorporated on 17 September 2004 as a joint stock company with limited liability with the approval of the CBRC.

The Company's voting rights and ownership directly held by CCB are as follows:

	31 December 2014	31 December 2013
% of ownership directly held by CCB	100%	100%
% of voting rights held by CCB	100%	100%

(Expressed in Renminbi Yuan)

38 Related party transactions (continued)

(1) CCB (continued)

The corresponding material balances outstanding at the balance sheet date with CCB are as followings:

	Group	
	31 December 2014	31 December 2013
Cash and deposits with banks	672,003,610	1,712,080,596
Interest receivable	1,158,529	1,752,536
Borrowings from banks	14,922,123,480	9,501,940,360
Interest payable	24,841,314	23,561,866
Commission fee payable	38,011,066	28,763,333
Other liabilities (Note 21)	1,397,993	1,397,993

	Company	
	31 December 2014	31 December 2013
Cash and deposits with banks	401,007,582	1,254,341,835
Interest receivable	1,136,762	1,740,985
Borrowings from banks	11,487,830,000	7,287,256,000
Interest payable	9,710,634	11,694,821
Commission fee payable	38,011,066	28,763,333
Other liabilities (Note 21)	1,397,993	1,397,993

(Expressed in Renminbi Yuan)

38 Related party transactions (continued)

(1) CCB (continued)

The profit or loss impacts of the material transactions with CCB during the year are as followings:

	Group	
	2014	2013
Interest income	16,275,509	14,496,350
Interest expense	358,113,038	174,302,407
Fee and commission expenses	118,279,731	100,773,330
- Service fees (Note 29)	76,855,073	88,317,404
- Others	41,424,658	12,455,926

	Company	
	2014	2013
Interest income	15,201,971	14,307,558
Interest expense	296,470,077	140,584,766
Fee and Commission expenses	113,088,879	98,486,424
- Service fees (Note 29)	74,680,690	86,346,090
- Others	38,408,189	12,140,334

CCB has issued guarantee letters to certain of the Group's lessees, guaranteeing their lease payment to the Group. The total maximum amount guaranteed under the terms of these letters is as follows:

	Group & Company	
	31 December 2014	31 December 2013
Maximum guarantee limit	1,495,478,438	1,880,787,635

The Company and the Yuetan Sub-branch of China Construction Bank Limited (CCB Yuetan Sub-branch) entered into a Letter of Guarantee Agreement for issuance by CCB Yuetan Sub-branch of a standby letter of credit, and the Company has credit risk exposure of USD 35 million (2013:Nil).

The Group entered into transactions with related parties in the normal and ordinary course of the business and under normal commercial terms.

(Expressed in Renminbi Yuan)

38 Related party transactions (continued)

(2) CCB Life

CCB Life and the Group have no controlling relationships as at 31 December 2014, they are all controlled by CCB.

The corresponding material balances outstanding at the balance sheet date with CCB Life are as followings:

	Group & Company	
	31 December 2014	31 December 2013
Employee benefits payable	3,190,335	-

The profit or loss impacts of the material transactions with CCB Life during the year are as followings:

	Group & Company	
	2014	2013
Operating expense- Staff costs	3,190,335	2,600,426

The Group entered into transactions with related parties in the normal and ordinary course of the business and under normal commercial terms.

(3) Sino-German Bausparkasse Corporation Limited

Sino-German Bausparkasse Corporation Limited (Sino-German) and the Group have no controlling relationships as at 31 December 2014, they are all controlled by CCB.

The corresponding material balances outstanding at the balance sheet date with Sino- German are as followings:

			Group & Company	
	Interest Rate	Term	31 December 2014	31 December 2013
Borrowing from banks	5.85%	May 21, 2014 to May 20, 2015	241,000,000	-
Interest payable			8,811,563	-

(Expressed in Renminbi Yuan)

38 Related party transactions (continued)

(3) Sino-German Bausparkasse Corporation Limited (continued)

The profit or loss impacts of the material transactions with Sino-German during the year are as followings:

	Group & Company	
	2014	2013
Interest expense	8,811,563	-

The Group entered into transactions with related parties in the normal and ordinary course of the business and under normal commercial terms.

(4) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including directors, supervisors and other senior executives.

The Group has no significant transaction with its key management personnel other than salaries and other emolument paid.

(5) Intra-group transactions

The corresponding material balances outstanding at the balance sheet date within the Group are as followings:

	Company	
	31 December 2014	31 December 2013
Loan to subsidiaries	5,296,093,632	4,400,377,530
Interest receivables	53,112,095	21,272,274
Other assets (Note 15)	102,654,947	103,104,747

The profit or loss impacts of the material transactions within the Group during the year are as followings:

	Company	
	2014	2013
Interest income(Note 28)	208,540,921	73,653,147

38 Related party transactions (continued)

(5) Inter-group transactions (Continued)

The above Intra-Group transactions have been eliminated in consolidated financial statements. Other inter-group transactions balance is not material and has been eliminated in the consolidated financial statements.

39 Risk management

Exposure to credit, market, liquidity and operational risks arises in the normal course of the Group's business.
As all subsidiaries of the Company were established for finance lease purpose and the Company is responsible for their daily operation, the risks that the subsidiaries are exposed to and their risk management method are the same as the Company's. Thus only Group level information was disclosed.

(1) Credit risk

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its contractual obligations or commitments to the Group. Credit risk mainly arose from finance lease business.

The Risk Management and Internal Control Committee organize and coordinate the Group's risk management and internal control. The Risk Management Department is responsible for formulating credit risk management policies, monitoring the implementation of credit risk management policies, and organizing finance lease approval activities. The Marketing Department is responsible for carrying out credit risk management activities.

39 Risk management (continued)

(1) Credit risk (continued)

The Group has put in place the industry credit approval guidelines for leasing business, leasing credit acceptance and exit criteria for corporate and institutional clients, authorisation, credit line, and risk capital grading classification according to the requirements of regulators and relevant regulations. The Group's credit risk management covers various areas of its corporate operations including pre-leasing evaluation, leasing approval and post-leasing management. In respect of pre-leasing evaluation, the Group refers to CCB's customer credit ratings and prepares customer evaluation reports and performs integrated analysis on potential benefits and risks to form the evaluation reports. All lease transactions must go through the review and approval stage and be approved by authorized persons before they can proceed. The Group continually monitors its leasing business, strengthens the monitoring on targeted industries, geographical segments, products and clients, and immediately reports any adverse events that may significantly affect a borrower's repayment ability, and implements effective measures to prevent and control related risks. In conducting leasing transactions for clients, the Group applies a mechanism that enables the front-office and back-office to work together and in parallel on finance lease activities to better manage risks in a forward-looking, independent and effective manner.

39 Risk management (continued)

(1) Credit risk (continued)

The Group adopted the risk-bearing assets classification method to monitor the risk of leasing assets. Leasing assets are classified into five categories: pass, special mention, substandard, doubtful and loss categories.

The core definitions of the five categories of finance lease receivables are set out below:

Pass: There is no indication of impairment to the asset or the counterparty is able to meet its obligations under the contract or agreement, and there is no doubt that the asset will become impaired or the debt (interests) cannot be repaid in full in time.

Special mention: The asset is not impaired or counterparty has the ability to repay at this point in time, but there are potential indications that may affect its ability to repay in the future.

Substandard: The asset has become impaired or borrower's repayment ability is apparently in question, and even after exhausting all possible means of recovery, there is possibility of some loss.

Doubtful: The asset is apparently impaired or borrower cannot repay the principal and interest in full. Even after exhausting all possible means of recovery, there is possibility of substantial loss.

Loss: The asset becomes greatly devalued or after exhausting all possible means of recovery actions or taking the necessary legal actions, there is still no recovery of principal and interest, or the recovery is negligible.

Maximum credit risk exposure

The maximum exposure to credit risk at the balance sheet date without taking into consideration of any collateral held or other credit enhancement is as follows. The maximum exposure to credit risk of assets on balance is the carrying amount of each type of financial assets on the balance sheet after deducting any impairment allowance.

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(1) Credit risk (continued)

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
On-balance sheet credit risk exposure:				
Cash and deposits with banks	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113
Due from Central Bank	7,301,306	10,529,440	7,301,306	10,529,440
Loans to subsidiaries	-	-	5,296,093,632	4,400,377,530
Interest receivable	25,862,369	3,668,056	78,952,103	24,928,760
Finance lease receivables	68,748,187,626	44,055,032,172	60,902,499,530	40,930,715,239
Finance lease prepayments	240,240,697	-	240,240,697	-
Other assets	19,223,384	601,198	103,378,331	103,705,946
	72,236,670,016	46,797,459,122	69,478,747,810	47,740,096,028
Off –balance sheet credit risk exposure:				
Finance lease commitments	2,100,146,000	100,000,000	2,100,146,000	100,000,000
Maximum credit risk exposure	74,355,316,016	46,897,459,122	71,578,893,810	47,840,096,028

Assets quality analysis of finance lease receivable and prepayment:

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Neither overdue nor impaired				
- Pass	63,963,532,603	39,804,576,459	56,499,977,294	37,254,198,499
- Special mention	6,228,010,036	4,988,546,435	5,717,104,028	4,356,892,086
Impaired	98,689,516	117,189,516	98,689,516	117,189,516
Total	70,290,232,155	44,910,312,410	62,315,770,838	41,728,280,101
Less：Allowance for impairment losses	(1,301,803,832)	(855,280,238)	(1,173,030,611)	(797,564,862)
Net amount	68,988,428,323	44,055,032,172	61,142,740,227	40,930,715,239

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(1) Credit risk (continued)

Finance lease receivables and prepayments

	31 December 2014		31 December 2013	
	Amount	Percentage	Amount	Percentage
– Transportation, storage and postal services	38,000,562,955	54.06%	22,366,140,775	49.80%
– Manufacturing	12,911,408,076	18.37%	9,362,296,223	20.85%
– Production and supply of electric power, heat, gas and water	8,941,649,414	12.72%	8,059,165,822	17.95%
– Mining	5,369,480,243	7.64%	2,924,026,171	6.51%
– Real estate	3,258,771,369	4.64%	1,398,110,615	3.11%
– Public management, social securities and social organization	1,014,602,147	1.44%	80,994,177	0.18%
– Education	366,508,141	0.52%	-	-
– Construction	158,544,677	0.23%	351,128,325	0.78%
– Leasing and commercial services	150,756,414	0.21%	-	-
– Scientific research and technology service	117,948,719	0.17%	-	-
– Water, environment and public utility management	-	-	368,450,302	0.82%
- Total	70,290,232,155	100.00%	44,910,312,410	100.00%

39 Risk management (continued)

(2) Market risk

The Group is exposed to market risk. The Group's financial instruments are exposed to the risk of fluctuation in fair value or future cash flow due to the fluctuation of the financial instruments' market price. Market risk exists mainly because the general or specific changes in the interest rate, foreign exchange rate or stock price in the market will influence the exposure in the interest rate products, monetary products and stock products.

The Risk Management Department is responsible for formulating a standardized market risk management policies and rules.

The Group was mainly engaged in the leasing business in RMB and a certain amount of foreign currency business and the Group is mainly exposed to interest rate risk and currency risk.

The Group is exposed to primarily structural interest rate risk arising from finance lease business and exposure arising from treasury transactions. Interest rate risk is inherent in many of its businesses and largely arises from mismatches between the repricing dates of assets and liabilities.

(i) Net interest income sensitivity analysis

In monitoring interest rate risk on its overall non-derivative financial assets and liabilities, the Group regularly measures its future net interest income sensitivity to an increase or decrease in market interest rates (assuming no asymmetrical movement in yield curves and a constant balance sheet position). An incremental 100 basis points parallel fall or rise in all yield curves, would increase or decrease planned net interest income for the next twelve months from the reporting date by RMB 173 million (2013: RMB 114 million).

The above interest rate sensitivity is for illustration purposes only and is assessed based on simplified assumptions. The figures here indicate estimated net interest income movements under various predicted yield curve scenarios and subject to the Group's current interest rate exposures. These estimated figures have also assumed that the interest rates on various maturities will move within similar ranges, and therefore do not have any potential effect on net interest income in the event that some interest rates may change and others remain unchanged. Moreover, the above estimations are based on other simplified assumptions.

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(2) Market risk (continued)

(ii) Interest rate repricing gap analysis

The following tables indicate the effective interest rates and the expected next repricing dates (or maturity dates whichever are earlier) for the assets and liabilities at the balance sheet date.

	31 December 2014				
	Non-interest bearing	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 year	Total
Assets					
Cash and deposits with banks	-	743,254,634	2,452,600,000	-	3,195,854,634
Due from central bank	-	7,301,306	-	-	7,301,306
Finance lease receivables	657,784	57,267,861,791	10,870,835,870	608,832,181	68,748,187,626
Prepayment	-	240,240,697	-	-	240,240,697
Other assets	4,935,926,006	-	-	-	4,935,926,006
Total assets	4,936,583,790	58,258,658,428	13,323,435,870	608,832,181	77,127,510,269
Liabilities					
Borrowings from banks	-	27,869,110,620	35,956,617,000	1,530,000,000	65,355,727,620
Guaranteed deposits	53,191,500	-	-	-	53,191,500
Rental received in advance	1,848,256,805	-	-	-	1,848,256,805
Other liabilities	2,928,231,050	-	-	-	2,928,231,050
Obligation under finance lease	-	722,240,818	-	-	722,240,818
Total liabilities	4,829,679,355	28,591,351,438	35,956,617,000	1,530,000,000	70,907,647,793
Asset-liability gap	106,904,435	29,667,306,990	(22,633,181,130)	(921,167,819)	6,219,862,476

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(2) Market risk (continued)

(ii) Interest rate repricing gap analysis

The following tables indicate the effective interest rates and the expected next repricing dates (or maturity dates whichever are earlier) for the assets and liabilities at the balance sheet date.

	31 December 2013				
	Non-interest bearing	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 year	Total
Assets					
Cash and deposits with banks	-	2,727,628,256	-	-	2,727,628,256
Due from central bank	-	10,529,440	-	-	10,529,440
Finance lease receivables	16,595,233	41,265,835,080	2,277,042,736	495,559,123	44,055,032,172
Prepayment	-	-	-	-	-
Other assets	4,424,859,927	-	-	-	4,424,859,927
Total assets	4,441,455,160	44,003,992,776	2,277,042,736	495,559,123	51,218,049,795
Liabilities					
Borrowings from banks	-	16,805,047,900	25,591,318,000	-	42,396,365,900
Guaranteed deposits	74,191,500	-	-	-	74,191,500
Rental received in advance	2,190,544,864	-	-	-	2,190,544,864
Other liabilities	842,292,259	-	-	-	842,292,259
Obligation under finance lease	-	-	-	-	-
Total liabilities	3,107,028,623	16,805,047,900	25,591,318,000	-	45,503,394,523
Asset-liability gap	1,334,426,537	27,198,944,876	(23,314,275,264)	495,559,123	5,714,655,272

39 Risk management (continued)

(2) Market risk (continued)

(iii) Currency risk

The Group operates its main business in China in RMB.

At the balance sheet date, the Group's foreign currency-denominated assets and liabilities translated in RMB are as followings.

	31 December 2014		
	RMB	U.S. Dollars into RMB	Total
Assets			
Cash and deposits with banks	473,367,476	2,722,487,158	3,195,854,634
Due from central bank	7,301,306	-	7,301,306
Finance lease receivables	61,981,422,905	6,766,764,721	68,748,187,626
Prepayment	240,240,697	-	240,240,697
Other assets	413,894,615	4,522,031,391	4,935,926,006
Total assets	63,116,226,999	14,011,283,270	77,127,510,269
Liabilities			
Borrowings from banks	52,173,500,000	13,182,227,620	65,355,727,620
Guaranteed deposits	53,191,500	-	53,191,500
Rental received in advance	1,832,030,246	16,226,559	1,848,256,805
Other liabilities	2,854,904,921	795,566,947	3,650,471,868
Total liabilities	56,913,626,667	13,994,021,126	70,907,647,793
Net Position	6,202,600,332	17,262,144	6,219,862,476

39 Risk management (continued)

(2) Market risk (continued)

(iii) Currency risk (continued)

At the balance sheet date, the Group's foreign currency-denominated assets and liabilities translated in RMB are as followings.

	31 December 2013		
	RMB	U.S. Dollars into RMB	Total
Assets			
Cash and deposits with banks	1,844,690,487	882,937,769	2,727,628,256
Due from central bank	10,529,440	-	10,529,440
Finance lease receivables	42,094,040,635	1,960,991,537	44,055,032,172
Other assets	386,861,336	4,037,998,591	4,424,859,927
Total assets	44,336,121,898	6,881,927,897	51,218,049,795
Liabilities			
Borrowings from banks	35,574,000,000	6,822,365,900	42,396,365,900
Guaranteed deposits	74,191,500	-	74,191,500
Rental received in advance	2,190,544,864	-	2,190,544,864
Other liabilities	818,263,325	24,028,934	842,292,259
Total liabilities	38,656,999,689	6,846,394,834	45,503,394,523
Net Position	5,679,122,209	35,533,063	5,714,655,272

39 Risk management (continued)

(3) Liquidity risk

Liquidity risk arises when there is no sufficient fund timely to meet the requirements of funds. It is mainly caused by mismatches of proceeds of funds and capital expenditure in terms of their amounts and maturity dates. In accordance with liquidity policies, the Group monitors the future cash flows to ensure that an appropriate level of highly liquid assets is maintained.

The Group's liquidity is managed and coordinated through the Treasury & Finance Department. The Treasury & Finance Department is responsible for formulation of liquidity policies in accordance with regulatory requirements and prudential principles. Such policies include:

- Adopting a prudent strategy and ensuring sufficient funds are available at any moment to satisfy any payment request;

- Optimising the Group's asset and liability structure, diversifying and stabilizing the source of funds, and reserving an appropriate proportion of highly credit-rated and liquid asset portfolio; and

- Managing and utilizing centrally the Group's liquid funds.

A substantial portion of the Group's fund resource is funded by its share capital, borrowings from banks and finance lease receipts. The borrowings and placements from banks are the supplementary funds to optimise the liquidity. The Group's expenditure mainly represent purchases of lease asset, payment of operating expenses, and the repayment of borrowings or placements from banks and finance expenses, if any.

The Group predicts the cash flow within one year principally by making annual budget. For the purpose of monitoring liquidity risk, any material payment should be reported in advance.

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(3) Liquidity risk (continued)

Contractual undiscounted cash flow analysis

The following tables provide an analysis of the contractual undiscounted cash flow of the assets and liabilities at the balance sheet date. The actual cash flows of these instruments may vary significantly from this analysis.

	31 December 2014							
	Contractual undiscounted cash flow	Without time limit	Repayable on demand	Within 1 month	Between 1 month and 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years
Assets								
Cash and deposits with banks	3,245,793,405	-	741,254,634	6,008,354	13,816,430	2,484,713,987	-	-
Due from central bank	7,301,306	7,301,306	-	-	-	-	-	-
Finance lease receivables	82,932,081,232	106,652,113	-	1,728,811,799	5,138,614,515	14,687,700,379	48,758,824,083	12,511,478,343
Prepayment	308,140,997	-	-	993,109	3,483,264	52,258,025	251,406,599	-
Other assets	4,935,926,006	4,909,340,253	-	-	1,377,836	24,503,179	704,738	-
Total assets	91,429,242,946	5,023,293,672	741,254,634	1,735,813,262	5,157,292,045	17,249,175,570	49,010,935,420	12,511,478,343
Liabilities								
Borrowings from banks	68,255,712,887	-	-	2,405,551,711	13,639,354,742	37,888,973,908	7,344,756,237	6,977,076,289
Guaranteed deposits	53,191,500	-	-	-	15,000,000	-	23,151,500	15,040,000
Rental received in advance	1,848,256,805	-	-	6,000,000	54,841,853	379,120,000	1,140,950,893	267,344,059
Other liabilities	3,721,964,691	18,718,019	-	149,983,312	241,221,699	331,210,696	1,618,379,894	1,362,451,071
Total liabilities	73,879,125,883	18,718,019	-	2,561,535,023	13,950,418,294	38,599,304,604	10,127,238,524	8,621,911,419

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(3) Liquidity risk (continued)

Contractual undiscounted cash flow analysis (continued)

	31 December 2013							
	Contractual undiscounted cash flow	Without time limit	Repayable on demand	Within 1 month	Between 1 month and 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years
Assets								
Cash and deposits with banks	2,731,630,523	-	500,869,090	2,079,448,933	151,312,500	-	-	-
Due from central bank	10,529,440	10,529,440	-	-	-	-	-	-
Finance lease receivables	53,364,632,148	130,579,447	-	670,833,927	2,934,134,855	10,161,842,358	31,299,768,952	8,167,472,609
Other assets	4,424,859,927	4,420,590,672	-	-	3,985,911	-	283,344	-
Total assets	60,531,652,038	4,561,699,559	500,869,090	2,750,282,860	3,089,433,266	10,161,842,358	31,300,052,296	8,167,472,609
Liabilities								
Borrowings from banks	43,625,292,925	-	-	4,463,002,421	8,798,402,506	27,735,125,019	1,062,539,208	1,566,223,771
Guaranteed deposits	74,191,500	-	-	-	-	21,000,000	24,151,500	29,040,000
Rental received in advance	2,190,544,864	-	-	-	2,000,000	209,885,244	1,978,659,620	-
Other liabilities	842,292,259	-	-	57,602,280	117,654,626	136,254,454	306,367,372	224,413,527
Total liabilities	46,732,321,548	-	-	4,520,604,701	8,918,057,132	28,102,264,717	3,371,717,700	1,819,677,298

(Expressed in Renminbi Yuan)

39 Risk management (continued)

(4) Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal control process and/or systems, human factors, and/or external events.

The Group manages this risk through a control-based environment by establishing a framework of policies and procedures in order to identify, assess, control, manage and report risks. The framework covers all business which has allowed the Group to comprehensively identify and address the operational risk inherent in all leasing business, activities, processes and systems.

(5) Fair value of financial assets and financial liabilities

The Group's finance lease receivables and borrowings from banks, except for a small fraction that have fixed interest rates, the main proportion have floating interest rates, and the carrying amounts are reasonable approximation of their fair value.

All of the Group's interest receivables, finance lease prepayments, interest payable and other financial assets and other financial liabilities have a maturity within one year or have floating interest rates, and the carrying amounts are reasonable approximation of their fair value.

For guaranteed deposits payable, rental received in advance and cash pledged from lessees, their fair value is determined based on discounted cash flows using interest rates for new time deposits with similar remaining maturities.

	Carrying amount	
	31 December 2014	31 December 2013
Guaranteed deposits	53,191,500	74,191,500
Rental received in advance	1,848,256,805	2,190,544,864
Other liabilities-Cash pledged from lessees	2,335,229,370	527,638,000

	Fair value	
	31 December 2014	31 December 2013
Guaranteed deposits	45,760,728	63,540,748
Rental received in advance	1,667,229,600	1,925,901,690
Other liabilities-Cash pledged from lessees	1,913,462,158	424,559,795

39 Risk management (continued)

(6) Capital management

The capital management of the Group focuses on capital adequacy ratio and return on capital so as to enable the Group to meet the requirements for regulatory compliance, credit rating, risk compensation and shareholder's expected return. It also facilitates the Group's risk management, ensures the orderly and robust expansion of the asset base and enhances its operational structure and business model.

The Group calculates and discloses its capital adequacy ratio in accordance with the "Administrative Measures for Financial Leasing Companies", with reference to the "Measures for Capital Management of Commercial Banks (trial)", in line with other related rules and regulations regarding the calculation and disclosure of capital adequacy ratios issued by CBRC, and considering the characteristic of leasing industry. The Group communicated those industry specific treatments with regulators. The scope for calculating capital adequacy ratio of the Group includes the Company and all the subsidiaries. Risk-weighted assets include credit risk-weighted assets, market risk-weighted assets and operational risk-weighted assets.

The Group's consolidated regulatory capital positions calculated in accordance with the guidance issued by the CBRC as at 31 December 2013 are as follows:

(RMB in million)	31 December 2014	31 December 2013
Common Equity Tier 1 capital	6,220	5,715
Deductions for Common Equity Tier 1 capital	11	10
Common Equity Tier 1 capital after deduction	6,209	5,705
Tier 1 capital after deduction	6,209	5,705
Tier 2 capital	928	597
Total capital after deduction	7,137	6,302
Risk-weighted assets	77,289	49,925
Common Equity Tier 1 ratio	8.03%	11.43%
Tier 1 ratio	8.03%	11.43%
Total capital ratio	9.23%	12.62%

40 Post balance sheet events

Up to the date of the approval for the consolidated financial statements, there are no material post balance sheet events.

建信金融租赁有限公司

2014 年度财务报表及审计报告

审计报告

普华永道中天审字(2015)第22057号

（第一页，共二页）

建信金融租赁有限公司董事会：

我们审计了后附的建信金融租赁有限公司(以下简称“建信租赁”)的财务报表，包括2014年12月31日的合并及公司资产负债表，2014年度的合并及公司利润表、合并及公司所有者权益变动表和合并及公司现金流量表以及财务报表附注。

一、管理层对财务报表的责任

编制和公允列报财务报表是建信租赁管理层的责任。这种责任包括：

(1) 按照企业会计准则的规定编制财务报表，并使其实现公允反映；

(2) 设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

二、注册会计师的责任

我们的责任是在执行审计工作的基础上对财务报表发表审计意见。我们按照中国注册会计师审计准则的规定执行了审计工作。中国注册会计师审计准则要求我们遵守中国注册会计师职业道德守则，计划和执行审计工作以对财务报表是否不存在重大错报获取合理保证。

审计工作涉及实施审计程序，以获取有关财务报表金额和披露的审计证据。选择的审计程序取决于注册会计师的判断，包括对由于舞弊或错误导致的财务报表重大错报风险的评估。在进行风险评估时，注册会计师考虑与财务报表编制和公允列报相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。审计工作还包括评价管理层选用会计政策的恰当性和作出会计估计的合理性，以及评价财务报表的总体列报。

我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

普华永道中天审字(2015)第22057号

（第二页，共二页）

三、审计意见

我们认为，上述建信租赁的财务报表在所有重大方面按照企业会计准则的规定编制，公允反映了建信租赁2014年12月31日的合并及公司财务状况以及2014年度的合并及公司经营成果和现金流量。

普华永道中天
会计师事务所(特殊普通合伙)
中国•上海市
2015 年 3 月 27 日

注册会计师

闫琳

注册会计师

张红蕾

建信金融租赁有限公司
合并资产负债表
2014 年 12 月 31 日
（金额单位：人民币元）

	附注	2014 年 12 月 31 日	2013 年 12 月 31 日
资产			
货币资金	6	3,195,854,634	2,727,628,256
存放中央银行款项	7	7,301,306	10,529,440
应收利息		25,862,369	3,668,056
应收融资租赁款	8	68,748,187,626	44,055,032,172
预付款项	10	240,240,697	-
固定资产	11	4,574,152,416	4,177,847,592
在建工程	12	1,955,760	1,651,119
无形资产	13	10,762,419	9,971,863
递延所得税资产	14	159,857,720	108,057,455
其他资产	15	163,335,322	123,663,842
资产总计		77,127,510,269	51,218,049,795

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并资产负债表（续）
2014 年 12 月 31 日
（金额单位：人民币元）

	附注	2014 年 12 月 31 日	2013 年 12 月 31 日
负债及股东权益			
负债			
借入资金	16	65,355,727,620	42,396,365,900
存入保证金	17	53,191,500	74,191,500
预收租金	18	1,848,256,805	2,190,544,864
应付职工薪酬	19	48,779,276	42,390,942
应交税费	20	81,985,578	(6,098,111)
应付手续费		39,106,621	28,970,983
应付利息		380,689,328	234,667,712
其他负债	21	2,377,670,247	542,360,733
长期应付款	22	722,240,818	-
负债合计		70,907,647,793	45,503,394,523
股东权益			
实收资本	23	4,500,000,000	4,500,000,000
其他综合收益	24	(81,252)	(192,229)
盈余公积	25	190,886,897	138,390,725
一般风险准备	26	931,077,332	625,924,201
未分配利润	27	597,979,499	450,532,575
股东权益合计		6,219,862,476	5,714,655,272
负债及股东权益总计		77,127,510,269	51,218,049,795

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

资产负债表

2014 年 12 月 31 日

（金额单位：人民币元）

	附注	2014 年 12 月 31 日	2013 年 12 月 31 日
资产			
货币资金	6	2,850,282,211	2,269,839,113
存放中央银行款项	7	7,301,306	10,529,440
应收利息		78,952,103	24,928,760
应收融资租赁款	8	60,902,499,530	40,930,715,239
预付款项	10	240,240,697	-
子公司借款	38(5)	5,296,093,632	4,400,377,530
长期股权投资	9	33,600,000	33,600,000
固定资产	11	117,761,265	129,932,603
在建工程	12	1,955,760	1,651,119
无形资产	13	10,762,419	9,971,863
递延所得税资产	14	147,600,568	104,714,566
其他资产	15	206,538,966	214,287,924
资产总计		69,893,588,457	48,130,548,157

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
资产负债表（续）
2014 年 12 月 31 日
（金额单位：人民币元）

	附注	2014 年 12 月 31 日	2013 年 12 月 31 日
负债及股东权益			
负债			
借入资金	16	58,934,995,000	39,299,205,900
存入保证金	17	51,691,500	72,691,500
预收租金	18	1,832,030,246	2,190,544,864
应付职工薪酬	19	48,779,276	42,390,942
应交税费	20	73,127,877	(11,446,282)
应付手续费		39,106,621	28,970,983
应付利息		341,599,651	219,388,238
其他负债	21	2,300,855,285	542,360,733
负债合计		63,622,185,456	42,384,106,878
股东权益			
实收资本	23	4,500,000,000	4,500,000,000
盈余公积	25	190,886,897	138,390,725
一般风险准备	26	931,077,332	625,924,201
未分配利润	27	649,438,772	482,126,353
股东权益合计		6,271,403,001	5,746,441,279
负债及股东权益总计		69,893,588,457	48,130,548,157

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并利润表
2014 年度
（金额单位：人民币元）

	附注	2014 年度	2013 年度
营业收入			
利息净收入	28	1,187,998,554	1,017,725,536
手续费及佣金净支出	29	(72,008,286)	(112,141,927)
经营租赁净收入		430,557,999	183,473,953
营业收入合计		1,546,548,267	1,089,057,562
营业支出			
营业税金及附加		(64,879,112)	(56,207,905)
业务及管理费	30	(141,423,620)	(107,491,653)
资产减值损失	31	(463,969,332)	(305,578,641)
汇兑损益		1,059,231	(968,524)
其他业务成本	32	(211,452,091)	(89,215,831)
营业支出合计		(880,664,924)	(559,462,554)
营业利润		665,883,343	529,595,008
营业外收入	33	41,119,723	123,518
营业外支出		(662,525)	(16,932)
利润总额		706,340,541	529,701,594
减：所得税费用	34	(201,244,314)	(152,247,012)
净利润		505,096,227	377,454,582
其他综合收益	24	110,977	(192,229)
最终计入损益	24	110,977	(192,229)
外币报表折算差额	24	110,977	(192,229)
综合收益总额		505,207,204	377,262,353

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

利润表

2014 年度

（金额单位：人民币元）

	附注	2014 年度	2013 年度
营业收入			
利息净收入	28	1,293,834,786	1,048,911,313
手续费及佣金净支出	29	(54,149,038)	(108,689,684)
经营租赁净收入		35,849,670	-
营业收入合计		1,275,535,418	940,221,629
营业支出			
营业税金及附加		(53,926,081)	(50,684,735)
业务及管理费	30	(139,670,225)	(106,152,938)
资产减值损失	31	(375,465,749)	(226,204,355)
汇兑损益		259,793	10,163
其他业务成本	32	(14,582,700)	-
营业支出合计		(583,384,962)	(383,031,865)
营业利润		692,150,456	557,189,764
营业外收入	33	10,648,378	120,638
营业外支出		(662,525)	(16,932)
利润总额		702,136,309	557,293,470
减：所得税费用	34	(177,174,587)	(141,169,954)
净利润		524,961,722	416,123,516
其他综合收益	24	-	-
综合收益总额		524,961,722	416,123,516

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并股东权益变动表
2014 年度
(金额单位：人民币元)

	附注	实收资本	其他综合收益	盈余公积	一般风险准备	未分配利润	股东权益合计
2014 年 1 月 1 日		4,500,000,000	(192,229)	138,390,725	625,924,201	450,532,575	5,714,655,272
本年增减变动金额		-	110,977	52,496,172	305,153,131	147,446,924	505,207,204
1. 净利润		-	-	-	-	505,096,227	505,096,227
2. 其他综合收益	24	-	110,977	-	-	-	110,977
3. 利润分配		-	-	52,496,172	305,153,131	(357,649,303)	-
- 提取盈余公积	27	-	-	52,496,172	-	(52,496,172)	-
- 提取一般风险准备	27	-	-	-	305,153,131	(305,153,131)	-
- 对股东的分配	27	-	-	-	-	-	-
2014 年 12 月 31 日		4,500,000,000	(81,252)	190,886,897	931,077,332	597,979,499	6,219,862,476

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

刊载于第 17 页至第 81 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并股东权益变动表（续）
2013 年度
（金额单位：人民币元）

	附注	实收资本	其他综合收益	盈余公积	一般风险准备	未分配利润	外币报表折算差	股东权益合计
2013 年 1 月 1 日		4,500,000,000	-	99,169,672	9,677,837	728,545,410	-	5,337,392,919
本年增减变动金额		-	-	39,221,053	616,246,364	(278,012,835)	(192,229)	377,262,353
1. 净利润		-	-	-	-	377,454,582	-	377,454,582
2. 其他综合收益	24	-	-	-	-	-	(192,229)	(192,229)
3. 利润分配		-	-	39,221,053	616,246,364	(655,467,417)	-	-
- 提取盈余公积	27	-	-	39,221,053	-	(39,221,053)	-	-
- 提取一般风险准备	27	-	-	-	616,246,364	(616,246,364)	-	-
- 对股东的分配	27	-	-	-	-	-	-	-
2013 年 12 月 31 日		4,500,000,000	-	138,390,725	625,924,201	450,532,575	(192,229)	5,714,655,272
- 会计政策变更		-	(192,229)	-	-	-	192,229	-
2013 年 12 月 31 日（重述）		4,500,000,000	(192,229)	138,390,725	625,924,201	450,532,575	-	5,714,655,272

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建信金融租赁有限公司
股东权益变动表
2014 年度
（金额单位：人民币元）

	附注	实收资本	盈余公积	一般风险准备	未分配利润	股东权益合计
2014 年 1 月 1 日		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279
本年增减变动金额		-	52,496,172	305,153,131	167,312,419	524,961,722
1. 净利润		-	-	-	524,961,722	524,961,722
2. 利润分配			52,496,172	305,153,131	(357,649,303)	-
- 提取盈余公积	27	-	52,496,172	-	(52,496,172)	-
- 提取一般风险准备	27	-	-	305,153,131	(305,153,131)	-
- 对股东的分配	27	-	-	-	-	-
2014 年 12 月 31 日		4,500,000,000	190,886,897	931,077,332	649,438,772	6,271,403,001

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

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建信金融租赁有限公司

股东权益变动表（续）

2013 年度

（金额单位：人民币元）

	附注	实收资本	盈余公积	一般风险准备	未分配利润	股东权益合计
2013 年 1 月 1 日		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763
本年增减变动金额		-	41,612,352	616,246,364	(241,735,200)	416,123,516
1. 净利润		-	-	-	416,123,516	416,123,516
2. 利润分配		-	41,612,352	616,246,364	(657,858,716)	-
- 提取盈余公积	27	-	41,612,352	-	(41,612,352)	-
- 提取一般风险准备	27	-	-	616,246,364	(616,246,364)	-
- 对股东的分配	27	-	-	-	-	-
2013 年 12 月 31 日		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279

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建信金融租赁有限公司
合并现金流量表
2014 年度
(金额单位：人民币元)

	附注	2014 年度	2013 年度
一、经营活动产生的现金流量			
收取保证金、预收租金及押金的现金		1,899,940,209	415,443,110
收取融资租赁租金、手续费的现金		21,107,667,342	11,868,466,479
收取经营租赁租金的现金		436,038,702	184,165,854
借入资金净增加额		22,973,219,595	10,439,062,093
收到其他与经营活动有关的现金		233,302,050	189,354,013
经营活动现金流入小计		46,650,167,898	23,096,491,549
购买融资租赁资产支付的现金		(41,952,672,166)	(15,856,055,469)
支付利息、手续费及佣金的现金		(2,906,342,642)	(1,629,178,041)
定期存款		(2,447,600,000)	-
存放中央银行款项净增加额		3,228,134	17,184,480
支付给职工及为职工支付的现金		(83,920,104)	(53,528,285)
支付的各项税费		(342,357,611)	(363,926,774)
支付其他与经营活动有关的现金		(261,984,985)	(241,733,121)
经营活动现金流出小计		(47,991,649,374)	(18,127,237,210)
经营活动产生的现金流量净额	35(1)	(1,341,481,476)	4,969,254,339

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建信金融租赁有限公司
合并现金流量表（续）
2014 年度
（金额单位：人民币元）

	附注	2014 年度	2013 年度
二、投资活动产生的现金流量			
处置固定资产、无形资产和其他长期资产收回的现金净额		-	2,100
投资活动现金流入小计		-	2,100
购建固定资产、无形资产和其他长期资产支付的净现金		(613,885,402)	(4,266,072,620)
投资活动现金流出小计		(613,885,402)	(4,266,072,620)
投资活动产生的现金流量净额		(613,885,402)	(4,266,070,520)
三、汇率变动对现金及现金等价物的影响		(24,006,744)	(6,685,714)
四、现金及现金等价物净(减少)/增加额	35(2)	(1,979,373,622)	696,498,105
加：年初现金及现金等价物余额		2,727,628,256	2,031,130,151
五、年末现金及现金等价物余额	35(3)	748,254,634	2,727,628,256

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

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建信金融租赁有限公司

现金流量表

2014 年度

(金额单位：人民币元)

	附注	2014 年度	2013 年度
一、经营活动产生的现金流量			
收取保证金、预收租金及押金的现金		1,843,377,838	415,443,110
收取融资租赁租金、手续费的现金		20,346,779,914	11,490,509,412
借入资金净增加额		19,631,708,781	8,024,874,145
收回子公司借款的现金		5,749,971,466	1,192,492,560
收到其他与经营活动有关的现金		227,010,021	189,093,265
经营活动现金流入小计		47,798,848,020	21,312,412,492
购买融资租赁资产支付的现金		(37,357,027,300)	(14,516,242,202)
支付利息、手续费及佣金的现金		(2,802,194,239)	(1,537,843,387)
定期存款		(2,447,600,000)	-
存放中央银行款项净增加额		3,228,134	17,184,480
支付给职工及为职工支付的现金		(83,920,104)	(53,528,285)
支付的各项税费		(261,904,970)	(335,336,562)
子公司借款及垫款支出的现金		(6,453,290,880)	(4,272,284,086)
支付其他与经营活动有关的现金		(237,169,607)	(225,476,128)
经营活动现金流出小计		(49,639,878,966)	(20,923,526,170)
经营活动产生的现金流量净额	35(1)	(1,841,030,946)	388,886,322

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建信金融租赁有限公司
现金流量表（续）
2014 年度
（金额单位：人民币元）

	附注	2014 年度	2013 年度
二、投资活动产生的现金流量			
处置固定资产、无形资产和其他长期资产收回的现金净额		-	2,100
投资活动现金流入小计		-	2,100
投资支付的现金		-	(1,000,000)
购建固定资产、无形资产和其他长期资产支付的净现金		(5,089,250)	(131,168,742)
投资活动现金流出小计		(5,089,250)	(132,168,742)
投资活动产生的现金流量净额		(5,089,250)	(132,166,642)
三、汇率变动对现金及现金等价物的影响		(21,036,706)	(3,043,321)
四、现金及现金等价物净(减少)/增加额	35(2)	(1,867,156,902)	253,676,359
加：年初现金及现金等价物余额		2,269,839,113	2,016,162,754
五、年末现金及现金等价物余额	35(3)	402,682,211	2,269,839,113

顾京圃	王强	丁丽	(公司盖章)
法定代表人	总裁兼首席财务官	财务会计部总经理	

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1 公司基本情况

建信金融租赁有限公司（以下简称“本公司”）是由中国建设银行股份有限公司（以下简称“建行”）和 Bank of America Corporation（以下简称“美国银行”）经中国银行业监督管理委员会（以下简称“银监会”）银监复[2007]373 号文件批准共同出资，于 2007 年 12 月 26 日在中华人民共和国北京市成立的股份有限公司。本公司注册资本为人民币 45 亿元。2012 年建行购入美国银行持有本公司的全部股权，成为本公司的唯一股东。2013 年本公司由建信金融租赁股份有限公司更名为建信金融租赁有限公司，并于 2013 年 9 月 4 日变更了企业法人营业执照。

本公司持有中华人民共和国国家工商行政管理局颁发的 100000400011958 号企业法人营业执照，并经银监会批准持有 M0013H211000001 号金融许可证。

于 2014 年 12 月 31 日，本公司共拥有 41 家子公司(子公司的详细情况见附注 5)。本公司与全部子公司以下合称“本集团”。本集团主要从事银监会批准的金融租赁、资金业务及其他金融业务服务。

本财务报表由本公司董事会于 2015 年 3 月 27 日批准报出。

2 财务报表编制基础

(1) 遵循企业会计准则的声明

本集团编制的财务报表符合中华人民共和国财政部（以下简称“财政部”）于 2006 年 2 月 15 日及以后期间颁布的《企业会计准则——基本准则》、各项具体会计准则及相关规定（以下合称“企业会计准则”）的要求，真实、完整地反映了本集团和本公司的财务状况、经营成果和现金流量。

本报表以持续经营为基础编制。

(2) 会计年度

本集团的会计年度自公历 1 月 1 日起至 12 月 31 日止。

(3) 计量属性

编制本财务报表时一般采用历史成本进行计量，但以公允价值计量的金融资产和金融负债除外。

2 财务报表编制基础（续）

(4) 记账本位币及列报货币

本公司的记账本位币为人民币，本公司控制的 41 家子公司中，建信津五租赁（天津）有限公司、建信津七租赁（天津）有限公司、建信津八租赁（天津）有限公司、建信津十一租赁（天津）有限公司、建信津十二租赁（天津）有限公司、建信津十三租赁（天津）有限公司、建信津十六租赁（天津）有限公司、建信津十七租赁（天津）有限公司、建信津十八租赁（天津）有限公司、建信津十九租赁（天津）有限公司、建信津贰十租赁（天津）有限公司、建信津二十一租赁（天津）有限公司、建信津二十二租赁（天津）有限公司的记账本位币为美元，其余子公司记账本位币为人民币。本集团编制财务报表采用的货币为人民币。

3 主要会计政策和主要会计估计

(1) 合并财务报表

合并财务报表的合并范围包括本公司及本公司控制的子公司。控制是指本公司拥有对被投资方的权力，通过参与被投资方的相关活动而享有可变回报，并且有能力运用对被投资方的权力影响其回报金额。本公司于取得对被投资主体的控制之日起将该主体纳入合并，于丧失对被投资主体的控制之日起停止合并。

当子公司所采用的会计期间或会计政策与本公司不一致时，合并时已按照本公司的会计期间或会计政策对子公司财务报表进行必要的调整。合并时所有集团内部交易及余额，包括未实现内部交易损益均已抵销。集团内部交易发生的未实现损失，有证据表明该损失是相关资产减值损失的，则全额确认该损失。

(2) 外币折算

(a) 外币交易的折算

本集团的外币交易在初始确认时按交易发生日的即期汇率或即期汇率的近似汇率折算为本位币。

即期汇率是中国人民银行（“人行”）公布的人民币外汇牌价或根据公布的外汇牌价套算的汇率。即期汇率的近似汇率是按照系统合理的方法确定的与交易发生日即期汇率近似的当期平均汇率。

3 主要会计政策和主要会计估计（续）

(2) 外币折算（续）

(a) 外币交易的折算（续）

年末外币货币性项目，采用资产负债表日的即期汇率折算，汇兑差额计入当期损益。以历史成本计量的外币非货币性项目，不改变其记账本位币金额。以公允价值计量的外币非货币性项目，采用公允价值确定日的即期汇率折算，折算后的记账本位币金额与原记账本位币金额的差额，属于可供出售金融资产的外币非货币性项目，其差额计入其他综合收益；属于以公允价值计量且其变动计入当期损益的外币非货币性项目，其差额计入当期损益。

(b) 外币财务报表的折算

本集团在编制合并财务报表时，将子公司的外币财务报表折算为人民币。外币财务报表中的资产和负债项目，采用报告期末的即期汇率折算。本位币为外币的子公司经营的收入和费用，采用交易发生日的即期汇率或即期汇率的近似汇率折算。按上述原值产生的外币财务报表折算差额，在资产负债表中股东权益项目下以“其他综合收益”列示。汇率变动对现金的影响额在现金流量表中单独列示。

(3) 现金及现金等价物

现金和现金等价物包括库存现金、可以随时用于支付的存款以及持有期限短、流动性强、易于转换为已知金额现金、价值变动风险很小的投资。

3 主要会计政策和主要会计估计（续）

(4) 对子公司的长期股权投资

在本集团合并财务报表中，对子公司的长期股权投资按附注 3(1)进行处理。

在本公司个别财务报表中，对子公司的长期股权投资的投资成本，在初始确认时，对于以支付现金取得的长期股权投资，本公司按照实际支付的购买价款作为初始投资成本。对于发行权益性证券取得的长期股权投资，本公司按照发行权益性证券的公允价值作为初始投资成本。对于投资者投入的长期股权投资，本公司按照投资合同或协议约定的价值作为初始投资成本。

在个别财务报表中，本公司采用成本法对子公司的长期股权投资进行后续计量，除取得投资时实际支付的价款或对价中包含的已宣告但尚未发放的现金股利或利润外，本公司按照享有被投资单位宣告发放的现金股利或利润确认投资收益。本公司按照上述规定确认投资收益后，会关注长期股权投资的账面价值是否大于享有被投资单位净资产（包括相关商誉）账面价值的份额，如果大于则根据附注 3(9)所述的会计政策对长期股权投资进行减值测试，可收回金额低于长期股权投资账面价值的，计提减值准备。期末按照成本减去减值准备（附注 3(9)）后计入资产负债表内。

(5) 租赁

实质上转移了与资产所有权有关的全部风险和报酬的租赁为融资租赁，其他的租赁为经营租赁。

(a) 融资租赁

作为融资租赁出租人，本集团将租赁开始日最低租赁收款额作为应收融资租赁款的入账价值，同时记录未担保余值；将最低租赁收款额及未担保余值之和与其现值之和的差额确认为未实现融资收益。

本集团采用实际利率法在租赁期内各个期间分配未实现融资收益。资产负债表日，本集团将应收融资租赁款减去未实现融资收益的差额，列入资产负债表中应收融资租赁款。

作为融资租赁承租人，以租赁资产的公允价值与最低租赁付款额的现值两者中较低者作为租入资产的入账价值，租入资产的入账价值与最低租赁付款额之间的差额为未确认融资费用，在租赁期内按实际利率法摊销。最低租赁付款额扣除未确认融资费用后的余额作为长期应付款列示。

3 主要会计政策和主要会计估计（续）

(5) 租赁（续）

(a) 融资租赁（续）

本集团对应收融资租赁款计提减值准备（参见附注 3(6)(b)）。

本集团至少于每年年度终了对未担保余值进行复核，未担保余值的预计可收回金额低于其账面价值时，确认资产减值损失。如果有迹象表明以前年度据以计提减值的因素发生变化，使得未担保余值的可收回金额大于其账面价值，其差额在以前年度已确认的资产减值损失金额内转回，转回的资产减值损失计入当期损益。

(b) 经营租赁

作为经营租赁承租人，租金费用在租赁期内按直线法确认为相关资产成本或费用。

作为经营租赁出租人，本集团将经营租赁租出的固定资产按附注 3(7)所述的折旧政策计算折旧，按附注 3(9)所述的会计政策计提减值准备。经营租赁租金收入在租赁期内按直线法确认为收入。或有租金在实际发生时计入当期损益。

(6) 金融工具

(a) 金融资产及金融负债的确认和计量

金融资产和金融负债在本集团成为相关金融工具合同条款的一方时，于资产负债表内确认。

本集团在初始确认时按取得资产或承担负债的目的，把金融资产和金融负债分为不同类别：以公允价值计量且其变动计入当期损益的金融资产和金融负债、贷款及应收款项、持有至到期投资、可供出售金融资产和其他金融负债。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(a) 金融资产及金融负债的确认和计量（续）

在初始确认时，金融资产及金融负债均以公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产或金融负债，相关交易费用直接计入当期损益；对于其他类别的金融资产或金融负债，相关交易费用计入初始确认金额。初始确认后，金融资产和金融负债的后续计量如下：

– 以公允价值计量且其变动计入当期损益的金融资产和金融负债（包括交易性金融资产或金融负债）

本集团持有为了近期内出售或回购的金融资产和金融负债及衍生工具属于此类。但是被指定且为有效套期工具的衍生工具、属于财务担保合同的衍生工具、与在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资挂钩并须通过交付该权益工具结算的衍生工具除外。

初始确认后，以公允价值计量且其变动计入当期损益的金融资产和金融负债以公允价值计量，公允价值变动形成的利得或损失计入当期损益。

– 应收款项

应收款项是指在活跃市场中没有报价、回收金额固定或可确定的非衍生金融资产。

初始确认后，应收款项以实际利率法按摊余成本计量。

– 持有至到期投资

本集团将有明确意图和能力持有至到期的且到期日固定、回收金额固定或可确定的非衍生金融资产分类为持有至到期投资。

初始确认后，持有至到期投资以实际利率法按摊余成本计量。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(a) 金融资产及金融负债的确认和计量（续）

– 可供出售金融资产

本集团将在初始确认时即被指定为可供出售的非衍生金融资产以及没有归类到其他类别的金融资产分类为可供出售金融资产。

对于在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资，初始确认后按成本计量。

除上述公允价值不能可靠计量的权益工具投资外，其他可供出售金融资产,初始确认后以公允价值计量,公允价值变动形成的利得或损失，除减值损失和外币货币性金融资产形成的汇兑差额计入当期损益外，其他利得或损失直接计入股东权益，在可供出售金融资产终止确认时转出，计入当期损益。

– 其他金融负债

其他金融负债是指除以公允价值计量且其变动计入当期损益的金融负债以外的金融负债。其他金融负债，初始确认后采用实际利率法按摊余成本计量。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值

本集团在资产负债表日对以公允价值计量且其变动计入当期损益的金融资产以外的金融资产的账面价值进行检查，有客观证据表明该金融资产发生减值的，计提减值准备。对于预期未来事项可能导致的损失，无论其发生的可能性有多大，均不作为减值损失予以确认。

金融资产减值的客观证据包括下列在金融资产初始确认后实际发生的、对该金融资产的预计未来现金流量有影响且本集团能够对该影响进行可靠计量的事项：

– 债务人或发行方发生严重财务困难；

– 债务人违反了合同条款，如偿付利息或本金发生违约或逾期等；

– 本集团出于经济或法律等方面因素的考虑，对发生财务困难的债务人作出正常情况下不会作出的让步；

– 债务人很可能倒闭或进行其他财务重组；

– 因发行方发生重大财务困难，该金融资产无法在活跃市场继续交易；

– 无法辨认一组金融资产中的某项资产的现金流量是否已经减少，但根据公开的数据对其进行总体评价后发现，该组金融资产自初始确认以来的预计未来现金流量确已减少且可计量，如该组金融资产的债务人支付能力逐步恶化，或债务人所在国家或地区失业率提高、担保物在其所在地区的价格明显下降、所处行业不景气等；

– 发行方经营所处的技术、市场、经济或法律环境等发生重大不利变化；

– 权益工具投资的公允价值发生严重或非暂时性下跌；及

– 其他表明金融资产发生减值的客观证据。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值（续）

贷款及应收款项和持有至到期投资

个别方式评估

本集团对于单项金额重大的贷款及应收款项和持有至到期投资，单独进行减值测试。如有客观证据表明其已出现减值，则将该资产的账面价值减记至按该金融资产原实际利率折现确定的预计未来现金流量现值，减记的金额确认为资产减值损失，计入当期损益。

有抵押的贷款及应收款项的预计未来现金流量现值会扣除取得和出售抵押物的费用，无论该抵押物是否将被收回。

组合方式评估

本集团对于单项金额不重大的同类客户贷款和垫款、个别方式评估未发生减值的贷款及应收款项，采用组合方式进行减值测试。如有证据表明自初始确认后，某一类金融资产的预计未来现金流量出现大幅下降的，将确认减值损失，计入当期损益。组合方式评估考虑的因素包括：(i)具有类似信用风险特征组合的历史损失经验；(ii)从出现损失到该损失被识别所需时间；及(iii)当前经济和信用环境以及本集团基于历史经验对目前环境下固有损失的判断。

组合方式评估涵盖了于资产负债表日出现减值但有待日后才能个别确认已出现减值的贷款及应收款项。当可根据客观证据对金融资产组合中的单项资产确定减值损失时，该项资产将会从该金融资产组合中剔除。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值（续）

减值转回和贷款及应收款项核销

贷款及应收款项确认减值损失后，如有客观证据表明该金融资产价值已恢复，且客观上与确认该损失后发生的事项有关，原确认的减值损失将予以转回，计入当期损益。该转回后的账面价值不超过假定不计提减值准备情况下该金融资产在转回日的摊余成本。

当本集团已经进行了所有必要的法律或其他程序后，贷款及应收款项仍然不可收回时，本集团将决定核销贷款及应收款项和冲销相应的损失准备。如在期后本集团收回已核销的贷款及应收款项，则收回金额冲减减值损失，计入当期损益。

可供出售金融资产及其他长期股权投资

可供出售金融资产及其他长期股权投资运用个别方式评估减值损失。可供出售金融资产发生减值时，即使该金融资产没有终止确认，本集团将原直接计入股东权益的因公允价值下降形成的累计损失从股东权益转出，计入当期损益。

对于已确认减值损失的可供出售债务工具，在随后的会计期间公允价值已上升且客观上与确认原减值损失确认后发生的事项有关的，原确认的减值损失应当予以转回，计入当期损益。可供出售权益工具投资发生的减值损失，不通过损益转回。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(c) 公允价值的确定

本集团对存在活跃市场的金融资产或金融负债，用活跃市场中的报价确定其公允价值，且不扣除将来处置该金融资产或金融负债时可能发生的交易费用。本集团已持有的金融资产或拟承担的金融负债的报价为现行出价；本集团拟购入的金融资产或已承担的金融负债的报价为现行要价。

对金融工具不存在活跃市场的，采用估值技术确定其公允价值。所采用的估值方法包括参考熟悉情况并自愿交易的各方最近进行的市场交易的成交价、参照实质上相同的其他金融工具的当前市场报价、现金流量折现法或采用期权定价模型。本集团定期评估估值方法，并测试其有效性。

(d) 金融资产和金融负债的终止确认

当收取某项金融资产的现金流量的合同权利终止或将所有权上几乎所有的风险和报酬转移时，本集团终止确认该金融资产。

金融资产整体转移满足终止确认条件的，本集团将下列两项金额的差额计入当期损益：

– 所转移金融资产的账面价值

– 因转移而收到的对价，与原直接计入股东权益的公允价值变动累计额之和

金融负债的现时义务全部或部分已经解除的，本集团终止确认该金融负债或其一部分。

(e) 抵销

如果本集团具有抵销已确认金额的法定权利，且该种法定权利是现时可执行的；并且本集团计划以净额结算，或同时变现该金融资产和清偿该金融负债，该金融资产和金融负债将在资产负债表内互相抵销并以净额列示。

3 主要会计政策和主要会计估计（续）

(7) 固定资产

固定资产包括房屋及建筑物、机器设备、运输工具、计算机及电子设备以及办公设备等。购置或新建的固定资产按取得时的成本进行初始计量。

与固定资产有关的后续支出,在相关的经济利益很可能流入本集团且其成本能够可靠的计量时，计入固定资产成本；对于被替换的部分，终止确认其账面价值；所有其他后续支出于发生时计入当期损益。

固定资产折旧采用年限平均法并按其入账价值减去预计净残值后在预计使用寿命内计提。对计提了减值准备的固定资产，则在未来期间按扣减减值准备后的账面价值及依据尚可使用年限确定折旧额。

本集团对固定资产在固定资产使用寿命内按年限平均法计提折旧,各类固定资产的预计使用寿命和预计净残值分别为:

	预计使用寿命	预计净残值	折旧率
固定资产:			
计算机设备	3 – 5 年	3%	19.4%-32.3%
办公设备	3 – 5 年	3%	19.4%-32.3%
交通运输设备	5 – 8 年	3%	12.1%-19.4%
经营租赁固定资产:			
飞机	20-25 年	5%	3.44%-4.75%
船舶	30 年	13.76%	2.90%
汽车制造设备	10 年	5%	10.09%-14.43%

本集团至少在每年年度终了对固定资产的使用寿命、预计净残值和折旧方法进行复核。

当固定资产被处置、或者预期通过使用或处置不能产生经济利益时，终止确认该固定资产。固定资产出售、转让、报废或毁损的处置收入扣除其账面价值和相关税费后的金额计入当期损益。

3 主要会计政策和主要会计估计（续）

(8) 无形资产

无形资产以成本减累计摊销(仅限于使用寿命有限的无形资产)及减值准备(附注 3(9)）计入资产负债表内。对于使用寿命有限的无形资产，本集团将无形资产的成本扣除减值准备后按直线法在预计使用寿命期内摊销。

本集团将无法预见未来经济利益期限的无形资产视为使用寿命不确定的无形资产，并对这类无形资产不予摊销。截至资产负债表日，本集团没有使用寿命不确定的无形资产。

(9) 长期资产减值

固定资产、在建工程、无形资产及对子公司的长期股权投资等，于资产负债表日存在减值迹象的，本集团对其进行减值测试。

资产组是本集团可以认定的最小资产组合，其产生的现金流入基本上独立于其他资产或者资产组。资产组由创造现金流入相关的资产组成。在认定资产组时，主要考虑该资产组能否独立产生现金流入，同时考虑管理层对经营活动的管理方式、以及对资产使用或者处置的决策方式等。

可收回金额是指资产（或资产组、资产组组合，下同）的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间较高者。

资产的公允价值减去处置费用后的净额，是根据公平交易中销售协议价格减去可直接归属于该资产处置费用的金额确定。资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量，综合考虑资产的预计未来现金流量、使用寿命和折现率等因素选择恰当的税前折现率对其进行折现后的金额加以确定。

可收回金额的估计结果表明，资产的可收回金额低于其账面价值的，资产的账面价值会减记至可收回金额，减记的金额确认为资产减值损失，计入当期损益，同时计提相应的资产减值准备。与资产组或者资产组组合相关的减值损失，根据资产组或者资产组组合中各项资产的账面价值所占比重，按比例抵减各项资产的账面价值，但抵减后的各资产的账面价值不得低于该资产的公允价值减去处置费用后的净额（如可确定的）、该资产预计未来现金流量的现值（如可确定的）和零三者之中最高者。

资产减值损失一经确认，在以后会计期间不予转回。

3 主要会计政策和主要会计估计（续）

(10) 借款费用

发生的可直接归属于需要经过相当长时间的购建活动才能达到预定可使用状态之固定资产的购建的借款费用，在资产支出及借款费用已经发生、为使资产达到预定可使用状态所必要的购建活动已经开始时，开始资本化并计入该资产的成本。当购建的资产达到预定可使用状态时停止资本化，其后发生的借款费用计入当期损益。如果资产的购建活动发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化，直至资产的购建活动重新开始。

(11) 职工薪酬

职工薪酬是本集团为获得职工提供的服务或解除劳动关系而给予的各种形式的报酬或补偿，包括短期薪酬和离职后福利。本集团在员工提供服务的会计期间，将应付职工薪酬确认为负债，并相应增加资产成本或当期费用。如延迟付款或清偿所产生的折现会构成重大影响的，将对付款额进行折现后列示于资产负债表中。

(a) 短期薪酬

短期薪酬包括工资、奖金、津贴和补贴、职工福利费、医疗保险费、工伤保险费、生育保险费、住房公积金、工会和教育经费等。本集团每月按照缴纳基数的一定比例向相关部门支付住房公积金及上述社会保险费用，在职工提供服务的会计期间，将实际发生的短期薪酬确认为负债，并按权责发生制原则计入当期损益。

(b) 离职后福利

本集团离职后福利计划为设定提存计划。设定提存计划是本集团向独立的基金缴存固定费用后，不再承担进一步支付义务的离职后福利计划。于报告期内，本集团属于设定提存计划的离职后福利主要是为员工缴纳的基本养老保险、企业年金及失业保险。

3 主要会计政策和主要会计估计（续）

(11) 职工薪酬(续)

(b) 离职后福利(续)

基本养老保险

按中国有关法规，本集团员工参加了由当地劳动和社会保障部门组织实施的社会基本养老保险。本集团以当地规定的社会基本养老保险缴纳基数和比例，向当地社会基本养老保险经办机构缴纳养老保险费。上述缴纳的社会基本养老保险按权责发生制原则计入当期损益。员工退休后，各地劳动及社会保障部门向已退休员工支付社会基本养老金。

企业年金

另外，本集团职工在参加社会基本养老保险的基础上参加本集团依据国家企业年金制度的相关政策建立的《建信金融租赁股份有限公司企业年金计划》(“年金计划”)，本集团按职工工资总额的一定比例向年金计划缴款，相应支出计入当期损益。

(12) 所得税

当期所得税包括根据当期应纳税所得额及资产负债表日的适用税率计算的预期应交所得税和对以前年度应交所得税的调整。本集团就资产或负债的账面价值与其计税基础之间的暂时性差异确认递延所得税资产和递延所得税负债。对于能够结转以后年度的可抵扣亏损和税款抵减亦会产生递延所得税。递延所得税资产的确认以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限。

本集团除了将与直接计入其他综合收益或股东权益的交易或者事项有关的所得税影响计入其他综合收益或股东权益外，当期所得税费用和递延所得税变动计入当期损益。

资产负债表日，本集团根据递延所得税资产和负债的预期实现或结算方式，依据税法规定，按预期收回该资产或清偿该负债期间的适用税率计量该递延所得税资产和递延所得税负债的账面价值。

3 主要会计政策和主要会计估计（续）

(12) 所得税(续)

当本集团有法定权利以当期所得税负债抵销当期所得税资产，并且递延所得税资产和递延所得税负债归属于同一纳税主体和同一税务机关时，本集团将抵销递延所得税资产和递延所得税负债。否则，递延所得税资产和负债及其变动额分别列示，不相互抵销。

(13) 预计负债及或有负债

如果与或有事项相关的义务是本集团承担的现时义务，且该义务的履行很可能会导致经济利益流出本集团，以及有关金额能够可靠地计量，则本集团会确认预计负债。对于货币时间价值影响重大的，预计负债以预计未来现金流量折现后的金额确定。

对过去的交易或者事项形成的潜在义务，其存在须通过未来不确定事项的发生或不发生予以证实；或过去的交易或者事项形成的现时义务，履行该义务不是很可能导致经济利益流出本集团或该义务的金额不能可靠计量，则本集团会将该潜在义务或现时义务披露为或有负债。

(14) 利息收入和利息支出

以摊余成本计量的金融工具，按照实际利率法以权责发生制确认利息收入或支出。

实际利率法是一种计算某项金融资产或金融负债的摊余成本以及在相关期间分摊利息收入或利息支出的方法。实际利率是将金融资产和金融负债在预计期限内的未来现金流量折现为该金融资产或金融负债账面净值所使用的利率。

若金融资产发生减值，相关的利息收入按照计量减值损失的未来现金流贴现利率确认。

本集团计算实际利率时，在考虑金融资产或金融负债所有合同条款(包括提前还款数、回购和类似期权等)的基础上对未来现金流量作出预计，但不考虑未来信用损失。计算实际利率时，本集团还考虑金融资产或金融负债合同各方之间支付或收取的手续费等交易成本以及溢价或折价。

3 主要会计政策和主要会计估计（续）

(15) 手续费收入和手续费支出

手续费收入和手续费支出按权责发生制在提供或收到相关服务时确认。

(16) 股利分配

资产负债表日后，经审议批准的利润分配方案中分配的股利或利润，不确认为资产负债表日的负债，在附注中单独披露。

(17) 关联方

一方控制、共同控制另一方或对另一方施加重大影响，以及两方或两方以上同受一方控制、共同控制的，构成关联方。关联方可为个人或企业。仅仅同受国家控制而不存在其他关联方关系的企业，不构成本集团的关联方。本集团及本公司的关联方包括但不限于：

(i) 本公司的母公司；
(ii) 本公司的子公司；
(iii) 与本公司受同一母公司控制的其他企业；
(iv) 对本集团实施重大影响的投资方；
(v) 与本集团同受一方控制的企业或个人
(vi) 本集团的关键管理人员及与其关系密切的家庭成员；
(vii) 本公司母公司的关键管理人员；
(viii) 与本公司母公司关键管理人员关系密切的家庭成员；及
(ix) 本集团的关键管理人员或与其关系密切的家庭成员控制、共同控制的其他企业。

(18) 分部信息

本集团以内部组织结构、管理要求、内部报告制度为依据确定经营分部，以经营分部为基础确定报告分部并披露分部信息。

经营分部是指本集团内同时满足下列条件的组成部分：(1) 该组成部分能够在日常活动中产生收入、发生费用；(2)本集团管理层能够定期评价该组成部分的经营成果，以决定向其配置资源、评价其业绩；(3)本集团能够取得该组成部分的财务状况、经营成果和现金流量等有关会计信息。如果两个或多个经营分部具有相似的经济特征，并且满足一定条件的，则合并为一个经营分部。

3 主要会计政策和主要会计估计（续）

(18) 分部信息（续）

于本年度，本集团业务活动集中为租赁业务，且该业务并无明显地区风险特征，因此未按照经营分部管理，未披露分部信息。

(19) 政府补助

政府补助为本集团从政府无偿取得的货币性资产，包括税费返还、财政补贴等，按照收到或应收的金额计量。政府补助在本集团能够满足其所附的条件并且能够收到时，予以确认。

与资产相关的政府补助，是指企业取得的、用于购建或以其他方式形成长期资产的政府补助。与收益相关的政府补助是指除与资产相关的政府补助之外的政府补助。本集团的政府补助均为与收益相关的政府补助。

与收益相关的政府补助，用于补偿以后期间的相关费用或损失的，确认为递延收益，并在确认相关费用的期间，计入当期损益；用于补偿已发生的相关费用或损失的，直接计入当期损益。

(20) 主要会计估计和判断

编制财务报表时，本集团管理层需要运用估计和假设，这些估计和假设会对会计政策的应用及资产、负债、收入的金额产生影响。实际情况可能与这些估计不同。本集团管理层对估计涉及的关键假设和不确定因素的判断进行持续评估，会计估计变更的影响在变更当期和未来期间予以确认。

(a) 应收融资租赁款减值

如附注 3(6)(b)所述，本集团在资产负债表日审阅按摊余成本计量的应收款项，以评估是否出现减值情况，并在出现减值情况时评估减值损失的具体金额。减值的客观证据包括显示个别或组合应收款项预计未来现金流量出现大幅下降的可观察数据、显示个别或组合应收款项中债务人的财务状况出现重大负面变动的可观察数据等事项。如果有证据表明以前年度发生减值的客观证据发生变化，则会予以转回。

3 主要会计政策和主要会计估计（续）

(20) 主要会计估计和判断（续）

(b) 所得税

在正常的经营活动中，很多交易和事项的最终税务处理存在不确定性。在计提所得税费用时，本集团需要作出重大判断。如果这些税务事项的最终认定结果与最初入账的金额存在差异，该差异将对作出上述最终认定期间的所得税费用和递延所得税的金额产生影响。

(21) 重要会计政策变更

财政部于 2014 年颁布《企业会计准则第 39 号——公允价值计量》、《企业会计准则第 40 号——合营安排》、《企业会计准则第 41 号——在其他主体中权益的披露》和修订后的《企业会计准则第 2 号——长期股权投资》、《企业会计准则第 9 号——职工薪酬》、《企业会计准则第 30 号——财务报表列报》、《企业会计准则第 33 号——合并财务报表》以及《企业会计准则第 37 号——金融工具列报》，要求除《企业会计准则第 37 号——金融工具列报》自 2014 年度财务报表起施行外，其他准则自 2014 年 7 月 1 日起施行。

本集团及本公司已采用上述准则编制 2014 年度财务报表。根据《企业会计准则第 30 号——财务报表列报》本集团将外币报表折算差计入其他综合收益进行列示，根据《企业会计准则第 9 号——职工薪酬》本集团及本公司对应付职工薪酬进行重新列报，并对比较财务报表中的相关信息进行调整。

其他准则对本集团及本公司财务报表未产生重大影响。

4 税项

本集团主要税种、税率及计税基础列示如下:

税种	税率	计税基础
企业所得税	25%	应纳税所得额
增值税	17%	应纳税增值额(应纳税额按应纳税销售额乘以适用税率扣除当期允许抵扣的进项税后的余额计算)
营业税	5%	应纳税营业额

2012 年本公司与天津东疆保税港区重新签署《天津东疆保税港区管理委员会与建信金融租赁股份有限公司合作备忘录》，该备忘录约定本公司在东疆保税港区设立的子公司从事的飞机、船舶、海洋工程结构物及其他产品的租赁业务（包括融资性租赁、经营性租赁及关联业务），自实际获利年度起三年内享受全额返还企业所得税地方分享部分，之后四至十年享受减半返还企业所得税地方分享部分；自实际业务发生年度起十年内全额返还融资租赁租期内的营业税、城建税及教育费附加；营业税改为增值税后，增值税地方部分、随增值税附征税费地方部分及其他流转税的地方部分按同样期限及比例返还。

2014 年本公司与天津东疆保税港区补充签署《天津东疆保税港区管理委员会与建信金融租赁有限公司补充合作备忘录(一)》，该备忘录约定本公司在东疆保税港区设立的子公司从事的飞机、船舶、海洋工程结构物融资租赁业务，自实际开展业务年度起三年内享受全额返还企业所得税地方分享部分，之后四至十二年享受减半返还企业所得税地方分享部分；自实际业务发生年度起十二年内全额返还融资租赁租期内的营业税、城建税及教育费附加；从事有形动产融资租赁业务，对其增值税实际税负超过 3%的部分实行增值税即征即退；从事有形动产租赁业务(包括融资租赁业务和经营租赁业务)，如按照增值税规定缴纳的增值税及其附加税费比按照原营业税政策规定计算的营业税及其附加税有所增加，则对增加部分同等金额给予财政补贴。

根据财政部、国家税务总局关于印发《营业税改征增值税试点方案》的通知》(财税[2011]110 号)和财政部、国家税务总局《关于在上海市开展交通运输业和部分现代服务业营业税改征增值税试点的通知》(财税[2011]111 号)，自 2012 年 1 月 1 日起，本集团下属注册地为上海的子公司新签订的有形动产租赁业务适用增值税。根据《关于在北京等 8 省市开展交通运输业和部分现代服务业营业税改征增值税试点的通知》(财税[2012]71 号)，自 2012 年 9 月 1 日起，本公司及本集团下属注册地为北京的子公司新签订的有形动产租赁业务适用增值税；自 2012 年 12 月 1 日起，本集团下属注册地为天津的子公司新签订的有形动产租赁业务适用增值税。

5 子公司

于 2014 年 12 月 31 日，纳入本公司合并财务报表范围的子公司如下：

被投资单位名称	注册地	业务性质	注册资本	本公司直接和间接持股比例	本公司直接和间接表决权比例
建信京一租赁（北京）有限公司	北京	租赁	100,000	100%	100%
建信津一租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津二租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津三租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津四租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津五租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津六租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津七租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津八租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津九租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津拾租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津十一租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十二租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十三租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十四租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十五租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十六租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十七租赁（天津）有限公司	天津	租赁	100,000	100%	100%

5　子公司（续）

被投资单位名称	注册地	业务性质	注册资本	本公司直接和间接持股比例	本公司直接和间接表决权比例
建信津十八租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十九租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津贰十租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十一租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十二租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十三租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十四租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十五租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十六租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十七租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十八租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津二十九租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津叁十租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信沪一租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪二租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪三租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪四租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪五租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪六租赁（上海）有限公司	上海	租赁	500,000	100%	100%

5 子公司（续）

被投资单位名称	注册地	业务性质	注册资本	本公司直接和间接持股比例	本公司直接和间接表决权比例
建信沪七租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪八租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪九租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪拾租赁（上海）有限公司	上海	租赁	500,000	100%	100%

6 货币资金

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
银行存款	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113

于 2014 年 12 月 31 日，本集团及本公司美元 4.0 亿元(折合人民币 24.5 亿元)定期存款为设定担保资产(2013 年 12 月 31 日：无)。

7 存放中央银行款项

截至 2014 年 12 月 31 日，本集团和本公司存放中央银行款项为人民币 7,301,306 元 (2013 年 12 月 31 日：人民币 10,529,440 元)。根据《中国人民银行关于将保证金存款纳入存款准备金交存范围的通知》、《中国人民银行关于核定部分金融租赁公司准备金存款交存范围的通知》、《中国人民银行关于下调人民币存款准备金率的通知》以及《定向下调存款准备金率，引导信贷资源支持“三农”和小微企业》，自 2014 年 6 月 16 日起，本集团和本公司对已起租融资租赁业务和经营租赁业务，按存入保证金的余额作为基数，按 14%的比例缴纳存款准备金(2013 年 12 月 31 日按 14.5%缴纳的存款保证金)。该存款不能用于本集团和本公司的日常经营。

8 应收融资租赁款

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
最低租赁收款额	82,932,081,232	53,364,632,148	73,719,037,293	49,553,702,579
减：未实现融资收益	(12,885,797,795)	(8,454,319,738)	(11,647,215,173)	(7,825,422,478)
应收融资租赁款总额	70,046,283,437	44,910,312,410	62,071,822,120	41,728,280,101
减：减值损失准备组合计提	(1,200,064,080)	(754,685,955)	(1,071,290,859)	(696,970,579)
减值损失准备单项计提	(98,031,731)	(100,594,283)	(98,031,731)	(100,594,283)
应收融资租赁款净值	68,748,187,626	44,055,032,172	60,902,499,530	40,930,715,239

于资产负债表日后将收到的最低租赁收款额为：

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
无期限	106,652,113	130,579,447	106,652,113	130,579,447
1 年以内（含 1 年）	21,555,126,693	13,766,811,140	20,393,760,575	13,261,600,779
1 年以上 2 年以内（含 2 年）	17,200,713,128	11,415,558,123	16,057,840,605	10,917,833,724
2 年以上 3 年以内（含 3 年）	13,709,108,516	8,045,488,850	12,588,074,509	7,555,115,566
3 年以上	30,360,480,782	20,006,194,588	24,572,709,491	17,688,573,063
最低租赁收款额	82,932,081,232	53,364,632,148	73,719,037,293	49,553,702,579

8 应收融资租赁款（续）

应收融资租赁款减值损失准备变动情况：

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
年初余额	855,280,238	581,733,295	797,564,862	545,592,507
本年计提	442,815,573	247,778,943	371,757,728	226,204,355
本年转入	-	25,768,000	-	25,768,000
年末余额	1,298,095,811	855,280,238	1,169,322,590	797,564,862

截至 2014 年 12 月 31 日止，本集团所有应收融资租赁款为售后租回及直接租赁业务。实际租赁利率将按合同的相关规定，以合同约定的利率调整日所适用的中国人民银行公布的贷款基准利率为基础进行调整。

9 长期股权投资

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
对子公司的投资	-	-	33,600,000	33,600,000
减：减值准备	-	-	-	-
净值	-	-	33,600,000	33,600,000

于 2014 年 12 月 31 日，本公司对子公司投资分析如下：

	本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
建信京一租赁（北京）有限公司	100,000	100,000
建信津一租赁（天津）有限公司	5,000,000	5,000,000
建信津二租赁（天津）有限公司	5,000,000	5,000,000
建信津三租赁（天津）有限公司	5,000,000	5,000,000
建信津四租赁（天津）有限公司	5,000,000	5,000,000
建信津五租赁（天津）有限公司	5,000,000	5,000,000
建信津六租赁（天津）有限公司	500,000	500,000
建信津七租赁（天津）有限公司	500,000	500,000

9 长期股权投资（续）

	本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
建信津八租赁（天津）有限公司	500,000	500,000
建信津九租赁（天津）有限公司	500,000	500,000
建信津拾租赁（天津）有限公司	500,000	500,000
建信津十一租赁（天津）有限公司	100,000	100,000
建信津十二租赁（天津）有限公司	100,000	100,000
建信津十三租赁（天津）有限公司	100,000	100,000
建信津十四租赁（天津）有限公司	100,000	100,000
建信津十五租赁（天津）有限公司	100,000	100,000
建信津十六租赁（天津）有限公司	100,000	100,000
建信津十七租赁（天津）有限公司	100,000	100,000
建信津十八租赁（天津）有限公司	100,000	100,000
建信津十九租赁（天津）有限公司	100,000	100,000
建信津贰十租赁（天津）有限公司	100,000	100,000
建信沪一租赁（上海）有限公司	500,000	500,000
建信沪二租赁（上海）有限公司	500,000	500,000
建信沪三租赁（上海）有限公司	500,000	500,000
建信沪四租赁（上海）有限公司	500,000	500,000
建信沪五租赁（上海）有限公司	500,000	500,000
建信沪六租赁（上海）有限公司	500,000	500,000
建信沪七租赁（上海）有限公司	500,000	500,000
建信沪八租赁（上海）有限公司	500,000	500,000
建信沪九租赁（上海）有限公司	500,000	500,000
建信沪拾租赁（上海）有限公司	500,000	500,000
合计	33,600,000	33,600,000

有关各子公司的详细资料，参见附注 5。

10 预付款项

	本集团及本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
购买融资租赁资产预付款	243,948,718	-
减：减值损失准备组合计提	(3,708,021)	-
净值	240,240,697	-

预付款项减值损失准备变动情况：

	本集团及本公司	
	2014 年度	2013 年度
年初余额	-	25,768,000
本年计提	3,708,021	-
本年转出	-	(25,768,000)
年末余额	3,708,021	-

11 固定资产

本集团

	经营租赁固定资产	计算机设备	运输设备	办公设备	合计
原值					
2013 年 12 月 31 日	4,327,271,216	6,827,901	2,625,690	466,372	4,337,191,179
本年增加	621,935,337	2,995,604	-	381,546	625,312,487
本年减少	-	(313,302)	-	-	(313,302)
2014 年 12 月 31 日	4,949,206,553	9,510,203	2,625,690	847,918	4,962,190,364
累计折旧					
2013 年 12 月 31 日	(92,599,365)	(5,363,868)	(2,462,987)	(354,607)	(100,780,827)
本年增加	(210,919,924)	(801,153)	(83,933)	(67,055)	(211,872,065)
本年减少	-	299,655	-	-	299,655
2014 年 12 月 31 日	(303,519,289)	(5,865,366)	(2,546,920)	(421,662)	(312,353,237)
减值准备					
2013 年 12 月 31 日	(58,562,760)	-	-	-	(58,562,760)
本年增加	(17,121,951)	-	-	-	(17,121,951)
2014 年 12 月 31 日	(75,684,711)	-	-	-	(75,684,711)
净值					
2014 年 12 月 31 日	4,570,002,553	3,644,837	78,770	426,256	4,574,152,416
2013 年 12 月 31 日	4,176,109,091	1,464,033	162,703	111,765	4,177,847,592

11 固定资产（续）

本集团经营租赁资产

	飞机	船舶	设备	合计
原值				
2013 年 12 月 31 日	4,095,300,089	103,777,025	128,194,102	4,327,271,216
本年增加	621,935,337	-	-	621,935,337
本年减少	-	-	-	-
2014 年 12 月 31 日	4,717,235,426	103,777,025	128,194,102	4,949,206,553
累计折旧				
2013 年 12 月 31 日	(85,385,100)	(7,214,265)	-	(92,599,365)
本年增加	(195,459,175)	(878,049)	(14,582,700)	(210,919,924)
本年减少	-	-	-	-
2014 年 12 月 31 日	(280,844,275)	(8,092,314)	(14,582,700)	(303,519,289)
减值准备				
2013 年 12 月 31 日	-	(58,562,760)	-	(58,562,760)
本年增加	-	(17,121,951)	-	(17,121,951)
2014 年 12 月 31 日	-	(75,684,711)	-	(75,684,711)
净值				
2014 年 12 月 31 日	4,436,391,151	20,000,000	113,611,402	4,570,002,553
2013 年 12 月 31 日	4,009,914,989	38,000,000	128,194,102	4,176,109,091

11 固定资产（续）

本公司

	经营租赁固定资产	计算机设备	运输设备	办公设备	合计
原值					
2013 年 12 月 31 日	128,194,102	6,827,901	2,625,690	466,372	138,114,065
本年增加	-	2,995,604	-	381,546	3,377,150
本年减少	-	(313,302)	-	-	(313,302)
2014 年 12 月 31 日	128,194,102	9,510,203	2,625,690	847,918	141,177,913
累计折旧					
2013 年 12 月 31 日	-	(5,363,868)	(2,462,987)	(354,607)	(8,181,462)
本年增加	(14,582,700)	(801,153)	(83,933)	(67,055)	(15,534,841)
本年减少	-	299,655	-	-	299,655
2014 年 12 月 31 日	(14,582,700)	(5,865,366)	(2,546,920)	(421,662)	(23,416,648)
净值					
2014 年 12 月 31 日	113,611,402	3,644,837	78,770	426,256	117,761,265
2013 年 12 月 31 日	128,194,102	1,464,033	162,703	111,765	129,932,603

本公司经营租赁资产均为设备。

12 在建工程

	本集团及本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
年初余额	1,651,119	4,790,113
本年增加	1,527,510	1,954,106
本年转出至无形资产	(1,222,869)	(5,093,100)
年末余额	1,955,760	1,651,119

13 无形资产

本集团及本公司

	软件	其他	合计
原值			
2013 年 12 月 31 日	11,421,013	812,200	12,233,213
本年增加	184,591	648,214	832,805
本年在建工程转入	595,283	627,586	1,222,869
2014 年 12 月 31 日	12,200,887	2,088,000	14,288,887
减：累计摊销			
2013 年 12 月 31 日	(2,224,836)	(36,514)	(2,261,350)
本年增加	(1,167,975)	(97,143)	(1,265,118)
2014 年 12 月 31 日	(3,392,811)	(133,657)	(3,526,468)
净值			
2014 年 12 月 31 日	8,808,076	1,954,343	10,762,419
2013 年 12 月 31 日	9,196,177	775,686	9,971,863

14 递延所得税资产

本集团

	2014年12月31日		2013年12月31日	
	递延所得税资产	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异
递延所得税资产				
- 资产减值准备	149,725,378	598,901,510	98,413,405	393,653,620
- 应付职工薪酬	10,132,342	40,529,370	9,644,050	38,576,200
	159,857,720	639,430,880	108,057,455	432,229,820

本公司

	2014年12月31日		2013年12月31日	
	递延所得税资产	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异
递延所得税资产				
- 资产减值准备	137,468,226	549,872,902	95,070,516	380,282,064
- 应付职工薪酬	10,132,342	40,529,370	9,644,050	38,576,200
	147,600,568	590,402,272	104,714,566	418,858,264

15 其他资产

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
递延代理手续费支出	73,124,638	84,993,915	70,367,504	82,830,193
递延借款手续费支出	61,583,383	29,642,567	23,389,214	19,325,623
尚未起租融资租赁资产	18,500,000	-	-	-
预付房租	6,055,697	5,878,268	6,055,697	5,878,268
应收子公司款项 (附注 38(5))	-	-	102,654,947	103,104,747
其他	4,071,604	3,149,092	4,071,604	3,149,093
合计	163,335,322	123,663,842	206,538,966	214,287,924

融资租赁资产为于 2014 年 12 月 31 日已签订融资租赁合同但尚未起租，于 2015 年 1 月起租的资产。

16 借入资金

按交易对手类型分析

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
商业银行	65,355,727,620	42,396,365,900	58,934,995,000	39,299,205,900

17 存入保证金

于 2014 年 12 月 31 日，本集团的存入保证金余额为人民币 53,191,500 元（2013 年 12 月 31 日：人民币 74,191,500 元），本公司的存入保证金余额为人民币 51,691,500 元（2013 年 12 月 31 日：人民币 72,691,500 元），均为融资租赁业务项下向承租人收取的保证金。

18 预收租金

于 2014 年 12 月 31 日，本集团的预收租金余额为人民币 1,848,256,805 元（2013 年 12 月 31 日：人民币 2,190,544,864 元），本公司的预收租金余额为人民币 1,832,030,246 元（2013 年 12 月 31 日：人民币 2,190,544,864 元），均为融资租赁业务项下向承租人收取的预收租金。

19 应付职工薪酬

本集团及本公司

		2014 年 12 月 31 日			
	注释	年初余额	本年增加额	本年减少额	年末余额
短期薪酬	(1)	41,956,628	84,868,986	(78,582,334)	48,243,280
离职后福利					
设定提存计划	(2)	434,314	6,372,272	(6,270,590)	535,996
合计		42,390,942	91,241,258	(84,852,924)	48,779,276

		2013 年 12 月 31 日			
	注释	年初余额	本年增加额	本年减少额	年末余额
短期薪酬	(1)	24,620,370	63,225,671	(45,889,413)	41,956,628
离职后福利					
设定提存计划	(2)	483,046	5,043,428	(5,092,160)	434,314
合计		25,103,416	68,269,099	(50,981,573)	42,390,942

19 应付职工薪酬(续)

(1) 短期薪酬

	2014 年 12 月 31 日			
	年初余额	本年增加额	本年减少额	年末余额
工资、奖金、津贴和补贴	38,576,200	71,300,000	(69,346,830)	40,529,370
社会保险费				
其中：医疗保险费	178,820	5,544,005	(2,311,836)	3,410,989
工伤保险费	4,462	59,351	(58,306)	5,507
生育保险费	11,900	158,212	(155,427)	14,685
住房公积金	-	4,597,538	(4,597,538)	-
工会经费和职工教育经费	3,185,246	3,208,500	(2,111,017)	4,282,729
其他短期福利	-	1,380	(1,380)	-
合计	41,956,628	84,868,986	(78,582,334)	48,243,280

	2013 年 12 月 31 日			
	年初余额	本年增加额	本年减少额	年末余额
工资、奖金、津贴和补贴	21,846,868	52,503,965	(35,774,633)	38,576,200
社会保险费				
其中：医疗保险费	127,475	4,319,234	(4,267,889)	178,820
工伤保险费	3,181	42,836	(41,555)	4,462
生育保险费	8,482	114,224	(110,806)	11,900
住房公积金	-	3,881,834	(3,881,834)	-
工会经费和职工教育经费	2,634,364	2,362,678	(1,811,796)	3,185,246
其他短期福利	-	900	(900)	-
合计	24,620,370	63,225,671	(45,889,413)	41,956,628

19 应付职工薪酬(续)

(2) 离职后福利

设定提存计划

	2014 年 12 月 31 日			
	年初余额	本年增加额	本年减少额	年末余额
基本养老保险费	416,482	3,954,725	(3,857,219)	513,988
失业保险费	17,832	197,804	(193,628)	22,008
企业年金缴费	-	2,219,743	(2,219,743)	-
合计	434,314	6,372,272	(6,270,590)	535,996

	2013 年 12 月 31 日			
	年初余额	本年增加额	本年减少额	年末余额
基本养老保险费	296,860	2,855,617	(2,735,995)	416,482
失业保险费	12,706	142,781	(137,655)	17,832
企业年金缴费	173,480	2,045,030	(2,218,510)	-
合计	483,046	5,043,428	(5,092,160)	434,314

20 应交税费

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
应交所得税	42,600,696	(5,924,843)	36,544,247	(7,193,397)
应交营业税及附加	14,625,268	12,353,336	14,381,529	12,007,349
应交增值税及附加	17,336,849	(15,261,295)	14,860,043	(18,841,739)
应交个人所得税	6,509,133	1,297,781	6,509,133	1,297,781
应交印花税	913,632	1,436,910	832,925	1,283,724
合计	81,985,578	(6,098,111)	73,127,877	(11,446,282)

21 其他负债

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
押金	2,341,704,370	527,638,000	2,289,237,065	527,638,000
递延融资租赁收益	18,718,019	-	-	-
预收租赁手续费	7,803,717	-	7,743,590	-
经营租赁递延收益	7,108,542	2,307,494	1,539,031	2,307,494
应付建行房租款项 (附注 38(1))	1,397,993	1,397,993	1,397,993	1,397,993
应付美银租赁代垫派驻人员费用	-	6,485,889	-	6,485,889
其他	937,606	4,531,357	937,606	4,531,357
合计	2,377,670,247	542,360,733	2,300,855,285	542,360,733

押金均为租赁业务项下提前向承租人收取的款项。

22 长期应付款

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
应付融资租赁款	722,240,818	-	-	-

于资产负债表日后将支付的最低租赁付款额为：

	2014 年 12 月 31 日	2013 年 12 月 31 日
1 年以内（含 1 年）	85,872,793	-
1 至 3 年（含 3 年）	167,443,456	-
3 年至 5 年（含 5 年）	161,626,424	-
5 年以上	378,790,968	-
合计	793,733,641	-

于资产负债表日，本集团未确认融资费用 71,492,823 元(2013 年 12 月 31 日：无)。

23 实收资本

本集团及本公司的实收资本结构如下：

	本集团及本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
建行	4,500,000,000	4,500,000,000

24 其他综合收益

	资产负债表中其他综合收益			2014 年度利润表中其他综合收益		
	2013 年 12 月 31 日	税后归属于母公司	2014 年 12 月 31 日	本年所得税前发生额	减:所得税费用	税后归属于母公司
外币报表折算差额	(192,229)	110,977	(81,252)	110,977	-	110,977

	资产负债表中其他综合收益			2013 年度利润表中其他综合收益		
	2012 年 12 月 31 日	税后归属于母公司	2013 年 12 月 31 日	本年所得税前发生额	减:所得税费用	税后归属于母公司
外币报表折算差额	-	(192,229)	(192,229)	(192,229)	-	(192,229)

25 盈余公积

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
法定盈余公积金				
年初余额	138,390,725	99,169,672	138,390,725	96,778,373
本年计提	52,496,172	39,221,053	52,496,172	41,612,352
年末余额	190,886,897	138,390,725	190,886,897	138,390,725

根据于 2005 年 10 月 27 日颁布的《中华人民共和国公司法》(2005 年修订)的规定，本公司按照年度税后净利润的 10%提取法定盈余公积金，直至该公积金累计额达到本公司注册资本的 50%，可不再提取。法定盈余公积金可用于弥补亏损、扩大公司生产经营或者转增资本。

26　一般风险准备

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
年初余额	625,924,201	9,677,837	625,924,201	9,677,837
本年计提	305,153,131	616,246,364	305,153,131	616,246,364
年末余额	931,077,332	625,924,201	931,077,332	625,924,201

财政部于 2012 年 3 月 3 日颁布《金融企业准备金计提管理办法》，要求金融企业一般风险准备余额原则上不得低于风险资产期末余额的 1.5%, 难以一次到达该标准的可以分年到位，原则上不得超过 5 年。

27　利润分配

(1)　2014 年度的利润分配

本公司股东于 2015 年 3 月 27 日审议通过了本公司 2014 年度的利润分配方案如下:

– 根据《中华人民共和国公司法》的规定，本公司按 2014 年度税后净利润的 10%提取法定盈余公积金人民币 52,496,172 元;

– 根据财政部《金融企业准备金计提管理办法》的要求，本公司 2014 年度提取一般风险准备人民币 305,153,131 元。

(2)　2013 年度的利润分配

本公司股东于 2014 年 3 月 28 日审议通过了本公司 2013 年度的利润分配方案如下:

– 根据《中华人民共和国公司法》的规定，本公司按 2013 年度税后净利润的 10%提取法定盈余公积金人民币 41,612,352 元;

– 根据财政部《金融企业准备金计提管理办法》的要求，本公司 2013 年度提取一般风险准备人民币 295,364,582 元。

28 利息净收入

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
利息收入				
- 融资租赁利息收入	3,920,745,553	2,568,113,031	3,735,253,552	2,441,929,934
- 银行存款利息收入	44,047,184	26,316,818	42,964,138	26,126,616
- 子公司借款利息收入(附注 38(5))	-	-	208,540,921	73,653,147
小计	3,964,792,737	2,594,429,849	3,986,758,611	2,541,709,697
利息支出				
- 借入资金利息支出	(2,776,794,183)	(1,576,704,313)	(2,692,923,825)	(1,492,798,384)
小计	(2,776,794,183)	(1,576,704,313)	(2,692,923,825)	(1,492,798,384)
利息净收入	1,187,998,554	1,017,725,536	1,293,834,786	1,048,911,313

29 手续费及佣金净支出

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
手续费及佣金收入	88,506,594	1,800,000	88,457,588	1,800,000
手续费及佣金支出				
- 代理手续费-(附注 38(1))	(76,855,073)	(88,317,404)	(74,680,690)	(86,346,090)
- 借款手续费	(65,332,083)	(18,451,272)	(60,338,066)	(17,813,573)
- 其他	(18,327,724)	(7,173,251)	(7,587,870)	(6,330,021)
小计	(160,514,880)	(113,941,927)	(142,606,626)	(110,489,684)
手续费及佣金净支出	(72,008,286)	(112,141,927)	(54,149,038)	(108,689,684)

30 业务及管理费

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
职工薪酬				
- 工资、奖金、津贴和补贴	71,300,000	52,503,965	71,300,000	52,503,965
- 基本养老保险、失业保险及企业年金	6,372,272	5,043,428	6,372,272	5,043,428
- 其他社会保险及员工福利	9,977,811	5,086,198	9,977,811	5,086,198
- 住房公积金	4,597,538	3,881,834	4,597,538	3,881,834
- 工会经费和职工教育经费	3,208,500	2,362,678	3,208,500	2,362,678
职工薪酬小计	95,456,121	68,878,103	95,456,121	68,878,103
租赁费	16,349,520	12,061,135	16,349,520	12,061,135
折旧和摊销费	2,217,259	2,243,119	2,217,259	2,243,119
业务宣传费和招待费	2,348,671	2,945,502	2,348,671	2,945,502
监管费	3,153,896	4,065,243	3,153,896	4,065,243
差旅费	4,861,904	2,625,106	4,861,904	2,625,106
会议费	136,623	382,679	136,623	382,679
交通费	931,814	672,227	931,814	672,227
其他	15,967,812	13,618,539	14,214,417	12,279,824
合计	141,423,620	107,491,653	139,670,225	106,152,938

31 资产减值损失

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
应收融资租赁款	443,139,360	248,048,591	371,757,728	226,204,355
预付款项	3,708,021	-	3,708,021	-
经营租赁资产	17,121,951	57,530,050	-	-
合计	463,969,332	305,578,641	375,465,749	226,204,355

32 其他业务成本

2014 年度，本集团的其他业务成本为人民币 211,452,091 元（2013 年度：人民币 89,215,831 元），本公司的其他业务成本为人民币 14,582,700 元（2013 年度：无），均为经营租赁固定资产的折旧费用。

33 营业外收入

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
税收返还收入	41,116,895	123,518	10,645,550	120,638
其他	2,828	-	2,828	-
合计	41,119,723	123,518	10,648,378	120,638

34 所得税费用

(1) 本年所得税费用组成

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
本年所得税	253,044,579	199,316,524	220,060,589	188,621,807
递延所得税	(51,800,265)	(47,069,512)	(42,886,002)	(47,451,853)
合计	201,244,314	152,247,012	177,174,587	141,169,954

(2) 所得税费用与会计利润的关系

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
税前利润	706,340,541	529,701,594	702,136,309	557,293,470
适用的所得税税率	25%	25%	25%	25%
按适用税率计算的所得税费用	176,585,135	132,425,399	175,534,077	139,323,368
不可作纳税抵扣的支出的所得税影响	5,941,041	1,496,394	1,640,510	1,458,630
上年汇算清缴差异	-	387,956	-	387,956
其他	18,718,138	17,937,263	-	-
所得税费用合计	201,244,314	152,247,012	177,174,587	141,169,954

35 现金流量表补充资料

(1) 将净利润调节为经营活动的现金流量:

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
净利润	505,096,227	377,454,582	524,961,722	416,123,516
加：处置固定资产的损失	13,647	16,932	13,647	16,932
计提的资产减值损失准备	463,645,545	305,308,993	375,465,749	226,204,355
固定资产折旧	211,872,065	88,926,448	15,534,841	1,295,873
无形资产摊销	1,265,118	947,246	1,265,118	947,246
递延手续费支出及其他待摊费用摊销	103,434,535	109,629,523	99,450,784	95,645,886
递延所得税资产增加	(51,800,265)	(47,069,512)	(42,886,002)	(47,451,853)
经营性应收项目的增加	(27,989,591,939)	(6,464,890,532)	(24,073,303,873)	(8,512,588,588)
经营性应付项目的增加	25,414,583,591	10,598,930,659	21,258,467,068	8,208,692,955
经营活动产生的现金流量净额	(1,341,481,476)	4,969,254,339	(1,841,030,946)	388,886,322

(2) 现金及现金等价物净变动情况

	本集团		本公司	
	2014 年度	2013 年度	2014 年度	2013 年度
现金及现金等价物的年末余额	748,254,634	2,727,628,256	402,682,211	2,269,839,113
减：现金及现金等价物的年初余额	(2,727,628,256)	(2,031,130,151)	(2,269,839,113)	(2,016,162,754)
现金及现金等价物净增加额	(1,979,373,622)	696,498,105	(1,867,156,902)	253,676,359

(3) 现金及现金等价物

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
货币资金(附注 6)	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113
减：定期存款	(2,447,600,000)	-	(2,447,600,000)	-
现金及现金等价物年末余额	748,254,634	2,727,628,256	402,682,211	2,269,839,113

36 承诺

(1) 融资租赁租出承诺

于资产负债表日，本集团及本公司的融资租赁租出承诺如下：

	2014 年 12 月 31 日	2013 年 12 月 31 日
融资租赁租出承诺	2,100,146,000	100,000,000

(2) 经营租赁租入承诺

于资产负债表日，不可撤销的经营租赁协议项下的未来最低租赁付款额为：

	2014 年 12 月 31 日	2013 年 12 月 31 日
1 年以内（含 1 年）	16,420,641	15,684,161
1 年以上 2 年以内（含 2 年）	7,872,855	14,736,691
2 年以上 3 年以内（含 3 年）	1,371,552	6,185,650
合计	25,665,048	36,606,502

37 或有事项

(1) 未决诉讼和纠纷

于 2014 年 12 月 31 日，本公司尚有作为被起诉方的未决诉讼案件。根据本公司内部及外部律师意见，该案件引起本公司损失的可能性较小，不确认为预计负责(2013 年：无）。

(2) 或有负债

于 2014 年 12 月 31 日，本公司存在 3500 万美元的风险敞口，详见附注 38(1) (2013 年：无）。

38 关联方关系及其交易

(1) 与建行之间的交易

本公司的母公司为建行，其主要信息如下：

经济性质	：股份有限公司
业务性质	：商业银行业务
法定代表人	：王洪章
注册资本	：人民币 2,500.11 亿元
注册地	：北京

建行是经银监会批准于 2004 年 9 月 17 日在北京成立的股份有限公司，总部位于北京。

建行对本公司的直接持股比例及表决权比例如下：

	2014 年 12 月 31 日	2013 年 12 月 31 日
直接持股比例	100%	100%
表决权比例	100%	100%

38 关联方关系及其交易（续）

(1) 与建行之间的交易（续）

在日常业务中，本集团及本公司与建行重大交易和往来款项的年末余额如下：

	本集团	
	2014 年 12 月 31 日	2013 年 12 月 31 日
银行存款	672,003,610	1,712,080,596
应收利息	1,158,529	1,752,536
借入资金	14,922,123,480	9,501,940,360
应付利息	24,841,314	23,561,866
应付手续费	38,011,066	28,763,333
其他负债(附注 21)	1,397,993	1,397,993

	本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
银行存款	401,007,582	1,254,341,835
应收利息	1,136,762	1,740,985
借入资金	11,487,830,000	7,287,256,000
应付利息	9,710,634	11,694,821
应付手续费	38,011,066	28,763,333
其他负债(附注 21)	1,397,993	1,397,993

38 关联方关系及其交易（续）

(1) 与建行之间的交易（续）

在日常业务中，本集团及本公司与建行进行的重大交易的损益表影响如下：

	本集团	
	2014 年度	2013 年度
利息收入	16,275,509	14,496,350
利息支出	358,113,038	174,302,407
手续费及佣金支出	118,279,731	100,773,330
- 代理手续费(附注 29)	76,855,073	88,317,404
- 其他	41,424,658	12,455,926

	本公司	
	2014 年度	2013 年度
利息收入	15,201,971	14,307,558
利息支出	296,470,077	140,584,766
手续费及佣金支出	113,088,879	98,486,424
- 代理手续费(附注 29)	74,680,690	86,346,090
- 其他	38,408,189	12,140,334

建行对本集团及本公司部分融资租赁业务的承租人出具了以本公司为受益人的保函，为承租人向本集团按期支付租赁款提供保证。该类保函的最高担保额如下：

	本集团及本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
最高担保额	1,495,478,438	1,880,787,635

于 2014 年 12 月 31 日，本公司向中国建设银行股份有限公司北京月坛支行申请了一笔备用信用证业务，存在 3500 万美元的风险敞口(2013 年:无)。

本集团及本公司与上述关联方进行的交易均在一般及日常业务过程中按正常的商业条件进行。

38 关联方关系及其交易（续）

(2) 与建信人寿之间的交易

本公司与建信人寿保险有限公司(以下简称“建信人寿”)同受母公司控制。

在日常业务中，本集团及本公司与建信人寿重大交易和往来款项的年末余额如下：

	本集团及本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
应付职工薪酬	3,190,335	-

在日常业务中，本集团及本公司与建信人寿进行的重大交易的损益表影响如下：

	本集团及本公司	
	2014 年度	2013 年度
业务管理费-职工薪酬	3,190,335	2,600,426

本集团及本公司与上述关联方进行的交易均在一般及日常业务过程中按正常的商业条件进行。

(3) 与中德银行之间的交易

本公司与中德住房储蓄银行有限责任公司(以下简称“中德银行”)与同受母公司控制。

在日常业务中，本集团及本公司与中德银行重大交易和往来款项的年末余额如下：

			本集团及本公司	
	利率	期限	2014 年 12 月 31 日	2013 年 12 月 31 日
借入资金	5.85%	2014 年 5 月 21 日至 2015 年 5 月 20 日	241,000,000	-
应付利息			8,811,563	-

38 关联方关系及其交易（续）

(3) 与中德银行之间的交易(续)

在日常业务中，本集团及本公司与中德银行进行的重大交易的损益表影响如下：

	本集团及本公司	
	2014 年度	2013 年度
利息支出	8,811,563	-

本集团及本公司与上述关联方进行的交易均在一般及日常业务过程中按正常的商业条件进行。

(4) 与关键管理人员之间的交易

关键管理人员是指有权力并负责计划、指挥和控制本公司活动的人员，包括董事会和监事会成员，及其他高级管理人员。

除支付关键管理人员薪酬外，本集团及本公司与关键管理人员之间无其他关联交易。

(5) 与子公司的交易

在日常业务中，本公司与子公司重大交易和往来款项的年末余额如下：

	本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日
子公司借款	5,296,093,632	4,400,377,530
应收利息	53,112,095	21,272,274
其他资产(附注 15)	102,654,947	103,104,747

在日常业务中，本公司与子公司进行的重大交易的损益表影响如下：

	本公司	
	2014 年度	2013 年度
利息收入(附注 28)	208,540,921	73,653,147

38 关联方关系及其交易（续）

(5) 与子公司的交易(续)

上述与子公司的交易均已在编制合并财务报表时予以抵销。本公司资产负债表项目中包含与子公司的其他交易余额并不重大，并已在编制合并财务报表时予以抵销。

39 风险管理

本集团面临的风险主要包括信用风险、市场风险、流动性风险及操作风险。本集团的全部子公司均为融资租赁业务成立的单一项目公司，其日常经营活动均由本公司负责管理，子公司面临的风险与其对风险的管理均与本公司一致。因此我们按照本集团口径披露相关内容，不单独披露本公司的口径。

(1) 信用风险

信用风险是指债务人或交易对手没有履行合同约定的义务或承担，使本集团可能蒙受损失的风险。信用风险主要来自融资租赁业务。

风险管理与内控委员会负责组织和协调本集团的风险管理与内部控制工作。风险管理部负责拟订信用风险管理政策、监控信用风险管理政策的执行、组织客户租赁业务的审批工作。市场经营部门实施具体信用风险管理工作。

本集团按照外部监管和相关制度的要求，就租赁业务信用风险管理方面制定行业审批指引、公司及机构类客户租赁业务准入、退出标准以及授权、授信以及风险资产分类等方面的制度。本集团信用风险管理工作贯穿于融资租赁业务租前调查、租赁审批、租后管理等各流程环节。租前调查环节，本集团客户经理利用建行对客户的信用风险评级结果，以及其他信息，对租赁项目收益与风险进行初步评估，提交尽职调查报告；审批环节，租赁业务均须经过有权审批人审批；租后管理环节，本集团对已开展的租赁项目进行持续监控，并对重点行业、区域、产品、客户加强风险监控，对任何可能对承租人还款能力造成主要影响的负面事件立即报告，并采取措施，防范和控制风险。在为客户办理租赁业务时，本集团对融资租赁业务全面实施前后台平行作业机制，以强化风险管理的前瞻性、独立性及有效性。

39 风险管理（续）

(1) 信用风险（续）

本集团采用风险资产分类方法监控租赁资产风险状况。租赁资产按风险程度分为正常、关注、次级、可疑及损失五类。

融资租赁的五个类别的主要定义列示如下：

正常： 资产未出现减值迹象或交易对手能够履行合同或协议，没有足够理由怀疑资产会发生减值或公司债权（利息）不能按时足额收回。

关注： 尽管资产未发生减值或交易对手目前有能力偿还，但存在一些可能对资产价值或偿还能力产生不利影响的因素。

次级： 资产已出现减值迹象或交易对手的偿还能力出现明显问题，即使执行各种措施，也可能会造成一定损失。

可疑： 资产已出现明显减值或交易对手无法足额偿还债务，即使采取各种措施，也肯定要造成较大损失。

损失： 资产实际价值已很低或在采取所有可能的措施或一切必要的法律程序之后，资产及收益仍然无法收回，或只能收回极少部分。

最大信用风险敞口

下表列示了资产负债表日在不考虑抵押品或其他信用增级对应资产的情况下，本公司及本集团的最大信用风险敞口。对于表内资产最大信用风险敞口是指金融资产扣除减值准备后的账面价值。

39 风险管理（续）

(1) 信用风险（续）

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
资产负债表项目的信用风险敞口包括：				
货币资金	3,195,854,634	2,727,628,256	2,850,282,211	2,269,839,113
存放中央银行款项	7,301,306	10,529,440	7,301,306	10,529,440
子公司借款	-	-	5,296,093,632	4,400,377,530
应收利息	25,862,369	3,668,056	78,952,103	24,928,760
应收融资租赁款	68,748,187,626	44,055,032,172	60,902,499,530	40,930,715,239
预付款项	240,240,697	-	240,240,697	-
其他金融资产	19,223,384	601,198	103,378,331	103,705,946
	72,236,670,016	46,797,459,122	69,478,747,810	47,740,096,028
表外项目信用风险敞口包括：				
融资租赁租出承诺	2,100,146,000	100,000,000	2,100,146,000	100,000,000
最大信用风险敞口	74,355,316,016	46,897,459,122	71,578,893,810	47,840,096,028

应收融资租赁款及预付款项的资产质量分析：

	本集团		本公司	
	2014 年 12 月 31 日	2013 年 12 月 31 日	2014 年 12 月 31 日	2013 年 12 月 31 日
未逾期未减值				
- 正常	63,963,532,603	39,804,576,459	56,499,977,294	37,254,198,499
- 关注	6,228,010,036	4,988,546,435	5,717,104,028	4,356,892,086
已减值	98,689,516	117,189,516	98,689,516	117,189,516
合计	70,290,232,155	44,910,312,410	62,315,770,838	41,728,280,101
减：减值准备	(1,301,803,832)	(855,280,238)	(1,173,030,611)	(797,564,862)
净额	68,988,428,323	44,055,032,172	61,142,740,227	40,930,715,239

39 风险管理（续）

(1) 信用风险（续）

应收融资租赁款及预付款项

	2014 年 12 月 31 日		2013 年 12 月 31 日	
	贷款总额	比例	贷款总额	比例
– 交通运输、仓储和邮政业	38,000,562,955	54.06%	22,366,140,775	49.80%
– 制造业	12,911,408,076	18.37%	9,362,296,223	20.85%
– 电力、热力、燃气及水生产和供应业	8,941,649,414	12.72%	8,059,165,822	17.95%
– 采矿业	5,369,480,243	7.64%	2,924,026,171	6.51%
– 房地产业	3,258,771,369	4.64%	1,398,110,615	3.11%
– 卫生和社会工作	1,014,602,147	1.44%	80,994,177	0.18%
– 教育	366,508,141	0.52%	-	-
– 建筑业	158,544,677	0.23%	351,128,325	0.78%
– 租赁及商业服务业	150,756,414	0.21%	-	-
– 科学研究和技术服务业	117,948,719	0.17%	-	-
– 水利、环境和公共设施管理业	-	-	368,450,302	0.82%
-合计	70,290,232,155	100.00%	44,910,312,410	100.00%

39 风险管理（续）

(2) 市场风险

本集团面临市场风险。该风险是指因为市场价格波动导致本集团持有的金融工具敞口公允价值或未来现金流波动的风险。市场风险是由于市场利率、外汇汇率和股票价格水平的一般或特定变化对利率产品、货币产品和股票产品敞口头寸造成影响产生的。

风险管理部负责拟定本集团统一的市场风险管理政策、制度。

于本年度，本集团的业务主要为以人民币进行的租赁业务，同时涉及少量外币业务，本集团目前面临的市场风险主要是利率风险和货币风险。

本集团的利率风险主要包括来自融资租赁业务的结构性利率风险和其资金交易头寸的风险。利率风险是本集团许多业务的内在风险，资产负债重定价期限的错配是结构性利率风险的主要来源。

(i) 利息净收入敏感性分析

在监控总体非衍生金融工具金融资产及负债利率风险方面，本集团定期计量未来利息净收入对市场利率升跌的敏感性（假设收益曲线并无不对称变动以及固定的资产负债情况）。在所有收益曲线平行上升或下跌 100 基点（bp）的情况下，会增加或减少未来十二个月的利息净收入约人民币 1.73 亿元（2013 年 12 月 31 日：人民币 1.14 亿元）。

上述的利率敏感度仅供说明用途，并只根据简化情况进行评估。上列数字显示在各个预计收益曲线情形及本集团现时利率风险状况下，利息净收入的预估变动。上述预估数值假设所有年期的利率均以相同幅度变动，因此并不反映若某些利率改变而其他利率维持不变时，其对利息净收入的潜在影响。这些预估数值亦基于其他简化的假设而估算。

39 风险管理（续）

(2) 市场风险（续）

(ii) 利率重定价缺口分析

下表列示于资产负债表日本集团资产与负债于相关年度的实际利率及下一个预期重定价日(或到期日，以较早者为准)。

	2014 年 12 月 31 日				
	不计息	3 个月以内	3 个月至 1 年	1 年至 5 年	合计
资产					
货币资金	-	743,254,634	2,452,600,000	-	3,195,854,634
存放中央银行款项	-	7,301,306	-	-	7,301,306
应收融资租赁款	657,784	57,267,861,791	10,870,835,870	608,832,181	68,748,187,626
预付款项	-	240,240,697	-	-	240,240,697
其他资产	4,935,926,006	-	-	-	4,935,926,006
资产合计	4,936,583,790	58,258,658,428	13,323,435,870	608,832,181	77,127,510,269
负债					
借入资金	-	27,869,110,620	35,956,617,000	1,530,000,000	65,355,727,620
存入保证金	53,191,500	-	-	-	53,191,500
预收租金	1,848,256,805	-	-	-	1,848,256,805
其他负债	2,928,231,050	-	-	-	2,928,231,050
长期应付款	-	722,240,818	-	-	722,240,818
负债合计	4,829,679,355	28,591,351,438	35,956,617,000	1,530,000,000	70,907,647,793
资产负债敞口	106,904,435	29,667,306,990	(22,633,181,130)	(921,167,819)	6,219,862,476

39 风险管理（续）

(2) 市场风险（续）

(ii) 利率重定价缺口分析（续）

下表列示于资产负债表日本集团资产与负债于相关年度的实际利率及下一个预期重定价日(或到期日,以较早者为准)。

	2013 年 12 月 31 日				
	不计息	3 个月以内	3 个月至 1 年	1 年至 5 年	合计
资产					
货币资金	-	2,727,628,256	-	-	2,727,628,256
存放中央银行款项	-	10,529,440	-	-	10,529,440
应收融资租赁款	16,595,233	41,265,835,080	2,277,042,736	495,559,123	44,055,032,172
预付款项	-	-	-	-	-
其他资产	4,424,859,927	-	-	-	4,424,859,927
资产合计	4,441,455,160	44,003,992,776	2,277,042,736	495,559,123	51,218,049,795
负债					
借入资金	-	16,805,047,900	25,591,318,000	-	42,396,365,900
存入保证金	74,191,500	-	-	-	74,191,500
预收租金	2,190,544,864	-	-	-	2,190,544,864
其他负债	842,292,259	-	-	-	842,292,259
长期应付款	-	-	-	-	-
负债合计	3,107,028,623	16,805,047,900	25,591,318,000	-	45,503,394,523
资产负债敞口	1,334,426,537	27,198,944,876	(23,314,275,264)	495,559,123	5,714,655,272

39 风险管理（续）

(2) 市场风险（续）

(iii) 货币风险分析

本集团的主要经营位于中国境内，主要业务以人民币结算。

于 2014 年 12 月 31 日，本集团持有的外币资产和外币负债折算成人民币的金额列示如下：

	2014 年 12 月 31 日		
		美元	
	人民币	折合人民币	合计
资产			
货币资金	473,367,476	2,722,487,158	3,195,854,634
存放中央银行款项	7,301,306	-	7,301,306
应收融资租赁款	61,981,422,905	6,766,764,721	68,748,187,626
预付账款	240,240,697	-	240,240,697
其他资产	413,894,615	4,522,031,391	4,935,926,006
资产合计	63,116,226,999	14,011,283,270	77,127,510,269
负债			
借入资金	52,173,500,000	13,182,227,620	65,355,727,620
存入保证金	53,191,500	-	53,191,500
预收租金	1,832,030,246	16,226,559	1,848,256,805
其他负债	2,854,904,921	795,566,947	3,650,471,868
负债合计	56,913,626,667	13,994,021,126	70,907,647,793
净头寸	6,202,600,332	17,262,144	6,219,862,476

39 风险管理（续）

(2) 市场风险（续）

(iii) 货币风险分析（续）

于 2013 年 12 月 31 日，本集团持有的外币资产和外币负债折算成人民币的金额列示如下：

	2013 年 12 月 31 日		
		美元	
	人民币	折合人民币	合计
资产			
货币资金	1,844,690,487	882,937,769	2,727,628,256
存放中央银行款项	10,529,440	-	10,529,440
应收融资租赁款	42,094,040,635	1,960,991,537	44,055,032,172
其他资产	386,861,336	4,037,998,591	4,424,859,927
资产合计	44,336,121,898	6,881,927,897	51,218,049,795
负债			
借入资金	35,574,000,000	6,822,365,900	42,396,365,900
存入保证金	74,191,500	-	74,191,500
预收租金	2,190,544,864	-	2,190,544,864
其他负债	818,263,325	24,028,934	842,292,259
负债合计	38,656,999,689	6,846,394,834	45,503,394,523
净头寸	5,679,122,209	35,533,063	5,714,655,272

39 风险管理（续）

(3) 流动性风险

流动性风险是指没有足够资金来源满足资金需求而产生的风险。本集团已经或可能发生的流动性风险主要由于融资租赁业务产生的资金收入与资金支出的金额和到期日错配而产生。本集团根据流动性风险管理政策对现金流进行合理计划和日常监控，并确保维持适量的高流动性资产。

本集团整体的流动性状况由资金财务部管理与协调，资金财务部按监管要求和审慎原则拟定本集团流动性管理政策，这些政策包括：

– 采取稳健策略，日常调度资金余缺，确保在任何时点都保持合理的营运资金；

– 以建立合理的资产负债结构为前提，保持稳定而合理的资金来源结构，同时持有一定比例的信用等级高、变现能力强的流动性资产组合作为储备；及

– 对公司的流动性资金进行集中管理、统一运用。

本集团的资金来源主要为资本金、银行借入资金、融资租赁业务的租金，在资本金和租赁业务资金来源不足的情况下，补充流动性的主要方式是借入资金和拆入资金。本集团的资金支出大部分为购买租赁物的资金支出和维持本集团日常运转所产生的资金支出，在存在外部借入资金和拆入资金的情况下，资金支出还包括到期还款额及筹资费用。

本集团主要采用编制年度资金计划的办法对一年以内的现金流情况进行预测，通过建立大额支付提前报告制度等措施，对临时性的资金支出进行监控。

39 风险管理（续）

(3) 流动性风险（续）

未折现合同现金流量分析

下表列示于资产负债表日资产和负债未经折现合同现金流量分析，实际现金流量可能与本分析有显著差异。

2014 年 12 月 31 日

	未折现合同现金流	无期限	实时偿还	1 个月以内	1 个月至 3 个月	3 个月至 1 年	1 年至 5 年	5 年以上
资产								
货币资金	3,245,793,405	-	741,254,634	6,008,354	13,816,430	2,484,713,987	-	-
存放中央银行款项	7,301,306	7,301,306	-	-	-	-	-	-
应收融资租赁款	82,932,081,232	106,652,113	-	1,728,811,799	5,138,614,515	14,687,700,379	48,758,824,083	12,511,478,343
预付款项	308,140,997	-	-	993,109	3,483,264	52,258,025	251,406,599	-
其他资产	4,935,926,006	4,909,340,253	-	-	1,377,836	24,503,179	704,738	-
资产合计	91,429,242,946	5,023,293,672	741,254,634	1,735,813,262	5,157,292,045	17,249,175,570	49,010,935,420	12,511,478,343
负债								
借入资金	68,255,712,887	-	-	2,405,551,711	13,639,354,742	37,888,973,908	7,344,756,237	6,977,076,289
存入保证金	53,191,500	-	-	-	15,000,000	-	23,151,500	15,040,000
预收租金	1,848,256,805	-	-	6,000,000	54,841,853	379,120,000	1,140,950,893	267,344,059
其他负债	3,721,964,691	18,718,019	-	149,983,312	241,221,699	331,210,696	1,618,379,894	1,362,451,071
负债合计	73,879,125,883	18,718,019	-	2,561,535,023	13,950,418,294	38,599,304,604	10,127,238,524	8,621,911,419

39 风险管理（续）

(3) 流动性风险（续）

未折现合同现金流量分析（续）

2013 年 12 月 31 日

	未折现合同现金流	无期限	实时偿还	1 个月以内	1 个月至 3 个月	3 个月至 1 年	1 年至 5 年	5 年以上
资产								
货币资金	2,731,630,523	-	500,869,090	2,079,448,933	151,312,500	-	-	-
存放中央银行款项	10,529,440	10,529,440	-	-	-	-	-	-
应收融资租赁款	53,364,632,148	130,579,447	-	670,833,927	2,934,134,855	10,161,842,358	31,299,768,952	8,167,472,609
其他资产	4,424,859,927	4,420,590,672	-	-	3,985,911	-	283,344	-
资产合计	60,531,652,038	4,561,699,559	500,869,090	2,750,282,860	3,089,433,266	10,161,842,358	31,300,052,296	8,167,472,609
负债								
借入资金	43,625,292,925	-	-	4,463,002,421	8,798,402,506	27,735,125,019	1,062,539,208	1,566,223,771
存入保证金	74,191,500	-	-	-	-	21,000,000	24,151,500	29,040,000
预收租金	2,190,544,864	-	-	-	2,000,000	209,885,244	1,978,659,620	-
其他负债	842,292,259	-	-	57,602,280	117,654,626	136,254,454	306,367,372	224,413,527
负债合计	46,732,321,548	-	-	4,520,604,701	8,918,057,132	28,102,264,717	3,371,717,700	1,819,677,298

39 风险管理（续）

(4) 操作风险

操作风险是指由不完善或有问题的内部程序、人员、系统或外部事件所造成损失的风险。

本集团在以内部控制措施为主的环境下拟定了一系列政策及程序以识别、评估、控制、管理和报告风险。这套涵盖所有业务环节的机制涉及本集团开展业务的各个环节。这个机制将使本集团能够全面识别并致力于所有租赁、活动、流程和系统中的内在操作风险。

(5) 金融资产和金融负债的公允价值

本集团应收融资租赁款及借入资金，除少量为固定利率外，其余全部为浮动利率，其账面价值接近其公允价值。

本集团应收利息、预付款项、应付利息等其他金融资产及其他金融负债的到期日均在一年以内或者为浮动利率，其账面价值接近其公允价值。

对于存入保证金、预收租金和押金，以剩余到期期间相近的现行定期存款利率作为贴现率按现金流贴现模型计算其公允价值。

	账面价值	
	2014 年 12 月 31 日	2013 年 12 月 31 日
存入保证金	53,191,500	74,191,500
预收租金	1,848,256,805	2,190,544,864
其他负债-押金	2,335,229,370	527,638,000

	公允价值	
	2014 年 12 月 31 日	2013 年 12 月 31 日
存入保证金	45,760,728	63,540,748
预收租金	1,667,229,600	1,925,901,690
其他负债-押金	1,913,462,158	424,559,795

39 风险管理（续）

(6) 资本管理

本集团的资本管理以资本充足率和资本回报率为核心，目标是使之符合外部监管、信用评级、风险补偿和股东回报的要求，并推动本公司的风险管理，保证资产规模扩张的有序性，改善业务结构和经营模式。

本集团根据银监会颁布的《金融租赁公司管理办法》，并参照银监会颁布的《商业银行资本管理办法(试行)》及相关规定、结合租赁行业特点计算和披露资本充足率。对于与行业特点相关的处理方法，已与监管部门进行沟通。本集团资本充足率计算范围包括本公司及全部子公司。风险加权资产包括信用风险加权资产、市场风险加权资产和操作风险加权资产。

本集团于 2014 年 12 月 31 日根据银监会《商业银行资本管理办法(试行)》计算的监管资本状况如下：

(单位：人民币百万元)	2014 年 12 月 31 日	2013 年 12 月 31 日
核心一级资本	6,220	5,715
核心一级资本扣除项目	11	10
核心一级资本净额	6,209	5,705
一级资本净额	6,209	5,705
二级资本	928	597
资本净额	7,137	6,302
风险加权资产	77,289	49,925
核心一级资本充足率	8.03%	11.43%
一级资本充足率	8.03%	11.43%
资本充足率	9.23%	12.62%

40 资产负债表日后事项

截至本财务报表批准日，本集团及本公司无重大资产负债表日后事项。

CCB FINANCIAL LEASING CORPORATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

English Translation for Reference Only

Auditor's Report

PwC ZT Shen Zi (2014) No. 21911
(Page 1 of 2)

To the Board of Directors of CCB Financial Leasing Corporation Limited,

We have audited the accompanying financial statements of CCB Financial Leasing Corporation Limited (hereinafter "the Company"), which comprise the consolidated and company balance sheets as at 31 December 2013, and the consolidated and company income statements, the consolidated and company statements of changes in owners' equity and the consolidated and company cash flow statements for the year then ended, and the notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with China Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of the Company as at 31 December 2013, and their financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, the People's Republic of China

28 March 2014

CCB Financial Leasing Corporation Limited
Consolidated balance sheets
As at 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2013	31 December 2012
Assets			
Cash and deposits with banks	6	2,727,628,256	2,031,130,151
Due from central bank	7	10,529,440	27,713,920
Interest receivable		3,668,056	13,960,150
Finance lease receivables	8	44,055,032,172	35,631,105,999
Finance lease prepayments	10	-	2,301,032,000
Property and equipment	11	4,177,847,592	100,442,599
Construction in progress	12	1,651,119	4,790,113
Intangible assets	13	9,971,863	5,651,252
Deferred tax assets	14	108,057,455	60,987,943
Other assets	15	123,663,842	111,599,376
Total Assets		51,218,049,795	40,288,413,503

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated balance sheets (continued)
As at 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2013	31 December 2012
Liabilities and Equity			
Liabilities			
Borrowings from banks	16	42,396,365,900	32,066,831,000
Guaranteed deposits	17	74,191,500	189,047,874
Rental received in advance	18	2,190,544,864	2,278,420,180
Employee benefits payable	19	42,390,942	25,103,416
Taxes payable	20	(6,098,111)	64,264,079
Commission fee payable	34(1)	28,970,983	21,739,146
Interest payable		234,667,712	161,252,314
Other payable	21	542,360,733	144,362,575
Total Liabilities		45,503,394,523	34,951,020,584
Equity			
Paid-in capital	22	4,500,000,000	4,500,000,000
Surplus reserve	23	138,390,725	99,169,672
General reserve	24	625,924,201	9,677,837
Retained earnings	25	450,532,575	728,545,410
Exchange reserve		(192,229)	-
Total Equity		5,714,655,272	5,337,392,919
Total Liabilities and Equity		51,218,049,795	40,288,413,503

Gu Jingpu	Tong Xuefeng	Ding Li	(Company stamp)
Legal Representative	Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Balance sheets
As at 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2013	31 December 2012
Assets			
Cash and deposits with banks	6	2,269,839,113	2,016,162,754
Due from central bank	7	10,529,440	27,713,920
Interest receivable		24,928,760	18,320,091
Finance lease receivables	8	40,930,715,239	33,543,259,889
Finance lease prepayments	10	-	2,301,032,000
Loans to subsidiaries	34(3)	4,400,377,530	1,285,864,723
Long-term Equity Investments	9	33,600,000	32,600,000
Property and equipment	11	129,932,603	1,929,746
Construction in progress	12	1,651,119	4,790,113
Intangible assets	13	9,971,863	5,651,252
Deferred tax assets	14	104,714,566	57,262,713
Other assets	15	214,287,924	213,909,924
Total Assets		48,130,548,157	39,508,497,125

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Balance sheets (continued)
As at 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	31 December 2013	31 December 2012
Liabilities and Equity			
Liabilities			
Borrowings from banks	16	39,299,205,900	31,300,000,000
Guaranteed deposits	17	72,691,500	187,547,874
Rental received in advance	18	2,190,544,864	2,278,420,180
Employee benefits payable	19	42,390,942	25,103,416
Taxes payable	20	(11,446,282)	62,739,328
Commission fee payable	34(1)	28,970,983	21,739,146
Interest payable		219,388,238	158,266,843
Other payable	21	542,360,733	144,362,575
Total Liabilities		42,384,106,878	34,178,179,362
Equity			
Paid-in capital	22	4,500,000,000	4,500,000,000
Surplus reserve	23	138,390,725	96,778,373
General reserve	24	625,924,201	9,677,837
Retained earnings	25	482,126,353	723,861,553
Total Equity		5,746,441,279	5,330,317,763
Total Liabilities and Equity		48,130,548,157	39,508,497,125

Gu Jingpu Legal Representative	Tong Xuefeng Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated income statements
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
Operating income			
Net interest income	26	1,017,725,536	928,611,742
Net fee and commission expenses	27	(112,141,927)	(99,665,492)
Net operating lease income		183,473,953	5,200,660
Total operating income		1,089,057,562	834,146,910
Operating expenses			
Business taxes and surcharges		(56,207,905)	(46,992,697)
Operating and administrative Expenses	28	(107,491,653)	(91,207,892)
Impairment losses	29	(305,578,641)	(214,784,995)
Foreign exchange loss		(968,524)	(176,448)
Other operating expenses	30	(89,215,831)	(3,002,579)
Total operating expenses		(559,462,554)	(356,164,611)
Operating profit		529,595,008	477,982,299
Non-operating income	31	123,518	5,513,922
Non-operating expenses		(16,932)	(13,349)
Profit before tax		529,701,594	483,482,872
Less: Income tax expense	32	(152,247,012)	(127,009,738)
Net profit		377,454,582	356,473,134
Other comprehensive income		(192,229)	-
Total comprehensive income		377,262,353	356,473,134

Gu Jingpu Legal Representative	Tong Xuefeng Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Income statements
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
Operating income			
Net interest income	26	1,048,911,313	903,039,943
Net fee and commission expenses	27	(108,689,684)	(97,454,604)
Total operating income		940,221,629	805,585,339
Operating expenses			
Business taxes and surcharges		(50,684,735)	(45,125,989)
Operating and administrative expenses	28	(106,152,938)	(90,876,718)
Impairment losses	29	(226,204,355)	(187,120,350)
Foreign exchange gain		10,163	-
Total operating expenses		(383,031,865)	(323,123,057)
Operating profit		557,189,764	482,462,282
Non-operating income	31	120,638	1,878,937
Non-operating expenses		(16,932)	(13,349)
Profit before tax		557,293,470	484,327,870
Less: Income tax expense	32	(141,169,954)	(123,786,542)
Net profit		416,123,516	360,541,328
Other comprehensive income		-	-
Total comprehensive income		416,123,516	360,541,328

Gu Jingpu	Tong Xuefeng	Ding Li	(Company stamp)
Legal Representative	Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated statement of changes in equity
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Surplus reserve	General reserve	Retained earnings	Exchange reserve	Total Equity
As at 1 January 2013		4,500,000,000	99,169,672	9,677,837	728,545,410	-	5,337,392,919
Movements during the year		-	39,221,053	616,246,364	(278,012,835)	(192,229)	377,262,353
1. Net profit for the year		-	-	-	377,454,582	-	377,454,582
2. Profit distribution		-	39,221,053	616,246,364	(655,467,417)	-	-
- Appropriation to surplus reserve	25	-	39,221,053	-	(39,221,053)	-	-
- Appropriation to general reserve	25	-	-	616,246,364	(616,246,364)	-	-
- Appropriation to equity Shareholders	25	-	-	-	-	-	-
2. Other comprehensive income		-	-	-	-	(192,229)	(192,229)
As at 31 December 2013		4,500,000,000	138,390,725	625,924,201	450,532,575	(192,229)	5,714,655,272

Gu Jingpu Legal Representative	Tong Xuefeng Chief Financial Officer	Ding Li General Manager of Finance Department	(Company stamp)

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated statement of changes in equity (continued)
For the year ended 31 December 2012
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Share capital	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2012		4,500,000,000	62,386,296	6,238,630	496,887,666	5,065,512,592
Movements during the year		-	36,783,376	3,439,207	231,657,744	271,880,327
1. Net profit for the year		-	-	-	356,473,134	356,473,134
2. Profit distribution		-	36,783,376	3,439,207	(124,815,390)	(84,592,807)
- Appropriation to surplus reserve	25	-	36,783,376	-	(36,783,376)	-
- Appropriation to general reserve	25	-	-	3,439,207	(3,439,207)	-
- Appropriation to equity Shareholders	25	-	-	-	(84,592,807)	(84,592,807)
As at 31 December 2012		4,500,000,000	99,169,672	9,677,837	728,545,410	5,337,392,919

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Statement of changes in equity
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Paid-in capital	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2013		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763
Movements during the year		-	41,612,352	616,246,364	(241,735,200)	416,123,516
1. Net profit for the year		-	-	-	416,123,516	416,123,516
2. Profit distribution		-	41,612,352	616,246,364	(657,858,716)	-
- Appropriation to surplus reserve	25	-	41,612,352	-	(41,612,352)	-
- Appropriation to general reserve	25	-	-	616,246,364	(616,246,364)	-
- Appropriation to equity Shareholders	25	-	-	-	-	-
As at 31 December 2013		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279

Gu Jingpu
Legal
Representative

Tong Xuefeng
Chief Financial
Officer

Ding Li
General Manager
of Finance Department

(Company stamp)

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Statement of changes in equity (continued)
For the year ended 31 December 2012
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	Share capital	Surplus reserve	General reserve	Retained earnings	Total Equity
As at 1 January 2012		4,500,000,000	60,724,240	6,072,424	487,572,578	5,054,369,242
Movements during the year		-	36,054,133	3,605,413	236,288,975	275,948,521
1. Net profit for the year		-	-	-	360,541,328	360,541,328
2. Profit distribution		-	36,054,133	3,605,413	(124,252,353)	(84,592,807)
- Appropriation to surplus reserve	25	-	36,054,133	-	(36,054,133)	-
- Appropriation to general reserve	25	-	-	3,605,413	(3,605,413)	-
- Appropriation to equity Shareholders	25	-	-	-	(84,592,807)	(84,592,807)
As at 31 December 2012		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated cash flow statements
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
1. Cash flows from operating activities			
Cash received from guarantee deposit, rental received in advance and pledged deposits		415,443,110	825,156,000
Cash received from finance lease rental and transaction fees		11,868,466,479	9,810,167,953
Cash received from operating lease rental		184,165,854	6,300,000
Net increase in borrowed money		10,439,062,093	2,400,000,000
Cash received from other operating activities		189,354,013	114,466,648
Subtotal of cash inflow from operating activities		23,096,491,549	13,156,090,601
Cash paid for purchasing finance lease assets		(15,856,055,469)	(8,989,587,757)
Cash paid for interest, fee and commission		(1,629,178,041)	(1,942,671,355)
Net decrease/(increase) in deposit with central banks		17,184,480	(27,713,920)
Cash paid to and for employees		(53,528,285)	(51,004,027)
Payment of all types of taxes		(363,926,774)	(175,769,774)
Cash paid relating to other operating activities		(241,733,121)	(173,524,167)
Subtotal of cash outflow from operating activities		(18,127,237,210)	(11,360,271,000)
Net cash from operating activities	33(1)	4,969,254,339	1,795,819,601

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Consolidated cash flow statements (continued)
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
2. Cash flows from investing activities			
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		2,100	-
Subtotal of cash inflow from investing activities		2,100	-
Purchase of fixed assets, intangible assets and other long-term assets		(4,266,072,620)	(3,502,497)
Subtotal of cash outflow from investing activities		(4,266,072,620)	(3,502,497)
Net cash used in investing activities		(4,266,070,520)	(3,502,497)
3. Cash flows from financing activities			
Dividends paid		-	(84,592,807)
Subtotal of cash outflow from financing activities		-	(84,592,807)
Net cash used in financing activities		-	(84,592,807)
4. Effect of exchange rate changes on cash and cash equivalents		(6,685,714)	(176,907)
5. Net increase in cash and cash equivalents		696,498,105	1,707,547,390
Add: Opening balances of cash and cash equivalents		2,031,130,151	323,582,761
6. Closing balances of cash and cash equivalents	33(2)	2,727,628,256	2,031,130,151

Gu Jingpu	Tong Xuefeng	Ding Li	(Company stamp)
Legal Representative	Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Cash flow statements
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
1. Cash flows from operating activities			
Cash received from guarantee deposit, rental received in advance and pledged deposits		415,443,110	825,156,000
Cash received from finance lease rental and transaction fees		11,490,509,412	9,606,019,040
Net increase in borrowed money		8,024,874,145	2,400,000,000
Collection of loans to subsidiaries		1,192,492,560	204,424,732
Cash received from other operating activities		189,093,265	114,466,648
Subtotal of cash inflow from operating activities		21,312,412,492	13,150,066,420
Cash paid for buying financial leasing assets		(14,516,242,202)	(8,695,745,745)
Cash paid for interest, fee and commission		(1,537,843,387)	(1,940,625,553)
Net decrease/(increase) in deposit with central banks		17,184,480	(27,713,920)
Cash paid to and for employees		(53,528,285)	(51,004,027)
Payment of all types of taxes		(335,336,562)	(176,372,183)
Cash loaned to and advances paid for subsidiaries		(4,272,284,086)	(293,842,012)
Cash paid relating to other operating activities		(225,476,128)	(166,777,379)
Subtotal of cash outflow from operating activities		(20,923,526,170)	(11,352,080,819)
Net cash from operating activities	33(1)	388,886,322	1,797,985,601

The notes on pages 17 to 74 form part of these consolidated financial statements.

CCB Financial Leasing Corporation Limited
Cash flow statements (continued)
For the year ended 31 December 2013
(Expressed in Renminbi Yuan)
[English Translation for Reference Only]

	Note	2013	2012
2. Cash flows from investing activities			
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		2,100	-
Subtotal of cash inflow from investing activities		2,100	-
Cash paid for investing activities		(1,000,000)	(5,000,000)
Purchase of fixed assets, intangible assets and other long-term assets		(131,168,742)	(1,467,653)
Subtotal of cash outflow from investing activities		(132,168,742)	(6,467,653)
Net cash used in investing activities		(132,166,642)	(6,467,653)
3. Cash flows from financing activities			
Dividends paid		-	(84,592,807)
Subtotal of cash outflow from financing activities		-	(84,592,807)
Net cash used in financing activities		-	(84,592,807)
4. Effect of exchange rate changes on cash and cash equivalents		(3,043,321)	-
5. Net increase in cash and cash equivalents		253,676,359	1,706,925,141
Add: Opening balances of cash and cash equivalents		2,016,162,754	309,237,613
6. Closing balances of cash and cash equivalents	33(2)	2,269,839,113	2,016,162,754

Gu Jingpu	Tong Xuefeng	Ding Li	(Company stamp)
Legal Representative	Chief Financial Officer	General Manager of Finance Department	

The notes on pages 17 to 74 form part of these consolidated financial statements.

1 Company information

CCB Financial Leasing Corporation Limited (the "Company") is a joint stock company incorporated by China Construction Bank Corporation ("CCB") and Bank of America Corporation ("BOA") in Beijing, the Peoples Republic of China (the "PRC") on 26 December 2007 with the approval of China Banking Regulatory Commission ("CBRC") with registered capital of RMB 4.5 billion. In 2012, CCB purchased the equity held by BOA and became the Company's sole shareholder. In 2013, the Company changed its registered Chinese name following its restructuring from a joint-stock company to a limited liability company and completed the procedures for changing its business licence on 4 September 2013.

The Company operates under the corporate legal person licence No. 100000400011958 granted by the State Administration for Industry and Commerce of the PRC and the financial licence No. M0013H211000001 granted by the CBRC.

As at 31 December 2013, the Company has 31 subsidiaries (refer to Note 5 for the detailed information of subsidiaries). The Company and all the subsidiaries are referred to as the "Group" or individually as "Group entities". The Group is principally engaged in finance lease, treasury business and other financial businesses approved by the CBRC.
The consolidated financial statements were approved by the Board of Directors on 28 March 2014.

2 Basis of preparation

(a) Statement of compliance

The Group’s financial statements were prepared in accordance with the Accounting Standards for Business Enterprises (“ASBE”) and the 38 specific standards of the Accounting Standards for Business Enterprises issued by the Ministry of Finance on 15 February 2006, and the Application Guidance for Accounting Standard for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations issued thereafter (hereafter referred to as “the Accounting Standard for Business Enterprises” or “CAS), truly and completely present the financial position and the operating results, cash flows of the Group and the Company.

(2) Accounting year

The Group uses the calendar year as the accounting year, which is from 1 January to 31 December.

(3) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets and financial liabilities that are measured at fair value.

2 Basis of preparation (continued)

(4) Functional and presentation currency

The consolidated financial statements are presented in Renminbi ("RMB"). Renminbi is also the recording currency for the Company's 31 subsidiaries other than CCB Jin Five Leasing (Tianjin) Co., Ltd., CCB Jin Seven Leasing (Tianjin) Co., Ltd., CCB Jin Eight Leasing (Tianjin) Co., Ltd., CCB Jin Eleven Leasing (Tianjin) Co., Ltd., who use US Dollar ("USD") as their recording currency. The Group uses Renminbi as the reporting currency in preparing its consolidated financial statements.

3 Significant accounting policies and accounting estimates

(1) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and the subsidiaries under its control. The Company controls an entity when the Company can determine the entity's financial and business policies and can benefit from the entity's business. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. For unrealized losses arising from intra-group transactions, if there is any evidence of asset impairments, full impairment losses will be recognized.

(2) Foreign currency translation

(a) Translation of foreign currency transactions

Upon initial recognition, foreign currency transactions are translated into the reporting currency at the spot exchange rates or approximate exchange rates on the transaction date.

A spot exchange rate is an exchange rate quoted by the People's Bank of China ("the PBOC") and other recognized exchange rates ruling at the transaction dates. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, normally the average exchange rate of the current period.

3 Significant accounting policies and accounting estimates (continued)

(2) Foreign currency translation (continued)

(a) Translation of foreign currency transactions (continued)

Monetary items denominated in foreign currencies are translated into the functional currency at the spot exchange rates at the balance sheet date. The resulting exchange differences are recognised in the income statement. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currency using the spot exchange rates at the transaction dates.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the spot exchange rates at the dates the fair values are determined; exchange differences are recognised in the income statement, except for the differences arising from the translation of available-for-sale equity instruments, which are recognised in capital reserve.

(b) Translation of financial statements denominated in foreign currencies

Foreign currency financial statements of subsidiaries are translated into RMB for the preparation of consolidated financial statements. At the end of each reporting period, the assets and liabilities in the financial statements denominated in foreign currencies are translated into RMB at the spot exchange rates ruling at that date. The income and expenses of foreign operations are translated into RMB at the spot exchange rates or the rates that approximate the spot exchange rates on the transaction dates. Foreign exchange differences arising from foreign operations are recognised as "exchange reserve" in the shareholders' equity on the balance sheet. The effect of exchange rate changes on cash is presented separately in the statement of cash flows.

(3) Cash and cash equivalents

Cash and cash equivalents comprise non-restricted balances with banks and non-bank financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Significant accounting policies and accounting estimates (continued)

(4) Long-term Equity Investments to Subsidiaries

In the consolidated financial statements, investments to subsidiaries are accounted for in accordance with the accounting policies as set out in Note 3(1).

For the separate financial statements of the Company, investments in subsidiaries are accounted for at cost. At initial recognition, when the subsidiaries are acquired with cash, the investment is measured at the actual purchased price. When the subsidiaries are acquired through issuing equity securities, the investment is measured at the fair value of the equity securities. When the subsidiaries are acquired by the investors, the investment is measured according to the value agreed in the investment contracts or agreements.

For the separate financial statements of the Company, in the subsequent measurement, investments in subsidiaries are accounted for at cost. Those cash dividends or profits the subsidiaries already declared, except those already declared but unpaid at the time of acquisition and have been included in the cost of the initial acquirement, will be recognized as investment income. After the recognition of the above investment income, the Company will monitor whether the carrying value of the long-term equity investment is greater than the share of the subsidiary’s net assets (including related goodwill). If greater, the Company will perform the impairment assessment in accordance with Note 3 (9). If the recoverable amount is lower than the carrying amount of long-term equity investment, the Company will accrue provision and the investment will be accounted in the financial statements at net value after deduction of the provision (note 3(9)).

(5) Lease

A finance lease is a lease that transfers in substance all the risks and rewards incident to ownership of an asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred or not. An operating lease is a lease other than a finance lease.

3 Significant accounting policies and accounting estimates (continued)

(5) Lease (continued)

(a) Finance lease

Where the Group is a lessor under finance leases, an amount representing the sum of the minimum lease payments at the commencement of the lease term, is included on the balance sheet under "Finance lease receivables", meanwhile the unguaranteed balance will be recorded. The difference between the total amount of the minimum lease payments and the unguaranteed balance and their present value will be recognized as unrealized financing income.

Unrealised finance income under finance leases are amortised using an effective interest rate method over the lease term. On financial statements date, the balance of finance lease receivables minus unrealized finance income will be included on the balance sheet under "Finance lease receivables".

Impairment losses are accounted for in accordance with the accounting policy set out in Note 3(6) (b).

The Group will review at least once every year the unguaranteed balance (usually at each year-end), and if the recoverable amount is lower than the carrying amount, impairment losses will be recognized. If there are indications that the factors based on which an impairment loss was recognized in prior periods have been changed, resulting in the recoverable amount of the unguaranteed balance becoming higher than its carrying amount, the impairment loss recognized in prior periods should be reversed within the initial recognized loss amount and recognized in the income statement for the current period.

(b) Operating lease

Where the Group is a lessee under operating leases, lease payments are recognized on a straight-line basis over the period of the lease, and are charged as a cost or expense for the current period.

Where the Group is a lessor under operating leases, the operating lease assets are amortised in accordance with the accounting policy stated in Note 3(7), and impairment losses are recognized in accordance with the accounting policy stated in Note 3(9). Lease receipts are recognized on a straight-line basis over the period of the lease, and are recognized as an income for the current period. Contingent lease receipts or payments can be recognized as an income or expense when incurred.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments

(a) Recognition and measurement of financial assets and financial liabilities

All financial assets and financial liabilities are recognized on the balance sheet, when and only when, the Group becomes a party to the contractual provisions of the instrument.

The Group classifies financial instruments into different categories at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred. The categories are: financial assets and financial liabilities at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets and other financial liabilities.

Financial instruments are measured initially at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the instruments. Transaction costs for financial instruments at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, financial assets and financial liabilities are measured as follows:

– Financial assets and financial liabilities at fair value through profit or loss （including trading financial assets or liabilities）

  A financial asset or financial liability is classified as financial assets and financial liabilities at fair value through profit or loss if it is: (i) acquired or incurred for the purpose of selling or repurchasing in the near term; or (ii) a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument, and a derivative that tied to equity instruments with no quoted price in an active market and cannot be reliably measured and that can only be settled through delivering the equity instrument).

  Subsequent to initial recognition, financial assets and financial liabilities at fair value through profit or loss are measured at fair value, and changes therein are recognised in the income statement.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(a) Recognition and measurement of financial assets and financial liabilities (continued)

– Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
Subsequent to initial recognition, receivables are stated at amortised cost using the effective interest method.

– Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are stated at amortised cost using the effective interest method.

– Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and other financial assets which do not fall into any of the above categories.

Investments in equity instruments are measured at cost when they do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

Except the above Investments in equity instruments whose fair value cannot be reliably measured, other available-for-sale financial assets are measured at fair value. A gain or loss on available-for-sale financial asset is recognised directly in equity, except for impairment losses and foreign exchange gains or losses which resulted from monetary financial assets, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in equity are removed from equity and recognised in the income statement.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(a) Recognition and measurement of financial assets and financial liabilities (continued)

– Other financial liabilities

Financial liabilities other than the financial liabilities at fair value through profit or loss are classified as other financial liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method.

(b) Impairment

The Group assesses at the balance sheet date the carrying amount of a financial asset (other than those at fair value through profit or loss). If there is objective evidence that the financial asset is impaired, the Group will recognise the impairment loss in the income statement. Losses expected as a result of future events, no matter how likely, are not recognised as impairment losses.

Objective evidence that a financial asset is impaired included the following events that occurred after the initial recognition of the asset and that the event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated:

– significant financial difficulty of the borrower or issuer;

– a breach of contract by the borrower, such as a default or delinquency in interest or principal payments;

– the Group, for economic or legal reasons relating to the borrowers' financial difficulty, granting to the borrower a concession that the Group would not otherwise consider;

– it becoming probable that the borrower will enter bankruptcy or other financial reorganisations;

– disappearance of an active market for that financial asset because of financial difficulties of the issuer;

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(b) Impairment (continued)

- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including: adverse changes in the payment status of borrowers in the group, an increase in the unemployment rate in the geographical area of the borrowers, a decrease in property prices for mortgages in the relevant area, or adverse changes in industry conditions that affect the borrowers in the group;

- significant changes in the technological, market, economic or legal environment that have an adverse effect on the issuer;

- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost; and

- Other objective evidence indicating there is an impairment of a financial asset.

Loans and receivables and held-to-maturity investments

<u>Individual assessment</u>

Loans and receivables and held-to-maturity investments, which are considered individually significant, are assessed individually for impairment. If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred on an individual basis, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate, and recognise in the income statement.

The calculation of the present value of the estimated future cash flows of a collateralised loan or receivable reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(b) Impairment (continued)

Collective assessment

Loans and receivables which include homogeneous groups of loans and receivables not considered individually significant, individually assessed loans and receivables with no objective evidence of impairment on an individual basis are assessed for impairment losses on a collective basis. If there is observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of a financial asset, the impairment is recognised and recorded in the income statement. The collective impairment loss is assessed after taking into account: (i) historical loss experience in portfolios of similar risk characteristics; (ii) the emergence period between a loss occurring and that loss being identified; and (iii) the current economic and credit environments and whether in management's experience these indicate that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience.

Collective assessment covers those loans and receivables that were impaired at the balance sheet date but was not individually identified as such until some time in the future. As soon as information is available that specifically identifies objective evidence of impairment on individual assets in a pool, those assets are removed from the pool of financial assets.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(b) Impairment (continued)

Impairment reversal and written-off of loans and receivables

If, in a subsequent period, the amount of the impairment loss on loans and receivables decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds the amortised cost at the date of the reversal, had the impairment not been recognised. The amount of the reversal is recognised in the income statement.

When management determine that a loan and receivable has no reasonable prospect of recovery after the Group has completed all the necessary legal or other proceedings, the loan and receivable is written off against its allowance for impairment losses. If in a subsequent period the loan and receivable written off is recovered, the amount recovered will be recognised in the income statement through impairment allowances.

Available-for-Sale financial assets and other Long-term Equity Investments

Available-for-Sale financial assets and other Long-term Equity Investments are assessed individually for impairment. If Available-for-Sale financial assets are impaired, even if they are not derecognized, the Group will still transfer the accumulated loss recognized in equity into the income statement of the current period.

If, in a subsequent period, the amount of the impairment loss on available-for-sale debt instruments decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Impairment loss on available-for-sale equity instruments cannot be reversed.

(c) Determination of fair value

If there is an active market for financial assets or liabilities, the fair value of the financial instrument is based on quoted price in the active market without any deduction for transaction costs that may occur on sales or disposals. The appropriate quoted price in an active market for a financial asset held or liability to be issued is usually the current bid price, and asking price is for an asset to be acquired or liability held.

3 Significant accounting policies and accounting estimates (continued)

(6) Financial instruments (continued)

(c) Determination of fair value (continued)

If a quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include recent arm's length market transactions between knowledgeable and willing parties, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Periodically, the Group reviews the valuation techniques and tests them for validity.

(d) Derecognition

A financial asset is derecognized if the Group's contractual rights to the cash flows from the financial asset expire or if the Group transfers substantially all the risks and rewards of ownership of the financial asset to another party.

Where a transfer of a financial asset in its entirely meets the criteria of the derecognition, the difference between the two amounts below is recognised in the income statement:

- carrying amount of the financial asset transferred
- The sum of the consideration received from the transfer and any cumulative gain or loss that has been recognised directly in equity.

The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged/cancelled.

(e) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis, or by realising the asset and settling the liability simultaneously.

3 Significant accounting policies and accounting estimates (continued)

(7) Property and equipment

Property and equipment consist of buildings, equipment, transportation instruments, computer equipment, office equipment and etc. Items of property and equipment are measured at cost.

The subsequent costs of replacing part of an item of property or equipment are recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the income statement as incurred.

Depreciation is calculated to write off the cost, less estimated residual value if applicable, of items of property and equipment and is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Impaired property and equipment are depreciated net of accumulated impairment losses over the remaining useful lives.

Depreciation is calculated on a straight-line basis over the estimated useful lives. The estimated useful lives and estimated net residual value are as follows:

	Estimated useful lives	Estimated net residual value	Annual depreciation rates
Computer equipment	3 - 5 years	3%	19.4%-32.3%
Office equipment	3 - 5 years	3%	19.4%-32.3%
Transportation equipment `	5 - 8 years	3%	12.1%-19.4%

The Group reviews the estimated useful lives and estimated net residual value of a property or equipment and the depreciation method applied at least once at each financial year.

Property and equipment will be derecognized once they are disposed or are expected to generate zero benefits through future use or disposal. Gains or losses arising from the disposal or retirement of property and equipment are determined as the difference between the net disposal proceeds after tax and the carrying amount of the asset and are recognised in the income statement on the date of disposal or retirement.

3 Significant accounting policies and accounting estimates (continued)

(7) Property and equipment (continued)

The Group's operating lease assets comprise aircraft, vessels, and automobile manufacturing equipment. The estimated useful lives for the Group's operating leasing assets are 20-25 years for aircraft, 30 years for vessels, and 10 years for automobile manufacturing equipment. The estimated net residual value for the Group's operating leasing assets are 5% for aircraft, 13.76% for vessels, and 5% for automobile manufacturing equipment.

(8) Intangible assets

Intangible assets (for intangible assets with finite useful life only) are stated on the balance sheet at cost less impairment losses (see Note 3(9)). For an intangible asset with finite useful life, its cost less residual value and impairment loss is amortised on a straight-line basis over its estimated useful life.

An intangible asset is regarded as having an indefinite useful life and is not amortised when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. As at the balance sheet date, the Group has no intangible asset with an indefinite useful life.

(9) Allowances for impairment losses on non-financial assets

The Group assesses at the balance sheet date the carrying amount of property and equipment, construction in progress, intangible assets and equity investments in subsidiaries if there is any indication that the asset may be impaired.

Cash-generating Unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGU consists of assets that can generate positive cash flow. Whether a group of assets can generate positive cash flow independently is the main factor when determining they are a CGU or not, meanwhile the management of operating business, ways of determining how an asset can be used or disposed by the management should also be taken into consideration.

The recoverable amount of an asset (or CGU, group of CGUs) is the higher of its fair value less costs to sell and the present value of the expected future cash flows.

The difference of an asset's fair value and disposal expense is determined by the selling price of a fair trade minus appropriate disposal expense. The Group considers all relevant factors in estimating the present value of future cash flows using appropriate pre-tax discounted rate, such as the expected future cash flows, the useful life and the discount rate.

3 Significant accounting policies and accounting estimates (continued)

(9) Allowances for impairment losses on non-financial assets (continued)

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognized as an impairment loss and charged to the income statement. And impairment loss is recognized accordingly on the balance sheet. For CGU or group of CGUs, the amount of impairment loss reduces the carrying amount of assets within the CGU or group of CGUs, pro rata on the basis of the carrying amount of each asset.

However, the carrying amount of each asset after deduction should not be lower than the highest of the following three amounts: the asset's fair value minus disposal expense (if can be determined), present value of the asset's future cash flow (if can be determined) and zero.

Impairment loss cannot be reversed in subsequent accounting period once recognized.

(10) Borrowing costs

The borrowing costs are directly attributable to the acquisition and construction of a fixed asset that needs a substantially long period of time of acquisition and construction for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(11) Employee benefits

Employee benefits are all forms of consideration given and compensations incurred by the Group in exchange for services rendered by employees. Except defined contribution retirement, employee benefits are recognised as a liability in the period in which the associated services are rendered by its employees, with a corresponding increase in cost of relevant assets or the expenses in profit or loss.

3 Significant accounting policies and accounting estimates (continued)

(11) Employee benefits (continued)

(a) Defined contribution retirement schemes

Pursuant to the relevant laws and regulations in the PRC, the Group has joined defined contribution retirement schemes for the employees arranged by local government labor and security authorities. The Group makes contributions to the retirement schemes at the applicable rates based on the amounts stipulated by the local government organizations. The contributions are charged to the profit or loss on an accrual basis. When employees retire, the local government labor and security authorities are responsible for the payment of the basic retirement benefits to the retired employees. The Group has no other obligations to make payments.
In addition to the statutory provision schemes, the Group's employees have joined the annuity scheme set up by the Group under "CCB Financial Leasing Corporation Limited Annuity Scheme" (the "scheme") in accordance with state enterprise annuity regulations. The Group has made annuity contributions in proportion to its employees' gross wages, which are expensed in profit or loss when the contributions are made.

(b) Housing fund and other social insurance

In accordance with the related laws, regulations and policies of the PRC, the Group participates in required social insurance programs, including housing fund, basic medical insurance, unemployment insurance, work injury insurance and maternity insurance, etc. The Group makes the contributions of housing fund and other social insurances stated above to government agencies in a proportion of salary and expensed in the income statement.

(12) Income tax

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the end of each reporting period, and any adjustment to tax payable in respect of previous periods. Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax also arises from unused tax losses and unused tax credits. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

3 Significant accounting policies and accounting estimates (continued)

(12) Income tax (continued)

Current income tax and movements in deferred tax balances are recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

At the end of each reporting period, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled according to the requirements of tax laws. The Group also considers the possibility of realisation and the settlement of deferred tax assets and deferred tax liabilities in the calculation.

Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Group has the legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. Otherwise, the balances of deferred tax assets and deferred tax liabilities, and movements therein, are presented separately from each other and are not offset.

(13) Provisions and contingent liabilities

A provision is recognised on the balance sheet if the Group has a present legal or constructive obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of the time value of money is material, the best estimate for the provision is determined by discounting the related future cash outflows.

A possible obligation arising from past transactions or events whose existence can only be confirmed by the occurrence or non-occurrence of one or more future uncertain events; or a present obligation that arises from past transactions or events and it is not probable that an outflow of economic benefits is required to settle the obligation or the amount of the obligation cannot be measured reliably, is disclosed as contingent liabilities.

3 Significant accounting policies and accounting estimates (continued)

(14) Interest income and expense

Interest income and expense of financial instruments carried at amortised cost are recognised on an accrual basis using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial assets or financial liabilities to the net carrying amount of the financial asset or financial liability.

Once a financial asset is impaired, interest income is recognised using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial assets or financial liabilities (for example, prepayment, repurchase and similar options) but not future credit losses. The calculation includes all transaction costs, including fees and commissions, and premiums and discounts paid or received between parties to the contract.

(15) Fee and commission income and expense

Fee and commission income and expense are recognised on an accrual basis when the service is rendered or received.

(16) Profit distribution

The proposed dividend which is approved and declared after the balance sheet date are not recognised as a liability on the balance sheet and disclosed in the note to the financial statements separately.

(17) Related parties

If the Group has the power, directly or indirectly, to control, jointly control or exercise significant influence over another party, or vice versa, or where the Group and one or more parties are subject to common control or jointly control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. If an enterprise has no other relations with the Group except they and the Group are all controlled by the same country, the enterprise will not be regarded as the Group's related party. The Group's and the Company's related parties are included but not limit to the following:

3 Significant accounting policies and accounting estimates (continued)

(17) Related parties (continued)

(i) the Company's parents;
(ii) the Company's subsidiaries;
(iii) other entities which are controlled by the Company's parents
(iv) an investor who can exercise significant influence over the Group;
(v) other entities or individuals if a party has control over both the entities or individuals and the Group
(vi) key management personnel of the Group and close family members of such individuals;
(vii) key management personnel of the Company's parents;
(viii) close family members of key management personnel of the Company's parents; and
(ix) other entities that are controlled or jointly controlled by the Group's key management personnel, or close family member of such individuals.

(18) Significant accounting estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income. Actual results may differ from these estimates. The key assumptions and judgements of uncertain factors are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Impairment losses on finance lease receivables

As stated in note 3(6)(b), the Group reviewed the portfolios of finance lease receivables periodically to assess whether there is any evidence of impairment and to assess the amount of impairment losses to be accrued. Objective evidence for impairment includes observable data indicating that there is a measurable decrease in the estimated future cash flows identified with an individual or collective finance lease receivable, or observable data indicating borrowers of the Group's one individual receivable or asset portfolios are going through adverse changes in his financial status.
Impairment losses can be reversed if there is indication that evidence of impairment has changed.

There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgment is required from the Group in determining the amounts for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which such determination is made.

(Expressed in Renminbi Yuan)

4 Taxation

The Group's main applicable taxes, tax rates and tax base are as follows:

Category	Tax rates	Tax base
Income tax	25%	Taxable income
Value-added tax	17%	Taxable value added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less deductible VAT input of current period)
Business tax	5%	Taxable turnover amount

In 2012, the Company and Tianjin Dongjiang Bonded Port re-signed the "Memorandum of cooperation between Tianjin Dongjiang Bonded Port Management Committee and the CCB Financial Leasing Corporation Limited". The memorandum stipulates that subsidiaries of the Company established in Dongjiang Bonded Port area engaging in the leasing of aircraft, ships, ocean engineering structures and other products (including finance lease, operating lease and other related services) are entitled to full refund of the local government's share of corporate income tax for 3 years since the first profit-making year, and half of such refund in the next 4 to 10 years. For 10 years since the start of business, the above subsidiaries are entitled to full refund of business tax, urban construction tax and education surcharges. After business tax was replaced by VAT, the same time period and ratio for refund should be applied to local government's share of VAT, taxes and fees attached to VAT and other turnover taxes.

According to the "Notice of launching Business Tax to Value Added Tax Transformation Pilot Program" (Cai Shui [2011] No. 110) and the "Notice of Launching Business Tax to Value Added Tax Transformation Pilot Program for the Transportation Industry and Certain Modern Service Industries in Shanghai" (Cai Shui [2011] No. 111), both issued by the Ministry of Finance and the State Administration of Taxation, since January 1, 2012, subsidiaries of the Group registered in Shanghai are subject to VAT when engaged in operating lease business of tangible personal properties.

According to the "Notice of Launching Business Tax to Value Added Tax Transformation Pilot Program for the Transportation Industry and Certain Modern Service Industries in Beijing and Other Seven Provinces and Cites" (Cai Shui [2012] No. 71), since September 1, 2012, the Company and subsidiaries of the Group registered in Beijing are subject to VAT for new tangible personal property operating lease business. Since December 1, 2012, subsidiaries of the Group registered in Tianjin are subject to VAT for new tangible personal property operating lease business.

(Expressed in Renminbi Yuan)

5 Subsidiaries

As at 31 December 2013, subsidiaries consolidated in this report are as follows:

Name of subsidiaries	Place of registration	Industry	Registered capital	% of ownership directly and indirectly held by the Company	% of voting rights directly and indirectly held by the Company
CCB Jing One Leasing (Beijing) Co., Ltd.	Beijing, PRC	Leasing	100,000	100%	100%
CCB Jin One Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Two Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Three Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Four Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Five Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	5,000,000	100%	100%
CCB Jin Six Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Seven Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Eight Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Nine Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Ten Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	500,000	100%	100%
CCB Jin Eleven Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twelve Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Thirteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Fourteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Fifteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Sixteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Seventeen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%

(Expressed in Renminbi Yuan)

5 Subsidiaries (continued)

Name of subsidiaries	Place of registration	Industry	Registered capital	% of ownership directly and indirectly held by the Company	% of voting rights directly and indirectly held by the Company
CCB Jin Eighteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Nineteen Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Jin Twenty Leasing (Tianjin) Co., Ltd.	Tianjin, PRC	Leasing	100,000	100%	100%
CCB Hu One Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Two Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Three Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Four Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Five Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Six Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Seven Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Eight Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Nine Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%
CCB Hu Ten Leasing (Shanghai) Co., Ltd.	Shanghai, PRC	Leasing	500,000	100%	100%

6 Cash and deposits with banks

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Cash at bank	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754

(Expressed in Renminbi Yuan)

7 Due from central bank

On 31 December 2013, the balance with central bank of the Group and the Company is RMB 10,529,440 (31 December 2012: 27,713,920). According to "People's Bank of China’s Notice on the Inclusion of Margin Deposits in the Deposit Reserve Range", "People's Bank of China’s Notice on Ratifying Certain Financial Leasing Companies Deposit Reserve Range", "People's Bank of China’s Notice on Lowering the RMB Deposit Reserve Rate" , the Group is required to maintain a deposit reserve based on 14.5% of guaranteed deposits received under lease contracts. The general reserve deposit could not be used for daily operation of the Group.

8 Finance lease receivables

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Minimum lease payment from lessees	53,364,632,148	43,388,535,568	49,553,702,579	40,735,990,718
Less: unrealised finance income	(8,454,319,738)	(7,175,696,274)	(7,825,422,478)	(6,647,138,322)
Total finance lease receivables	44,910,312,410	36,212,839,294	41,728,280,101	34,088,852,396
Less: Allowance for impairment losses collectively assessed	(754,685,955)	(500,551,240)	(696,970,579)	(464,410,452)
Allowance for impairment losses individually assessed	(100,594,283)	(81,182,055)	(100,594,283)	(81,182,055)
Net book value of finance lease receivables	44,055,032,172	35,631,105,999	40,930,715,239	33,543,259,889

The future minimum lease payment after the balance sheet date from lessees are summarized below:

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Without time limit	130,579,447	130,979,447	130,579,447	130,979,447
Within 1 year (inclusive)	13,766,811,140	10,593,935,110	13,261,600,779	10,258,725,552
1 and 2 years (inclusive)	11,415,558,123	9,667,739,159	10,917,833,724	9,335,194,090
2 and 3 years (inclusive)	8,045,488,850	7,218,746,377	7,555,115,566	6,888,886,592
Over 3 years	20,006,194,588	15,777,135,475	17,688,573,063	14,122,205,037
Total	53,364,632,148	43,388,535,568	49,553,702,579	40,735,990,718

(Expressed in Renminbi Yuan)

8 Finance lease receivables (continued)

Movements of allowance for impairment losses of finance lease receivables:

	Group		Company	
	2013	2012	2013	2012
Balance at 1 January	581,733,295	367,618,259	545,592,507	359,121,912
Charge for the year	247,778,943	198,354,575	226,204,355	170,710,134
Transfers in	25,768,000	15,760,461	25,768,000	15,760,461
Balance at 31 December	855,280,238	581,733,295	797,564,862	545,592,507

As at 31 December 2013, the Group's finance lease receivables are all arising from rent-after-sale business and direct lease business. The effective lease interest rate will adjust based on the credit interest rate benchmark released by the PBoC on the date of adjustments.

9 Long-term equity investment

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Investments in subsidiaries	-	-	33,600,000	32,600,000
Less: impairment	-	-	-	-
Net value	-	-	33,600,000	32,600,000

As at 31 December 2013, investments to subsidiaries are analyzed as follows:

	Company	
	31 December 2013	31 December 2012
CCB Jing One Leasing (Beijing) Co., Ltd.	100,000	100,000
CCB Jin One Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Two Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Three Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Four Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Five Leasing (Tianjin) Co., Ltd.	5,000,000	5,000,000
CCB Jin Six Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Seven Leasing (Tianjin) Co., Ltd.	500,000	500,000

(Expressed in Renminbi Yuan)

9 Long-term equity investment (Continued)

	Company	
	31 December 2013	31 December 2012
CCB Jin Eight Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Nine Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Ten Leasing (Tianjin) Co., Ltd.	500,000	500,000
CCB Jin Eleven Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Twelve Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Thirteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Fourteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Fifteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Sixteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Seventeen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Eighteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Nineteen Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Jin Twenty Leasing (Tianjin) Co., Ltd.	100,000	-
CCB Hu One Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Two Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Three Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Four Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Five Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Six Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Seven Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Eight Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Nine Leasing (Shanghai) Co., Ltd.	500,000	500,000
CCB Hu Ten Leasing (Shanghai) Co., Ltd.	500,000	500,000
Total	33,600,000	32,600,000

For detailed information of each subsidiary, please refer to Note 5.

(Expressed in Renminbi Yuan)

10 Finance lease prepayments

	Group & Company	
	31 December 2013	31 December 2012
Finance lease prepayments	-	2,326,800,000
Less: Allowance for prepayment for finance lease collectively assessed	-	(25,768,000)
Net book value of finance lease prepayments	-	2,301,032,000

Movements of allowance for impairment losses of finance lease prepayment:

	Group & Company	
	2013	2012
Balance at 1 January	25,768,000	25,118,245
Charge for the year	-	16,410,216
Transfer out	(25,768,000)	(15,760,461)
Balance at 31 December	-	25,768,000

(Expressed in Renminbi Yuan)

11 Property and equipment

Group

	Operating lease fixed assets	*Computer equipment*	*Transportation equipment*	*Office equipment*	*Total*
Cost					
31 December 2012	104,514,353	6,276,404	2,625,690	534,918	113,951,365
Additions	4,222,756,863	1,042,701	-	81,154	4,223,880,718
Deduction	-	(491,204)	-	(149,700)	(640,904)
31 December 2013	4,327,271,216	6,827,901	2,625,690	466,372	4,337,191,179
Accumulated depreciation					
31 December 2012	(4,968,790)	(4,992,623)	(2,046,464)	(468,179)	(12,476,056)
Additions	(87,630,575)	(847,713)	(416,523)	(31,637)	(88,926,448)
Deduction	-	476,468	-	145,209	621,677
31 December 2013	(92,599,365)	(5,363,868)	(2,462,987)	(354,607)	(100,780,827)
Impairment provision					
31 December 2012	(1,032,710)	-	-	-	(1,032,710)
Additions	(57,530,050)	-	-	-	(57,530,050)
31 December 2013	(58,562,760)	-	-	-	(58,562,760)
Net Book Value					
31 December 2013	4,176,109,091	1,464,033	162,703	111,765	4,177,847,592
31 December 2012	98,512,853	1,283,781	579,226	66,739	100,442,599

As at 31 December 2013, the Group's operating lease fixed assets are mainly aircrafts. Impaired operating lease fixed assets are mainly vessels. As at 31 December 2012, the Group's operating lease fixed assets and impaired operating lease fixed assets are all vessels.

(Expressed in Renminbi Yuan)

11 Property and equipment (continued)

Company

	Operating lease fixed assets	*Computer equipment*	*Transportation equipment*	*Office equipment*	*Total*
Cost					
31 December 2012	-	6,276,404	2,625,690	534,918	9,437,012
Additions	128,194,102	1,042,701	-	81,154	129,317,957
Deduction	-	(491,204)	-	(149,700)	(640,904)
31 December 2013	128,194,102	6,827,901	2,625,690	466,372	138,114,065
Accumulated depreciation					
31 December 2012	-	(4,992,623)	(2,046,464)	(468,179)	(7,507,266)
Additions	-	(847,713)	(416,523)	(31,637)	(1,295,873)
Deduction	-	476,468	-	145,209	621,677
31 December 2013	-	(5,363,868)	(2,462,987)	(354,607)	(8,181,462)
Net Book Value					
31 December 2013	128,194,102	1,464,033	162,703	111,765	129,932,603
31 December 2012	-	1,283,781	579,226	66,739	1,929,746

As at 31 December 2013, the Company's main operating lease fixed assets are automobile manufacturing equipment. (31 December 2012: None)

(Expressed in Renminbi Yuan)

12 Construction in progress

	Group & Company	
	31 December 2013	31 December 2012
31 December 2012	4,790,113	4,598,573
Additions	1,954,106	924,463
Transfer out to intangible assets	(5,093,100)	(732,923)
December 2013	1,651,119	4,790,113

13 Intangible assets

Group & Company

	Software	Others	Total
Cost			
As at 31 December 2012	6,833,156	132,200	6,965,356
Additions	174,757	-	174,757
Transfer in from construction in progress	4,413,100	680,000	5,093,100
As at 31 December 2013	11,421,013	812,200	12,233,213
Less: Amortization			
31 December 2012	(1,296,477)	(17,627)	(1,314,104)
Charge for the year	(928,359)	(18,887)	(947,246)
31 December 2013	(2,224,836)	(36,514)	(2,261,350)
Net carrying value			
31 December 2013	9,196,177	775,686	9,971,863
31 December 2012	5,536,679	114,573	5,651,252

(Expressed in Renminbi Yuan)

14 Deferred tax assets

Group

	31 December 2013		31 December 2012	
	Deferred tax assets	Deductible temporary differences	Deferred tax assets	Deductible temporary differences
Deferred tax assets				
- Impairment provisio	98,413,405	393,653,620	55,526,226	222,104,904
- Employee benefits payable	9,644,050	38,576,200	5,461,717	21,846,868
	108,057,455	432,229,820	60,987,943	243,951,772

Company

	31 December 2013		31 December 2012	
	Deferred tax assets	Deductible temporary differences	Deferred tax assets	Deductible temporary differences
Deferred tax assets				
- Impairment provisio	95,070,516	380,282,064	51,800,996	207,203,984
- Employee benefits payable	9,644,050	38,576,200	5,461,717	21,846,868
	104,714,566	418,858,264	57,262,713	229,050,852

15 Other assets

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Deferred agency fee expenses	84,993,915	108,132,107	82,830,193	106,970,696
Prepaid rental expenses	5,878,268	2,280,538	5,878,268	2,280,538
Loans to subsidiaries (Note 34(3))	-	-	103,104,747	103,471,959
Others	32,791,659	1,186,731	22,474,716	1,186,731
Total	123,663,842	111,599,376	214,287,924	213,909,924

(Expressed in Renminbi Yuan)

16 Borrowings from banks

Analysis by the type of the counterparty

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Commercial banks	42,396,365,900	32,066,831,000	39,299,205,900	31,300,000,000

17 Guaranteed deposits

As at 31 December 2013, the balance of the Group's Pledged deposits is RMB 74,191,500 (2012: RMB 189,047,874), the balance of the Company's Pledged deposits is RMB 72,691,500 (2012: RMB 187,547,874), the balances are deposits pledged by the lessees under financial leasing business.

18 Rental received in advance

As at 31 December 2013, rental of RMB 2,190,544,864 received by the Group and the Company in advance is the rental received from the lessees prior to the commencement of the finance lease contract (2012: RMB 2,278,420,180).

19 Employee benefits payable

Group & Company

	31 December 2012	Increased	Decreased	31 December 2013
Salaries and bonus	21,846,868	52,503,965	(35,774,633)	38,576,200
Labor union fee and staff education fee	2,634,364	2,362,678	(1,811,796)	3,185,246
Social insurance	622,184	9,228,723	(9,221,411)	629,496
Housing fund	-	3,881,834	(3,881,834)	-
Others	-	900	(900)	-
Total	25,103,416	67,978,100	(50,690,574)	42,390,942

(Expressed in Renminbi Yuan)

20 Taxes payable

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Income tax	(5,924,843)	46,437,370	(7,193,397)	44,989,414
Business tax and surcharges	12,353,336	14,929,687	12,007,349	14,456,246
Value added tax and surcharges	(15,261,295)	1,706,084	(18,841,739)	2,160,876
Individual income tax	1,297,781	1,031,627	1,297,781	1,031,628
Stamp duty	1,436,910	159,311	1,283,724	101,164
Total	(6,098,111)	64,264,079	(11,446,282)	62,739,328

21 Other payable

	Group & Company	
	31 December 2013	31 December 2012
Cash pledged from lessees	527,638,000	107,800,000
Commission received in advance	-	28,273,000
Compensation, taxes and other expenses payable to BOA	6,485,889	6,485,889
Rental payable to CCB(Note 34(1))	1,397,993	1,434,986
Others	6,838,851	368,700
Total	542,360,733	144,362,575

All pledged cash are those received from the lessees in advance under finance lease.

22 Paid-in capital/Share capital

Structure of the Group and the Company's Paid-in capital/Share capital is as follows:

	Group & Company	
	31 December 2013	31 December 2012
CCB	4,500,000,000	4,500,000,000

(Expressed in Renminbi Yuan)

23 Surplus reserve

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Statutory surplus reserve fund				
As at 1 January	99,169,672	62,386,296	96,778,373	60,724,240
Appropriated in the year	39,221,053	36,783,376	41,612,352	36,054,133
As at 31 December	138,390,725	99,169,672	138,390,725	96,778,373

Pursuant to Company Law of the PRC (Revised in 2005), issued on 27 October 2005, the Company is required to appropriate 10% of its net profit to the statutory surplus reserve fund until the reserve fund balance reaches 50% of the Company's registered capital. Statutory surplus reserve can be used to cover the losses, expand production operations, or convert into capital.

24 General reserve

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
As at 1 January	9,677,837	6,238,630	9,677,837	6,072,424
Appropriated in the year	616,246,364	3,439,207	616,246,364	3,605,413
As at 31 December	625,924,201	9,677,837	625,924,201	9,677,837

Pursuant to the "Regulation on Management of Financial Institutions for Reserves", issued by the Ministry of Finance on 30 March 2012, the general reserve balance for financial institutions should not be lower than 1.5% of the ending balance of gross risk-bearing assets. The financial enterprises are given up to 5 years to comply with this requirement.

25 Profit distributions

(1) Year-end profit distribution in 2013

The Shareholder approved the profit distribution for 2013 on 28 March 2014:

- According to "The Company Law of the People's Republic of China", the Company appropriated 10% of its profit after tax to the statutory surplus reserve fund, which is RMB 41,612,352;

- According to the "Regulation on Management of Financial Institutions for Reserves" issued by the Ministry of Finance, the Company appropriated RMB 295,364,582 to the general reserve.

(2) Year-end profit distribution in 2012

The Shareholder approved the profit distribution for 2012 on 19 March 2013:

- According to "The Company Law of the People's Republic of China", the Company appropriated 10% of its profit after tax to the statutory surplus reserve fund, which is RMB 36,054,133;

- According to the "Regulation on Management of Financial Institutions for Reserves" issued by the Ministry of Finance, the Company appropriated RMB 324,487,195 to the general reserve, including RMB 3,605,413 recognized in the financial statements for the year ended 31 December 2012 and RMB 320,881,782 recognized in the financial statements for the year ended 31 December 2013.

(Expressed in Renminbi Yuan)

26 Net interest income

	Group		Company	
	2013	2012	2013	2012
Interest income arising from:				
- Finance lease	2,568,113,031	2,756,315,874	2,441,929,934	2,674,117,934
- Deposits with commercial banks	26,316,818	6,286,574	26,126,616	6,172,910
- loans to subsidiaries (Note34(3))	-	-	73,653,147	54,183,004
Subtotal	2,594,429,849	2,762,602,448	2,541,709,697	2,734,473,848
Interest expense arising from:				
- Borrowings from commercial banks	(1,576,704,313)	(1,814,985,373)	(1,492,798,384)	(1,812,428,572)
- Financial assets sold under repurchase agreements	-	(19,005,333)	-	(19,005,333)
Subtotal	(1,576,704,313)	(1,833,990,706)	(1,492,798,384)	(1,831,433,905)
Net interest income	1,017,725,536	928,611,742	1,048,911,313	903,039,943

27 Net fee and commission expenses

	Group		Company	
	2013	2012	2013	2012
Fee and commission income	1,800,000	2,000,000	1,800,000	2,000,000
Fee and commission expenses (Note 34(1))				
- Service fees	(88,317,404)	(93,339,029)	(86,346,090)	(91,159,632)
- Others	(25,624,523)	(8,326,463)	(24,143,594)	(8,294,972)
Subtotal	(113,941,927)	(101,665,492)	(110,489,684)	(99,454,604)
Net fee and commission expenses	(112,141,927)	(99,665,492)	(108,689,684)	(97,454,604)

(Expressed in Renminbi Yuan)

28 Operating expenses

	Group		Company	
	2013	2012	2013	2012
Staff costs				
- Salaries and bonus	52,503,965	45,919,860	52,503,965	45,919,860
- Social insurance	9,228,723	8,024,348	9,228,723	8,024,348
- Housing fund	3,881,834	3,385,655	3,881,834	3,385,655
- Labour union fee and staff education fee	2,362,678	1,967,908	2,362,678	1,967,908
- Staff welfare	322,893	346,244	322,893	346,244
- Others	578,010	1,530,320	578,010	1,530,320
Total staff costs	68,878,103	61,174,335	68,878,103	61,174,335
Rental expenses	12,061,135	6,067,395	12,061,135	6,067,395
Depreciation and amortization	2,243,119	2,078,086	2,243,119	2,078,086
Publicity and entertainment expenses	2,945,502	5,060,747	2,945,502	5,060,747
Supervision fee	4,065,243	3,835,483	4,065,243	3,835,483
Traveling expenses	2,625,106	2,870,644	2,625,106	2,870,644
Meeting expenses	382,679	1,178,209	382,679	1,178,209
Transportation expenses	672,227	538,929	672,227	538,929
Others	13,618,539	8,404,064	12,279,824	8,072,890
Total	107,491,653	91,207,892	106,152,938	90,876,718

(Expressed in Renminbi Yuan)

29 Provisions for impairment losses

	Group		Company	
	2013	2012	2013	2012
Finance lease receivables	248,048,591	198,354,575	226,204,355	170,710,134
Finance lease prepayments	-	16,410,216	-	16,410,216
Operating lease asset	57,530,050	20,204	-	-
Total	305,578,641	214,784,995	226,204,355	187,120,350

30 Other operating expenses

For the year ended 31 December 2013, other operating expenses of the Group is RMB 89,215,831 (For the year ended 31 December 2012: RMB 3,002,579), all of which are depreciation charges of operating lease assets.

31 Non-operating income

	Group		Company	
	2013	2012	2013	2012
Tax return	123,518	3,953,322	120,638	318,337
Rental expense return	-	1,560,600	-	1,560,600
Total	123,518	5,513,922	120,638	1,878,937

(Expressed in Renminbi Yuan)

32 Income tax

(1) Recognised in the income statement

	Group		Company	
	2013	2012	2013	2012
Current tax expenses	199,316,524	178,797,454	188,621,807	171,849,028
Deferred tax expenses	(47,069,512)	(51,787,716)	(47,451,853)	(48,062,486)
Total	152,247,012	127,009,738	141,169,954	123,786,542

(2) Reconciliation between tax expense and accounting profit

	Group		Company	
	2013	2012	2013	2012
Profit before tax	529,701,594	483,482,872	557,293,470	484,327,870
Tax rate	25%	25%	25%	25%
Expected income tax charged at statutory tax rate	132,425,399	120,870,718	139,323,368	121,081,968
Non-deductible expenses	1,496,394	1,339,288	1,458,630	1,339,288
Tax clearance difference for last year	387,956	1,365,286	387,956	1,365,286
Utilisation of tax losses for which no deferred tax asset was recognised	(2,138,632)	-	-	-
Tax losses for which no deferred income tax asset is recognised in the current period	20,075,895	3,434,446	-	-
Total income tax	152,247,012	127,009,738	141,169,954	123,786,542

(Expressed in Renminbi Yuan)

33 Notes to cash flow statement

(1) Reconciliation of net profit to net cash inflow from operating activities

	Group		Company	
	2013	2012	2013	2012
Net profit	377,454,582	356,473,134	416,123,516	360,541,328
Add: Cash received from dispose property and equipment	16,932	8,349	16,932	8,349
Provisions for impairment losses	305,308,993	214,784,995	226,204,355	187,120,350
Property and equipment depreciation	88,926,448	4,415,960	1,295,873	1,413,381
Intangible assets amortisation	947,246	664,705	947,246	664,705
Deferred commission and others amortisation	109,629,523	113,129,463	95,645,886	110,950,066
Net increase in deferred tax assets	(47,069,512)	(51,787,716)	(47,451,853)	(48,062,486)
Increase in operating receivable	(6,464,890,532)	(2,835,640,288)	(8,512,588,588)	(2,038,600,712)
Increase in operating payable	10,598,930,659	3,993,770,999	8,208,692,955	3,223,950,620
Net cash from operating activities	4,969,254,339	1,795,819,601	388,886,322	1,797,985,601

(2) Net changes in cash and cash equivalents

	Group		Company	
	2013	2012	2013	2012
Cash and cash equivalents at year end	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754
Less: Cash and cash equivalents at year beginning	(2,031,130,151)	(323,582,761)	(2,016,162,754)	(309,237,613)
Net increase in cash and cash equivalents	696,498,105	1,707,547,390	253,676,359	1,706,925,141

(Expressed in Renminbi Yuan)

34 Related party transactions

(1) CCB

The parent company of the Company is CCB, the main information of which is as follows:

Nature: Corporation Limited
Business: Commercial bank business
Legal representative: Wang Hongzhang
Registered capital: RMB 250.01 billion
Place of registration: Beijing

CCB was incorporated on 17 September 2004 as a joint stock company with limited liability with the approval of the CBRC.

The Company's voting rights and ownership directly held by CCB are as follows:

	31 December 2013	31 December 2012
% of ownership directly held by CCB	100%	100%
% of voting rights held by CCB	100%	100%

(Expressed in Renminbi Yuan)

34 Related party transactions (continued)

(1) CCB (continued)

The corresponding material balances outstanding at the balance sheet date with CCB are as followings:

	Group	
	31 December 2013	31 December 2012
Cash and deposits with banks	1,712,080,596	126,603,733
Interest receivable	1,752,536	328,609
Borrowings from banks	9,501,940,360	3,566,831,000
Interest payable	23,561,866	9,838,304
Commission fee payable	28,763,333	20,959,979
Other payable to CCB (Note 21)	1,397,993	1,434,986

	Company	
	31 December 2013	31 December 2012
Cash and deposits with banks	1,254,341,835	111,636,336
Interest receivable	1,740,985	324,284
Borrowings from banks	7,287,256,000	2,800,000,000
Interest payable	11,694,821	6,852,833
Commission fee payable	28,763,333	20,959,979
Rental payable to CCB (Note 21)	1,397,993	1,434,986

(Expressed in Renminbi Yuan)

34 Related party transactions (continued)

(1) CCB (continued)

The profit or loss impacts of the material transactions with CCB during the year are as followings:

	Group	
	2013	2012
Interest income	14,496,350	3,652,828
Interest expense	174,302,407	122,514,182
Fee and commission expenses(Note 27)	100,773,330	93,421,135
- Service fees	88,317,404	93,339,029
- Others	12,455,926	82,106

	Company	
	2013	2012
Interest income	14,307,558	3,539,164
Interest expense	140,584,766	119,522,725
Fee and commission expenses(Note 27)	98,486,424	91,210,247
- Service fees	86,346,090	91,159,632
- Others	12,140,334	50,615

(Expressed in Renminbi Yuan)

34 Related party transactions (continued)

(1) CCB (continued)

CCB has issued guarantee letters to certain of the Group's lessees, guaranteeing their lease payment to the Group. The total maximum amount guaranteed under the terms of these letters is as follows:

	Group & Company	
	31 December 2013	31 December 2012
Maximum guarantee limit	1,880,787,635	2,543,408,302

The Group entered into transactions with related parties in the normal and ordinary course of the business and under normal commercial terms.

(2) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including directors, supervisors and other senior executives.

The Group has no significant transaction with its key management personnel other than salaries and other emolument paid.

(3) Inter-group transactions

As at 31 December 2013, the Company has loaned RMB 4.4 billion to its subsidiaries (as at 31 December 2012: RMB 1.29 billion). Receivables from subsidiaries is 0.1 billion (as at December 2012: 0.1 billion) (note15) and interest income RMB 73.65 million (2012: RMB 54.18 million) (note26) have been eliminated in consolidated financial statements. Other inter-group transactions balance is not material and has been eliminated in the consolidated financial statements.

35 Risk management

Exposure to credit, market, liquidity and operational risks arises in the normal course of the Group's business. As all subsidiaries of the Company were established for financial leasing purpose and the Company is responsible for their daily operation, the risks that the subsidiaries are exposed to and their risk management method are the same as the Company's. Thus only Group level information was disclosed.

(1) Credit risk

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its contractual obligations or commitments to the Group. Credit risk mainly arose from finance lease business.

The Risk Management and Internal Control Committee organize and coordinate the Group's risk management and internal control. The Risk Management Department is responsible for formulating credit risk management policies, monitoring the implementation of credit risk management policies, and organizing finance lease approval activities. The Marketing Department is responsible for carrying out credit risk management activities.

The Group has put in place the industry credit approval guidelines for leasing business, leasing credit acceptance and exit criteria for corporate and institutional clients, authorisation, credit line, and risk capital grading classification according to the requirements of regulators and relevant regulations. The Group's credit risk management covers various areas of its corporate operations including pre-leasing evaluation, leasing approval and post-leasing management. In respect of pre-leasing evaluation, the Group refers to CCB's customer credit ratings and prepares customer evaluation reports and performs integrated analysis on potential benefits and risks to form the evaluation reports. All lease transactions must go through the review and approval stage and be approved by authorized persons before they can proceed. The Group continually monitors its leasing business, strengthens the monitoring on targeted industries, geographical segments, products and clients, and immediately reports any adverse events that may significantly affect a borrower's repayment ability, and implements effective measures to prevent and control related risks. In conducting leasing transactions for clients, the Group applies a mechanism that enables the front-office and back-office to work together and in parallel on financial leasing activities to better manage risks in a forward-looking, independent and effective manner.

35 Risk management (continued)

(1) Credit risk (continued)

The Group adopted the risk-bearing assets classification method to monitor the risk of leasing assets. Leasing assets are classified into five categories: pass, special mention, substandard, doubtful and loss categories.

The core definitions of the five categories of finance lease receivables are set out below:

Pass: There is no indication of impairment to the asset or the counterparty is able to meet its obligations under the contract or agreement, and there is no doubt that the asset will become impaired or the debt (interests) cannot be repaid in full in time.

Special mention: The asset is not impaired or counterparty has the ability to repay at this point in time, but there are potential indications that may affect its ability to repay in the future.

Substandard: The asset has become impaired or borrower's repayment ability is apparently in question, and even after exhausting all possible means of recovery, there is possibility of some loss.

Doubtful: The asset is apparently impaired or borrower cannot repay the principal and interest in full. Even after exhausting all possible means of recovery, there is possibility of substantial loss.

Loss: The asset becomes greatly devalued or after exhausting all possible means of recovery actions or taking the necessary legal actions, there is still no recovery of principal and interest, or the recovery is negligible.

Maximum credit risk exposure

The maximum exposure to credit risk at the balance sheet date without taking into consideration of any collateral held or other credit enhancement is as follows. The maximum exposure to credit risk of assets on balance is the carrying amount of each type of financial assets on balance sheet after deducting any impairment allowance.

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(1) Credit risk (continued)

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
On-balance sheet credit risk exposure:				
Cash and deposits with banks	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754
Due from Central Bank	10,529,440	27,713,920	10,529,440	27,713,920
Loans to subsidiaries	-	-	4,400,377,530	1,285,864,723
Interest receivable	3,668,056	13,960,150	24,928,760	18,320,091
Finance lease receivables	44,055,032,172	35,631,105,999	40,930,715,239	33,543,259,889
Finance lease prepayments	-	2,301,032,000	-	2,301,032,000
Other assets	601,198	263,344	103,705,946	103,735,303
	46,797,459,122	40,005,205,564	47,740,096,028	39,296,088,680
Off - balance sheet credit risk exposure:				
Finance lease commitments	100,000,000	1,465,581,100	100,000,000	1,465,581,100
Maximum credit risk exposure	46,897,459,122	41,470,786,664	47,840,096,028	40,761,669,780

Assets quality analysis of finance lease receivable and prepayment:

	Group		Company	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Neither overdue nor impaired				
- Pass	39,804,576,459	31,317,112,646	37,254,198,499	29,938,171,701
- Special mention	4,988,546,435	7,104,937,132	4,356,892,086	6,359,891,179
Impaired	117,189,516	117,589,516	117,189,516	117,589,516
Total	44,910,312,410	38,539,639,294	41,728,280,101	36,415,652,396
Less：Allowance for impairment losses	(855,280,238)	(607,501,295)	(797,564,862)	(571,360,507)
Net amount	44,055,032,172	37,932,137,999	40,930,715,239	35,844,291,889

35 Risk management (continued)

(2) Market risk

The Group is exposed to market risk. The Group's financial instruments are exposed to the risk of fluctuation in fair value or future cash flow due to the fluctuation of the financial instruments' market price. Market risk exists mainly because the general or specific changes in the interest rate, foreign exchange rate or stock price in the market will influence the exposure in the interest rate products, monetary products and stock products.

The Risk Management Department is responsible for formulating a standardized market risk management policies and rules.

The Group was mainly engaged in the leasing business in RMB and a certain amount of foreign currency business was also involved. The Group is mainly exposed to interest rate risk and currency risk.

The Group is exposed to primarily structural interest rate risk arising from financial leasing business and exposure arising from treasury transactions. Interest rate risk is inherent in many of its businesses and largely arises from mismatches between the repricing dates of assets and liabilities.

(i) Net interest income sensitivity analysis

In monitoring interest rate risk on its overall non-derivative financial assets and liabilities, the Group regularly measures its future net interest income sensitivity to an increase or decrease in market interest rates (assuming no asymmetrical movement in yield curves and a constant balance sheet position). An incremental 100 basis points parallel fall or rise in all yield curves, would increase or decrease planned net interest income for the next twelve months from the reporting date by RMB 114million (2012: RMB 108 million).

The above interest rate sensitivity is for illustration purposes only and is assessed based on simplified assumptions. The figures here indicate estimated net interest income movements under various predicted yield curve scenarios and subject to the Group's current interest rate exposures. These estimated figures have also assumed that the interest rates on various maturities will move within similar ranges, and therefore do not have any potential effect on net interest income in the event that some interest rates may change and others remain unchanged. Moreover, the above estimations are based on other simplified assumptions.

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(2) Market risk (continued)

(ii) Interest rate repricing gap analysis

The following tables indicate the effective interest rates and the expected next repricing dates (or maturity dates whichever are earlier) for the assets and liabilities at the balance sheet date.

	31 December 2013				
	Non-interest bearing	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 year	Total
Assets					
Cash and deposits with banks	-	2,727,628,256	-	-	2,727,628,256
Due from central bank	-	10,529,440	-	-	10,529,440
Finance lease receivables	16,595,233	41,265,835,080	2,277,042,736	495,559,123	44,055,032,172
Other assets	4,424,859,927	-	-	-	4,424,859,927
Total assets	4,441,455,160	44,003,992,776	2,277,042,736	495,559,123	51,218,049,795
Liabilities					
Borrowings from banks	-	16,805,047,900	25,591,318,000	-	42,396,365,900
Guaranteed deposits	74,191,500	-	-	-	74,191,500
Rental received in advance	2,190,544,864	-	-	-	2,190,544,864
Other liabilities	842,292,259	-	-	-	842,292,259
Total liabilities	3,107,028,623	16,805,047,900	25,591,318,000	-	45,503,394,523
Asset-liability gap	1,334,426,537	27,198,944,876	(23,314,275,264)	495,559,123	5,714,655,272

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(2) Market risk (continued)

(ii) Interest rate repricing gap analysis (continued)

The following tables indicate the effective interest rates and the expected next repricing dates (or maturity dates whichever are earlier) for the assets and liabilities at the balance sheet date.

	31 December 2012			
	Non-interest bearing	Less than 3 months	Between 3 months and 1 year	Total
Assets				
Cash and deposits with banks	-	2,031,130,151	-	2,031,130,151
Due from central bank	-	27,713,920	-	27,713,920
Finance lease receivables	657,784	34,797,031,731	833,416,484	35,631,105,999
Prepayment	-	2,301,032,000	-	2,301,032,000
Other assets	297,431,433	-	-	297,431,433
Total assets	298,089,217	39,156,907,802	833,416,484	40,288,413,503
Liabilities				
Borrowings from banks	-	19,700,000,000	12,366,831,000	32,066,831,000
Guaranteed deposits	189,047,874	-	-	189,047,874
Rental received in advance	2,278,420,180	-	-	2,278,420,180
Other liabilities	416,721,530	-	-	416,721,530
Total liabilities	2,884,189,584	19,700,000,000	12,366,831,000	34,951,020,584
Asset-liability gap	(2,586,100,367)	19,456,907,802	(11,533,414,516)	5,337,392,919

35 Risk management (continued)

(2) Market risk (continued)

(iii) Currency risk

The Group operates its main business in China in RMB.

At the balance sheet date, the Group's foreign currency-denominated assets and liabilities translated in RMB are as followings.

	31 December 2013		
	RMB	U.S. Dollars into RMB	Total
Assets			
Cash and deposits with banks	1,844,690,487	882,937,769	2,727,628,256
Due from central bank	10,529,440	-	10,529,440
Finance lease receivables	42,094,040,635	1,960,991,537	44,055,032,172
Other assets	386,861,336	4,037,998,591	4,424,859,927
Total assets	44,336,121,898	6,881,927,897	51,218,049,795
Liabilities			
Borrowings from banks	35,574,000,000	6,822,365,900	42,396,365,900
Guaranteed deposits	74,191,500	-	74,191,500
Rental received in advance	2,190,544,864	-	2,190,544,864
Other liabilities	818,263,325	24,028,934	842,292,259
Total liabilities	38,656,999,689	6,846,394,834	45,503,394,523
Net Position	5,679,122,209	35,533,063	5,714,655,272

35 Risk management (continued)

(2) Market risk (continued)

(iii) Currency risk (continued)

At the balance sheet date, the Group's foreign currency-denominated assets and liabilities translated in RMB are as followings.

	31 December 2012		
	RMB	U.S. Dollars into RMB	Total
Assets			
Cash and deposits with banks	2,031,130,151	-	2,031,130,151
Due from central bank	27,713,920	-	27,713,920
Finance lease receivables	34,868,175,482	762,930,517	35,631,105,999
Prepayment	2,301,032,000	-	2,301,032,000
Other assets	297,431,433	-	297,431,433
Total assets	39,525,482,986	762,930,517	40,288,413,503
Liabilities			
Borrowings from banks	31,300,000,000	766,831,000	32,066,831,000
Guaranteed deposits	189,047,874	-	189,047,874
Rental received in advance	2,278,420,180	-	2,278,420,180
Other liabilities	413,736,058	2,985,472	416,721,530
Total liabilities	34,181,204,112	769,816,472	34,951,020,584
Net Position	5,344,278,874	(6,885,955)	5,337,392,919

35 Risk management (continued)

(3) Liquidity risk

Liquidity risk arises when there is no sufficient fund timely to meet the requirements of funds. It is mainly caused by mismatches of proceeds of funds and capital expenditure in terms of their amounts and maturity dates. In accordance with liquidity policies, the Group monitors the future cash flows to ensure that an appropriate level of highly liquid assets is maintained.

The Group's liquidity is managed and coordinated through the Treasury & Finance Department. The Treasury & Finance Department is responsible for formulation of liquidity policies in accordance with regulatory requirements and prudential principles. Such policies include:

- Adopting a prudent strategy and ensuring sufficient funds are available at any moment to satisfy any payment request;

- Optimising the Group's asset and liability structure, diversifying and stabilizing the source of funds, and reserving an appropriate proportion of highly credit-rated and liquid asset portfolio; and

- Managing and utilizing centrally the Group's liquid funds.

A substantial portion of the Group's fund resource is funded by its share capital, borrowings from banks and finance lease receipts. The borrowings and placements from banks are the supplementary funds to optimise the liquidity. The Group's expenditure mainly represent purchases of lease asset, payment of operating expenses, and the repayment of borrowings or placements from banks and finance expenses, if any.

The Group predicts the cash flow within one year principally by making annual budget. For the purpose of monitoring liquidity risk, any material payment should be reported in advance.

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(3) Liquidity risk (continued)

Contractual undiscounted cash flow analysis

The following tables provide an analysis of the contractual undiscounted cash flow of the assets and liabilities at the balance sheet date. The actual cash flows of these instruments may vary significantly from this analysis.

	31 December 2013							
	Contractual undiscounted cash flow	Without time limit	Repayable on demand	Within 1 month	Between 1 month and 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years
Assets								
Cash and deposits with banks	2,731,630,523	-	500,869,090	2,079,448,933	151,312,500	-	-	-
Due from central bank	10,529,440	10,529,440	-	-	-	-	-	-
Finance lease receivables	53,364,632,148	130,579,447	-	670,833,927	2,934,134,855	10,161,842,358	31,299,768,952	8,167,472,609
Other assets	4,424,859,927	4,420,590,672	-	-	3,985,911	-	283,344	-
Total assets	60,531,652,038	4,561,699,559	500,869,090	2,750,282,860	3,089,433,266	10,161,842,358	31,300,052,296	8,167,472,609
Liabilities								
Borrowings from banks	43,625,292,925	-	-	4,463,002,421	8,798,402,506	27,735,125,019	1,062,539,208	1,566,223,771
Guaranteed deposits	74,191,500	-	-	-	-	21,000,000	24,151,500	29,040,000
Rental received in advance	2,190,544,864	-	-	-	2,000,000	209,885,244	1,978,659,620	-
Other liabilities	842,292,259	2,307,494	-	57,602,280	116,885,461	134,716,125	306,367,372	224,413,527
Total liabilities	46,732,321,548	2,307,494	-	4,520,604,701	8,917,287,967	28,100,726,388	3,371,717,700	1,819,677,298

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(3) Liquidity risk (continued)

Contractual undiscounted cash flow analysis (continued)

	31 December 2012							
	Contractual undiscounted cash flow	Without time limit	Repayable on demand	Within 1 month	Between 1 month and 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years
Assets								
Cash and deposits with banks	2,031,883,318	-	131,130,151	1,900,753,167	-	-	-	-
Due from central bank	27,713,920	27,713,920	-	-	-	-	-	-
Finance lease receivables	43,388,535,568	130,979,447	-	465,292,459	2,269,275,909	7,859,366,742	25,988,928,633	6,674,692,378
Prepayment	2,721,731,336	-	-	-	-	230,113,687	2,073,440,948	418,176,701
Other assets	297,431,433	283,207,939	-	-	13,960,150	-	263,344	-
Total assets	48,467,295,575	441,901,306	131,130,151	2,366,045,626	2,283,236,059	8,089,480,429	28,062,632,925	7,092,869,079
Liabilities								
Borrowings from banks	32,590,497,754	-	-	8,717,082,582	9,764,718,462	12,922,672,960	1,186,023,750	-
Guaranteed deposits	189,047,874	-	-	-	-	70,007,874	91,500,000	27,540,000
Rental received in advance	2,278,420,180	-	-	5,000,000	-	64,763,816	1,638,556,964	570,099,400
Other liabilities	416,721,530	28,273,000	-	60,148,495	201,865,266	18,634,769	51,800,000	56,000,000
Total liabilities	35,474,687,338	28,273,000	-	8,782,231,077	9,966,583,728	13,076,079,419	2,967,880,714	653,639,400

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(4) Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal control process and/or systems, human factors, and/or external events.

The Group manages this risk through a control-based environment by establishing a framework of policies and procedures in order to identify, assess, control, manage and report risks. The framework covers all business which has allowed the Group to comprehensively identify and address the operational risk inherent in all leasing business, activities, processes and systems.

(5) Fair value of financial assets and financial liabilities

The Group's finance lease receivables and borrowings from banks, except for a small fraction that have fixed interest rates, the main proportion have a maturity within one year or have floating interest rates, and the carrying amounts are reasonable approximation of their fair value.
For guaranteed deposits payable, non-interest bearing rental received in advance and cash pledged from lessees, their fair value is determined based on discounted cash flows using interest rates for new time deposits with similar remaining maturities.

	Carrying amount	
	31 December 2013	31 December 2012
Guaranteed deposits	74,191,500	189,047,874
Rental received in advance	2,190,544,864	2,278,420,180
Other liabilities-Cash pledged from lessees	527,638,000	107,800,000

	Fair value	
	31 December 2013	31 December 2012
Guaranteed deposits	63,540,748	168,855,170
Rental received in advance	1,925,901,690	1,918,444,390
Other liabilities-Cash pledged from lessees	424,559,795	83,717,910

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(6) Capital management

The capital management of the Group focuses on capital adequacy ratio and return on capital so as to enable the Group to meet the requirements for regulatory compliance, credit rating, risk compensation and shareholder's expected return. It also facilitates the Group's risk management, ensures the orderly and robust expansion of the asset base and enhances its operational structure and business model.

The Group calculates and discloses its capital adequacy ratio in accordance with the "Administrative Measures for Financial Leasing Companies", with reference to the "Measures for Capital Management of Commercial Banks (trial)", in line with other related rules and regulations regarding the calculation and disclosure of capital adequacy ratios issued by CBRC, and considering the characteristic of leasing industry. The Group communicated those industry specific treatments with regulators. The scope for calculating capital adequacy ratio of the Group includes the Company and all the subsidiaries. Risk-weighted assets include credit risk-weighted assets, market risk-weighted assets and operational risk-weighted assets.

The Group's consolidated regulatory capital positions calculated in accordance with the "Measures for Capital Management of Commercial Banks (trial)" issued by the CBRC as at 31 December 2013 are as follows:

(RMB in ten thousand)	31 December 2013
Common Equity Tier 1 capital	571,465.50
Deductions for Common Equity Tier 1 capital	997.18
Common Equity Tier 1 capital after deduction	570,468.32
Tier 1 capital after deduction	570,468.32
Tier 2 capital	59,730.01
Total capital after deduction	630,198.33
Risk-weighted assets	4,992,465.78
Common Equity Tier 1 ratio	11.43%
Tier 1 ratio	11.43%
Total capital ratio	12.62%

(Expressed in Renminbi Yuan)

35 Risk management (continued)

(6) Capital management (continued)

The Group's consolidated regulatory capital positions calculated in accordance with the "Measures for the Management of Capital Adequacy Ratios of Commercial Banks" issued by the CBRC as at 31 December 2013 are as follows:

(RMB in ten thousand)	31 December 2013	31 December 2012
Net core capital	571,465.50	533,739.29
Supplementary capital	44,910.31	38,539.64
Net capital	616,375.81	572,278.93
Total risk-weighted assets	4,742,069.69	3,658,177.70
Core capital adequacy ratio	12.05%	14.59%
Capital adequacy ratio	13.00%	15.64%

36 Commitments

(1) Finance lease commitment

As at the balance sheet date, the credit commitments of the Group are as follows:

	31 December 2013	31 December 2012
Finance lease commitment	100,000,000	1,465,581,100

(2) Operating lease commitments

As at the balance sheet date, the future minimum lease payments under non-cancellable operating lease for office premises were as follows:

	31 December 2013	31 December 2012
Less than one year (inclusive)	15,684,161	3,411,381
Between one year to two years (inclusive)	14,736,691	1,053,374
Between two years to three years (inclusive)	6,185,650	129,868
Total	36,606,502	4,594,623

37 Contingent liabilities

Up to the date of the approval for the consolidated financial statements there are no material contingent liabilities of the Group.

38 Post balance sheet events

Up to the date of the approval for the consolidated financial statements, there are no material post balance sheet events.

建信金融租赁有限公司

2013 年度财务报表及审计报告

审计报告

普华永道中天审字(2014)第21911号
（第一页，共二页）

建信金融租赁有限公司董事会：

我们审计了后附的建信金融租赁有限公司(以下简称“建信租赁”)的财务报表，包括2013年12月31日的合并及公司资产负债表，2013年度的合并及公司利润表、合并及公司所有者权益变动表和合并及公司现金流量表以及财务报表附注。

一、管理层对财务报表的责任

编制和公允列报财务报表是建信租赁管理层的责任。这种责任包括：
(1) 按照企业会计准则的规定编制财务报表，并使其实现公允反映；
(2) 设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

二、注册会计师的责任

我们的责任是在执行审计工作的基础上对财务报表发表审计意见。我们按照中国注册会计师审计准则的规定执行了审计工作。中国注册会计师审计准则要求我们遵守中国注册会计师职业道德守则，计划和执行审计工作以对财务报表是否不存在重大错报获取合理保证。

审计工作涉及实施审计程序，以获取有关财务报表金额和披露的审计证据。选择的审计程序取决于注册会计师的判断，包括对由于舞弊或错误导致的财务报表重大错报风险的评估。在进行风险评估时，注册会计师考虑与财务报表编制和公允列报相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。审计工作还包括评价管理层选用会计政策的恰当性和作出会计估计的合理性，以及评价财务报表的总体列报。

我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

普华永道中天审字(2014)第21911号

（第二页，共二页）

三、审计意见

我们认为，上述建信租赁的财务报表在所有重大方面按照企业会计准则的规定编制，公允反映了建信租赁2013年12月31日的合并及公司财务状况以及2013年度的合并及公司经营成果和现金流量。

普华永道中天
会计师事务所(特殊普通合伙)
中国•上海市
2014 年 3 月 28 日

注册会计师

闫琳

注册会计师

张红蕾

建信金融租赁有限公司
合并资产负债表
2013 年 12 月 31 日
（金额单位：人民币元）

	附注	2013 年 12 月 31 日	2012 年 12 月 31 日
资产			
货币资金	6	2,727,628,256	2,031,130,151
存放中央银行款项	7	10,529,440	27,713,920
应收利息		3,668,056	13,960,150
应收融资租赁款	8	44,055,032,172	35,631,105,999
预付款项	10	-	2,301,032,000
固定资产	11	4,177,847,592	100,442,599
在建工程	12	1,651,119	4,790,113
无形资产	13	9,971,863	5,651,252
递延所得税资产	14	108,057,455	60,987,943
其他资产	15	123,663,842	111,599,376
资产总计		51,218,049,795	40,288,413,503

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并资产负债表（续）
2013 年 12 月 31 日
（金额单位：人民币元）

	附注	2013 年 12 月 31 日	2012 年 12 月 31 日
负债及股东权益			
负债			
借入资金	16	42,396,365,900	32,066,831,000
存入保证金	17	74,191,500	189,047,874
预收租金	18	2,190,544,864	2,278,420,180
应付职工薪酬	19	42,390,942	25,103,416
应交税费	20	(6,098,111)	64,264,079
应付手续费	34(1)	28,970,983	21,739,146
应付利息		234,667,712	161,252,314
其他应付款	21	542,360,733	144,362,575
负债合计		45,503,394,523	34,951,020,584
股东权益			
实收资本/股本	22	4,500,000,000	4,500,000,000
盈余公积	23	138,390,725	99,169,672
一般风险准备	24	625,924,201	9,677,837
未分配利润	25	450,532,575	728,545,410
外币报表折算差额		(192,229)	-
股东权益合计		5,714,655,272	5,337,392,919
负债及股东权益总计		51,218,049,795	40,288,413,503

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

资产负债表

2013 年 12 月 31 日

(金额单位：人民币元)

	附注	2013 年 12 月 31 日	2012 年 12 月 31 日
资产			
货币资金	6	2,269,839,113	2,016,162,754
存放中央银行款项	7	10,529,440	27,713,920
应收利息		24,928,760	18,320,091
应收融资租赁款	8	40,930,715,239	33,543,259,889
预付款项	10	-	2,301,032,000
子公司借款	34(3)	4,400,377,530	1,285,864,723
长期股权投资	9	33,600,000	32,600,000
固定资产	11	129,932,603	1,929,746
在建工程	12	1,651,119	4,790,113
无形资产	13	9,971,863	5,651,252
递延所得税资产	14	104,714,566	57,262,713
其他资产	15	214,287,924	213,909,924
资产总计		48,130,548,157	39,508,497,125

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

资产负债表（续）

2013 年 12 月 31 日

（金额单位：人民币元）

	附注	2013 年 12 月 31 日	2012 年 12 月 31 日
负债及股东权益			
负债			
借入资金	16	39,299,205,900	31,300,000,000
存入保证金	17	72,691,500	187,547,874
预收租金	18	2,190,544,864	2,278,420,180
应付职工薪酬	19	42,390,942	25,103,416
应交税费	20	(11,446,282)	62,739,328
应付手续费	34(1)	28,970,983	21,739,146
应付利息		219,388,238	158,266,843
其他应付款	21	542,360,733	144,362,575
负债合计		42,384,106,878	34,178,179,362
股东权益			
实收资本/股本	22	4,500,000,000	4,500,000,000
盈余公积	23	138,390,725	96,778,373
一般风险准备	24	625,924,201	9,677,837
未分配利润	25	482,126,353	723,861,553
股东权益合计		5,746,441,279	5,330,317,763
负债及股东权益总计		48,130,548,157	39,508,497,125

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

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建信金融租赁有限公司
合并利润表
2013 年度
（金额单位：人民币元）

	附注	2013 年度	2012 年度
营业收入			
利息净收入	26	1,017,725,536	928,611,742
手续费及佣金净支出	27	(112,141,927)	(99,665,492)
经营租赁净收入		183,473,953	5,200,660
营业收入合计		1,089,057,562	834,146,910
营业支出			
营业税金及附加		(56,207,905)	(46,992,697)
业务及管理费	28	(107,491,653)	(91,207,892)
资产减值损失	29	(305,578,641)	(214,784,995)
汇兑损益		(968,524)	(176,448)
其他业务成本	30	(89,215,831)	(3,002,579)
营业支出合计		(559,462,554)	(356,164,611)
营业利润		529,595,008	477,982,299
营业外收入	31	123,518	5,513,922
营业外支出		(16,932)	(13,349)
利润总额		529,701,594	483,482,872
减：所得税费用	32	(152,247,012)	(127,009,738)
净利润		377,454,582	356,473,134
其他综合收益		(192,229)	-
综合收益总额		377,262,353	356,473,134

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
利润表
2013 年度
（金额单位：人民币元）

	附注	2013 年度	2012 年度
营业收入			
利息净收入	26	1,048,911,313	903,039,943
手续费及佣金净支出	27	(108,689,684)	(97,454,604)
营业收入合计		940,221,629	805,585,339
营业支出			
营业税金及附加		(50,684,735)	(45,125,989)
业务及管理费	28	(106,152,938)	(90,876,718)
资产减值损失	29	(226,204,355)	(187,120,350)
汇兑损益		10,163	-
营业支出合计		(383,031,865)	(323,123,057)
营业利润		557,189,764	482,462,282
营业外收入	31	120,638	1,878,937
营业外支出		(16,932)	(13,349)
利润总额		557,293,470	484,327,870
减：所得税费用	32	(141,169,954)	(123,786,542)
净利润		416,123,516	360,541,328
其他综合收益		-	-
综合收益总额		416,123,516	360,541,328

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

合并股东权益变动表

2013 年度

(金额单位：人民币元)

	附注	实收资本	盈余公积	一般风险准备	未分配利润	外币报表折算差额	股东权益合计
2013 年 1 月 1 日		4,500,000,000	99,169,672	9,677,837	728,545,410	-	5,337,392,919
本年增减变动金额		-	39,221,053	616,246,364	(278,012,835)	(192,229)	377,262,353
1. 净利润		-	-	-	377,454,582	-	377,454,582
2. 利润分配		-	39,221,053	616,246,364	(655,467,417)	-	-
- 提取盈余公积	25	-	39,221,053	-	(39,221,053)	-	-
- 提取一般风险准备	25	-	-	616,246,364	(616,246,364)	-	-
- 对股东的分配	25	-	-	-	-	-	-
3. 其他综合收益		-	-	-	-	(192,229)	(192,229)
2013 年 12 月 31 日		4,500,000,000	138,390,725	625,924,201	450,532,575	(192,229)	5,714,655,272

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司

合并股东权益变动表（续）

2012 年度

（金额单位：人民币元）

	附注	股本	盈余公积	一般风险准备	未分配利润	股东权益合计
2012 年 1 月 1 日		4,500,000,000	62,386,296	6,238,630	496,887,666	5,065,512,592
本年增减变动金额		-	36,783,376	3,439,207	231,657,744	271,880,327
1. 净利润		-	-	-	356,473,134	356,473,134
2. 利润分配		-	36,783,376	3,439,207	(124,815,390)	(84,592,807)
- 提取盈余公积	25	-	36,783,376	-	(36,783,376)	-
- 提取一般风险准备	25	-	-	3,439,207	(3,439,207)	-
- 对股东的分配	25	-	-	-	(84,592,807)	(84,592,807)
2012 年 12 月 31 日		4,500,000,000	99,169,672	9,677,837	728,545,410	5,337,392,919

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
股东权益变动表
2013 年度
(金额单位:人民币元)

	附注	实收资本	盈余公积	一般风险准备	未分配利润	股东权益合计
2013 年 1 月 1 日		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763
本年增减变动金额		-	41,612,352	616,246,364	(241,735,200)	416,123,516
1. 净利润		-	-	-	416,123,516	416,123,516
2. 利润分配		-	41,612,352	616,246,364	(657,858,716)	-
- 提取盈余公积	25	-	41,612,352	-	(41,612,352)	-
- 提取一般风险准备	25	-	-	616,246,364	(616,246,364)	-
- 对股东的分配	25	-	-	-	-	-
2013 年 12 月 31 日		4,500,000,000	138,390,725	625,924,201	482,126,353	5,746,441,279

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

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建信金融租赁有限公司
股东权益变动表（续）
2012 年度
（金额单位：人民币元）

	附注	股本	盈余公积	一般风险准备	未分配利润	股东权益合计
2012 年 1 月 1 日		4,500,000,000	60,724,240	6,072,424	487,572,578	5,054,369,242
本年增减变动金额		-	36,054,133	3,605,413	236,288,975	275,948,521
1. 净利润		-	-	-	360,541,328	360,541,328
2. 利润分配		-	36,054,133	3,605,413	(124,252,353)	(84,592,807)
- 提取盈余公积	25	-	36,054,133	-	(36,054,133)	-
- 提取一般风险准备	25	-	-	3,605,413	(3,605,413)	-
- 对股东的分配	25	-	-	-	(84,592,807)	(84,592,807)
2012 年 12 月 31 日		4,500,000,000	96,778,373	9,677,837	723,861,553	5,330,317,763

刊载于第 17 页至第 71 页的财务报表附注为本财务报表的组成部分。

建信金融租赁有限公司
合并现金流量表
2013 年度
（金额单位：人民币元）

	附注	2013 年度	2012 年度
一、经营活动产生的现金流量			
收取保证金、预收租金及押金的现金		415,443,110	825,156,000
收取融资租赁租金、手续费的现金		11,868,466,479	9,810,167,953
收取经营租赁租金的现金		184,165,854	6,300,000
借入资金净增加额		10,439,062,093	2,400,000,000
收到其他与经营活动有关的现金		189,354,013	114,466,648
经营活动现金流入小计		23,096,491,549	13,156,090,601
购买融资租赁资产支付的现金		(15,856,055,469)	(8,989,587,757)
支付利息、手续费及佣金的现金		(1,629,178,041)	(1,942,671,355)
存放中央银行款项净减少/(增加)额		17,184,480	(27,713,920)
支付给职工及为职工支付的现金		(53,528,285)	(51,004,027)
支付的各项税费		(363,926,774)	(175,769,774)
支付其他与经营活动有关的现金		(241,733,121)	(173,524,167)
经营活动现金流出小计		(18,127,237,210)	(11,360,271,000)
经营活动产生的现金流量净额	33(1)	4,969,254,339	1,795,819,601

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建信金融租赁有限公司
合并现金流量表（续）
2013 年度
（金额单位：人民币元）

	附注	2013 年度	2012 年度
二、投资活动产生的现金流量			
处置固定资产、无形资产和其他长期资产收回的现金净额		2,100	-
投资活动现金流入小计		2,100	-
购建固定资产、无形资产和其他长期资产支付的净现金		(4,266,072,620)	(3,502,497)
投资活动现金流出小计		(4,266,072,620)	(3,502,497)
投资活动产生的现金流量净额		(4,266,070,520)	(3,502,497)
三、筹资活动产生的现金流量			
分配股利所支付的现金		-	(84,592,807)
筹资活动现金流出小计		-	(84,592,807)
筹资活动产生的现金流量净额		-	(84,592,807)
四、汇率变动对现金及现金等价物的影响		(6,685,714)	(176,907)
五、现金及现金等价物净增加额		696,498,105	1,707,547,390
加：年初现金及现金等价物余额		2,031,130,151	323,582,761
六、年末现金及现金等价物余额	33(2)	2,727,628,256	2,031,130,151

顾京圃	童学锋	丁丽	(公司盖章)
法定代表人	首席财务官	资金财务部总经理	

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建信金融租赁有限公司

现金流量表

2013 年度

（金额单位：人民币元）

	附注	2013 年度	2012 年度
一、经营活动产生的现金流量			
收取保证金、预收租金及押金的现金		415,443,110	825,156,000
收取融资租赁租金、手续费的现金		11,490,509,412	9,606,019,040
借入资金净增加额		8,024,874,145	2,400,000,000
收回子公司借款的现金		1,192,492,560	204,424,732
收到其他与经营活动有关的现金		189,093,265	114,466,648
经营活动现金流入小计		21,312,412,492	13,150,066,420
购买融资租赁资产支付的现金		(14,516,242,202)	(8,695,745,745)
支付利息、手续费及佣金的现金		(1,537,843,387)	(1,940,625,553)
存放中央银行款项净减少/(增加)额		17,184,480	(27,713,920)
支付给职工及为职工支付的现金		(53,528,285)	(51,004,027)
支付的各项税费		(335,336,562)	(176,372,183)
子公司借款及垫款支出的现金		(4,272,284,086)	(293,842,012)
支付其他与经营活动有关的现金		(225,476,128)	(166,777,379)
经营活动现金流出小计		(20,923,526,170)	(11,352,080,819)
经营活动产生的现金流量净额	33(1)	388,886,322	1,797,985,601

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建信金融租赁有限公司
现金流量表（续）
2013 年度
（金额单位：人民币元）

	附注	2013 年度	2012 年度
二、投资活动产生的现金流量			
处置固定资产、无形资产和其他长期资产收回的现金净额		2,100	-
投资活动现金流入小计		2,100	-
投资支付的现金		(1,000,000)	(5,000,000)
购建固定资产、无形资产和其他长期资产支付的净现金		(131,168,742)	(1,467,653)
投资活动现金流出小计		(132,168,742)	(6,467,653)
投资活动产生的现金流量净额		(132,166,642)	(6,467,653)
三、筹资活动产生的现金流量			
分配股利所支付的现金		-	(84,592,807)
筹资活动现金流出小计		-	(84,592,807)
筹资活动产生的现金流量净额		-	(84,592,807)
四、汇率变动对现金及现金等价物的影响		(3,043,321)	-
五、现金及现金等价物净增加额		253,676,359	1,706,925,141
加：年初现金及现金等价物余额		2,016,162,754	309,237,613
六、年末现金及现金等价物余额	33(2)	2,269,839,113	2,016,162,754

顾京圃	童学锋	丁丽	（公司盖章）
法定代表人	首席财务官	资金财务部总经理	

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1 公司基本情况

建信金融租赁有限公司（以下简称“本公司”）是由中国建设银行股份有限公司（以下简称“建行”）和 Bank of America Corporation（以下简称“美国银行”）经中国银行业监督管理委员会（以下简称“银监会”）银监复[2007]373 号文件批准共同出资，于 2007 年 12 月 26 日在中华人民共和国北京市成立的股份有限公司。本公司注册资本为人民币 45 亿元。2012 年建行购入美国银行持有本公司的全部股权，成为本公司的唯一股东。2013 年本公司由建信金融租赁股份有限公司更名为建信金融租赁有限公司，并于 2013 年 9 月 4 日变更了企业法人营业执照。

本公司持有中华人民共和国国家工商行政管理局颁发的 100000400011958 号企业法人营业执照，并经银监会批准持有 M0013H211000001 号金融许可证。

于 2013 年 12 月 31 日，本公司共拥有 31 家子公司(子公司的详细情况见附注 5)。本公司与全部子公司以下合称“本集团”。本集团主要从事银监会批准的金融租赁、资金业务及其他金融业务服务。

本财务报表由本公司董事会于 2014 年 3 月 28 日批准报出。

2 财务报表编制基础

(1) 遵循企业会计准则的声明

本集团编制的财务报表符合中华人民共和国财政部（以下简称“财政部”）于 2006 年 2 月 15 日颁布的《企业会计准则——基本准则》和 38 项具体会计准则、其后颁布的企业会计准则应用指南、企业会计准则解释以及其他相关规定（以下合称“企业会计准则”）的要求，真实、完整地反映了本集团和本公司的财务状况、经营成果和现金流量。

(2) 会计年度

本集团的会计年度自公历 1 月 1 日起至 12 月 31 日止。

(3) 计量属性

编制本财务报表时一般采用历史成本进行计量，但以公允价值计量的金融资产和金融负债除外。

2 财务报表编制基础（续）

(4) 记账本位币及列报货币

本公司的记账本位币为人民币，本公司控制的 31 家子公司中，建信津五租赁（天津）有限公司、建信津七租赁（天津）有限公司、建信津八租赁（天津）有限公司、建信津十一租赁（天津）有限公司的记账本位币为美元，其余子公司记账本位币为人民币。本集团编制财务报表采用的货币为人民币。

3 主要会计政策和主要会计估计

(1) 合并财务报表

合并财务报表的合并范围包括本公司及本公司控制的子公司。控制是指有权决定一个公司的财务和经营政策，并能据以从该公司的经营活动中获取利益。受控制子公司的经营成果和财务状况由控制开始日起至控制结束日止包含于合并财务报表中。

当子公司所采用的会计期间或会计政策与本公司不一致时，合并时已按照本公司的会计期间或会计政策对子公司财务报表进行必要的调整。合并时所有集团内部交易及余额，包括未实现内部交易损益均已抵销。集团内部交易发生的未实现损失，有证据表明该损失是相关资产减值损失的，则全额确认该损失。

(2) 外币折算

(a) 外币交易的折算

本集团的外币交易在初始确认时按交易发生日的即期汇率或即期汇率的近似汇率折算为本位币。

即期汇率是中国人民银行（“人行”）公布的人民币外汇牌价或根据公布的外汇牌价套算的汇率。即期汇率的近似汇率是按照系统合理的方法确定的与交易发生日即期汇率近似的当期平均汇率。

3　主要会计政策和主要会计估计（续）

(2)　外币折算（续）

(a) 外币交易的折算（续）

年末外币货币性项目，采用资产负债表日的即期汇率折算，汇兑差额计入当期损益。以历史成本计量的外币非货币性项目，不改变其记账本位币金额。以公允价值计量的外币非货币性项目，采用公允价值确定日的即期汇率折算，折算后的记账本位币金额与原记账本位币金额的差额，属于可供出售金融资产的外币非货币性项目，其差额计入资本公积；属于以公允价值计量且其变动计入当期损益的外币非货币性项目，其差额计入当期损益。

(b) 外币财务报表的折算

本集团在编制合并财务报表时，将子公司的外币财务报表折算为人民币。外币财务报表中的资产和负债项目，采用报告期末的即期汇率折算。本位币为外币的子公司经营的收入和费用，采用交易发生日的即期汇率或即期汇率的近似汇率折算。按上述原值产生的外币财务报表折算差额，在资产负债表中股东权益项目下以“外币报表折算差额”列示。汇率变动对现金的影响额在现金流量表中单独列示。

(3)　现金及现金等价物

现金和现金等价物包括库存现金、可以随时用于支付的存款以及持有期限短、流动性强、易于转换为已知金额现金、价值变动风险很小的投资。

3 主要会计政策和主要会计估计（续）

(4) 对子公司的长期股权投资

在本集团合并财务报表中，对子公司的长期股权投资按附注 3(1)进行处理。

在本公司个别财务报表中，对子公司的长期股权投资的投资成本，在初始确认时，对于以支付现金取得的长期股权投资，本公司按照实际支付的购买价款作为初始投资成本。对于发行权益性证券取得的长期股权投资，本公司按照发行权益性证券的公允价值作为初始投资成本。对于投资者投入的长期股权投资，本公司按照投资合同或协议约定的价值作为初始投资成本。

在个别财务报表中，本公司采用成本法对子公司的长期股权投资进行后续计量，除取得投资时实际支付的价款或对价中包含的已宣告但尚未发放的现金股利或利润外，本公司按照享有被投资单位宣告发放的现金股利或利润确认投资收益。本公司按照上述规定确认投资收益后，会关注长期股权投资的账面价值是否大于享有被投资单位净资产（包括相关商誉）账面价值的份额，如果大于则根据附注 3(9)所述的会计政策对长期股权投资进行减值测试，可收回金额低于长期股权投资账面价值的，计提减值准备。期末按照成本减去减值准备（附注 3(9)）后计入资产负债表内。

(5) 租赁

实质上转移了与资产所有权有关的全部风险和报酬的租赁为融资租赁，其他的租赁为经营租赁。

(a) 融资租赁

作为融资租赁出租人，本集团将租赁开始日最低租赁收款额作为应收融资租赁款的入账价值，同时记录未担保余值；将最低租赁收款额及未担保余值之和与其现值之和的差额确认为未实现融资收益。

本集团采用实际利率法在租赁期内各个期间分配未实现融资收益。资产负债表日，本集团将应收融资租赁款减去未实现融资收益的差额，列入资产负债表中应收融资租赁款。

3 主要会计政策和主要会计估计（续）

(5) 租赁（续）

(a) 融资租赁（续）

本集团对应收融资租赁款计提减值准备（参见附注 3(6)(b)）。

本集团至少于每年年度终了对未担保余值进行复核，未担保余值的预计可收回金额低于其账面价值时，确认资产减值损失。如果有迹象表明以前年度据以计提减值的因素发生变化，使得未担保余值的可收回金额大于其账面价值，其差额在以前年度已确认的资产减值损失金额内转回，转回的资产减值损失计入当期损益。

(b) 经营租赁

作为经营租赁承租人，租金费用在租赁期内按直线法确认为相关资产成本或费用。

作为经营租赁出租人，本集团将经营租赁租出的固定资产按附注 3(7)所述的折旧政策计算折旧，按附注 3(9)所述的会计政策计提减值准备。经营租赁租金收入在租赁期内按直线法确认为收入。或有租金在实际发生时计入当期损益。

(6) 金融工具

(a) 金融资产及金融负债的确认和计量

金融资产和金融负债在本集团成为相关金融工具合同条款的一方时，于资产负债表内确认。

本集团在初始确认时按取得资产或承担负债的目的，把金融资产和金融负债分为不同类别：以公允价值计量且其变动计入当期损益的金融资产和金融负债、贷款及应收款项、持有至到期投资、可供出售金融资产和其他金融负债。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(a) 金融资产及金融负债的确认和计量（续）

在初始确认时，金融资产及金融负债均以公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产或金融负债，相关交易费用直接计入当期损益；对于其他类别的金融资产或金融负债，相关交易费用计入初始确认金额。初始确认后，金融资产和金融负债的后续计量如下：

– 以公允价值计量且其变动计入当期损益的金融资产和金融负债（包括交易性金融资产或金融负债）

本集团持有为了近期内出售或回购的金融资产和金融负债及衍生工具属于此类。但是被指定且为有效套期工具的衍生工具、属于财务担保合同的衍生工具、与在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资挂钩并须通过交付该权益工具结算的衍生工具除外。

初始确认后，以公允价值计量且其变动计入当期损益的金融资产和金融负债以公允价值计量，公允价值变动形成的利得或损失计入当期损益。

– 应收款项

应收款项是指在活跃市场中没有报价、回收金额固定或可确定的非衍生金融资产。

初始确认后，应收款项以实际利率法按摊余成本计量。

– 持有至到期投资

本集团将有明确意图和能力持有至到期的且到期日固定、回收金额固定或可确定的非衍生金融资产分类为持有至到期投资。

初始确认后，持有至到期投资以实际利率法按摊余成本计量。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(a) 金融资产及金融负债的确认和计量（续）

– 可供出售金融资产

本集团将在初始确认时即被指定为可供出售的非衍生金融资产以及没有归类到其他类别的金融资产分类为可供出售金融资产。

对于在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资，初始确认后按成本计量。

除上述公允价值不能可靠计量的权益工具投资外，其他可供出售金融资产,初始确认后以公允价值计量,公允价值变动形成的利得或损失，除减值损失和外币货币性金融资产形成的汇兑差额计入当期损益外，其他利得或损失直接计入股东权益，在可供出售金融资产终止确认时转出，计入当期损益。

– 其他金融负债

其他金融负债是指除以公允价值计量且其变动计入当期损益的金融负债以外的金融负债。其他金融负债，初始确认后采用实际利率法按摊余成本计量。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值

本集团在资产负债表日对以公允价值计量且其变动计入当期损益的金融资产以外的金融资产的账面价值进行检查，有客观证据表明该金融资产发生减值的，计提减值准备。对于预期未来事项可能导致的损失，无论其发生的可能性有多大，均不作为减值损失予以确认。

金融资产减值的客观证据包括下列在金融资产初始确认后实际发生的、对该金融资产的预计未来现金流量有影响且本集团能够对该影响进行可靠计量的事项：

– 债务人或发行方发生严重财务困难；

– 债务人违反了合同条款，如偿付利息或本金发生违约或逾期等；

– 本集团出于经济或法律等方面因素的考虑，对发生财务困难的债务人作出正常情况下不会作出的让步；

– 债务人很可能倒闭或进行其他财务重组；

– 因发行方发生重大财务困难，该金融资产无法在活跃市场继续交易；

– 无法辨认一组金融资产中的某项资产的现金流量是否已经减少，但根据公开的数据对其进行总体评价后发现，该组金融资产自初始确认以来的预计未来现金流量确已减少且可计量，如该组金融资产的债务人支付能力逐步恶化，或债务人所在国家或地区失业率提高、担保物在其所在地区的价格明显下降、所处行业不景气等；

– 发行方经营所处的技术、市场、经济或法律环境等发生重大不利变化；

– 权益工具投资的公允价值发生严重或非暂时性下跌；及

– 其他表明金融资产发生减值的客观证据。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值（续）

贷款及应收款项和持有至到期投资

<u>个别方式评估</u>

本集团对于单项金额重大的贷款及应收款项和持有至到期投资，单独进行减值测试。如有客观证据表明其已出现减值，则将该资产的账面价值减记至按该金融资产原实际利率折现确定的预计未来现金流量现值，减记的金额确认为资产减值损失，计入当期损益。

有抵押的贷款及应收款项的预计未来现金流量现值会扣除取得和出售抵押物的费用，无论该抵押物是否将被收回。

<u>组合方式评估</u>

本集团对于单项金额不重大的同类客户贷款和垫款、个别方式评估未发生减值的贷款及应收款项，采用组合方式进行减值测试。如有证据表明自初始确认后，某一类金融资产的预计未来现金流量出现大幅下降的，将确认减值损失，计入当期损益。组合方式评估考虑的因素包括：(i)具有类似信用风险特征组合的历史损失经验；(ii)从出现损失到该损失被识别所需时间；及(iii)当前经济和信用环境以及本集团基于历史经验对目前环境下固有损失的判断。

组合方式评估涵盖了于资产负债表日出现减值但有待日后才能个别确认已出现减值的贷款及应收款项。当可根据客观证据对金融资产组合中的单项资产确定减值损失时，该项资产将会从该金融资产组合中剔除。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(b) 金融资产的减值（续）

<u>减值转回和贷款及应收款项核销</u>

贷款及应收款项确认减值损失后，如有客观证据表明该金融资产价值已恢复，且客观上与确认该损失后发生的事项有关，原确认的减值损失将予以转回，计入当期损益。该转回后的账面价值不超过假定不计提减值准备情况下该金融资产在转回日的摊余成本。

当本集团已经进行了所有必要的法律或其他程序后，贷款及应收款项仍然不可收回时，本集团将决定核销贷款及应收款项和冲销相应的损失准备。如在期后本集团收回已核销的贷款及应收款项，则收回金额冲减减值损失，计入当期损益。

可供出售金融资产及其他长期股权投资

可供出售金融资产及其他长期股权投资运用个别方式评估减值损失。可供出售金融资产发生减值时，即使该金融资产没有终止确认，本集团将原直接计入股东权益的因公允价值下降形成的累计损失从股东权益转出，计入当期损益。

对于已确认减值损失的可供出售债务工具，在随后的会计期间公允价值已上升且客观上与确认原减值损失确认后发生的事项有关的，原确认的减值损失应当予以转回，计入当期损益。可供出售权益工具投资发生的减值损失，不通过损益转回。

3 主要会计政策和主要会计估计（续）

(6) 金融工具（续）

(c) 公允价值的确定

本集团对存在活跃市场的金融资产或金融负债，用活跃市场中的报价确定其公允价值，且不扣除将来处置该金融资产或金融负债时可能发生的交易费用。本集团已持有的金融资产或拟承担的金融负债的报价为现行出价；本集团拟购入的金融资产或已承担的金融负债的报价为现行要价。

对金融工具不存在活跃市场的，采用估值技术确定其公允价值。所采用的估值方法包括参考熟悉情况并自愿交易的各方最近进行的市场交易的成交价、参照实质上相同的其他金融工具的当前市场报价、现金流量折现法或采用期权定价模型。本集团定期评估估值方法，并测试其有效性。

(d) 金融资产和金融负债的终止确认

当收取某项金融资产的现金流量的合同权利终止或将所有权上几乎所有的风险和报酬转移时，本集团终止确认该金融资产。

金融资产整体转移满足终止确认条件的，本集团将下列两项金额的差额计入当期损益：

- 所转移金融资产的账面价值
- 因转移而收到的对价，与原直接计入股东权益的公允价值变动累计额之和

金融负债的现时义务全部或部分已经解除的，本集团终止确认该金融负债或其一部分。

(e) 抵销

如果本集团具有抵销已确认金额的法定权利，且该种法定权利是现时可执行的；并且本集团计划以净额结算，或同时变现该金融资产和清偿该金融负债，该金融资产和金融负债将在资产负债表内互相抵销并以净额列示。

3 主要会计政策和主要会计估计（续）

(7) 固定资产

固定资产包括房屋及建筑物、机器设备、运输工具、计算机及电子设备以及办公设备等。购置或新建的固定资产按取得时的成本进行初始计量。

与固定资产有关的后续支出，在相关的经济利益很可能流入本集团且其成本能够可靠的计量时，计入固定资产成本；对于被替换的部分，终止确认其账面价值；所有其他后续支出于发生时计入当期损益。

固定资产折旧采用年限平均法并按其入账价值减去预计净残值后在预计使用寿命内计提。对计提了减值准备的固定资产，则在未来期间按扣减减值准备后的账面价值及依据尚可使用年限确定折旧额。

本集团对固定资产在固定资产使用寿命内按年限平均法计提折旧，各类固定资产的预计使用寿命和预计净残值分别为：

	预计使用寿命	预计净残值	折旧率
计算机设备	3 – 5 年	3%	19.4%-32.3%
办公设备	3 – 5 年	3%	19.4%-32.3%
交通运输设备 、	5 – 8 年	3%	12.1%-19.4%

本集团至少在每年年度终了对固定资产的使用寿命、预计净残值和折旧方法进行复核。

当固定资产被处置、或者预期通过使用或处置不能产生经济利益时，终止确认该固定资产。固定资产出售、转让、报废或毁损的处置收入扣除其账面价值和相关税费后的金额计入当期损益。

本集团经营租赁固定资产包括飞机、船舶、汽车制造设备。本集团经营租赁资产下的飞机预计使用年限为 20 至 25 年，预计净残值率为 5%，本集团经营租赁资产下的船舶预计使用年限为 30 年，预计净残值率为 13.76%，本集团经营租赁资产下的汽车制造设备预计使用年限为 10 年，预计净残值率为 5%。

3 主要会计政策和主要会计估计（续）

(8) 无形资产

无形资产以成本减累计摊销(仅限于使用寿命有限的无形资产)及减值准备(附注 3(9)）计入资产负债表内。对于使用寿命有限的无形资产，本集团将无形资产的成本扣除减值准备后按直线法在预计使用寿命期内摊销。

本集团将无法预见未来经济利益期限的无形资产视为使用寿命不确定的无形资产，并对这类无形资产不予摊销。截至资产负债表日，本集团没有使用寿命不确定的无形资产。

(9) 长期资产减值

固定资产、在建工程、无形资产及对子公司的长期股权投资等，于资产负债表日存在减值迹象的，本集团对其进行减值测试。

资产组是本集团可以认定的最小资产组合,其产生的现金流入基本上独立于其他资产或者资产组。资产组由创造现金流入相关的资产组成。在认定资产组时，主要考虑该资产组能否独立产生现金流入,同时考虑管理层对经营活动的管理方式、以及对资产使用或者处置的决策方式等。

可收回金额是指资产（或资产组、资产组组合，下同）的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间较高者。

资产的公允价值减去处置费用后的净额,是根据公平交易中销售协议价格减去可直接归属于该资产处置费用的金额确定。资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量,综合考虑资产的预计未来现金流量、使用寿命和折现率等因素选择恰当的税前折现率对其进行折现后的金额加以确定。

可收回金额的估计结果表明，资产的可收回金额低于其账面价值的，资产的账面价值会减记至可收回金额,减记的金额确认为资产减值损失,计入当期损益,同时计提相应的资产减值准备。与资产组或者资产组组合相关的减值损失，根据资产组或者资产组组合中各项资产的账面价值所占比重,按比例抵减各项资产的账面价值,但抵减后的各资产的账面价值不得低于该资产的公允价值减去处置费用后的净额（如可确定的）、该资产预计未来现金流量的现值（如可确定的）和零三者之中最高者。

资产减值损失一经确认，在以后会计期间不予转回。

3 主要会计政策和主要会计估计（续）

(10) 借款费用

发生的可直接归属于需要经过相当长时间的购建活动才能达到预定可使用状态之固定资产的购建的借款费用，在资产支出及借款费用已经发生、为使资产达到预定可使用状态所必要的购建活动已经开始时，开始资本化并计入该资产的成本。当购建的资产达到预定可使用状态时停止资本化，其后发生的借款费用计入当期损益。如果资产的购建活动发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化，直至资产的购建活动重新开始。

(11) 职工薪酬

职工薪酬是本集团为获得职工提供的服务而给予的各种形式报酬以及其他相关支出。除因辞退福利外，本集团在职工提供服务的会计期间，将应付的职工薪酬确认为负债，并相应增加资产成本或当期费用。

(a) 退休福利

按照中国有关法规，本集团职工参加由当地劳动和社会保障部门组织实施的社会基本养老保险。本集团以当地规定的社会基本养老保险缴纳基数和比例，向当地社会基本养老保险经办机构缴纳养老保险费。上述缴纳的社会基本养老保险按照权责发生制原则计入资产成本或当期损益。职工退休后，各地劳动及社会保障部门有责任向已退休职工支付社会基本养老金。本集团不再有其他的支付义务。

另外，本集团职工在参加社会基本养老保险的基础上参加本集团依据国家企业年金制度的相关政策建立的《建信金融租赁股份有限公司企业年金计划》(“年金计划”)，本集团按职工工资总额的一定比例向年金计划缴款，相应支出计入当期损益。

(b) 住房公积金及其他社会保险费用

除退休福利外，本集团根据有关法律、法规和政策的规定，为在职员工缴纳住房公积金及基本医疗保险、失业保险、工伤保险和生育保险等社会保险费用。本集团每月按照缴纳基数的一定比例向相关部门支付住房公积金及上述社会保险费用，并按照权责发生制原则计入资产成本或当期损益。

3 主要会计政策和主要会计估计（续）

(12) 所得税

当期所得税包括根据当期应纳税所得额及资产负债表日的适用税率计算的预期应交所得税和对以前年度应交所得税的调整。本集团就资产或负债的账面价值与其计税基础之间的暂时性差异确认递延所得税资产和递延所得税负债。对于能够结转以后年度的可抵扣亏损和税款抵减亦会产生递延所得税。递延所得税资产的确认以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限。

本集团除了将与直接计入其他综合收益或股东权益的交易或者事项有关的所得税影响计入其他综合收益或股东权益外，当期所得税费用和递延所得税变动计入当期损益。

资产负债表日，本集团根据递延所得税资产和负债的预期实现或结算方式，依据税法规定，按预期收回该资产或清偿该负债期间的适用税率计量该递延所得税资产和递延所得税负债的账面价值。

当本集团有法定权利以当期所得税负债抵销当期所得税资产，并且递延所得税资产和递延所得税负债归属于同一纳税主体和同一税务机关时，本集团将抵销递延所得税资产和递延所得税负债。否则，递延所得税资产和负债及其变动额分别列示，不相互抵销。

(13) 预计负债及或有负债

如果与或有事项相关的义务是本集团承担的现时义务，且该义务的履行很可能会导致经济利益流出本集团，以及有关金额能够可靠地计量，则本集团会确认预计负债。对于货币时间价值影响重大的，预计负债以预计未来现金流量折现后的金额确定。

对过去的交易或者事项形成的潜在义务，其存在须通过未来不确定事项的发生或不发生予以证实；或过去的交易或者事项形成的现时义务，履行该义务不是很可能导致经济利益流出本集团或该义务的金额不能可靠计量，则本集团会将该潜在义务或现时义务披露为或有负债。

3 主要会计政策和主要会计估计（续）

(14) 利息收入和利息支出

以摊余成本计量的金融工具，按照实际利率法以权责发生制确认利息收入或支出。

实际利率法是一种计算某项金融资产或金融负债的摊余成本以及在相关期间分摊利息收入或利息支出的方法。实际利率是将金融资产和金融负债在预计期限内的未来现金流量折现为该金融资产或金融负债账面净值所使用的利率。

若金融资产发生减值，相关的利息收入按照计量减值损失的未来现金流贴现利率确认。

本集团计算实际利率时，在考虑金融资产或金融负债所有合同条款(包括提前还款数、回购和类似期权等)的基础上对未来现金流量作出预计，但不考虑未来信用损失。计算实际利率时，本集团还考虑金融资产或金融负债合同各方之间支付或收取的手续费等交易成本以及溢价或折价。

(15) 手续费收入和手续费支出

手续费收入和手续费支出按权责发生制在提供或收到相关服务时确认。

(16) 股利分配

资产负债表日后，经审议批准的利润分配方案中分配的股利或利润，不确认为资产负债表日的负债，在附注中单独披露。

3 主要会计政策和主要会计估计（续）

(17) 关联方

一方控制、共同控制另一方或对另一方施加重大影响，以及两方或两方以上同受一方控制、共同控制的，构成关联方。关联方可为个人或企业。仅仅同受国家控制而不存在其他关联方关系的企业，不构成本集团的关联方。本集团及本公司的关联方包括但不限于：

(i) 本公司的母公司；
(ii) 本公司的子公司；
(iii) 与本公司受同一母公司控制的其他企业；
(iv) 对本集团实施重大影响的投资方；
(v) 与本集团同受一方控制的企业或个人
(vi) 本集团的关键管理人员及与其关系密切的家庭成员；
(vii) 本公司母公司的关键管理人员；
(viii) 与本公司母公司关键管理人员关系密切的家庭成员；及
(ix) 本集团的关键管理人员或与其关系密切的家庭成员控制、共同控制的其他企业。

(18) 主要会计估计和判断

编制财务报表时，本集团管理层需要运用估计和假设，这些估计和假设会对会计政策的应用及资产、负债、收入的金额产生影响。实际情况可能与这些估计不同。本集团管理层对估计涉及的关键假设和不确定因素的判断进行持续评估，会计估计变更的影响在变更当期和未来期间予以确认。

(a) 应收融资租赁款减值

如附注 3(6)(b)所述，本集团在资产负债表日审阅按摊余成本计量的应收款项，以评估是否出现减值情况，并在出现减值情况时评估减值损失的具体金额。减值的客观证据包括显示个别或组合应收款项预计未来现金流量出现大幅下降的可观察数据、显示个别或组合应收款项中债务人的财务状况出现重大负面变动的可观察数据等事项。如果有证据表明以前年度发生减值的客观证据发生变化，则会予以转回。

3 主要会计政策和主要会计估计（续）

(18) 主要会计估计和判断（续）

(b) 所得税

在正常的经营活动中，很多交易和事项的最终税务处理存在不确定性。在计提所得税费用时，本集团需要作出重大判断。如果这些税务事项的最终认定结果与最初入账的金额存在差异，该差异将对作出上述最终认定期间的所得税费用和递延所得税的金额产生影响。

4 税项

本集团主要税种、税率及计税基础列示如下:

税种	税率	计税基础
企业所得税	25%	应纳税所得额
增值税	17%	应纳税增值额(应纳税额按应纳税销售额乘以适用税率扣除当期允许抵扣的进项税后的余额计算)
营业税	5%	应纳税营业额

2012 年本公司与天津东疆保税港区重新签署《天津东疆保税港区管理委员会与建信金融租赁股份有限公司合作备忘录》，该备忘录约定本公司在东疆保税港区设立的子公司从事的飞机、船舶、海洋工程结构物及其他产品的租赁业务（包括融资性租赁、经营性租赁及关联业务），自实际获利年度起三年内享受全额返还企业所得税地方分享部分，之后四至十年享受减半返还企业所得税地方分享部分；自实际业务发生年度起十年内全额返还融资租赁租期内的营业税、城建税及教育费附加；营业税改为增值税后，增值税地方部分、随增值税附征税费地方部分及其他流转税的地方部分按同样期限及比例返还。

根据财政部、国家税务总局关于印发《营业税改征增值税试点方案》的通知》(财税[2011]110 号)和财政部、国家税务总局《关于在上海市开展交通运输业和部分现代服务业营业税改征增值税试点的通知》(财税[2011]111 号)，自 2012 年 1 月 1 日起，本集团下属注册地为上海的子公司新签订的有形动产租赁业务适用增值税。根据《关于在北京等 8 省市开展交通运输业和部分现代服务业营业税改征增值税试点的通知》(财税[2012]71 号)，自 2012 年 9 月 1 日起，本公司及本集团下属注册地为北京的子公司新签订的有形动产租赁业务适用增值税；自 2012 年 12 月 1 日起，本集团下属注册地为天津的子公司新签订的有形动产租赁业务适用增值税。

5 子公司

于 2013 年 12 月 31 日，纳入本公司合并财务报表范围的子公司如下：

被投资单位名称	注册地	业务性质	注册资本	本公司直接和间接持股比例	本公司直接和间接表决权比例
建信京一租赁（北京）有限公司	北京	租赁	100,000	100%	100%
建信津一租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津二租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津三租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津四租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津五租赁（天津）有限公司	天津	租赁	5,000,000	100%	100%
建信津六租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津七租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津八租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津九租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津拾租赁（天津）有限公司	天津	租赁	500,000	100%	100%
建信津十一租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十二租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十三租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十四租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十五租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十六租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十七租赁（天津）有限公司	天津	租赁	100,000	100%	100%

5 子公司（续）

被投资单位名称	注册地	业务性质	注册资本	本公司直接和间接持股比例	本公司直接和间接表决权比例
建信津十八租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津十九租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信津贰十租赁（天津）有限公司	天津	租赁	100,000	100%	100%
建信沪一租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪二租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪三租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪四租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪五租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪六租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪七租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪八租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪九租赁（上海）有限公司	上海	租赁	500,000	100%	100%
建信沪拾租赁（上海）有限公司	上海	租赁	500,000	100%	100%

6 货币资金

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
银行存款	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754

7 存放中央银行款项

截至 2013 年 12 月 31 日，本集团和本公司存放中央银行款项为人民币 10,529,440 元(2012 年 12 月 31 日：人民币 27,713,920 元)。根据《中国人民银行关于将保证金存款纳入存款准备金交存范围的通知》、《中国人民银行关于核定部分金融租赁公司准备金存款交存范围的通知》以及《中国人民银行关于下调人民币存款准备金率的通知》，自 2012 年 1 月 1 日起，本集团和本公司对已起租融资租赁业务和经营租赁业务，以应付承租人保证金的余额作为基数，按 14.5%的比例缴纳存款准备金。该准备金在本公司统一缴纳。该准备金不能用于本集团和本公司的日常经营。

8 应收融资租赁款

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
最低租赁收款额	53,364,632,148	43,388,535,568	49,553,702,579	40,735,990,718
减：未实现融资收益	(8,454,319,738)	(7,175,696,274)	(7,825,422,478)	(6,647,138,322)
应收融资租赁款总额	44,910,312,410	36,212,839,294	41,728,280,101	34,088,852,396
减：减值损失准备组合计提	(754,685,955)	(500,551,240)	(696,970,579)	(464,410,452)
减值损失准备单项计提	(100,594,283)	(81,182,055)	(100,594,283)	(81,182,055)
应收融资租赁款净值	44,055,032,172	35,631,105,999	40,930,715,239	33,543,259,889

于资产负债表日后将收到的最低租赁收款额为：

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
无期限	130,579,447	130,979,447	130,579,447	130,979,447
1 年以内（含 1 年）	13,766,811,140	10,593,935,110	13,261,600,779	10,258,725,552
1 年以上 2 年以内（含 2 年）	11,415,558,123	9,667,739,159	10,917,833,724	9,335,194,090
2 年以上 3 年以内（含 3 年）	8,045,488,850	7,218,746,377	7,555,115,566	6,888,886,592
3 年以上	20,006,194,588	15,777,135,475	17,688,573,063	14,122,205,037
最低租赁收款额	53,364,632,148	43,388,535,568	49,553,702,579	40,735,990,718

8 应收融资租赁款（续）

应收融资租赁款减值损失准备变动情况：

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
年初余额	581,733,295	367,618,259	545,592,507	359,121,912
本年计提	247,778,943	198,354,575	226,204,355	170,710,134
本年转入	25,768,000	15,760,461	25,768,000	15,760,461
年末余额	855,280,238	581,733,295	797,564,862	545,592,507

截至 2013 年 12 月 31 日止，本集团所有应收融资租赁款为售后租回及直接租赁业务。实际租赁利率将按合同的相关规定，以合同约定的利率调整日所适用的中国人民银行公布的贷款基准利率为基础进行调整。

9 长期股权投资

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
对子公司的投资	-	-	33,600,000	32,600,000
减：减值准备	-	-	-	-
净值	-	-	33,600,000	32,600,000

于 2013 年 12 月 31 日，本公司对子公司投资分析如下：

	本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
建信京一租赁（北京）有限公司	100,000	100,000
建信津一租赁（天津）有限公司	5,000,000	5,000,000
建信津二租赁（天津）有限公司	5,000,000	5,000,000
建信津三租赁（天津）有限公司	5,000,000	5,000,000
建信津四租赁（天津）有限公司	5,000,000	5,000,000
建信津五租赁（天津）有限公司	5,000,000	5,000,000
建信津六租赁（天津）有限公司	500,000	500,000
建信津七租赁（天津）有限公司	500,000	500,000

9 长期股权投资（续）

	本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
建信津八租赁（天津）有限公司	500,000	500,000
建信津九租赁（天津）有限公司	500,000	500,000
建信津拾租赁（天津）有限公司	500,000	500,000
建信津十一租赁（天津）有限公司	100,000	-
建信津十二租赁（天津）有限公司	100,000	-
建信津十三租赁（天津）有限公司	100,000	-
建信津十四租赁（天津）有限公司	100,000	-
建信津十五租赁（天津）有限公司	100,000	-
建信津十六租赁（天津）有限公司	100,000	-
建信津十七租赁（天津）有限公司	100,000	-
建信津十八租赁（天津）有限公司	100,000	-
建信津十九租赁（天津）有限公司	100,000	-
建信津贰十租赁（天津）有限公司	100,000	-
建信沪一租赁（上海）有限公司	500,000	500,000
建信沪二租赁（上海）有限公司	500,000	500,000
建信沪三租赁（上海）有限公司	500,000	500,000
建信沪四租赁（上海）有限公司	500,000	500,000
建信沪五租赁（上海）有限公司	500,000	500,000
建信沪六租赁（上海）有限公司	500,000	500,000
建信沪七租赁（上海）有限公司	500,000	500,000
建信沪八租赁（上海）有限公司	500,000	500,000
建信沪九租赁（上海）有限公司	500,000	500,000
建信沪拾租赁（上海）有限公司	500,000	500,000
合计	33,600,000	32,600,000

有关各子公司的详细资料，参见附注 5。

10　预付款项

	本集团及本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
购买融资租赁资产预付款	-	2,326,800,000
减：减值损失准备组合计提	-	(25,768,000)
净值	-	2,301,032,000

预付款项减值损失准备变动情况：

	本集团及本公司	
	2013 年度	2012 年度
年初余额	25,768,000	25,118,245
本年计提	-	16,410,216
本年转出	(25,768,000)	(15,760,461)
年末余额	-	25,768,000

11 固定资产

本集团

	经营租赁固定资产	计算机设备	运输设备	办公设备	合计
原值					
2012 年 12 月 31 日	104,514,353	6,276,404	2,625,690	534,918	113,951,365
本年增加	4,222,756,863	1,042,701	-	81,154	4,223,880,718
本年减少	-	(491,204)	-	(149,700)	(640,904)
2013 年 12 月 31 日	4,327,271,216	6,827,901	2,625,690	466,372	4,337,191,179
累计折旧					
2012 年 12 月 31 日	(4,968,790)	(4,992,623)	(2,046,464)	(468,179)	(12,476,056)
本年增加	(87,630,575)	(847,713)	(416,523)	(31,637)	(88,926,448)
本年减少	-	476,468	-	145,209	621,677
2013 年 12 月 31 日	(92,599,365)	(5,363,868)	(2,462,987)	(354,607)	(100,780,827)
减值准备					
2012 年 12 月 31 日	(1,032,710)	-	-	-	(1,032,710)
本年增加	(57,530,050)	-	-	-	(57,530,050)
2013 年 12 月 31 日	(58,562,760)	-	-	-	(58,562,760)
净值					
2013 年 12 月 31 日	4,176,109,091	1,464,033	162,703	111,765	4,177,847,592
2012 年 12 月 31 日	98,512,853	1,283,781	579,226	66,739	100,442,599

于 2013 年 12 月 31 日，本集团经营租赁固定资产主要类别为飞机；减值准备余额对应的资产类别为船舶。于 2012 年 12 月 31 日，本集团经营租赁固定资产类别及减值准备余额对应的资产类别为船舶。

11 固定资产（续）

本公司

	经营租赁固定资产	计算机设备	运输设备	办公设备	合计
原值					
2012 年 12 月 31 日	-	6,276,404	2,625,690	534,918	9,437,012
本年增加	128,194,102	1,042,701	-	81,154	129,317,957
本年减少	-	(491,204)	-	(149,700)	(640,904)
2013 年 12 月 31 日	128,194,102	6,827,901	2,625,690	466,372	138,114,065
累计折旧					
2012 年 12 月 31 日	-	(4,992,623)	(2,046,464)	(468,179)	(7,507,266)
本年增加	-	(847,713)	(416,523)	(31,637)	(1,295,873)
本年减少	-	476,468	-	145,209	621,677
2013 年 12 月 31 日	-	(5,363,868)	(2,462,987)	(354,607)	(8,181,462)
净值					
2013 年 12 月 31 日	128,194,102	1,464,033	162,703	111,765	129,932,603
2012 年 12 月 31 日	-	1,283,781	579,226	66,739	1,929,746

于 2013 年 12 月 31 日，本公司经营租赁固定资产主要类别为汽车制造设备。（2012 年 12 月 31 日：无）

12 在建工程

	本集团及本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
年初余额	4,790,113	4,598,573
本年增加	1,954,106	924,463
本年转出至无形资产	(5,093,100)	(732,923)
年末余额	1,651,119	4,790,113

13 无形资产

本集团及本公司

	软件	其他	合计
原值			
2012 年 12 月 31 日	6,833,156	132,200	6,965,356
本年增加	174,757	-	174,757
本年在建工程转入	4,413,100	680,000	5,093,100
2013 年 12 月 31 日	11,421,013	812,200	12,233,213
减：累计摊销			
2012 年 12 月 31 日	(1,296,477)	(17,627)	(1,314,104)
本年增加	(928,359)	(18,887)	(947,246)
2013 年 12 月 31 日	(2,224,836)	(36,514)	(2,261,350)
净值			
2013 年 12 月 31 日	9,196,177	775,686	9,971,863
2012 年 12 月 31 日	5,536,679	114,573	5,651,252

14 递延所得税资产

本集团

	2013年12月31日		2012年12月31日	
	递延所得税资产	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异
递延所得税资产				
- 资产减值准备	98,413,405	393,653,620	55,526,226	222,104,904
- 应付职工薪酬	9,644,050	38,576,200	5,461,717	21,846,868
	108,057,455	432,229,820	60,987,943	243,951,772

本公司

	2013年12月31日		2012年12月31日	
	递延所得税资产	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异
递延所得税资产				
- 资产减值准备	95,070,516	380,282,064	51,800,996	207,203,984
- 应付职工薪酬	9,644,050	38,576,200	5,461,717	21,846,868
	104,714,566	418,858,264	57,262,713	229,050,852

15 其他资产

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
递延代理手续费支出	84,993,915	108,132,107	82,830,193	106,970,696
预付房租	5,878,268	2,280,538	5,878,268	2,280,538
应收子公司款项 (附注 34(3))	-	-	103,104,747	103,471,959
其他	32,791,659	1,186,731	22,474,716	1,186,731
合计	123,663,842	111,599,376	214,287,924	213,909,924

16 借入资金

按交易对手类型分析

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
商业银行	42,396,365,900	32,066,831,000	39,299,205,900	31,300,000,000

17 存入保证金

于 2013 年 12 月 31 日，本集团的存入保证金余额为人民币 74,191,500 元（2012 年 12 月 31 日：人民币 189,047,874 元），本公司的存入保证金余额为人民币 72,691,500 元（2012 年 12 月 31 日：人民币 187,547,874 元），均为融资租赁项下向承租人收取的保证金。

18 预收租金

于 2013 年 12 月 31 日，本集团及本公司的预收租金余额为人民币 2,190,544,864 元（2012 年 12 月 31 日：人民币 2,278,420,180 元），均为融资租赁业务项下收取的预收租金。

19 应付职工薪酬

本集团及本公司

	2012 年 12 月 31 日	本年发生额	本年支付额	2013 年 12 月 31 日
工资及奖金	21,846,868	52,503,965	(35,774,633)	38,576,200
工会经费和职工教育经费	2,634,364	2,362,678	(1,811,796)	3,185,246
社会保险费	622,184	9,228,723	(9,221,411)	629,496
住房公积金	-	3,881,834	(3,881,834)	-
应付职工其他福利费	-	900	(900)	-
合计	25,103,416	67,978,100	(50,690,574)	42,390,942

20 应交税费

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
应交所得税	(5,924,843)	46,437,370	(7,193,397)	44,989,414
应交营业税及附加	12,353,336	14,929,687	12,007,349	14,456,246
应交增值税及附加	(15,261,295)	1,706,084	(18,841,739)	2,160,876
应交个人所得税	1,297,781	1,031,627	1,297,781	1,031,628
应交印花税	1,436,910	159,311	1,283,724	101,164
合计	(6,098,111)	64,264,079	(11,446,282)	62,739,328

21 其他应付款

	本集团及本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
押金	527,638,000	107,800,000
预收租赁手续费	-	28,273,000
应付美国银行代垫派驻人员费用	6,485,889	6,485,889
应付建行房租款项(附注 34(1))	1,397,993	1,434,986
其他	6,838,851	368,700
合计	542,360,733	144,362,575

押金均为融资租赁项下提前向承租人收取的款项。

22 实收资本/股本

本集团及本公司的实收资本/股本结构如下:

	本集团及本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
建行	4,500,000,000	4,500,000,000

23 盈余公积

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
法定盈余公积金				
年初余额	99,169,672	62,386,296	96,778,373	60,724,240
本年计提	39,221,053	36,783,376	41,612,352	36,054,133
年末余额	138,390,725	99,169,672	138,390,725	96,778,373

根据于 2005 年 10 月 27 日颁布的《中华人民共和国公司法》(2005 年修订)的规定，本公司按照年度税后净利润的 10%提取法定盈余公积金，直至该公积金累计额达到本公司注册资本的 50%，可不再提取。法定盈余公积金可用于弥补亏损、扩大公司生产经营或者转增资本。

24 一般风险准备

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
年初余额	9,677,837	6,238,630	9,677,837	6,072,424
本年计提	616,246,364	3,439,207	616,246,364	3,605,413
年末余额	625,924,201	9,677,837	625,924,201	9,677,837

财政部于 2012 年 3 月 3 日颁布《金融企业准备金计提管理办法》，要求金融企业一般风险准备余额原则上不得低于风险资产期末余额的 1.5%，难以一次到达该标准的可以分年到位，原则上不得超过 5 年。

25 利润分配

(1) 2013 年度的利润分配

本公司股东于 2014 年 3 月 28 日审议通过了本公司 2013 年度的利润分配方案如下：

– 根据《中华人民共和国公司法》的规定，本公司按 2013 年度税后净利润的 10%提取法定盈余公积金人民币 41,612,352 元；

– 根据财政部《金融企业准备金计提管理办法》的要求，本公司 2013 年度提取一般风险准备人民币 295,364,582 元。

(2) 2012 年度的利润分配

本公司股东于 2013 年 3 月 19 日审议通过了本公司 2012 年度的利润分配方案如下：

– 根据《中华人民共和国公司法》的规定，本公司按 2012 年度税后净利润的 10%提取法定盈余公积金人民币 36,054,133 元；

– 根据财政部《金融企业准备金计提管理办法》的要求，本公司 2012 年度提取一般风险准备人民币 324,487,195 元，其中人民币 3,605,413 元在 2012 年度财务报表中确认，人民币 320,881,782 元在 2013 年度财务报表中确认。

26 利息净收入

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
利息收入				
- 融资租赁利息收入	2,568,113,031	2,756,315,874	2,441,929,934	2,674,117,934
- 银行存款利息收入	26,316,818	6,286,574	26,126,616	6,172,910
- 子公司借款利息收入 (附注 34(3))	-	-	73,653,147	54,183,004
小计	2,594,429,849	2,762,602,448	2,541,709,697	2,734,473,848
利息支出				
- 借入资金利息支出	(1,576,704,313)	(1,814,985,373)	(1,492,798,384)	(1,812,428,572)
- 卖出回购资产利息支出	-	(19,005,333)	-	(19,005,333)
小计	(1,576,704,313)	(1,833,990,706)	(1,492,798,384)	(1,831,433,905)
利息净收入	1,017,725,536	928,611,742	1,048,911,313	903,039,943

27 手续费及佣金净支出

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
手续费及佣金收入	1,800,000	2,000,000	1,800,000	2,000,000
手续费及佣金支出 (附注 34(1))				
- 代理手续费	(88,317,404)	(93,339,029)	(86,346,090)	(91,159,632)
- 其他	(25,624,523)	(8,326,463)	(24,143,594)	(8,294,972)
小计	(113,941,927)	(101,665,492)	(110,489,684)	(99,454,604)
手续费及佣金净支出	(112,141,927)	(99,665,492)	(108,689,684)	(97,454,604)

28 业务及管理费

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
职工薪酬				
- 工资及奖金	52,503,965	45,919,860	52,503,965	45,919,860
- 社会保险费	9,228,723	8,024,348	9,228,723	8,024,348
- 住房公积金	3,881,834	3,385,655	3,881,834	3,385,655
- 工会经费和职工教育经费	2,362,678	1,967,908	2,362,678	1,967,908
- 职工福利费	322,893	346,244	322,893	346,244
- 其他福利性支出	578,010	1,530,320	578,010	1,530,320
职工薪酬小计	68,878,103	61,174,335	68,878,103	61,174,335
租赁费	12,061,135	6,067,395	12,061,135	6,067,395
折旧和摊销费	2,243,119	2,078,086	2,243,119	2,078,086
业务宣传费和招待费	2,945,502	5,060,747	2,945,502	5,060,747
监管费	4,065,243	3,835,483	4,065,243	3,835,483
差旅费	2,625,106	2,870,644	2,625,106	2,870,644
会议费	382,679	1,178,209	382,679	1,178,209
交通费	672,227	538,929	672,227	538,929
其他	13,618,539	8,404,064	12,279,824	8,072,890
合计	107,491,653	91,207,892	106,152,938	90,876,718

29 资产减值损失

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
应收融资租赁款	248,048,591	198,354,575	226,204,355	170,710,134
预付款项	-	16,410,216	-	16,410,216
经营租赁资产	57,530,050	20,204	-	-
合计	305,578,641	214,784,995	226,204,355	187,120,350

30 其他业务成本

2013 年度，本集团的其他业务成本为人民币 89,215,831 元（2012 年度：人民币 3,002,579 元），均为经营租赁固定资产的折旧费用。

31 营业外收入

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
税收返还收入	123,518	3,953,322	120,638	318,337
房租返还收入	-	1,560,600	-	1,560,600
合计	123,518	5,513,922	120,638	1,878,937

32　所得税费用

(1)　本年所得税费用组成

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
本年所得税	199,316,524	178,797,454	188,621,807	171,849,028
递延所得税	(47,069,512)	(51,787,716)	(47,451,853)	(48,062,486)
合计	152,247,012	127,009,738	141,169,954	123,786,542

(2)　所得税费用与会计利润的关系

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
税前利润	529,701,594	483,482,872	557,293,470	484,327,870
适用的所得税税率	25%	25%	25%	25%
按适用税率计算的所得税费用	132,425,399	120,870,718	139,323,368	121,081,968
不可作纳税抵扣的支出的所得税影响	1,496,394	1,339,288	1,458,630	1,339,288
上年汇算清缴差异	387,956	1,365,286	387,956	1,365,286
使用前期未确认递延所得税资产的可抵扣亏损所得税影响	(2,138,632)	-	-	-
当期未确认递延所得税资产的可抵扣亏损的所得税影响	20,075,895	3,434,446	-	-
所得税费用合计	152,247,012	127,009,738	141,169,954	123,786,542

33 现金流量表补充资料

(1) 将净利润调节为经营活动的现金流量：

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
净利润	377,454,582	356,473,134	416,123,516	360,541,328
加：处置固定资产的损失	16,932	8,349	16,932	8,349
计提的资产减值损失准备	305,308,993	214,784,995	226,204,355	187,120,350
固定资产折旧	88,926,448	4,415,960	1,295,873	1,413,381
无形资产摊销	947,246	664,705	947,246	664,705
递延手续费支出及其他待摊费用摊销	109,629,523	113,129,463	95,645,886	110,950,066
递延所得税资产增加	(47,069,512)	(51,787,716)	(47,451,853)	(48,062,486)
经营性应收项目的增加	(6,464,890,532)	(2,835,640,288)	(8,512,588,588)	(2,038,600,712)
经营性应付项目的增加	10,598,930,659	3,993,770,999	8,208,692,955	3,223,950,620
经营活动产生的现金流量净额	4,969,254,339	1,795,819,601	388,886,322	1,797,985,601

(2) 现金及现金等价物净变动情况

	本集团		本公司	
	2013 年度	2012 年度	2013 年度	2012 年度
现金及现金等价物的年末余额	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754
减：现金及现金等价物的年初余额	(2,031,130,151)	(323,582,761)	(2,016,162,754)	(309,237,613)
现金及现金等价物净增加额	696,498,105	1,707,547,390	253,676,359	1,706,925,141

34　关联方关系及其交易

(1)　与建行之间的交易

本公司的母公司为建行，其主要信息如下：

经济性质	：股份有限公司
业务性质	：商业银行业务
法定代表人	：王洪章
注册资本	：人民币 2,500.11 亿元
注册地	：北京

建行是经银监会批准于 2004 年 9 月 17 日在北京成立的股份有限公司，总部位于北京。

建行对本公司的直接持股比例及表决权比例如下：

	2013 年 12 月 31 日	2012 年 12 月 31 日
直接持股比例	100%	100%
表决权比例	100%	100%

34 关联方关系及其交易（续）

(1) 与建行之间的交易（续）

在日常业务中，本集团及本公司与建行重大交易和往来款项的年末余额如下：

	本集团	
	2013 年 12 月 31 日	2012 年 12 月 31 日
银行存款	1,712,080,596	126,603,733
应收利息	1,752,536	328,609
借入资金	9,501,940,360	3,566,831,000
应付利息	23,561,866	9,838,304
应付手续费	28,763,333	20,959,979
其他应付款(附注 21)	1,397,993	1,434,986

	本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
银行存款	1,254,341,835	111,636,336
应收利息	1,740,985	324,284
借入资金	7,287,256,000	2,800,000,000
应付利息	11,694,821	6,852,833
应付手续费	28,763,333	20,959,979
其他应付款(附注 21)	1,397,993	1,434,986

34 关联方关系及其交易（续）

(1) 与建行之间的交易（续）

在日常业务中，本集团及本公司与建行进行的重大交易的损益表影响如下：

	本集团	
	2013 年度	2012 年度
利息收入	14,496,350	3,652,828
利息支出	174,302,407	122,514,182
手续费及佣金支出(附注 27)	100,773,330	93,421,135
- 代理手续费	88,317,404	93,339,029
- 其他	12,455,926	82,106

	本公司	
	2013 年度	2012 年度
利息收入	14,307,558	3,539,164
利息支出	140,584,766	119,522,725
手续费及佣金支出(附注 27)	98,486,424	91,210,247
- 代理手续费	86,346,090	91,159,632
- 其他	12,140,334	50,615

34 关联方关系及其交易（续）

(1) 与建行之间的交易（续）

建行对本集团及本公司部分融资租赁业务的承租人出具了以本公司为受益人的保函，为承租人向本集团按期支付租赁款提供保证。该类保函的最高担保额如下：

	本集团及本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日
最高担保额	1,880,787,635	2,543,408,302

本集团及本公司与上述关联方进行的交易均在一般及日常业务过程中按正常的商业条件进行。

(2) 与关键管理人员之间的交易

关键管理人员是指有权力并负责计划、指挥和控制本公司活动的人员，包括董事会和监事会成员，及其他高级管理人员。

除支付关键管理人员薪酬外，本集团及本公司与关键管理人员之间无其他关联交易。

(3) 与子公司的交易

于 2013 年 12 月 31 日，本公司向子公司借款余额人民币 44.0 亿元（2012 年 12 月 31 日：人民币 12.9 亿元），本公司应收子公司款项余额人民币 1.0 亿元（2012 年 12 月 31 日：人民币 1.0 亿元）（附注 15）以及 2013 年利息收入金额人民币 7,365.3 万元 (2012 年度: 人民币 5,418.3 万元)（附注 26）均已在编制合并财务报表时予以抵销。本公司资产负债表项目中包含与子公司的其他交易余额并不重大，并已在编制合并财务报表时予以抵销。

35 风险管理

本集团面临的风险主要包括信用风险、市场风险、流动性风险及操作风险。本集团的全部子公司均为融资租赁业务成立的单一项目公司，其日常经营活动均由本公司负责管理，子公司面临的风险与其对风险的管理均与本公司一致。因此我们按照本集团口径披露相关内容，不单独披露本公司的口径。

(1) 信用风险

信用风险是指债务人或交易对手没有履行合同约定的义务或承担，使本集团可能蒙受损失的风险。信用风险主要来自融资租赁业务。

风险管理与内控委员会负责组织和协调本集团的风险管理与内部控制工作。风险管理部负责拟订信用风险管理政策、监控信用风险管理政策的执行、组织客户租赁业务的审批工作。市场经营部门实施具体信用风险管理工作。

本集团按照外部监管和相关制度的要求，就租赁业务信用风险管理方面制定行业审批指引、公司及机构类客户租赁业务准入、退出标准以及授权、授信以及风险资产分类等方面的制度。本集团信用风险管理工作贯穿于融资租赁业务租前调查、租赁审批、租后管理等各流程环节。租前调查环节，本集团客户经理利用建行对客户的信用风险评级结果，以及其他信息，对租赁项目收益与风险进行初步评估，提交尽职调查报告；审批环节，租赁业务均须经过有权审批人审批；租后管理环节，本集团对已开展的租赁项目进行持续监控，并对重点行业、区域、产品、客户加强风险监控，对任何可能对承租人还款能力造成主要影响的负面事件立即报告，并采取措施，防范和控制风险。在为客户办理租赁业务时，本集团对融资租赁业务全面实施前后台平行作业机制，以强化风险管理的前瞻性、独立性及有效性。

35 风险管理（续）

(1) 信用风险（续）

本集团采用风险资产分类方法监控租赁资产风险状况。租赁资产按风险程度分为正常、关注、次级、可疑及损失五类。

融资租赁的五个类别的主要定义列示如下：

正常： 资产未出现减值迹象或交易对手能够履行合同或协议，没有足够理由怀疑资产会发生减值或公司债权（利息）不能按时足额收回。

关注： 尽管资产未发生减值或交易对手目前有能力偿还，但存在一些可能对资产价值或偿还能力产生不利影响的因素。

次级： 资产已出现减值迹象或交易对手的偿还能力出现明显问题，即使执行各种措施，也可能会造成一定损失。

可疑： 资产已出现明显减值或交易对手无法足额偿还债务，即使采取各种措施，也肯定要造成较大损失。

损失： 资产实际价值已很低或在采取所有可能的措施或一切必要的法律程序之后，资产及收益仍然无法收回，或只能收回极少部分。

最大信用风险敞口

下表列示了资产负债表日在不考虑抵押品或其他信用增级对应资产的情况下，本公司及本集团的最大信用风险敞口。对于表内资产最大信用风险敞口是指金融资产扣除减值准备后的账面价值。

35 风险管理（续）

(1) 信用风险（续）

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
资产负债表项目的信用风险敞口包括:				
货币资金	2,727,628,256	2,031,130,151	2,269,839,113	2,016,162,754
存放中央银行款项	10,529,440	27,713,920	10,529,440	27,713,920
子公司借款	-	-	4,400,377,530	1,285,864,723
应收利息	3,668,056	13,960,150	24,928,760	18,320,091
应收融资租赁款	44,055,032,172	35,631,105,999	40,930,715,239	33,543,259,889
预付款项	-	2,301,032,000	-	2,301,032,000
其他金融资产	601,198	263,344	103,705,946	103,735,303
	46,797,459,122	40,005,205,564	47,740,096,028	39,296,088,680
表外项目信用风险敞口包括:				
融资租赁租出承诺	100,000,000	1,465,581,100	100,000,000	1,465,581,100
最大信用风险敞口	46,897,459,122	41,470,786,664	47,840,096,028	40,761,669,780

应收融资租赁款及预付款项的资产质量分析:

	本集团		本公司	
	2013 年 12 月 31 日	2012 年 12 月 31 日	2013 年 12 月 31 日	2012 年 12 月 31 日
未逾期未减值				
- 正常	39,804,576,459	31,317,112,646	37,254,198,499	29,938,171,701
- 关注	4,988,546,435	7,104,937,132	4,356,892,086	6,359,891,179
已减值	117,189,516	117,589,516	117,189,516	117,589,516
合计	44,910,312,410	38,539,639,294	41,728,280,101	36,415,652,396
减：减值准备	(855,280,238)	(607,501,295)	(797,564,862)	(571,360,507)
净额	44,055,032,172	37,932,137,999	40,930,715,239	35,844,291,889

35 风险管理（续）

(2) 市场风险

本集团面临市场风险。该风险是指因为市场价格波动导致本集团持有的金融工具敞口公允价值或未来现金流波动的风险。市场风险是由于市场利率、外汇汇率和股票价格水平的一般或特定变化对利率产品、货币产品和股票产品敞口头寸造成影响产生的。

风险管理部负责拟定本集团统一的市场风险管理政策、制度。

于本年度，本集团的业务主要为以人民币进行的租赁业务，同时涉及少量外币业务，本集团目前面临的市场风险主要是利率风险和货币风险。

本集团的利率风险主要包括来自融资租赁业务的结构性利率风险和其资金交易头寸的风险。利率风险是本集团许多业务的内在风险，资产负债重定价期限的错配是结构性利率风险的主要来源。

(i) 利息净收入敏感性分析

在监控总体非衍生金融工具金融资产及负债利率风险方面，本集团定期计量未来利息净收入对市场利率升跌的敏感性（假设收益曲线并无不对称变动以及固定的资产负债情况）。在所有收益曲线平行上升或下跌 100 基点（bp）的情况下，会增加或减少未来十二个月的利息净收入约人民币 1.14 亿元（2012 年 12 月 31 日：人民币 1.08 亿元）。

上述的利率敏感度仅供说明用途，并只根据简化情况进行评估。上列数字显示在各个预计收益曲线情形及本集团现时利率风险状况下，利息净收入的预估变动。上述预估数值假设所有年期的利率均以相同幅度变动，因此并不反映若某些利率改变而其他利率维持不变时，其对利息净收入的潜在影响。这些预估数值亦基于其他简化的假设而估算。

35 风险管理（续）

(2) 市场风险（续）

(ii) 利率重定价缺口分析

下表列示于资产负债表日本集团资产与负债于相关年度的实际利率及下一个预期重定价日（或到期日，以较早者为准）。

	2013 年 12 月 31 日				
	不计息	3 个月以内	3 个月至 1 年	1 年至 5 年	合计
资产					
货币资金	-	2,727,628,256	-	-	2,727,628,256
存放中央银行款项	-	10,529,440	-	-	10,529,440
应收融资租赁款	16,595,233	41,265,835,080	2,277,042,736	495,559,123	44,055,032,172
其他资产	4,424,859,927	-	-	-	4,424,859,927
资产合计	4,441,455,160	44,003,992,776	2,277,042,736	495,559,123	51,218,049,795
负债					
借入资金	-	16,805,047,900	25,591,318,000	-	42,396,365,900
存入保证金	74,191,500	-	-	-	74,191,500
预收租金	2,190,544,864	-	-	-	2,190,544,864
其他负债	842,292,259	-	-	-	842,292,259
负债合计	3,107,028,623	16,805,047,900	25,591,318,000	-	45,503,394,523
资产负债敞口	1,334,426,537	27,198,944,876	(23,314,275,264)	495,559,123	5,714,655,272

35 风险管理（续）

(2) 市场风险（续）

(ii) 利率重定价缺口分析（续）

下表列示于资产负债表日本集团资产与负债于相关年度的实际利率及下一个预期重定价日(或到期日，以较早者为准)。

	2012 年 12 月 31 日			
	不计息	3 个月以内	3 个月至 1 年	合计
资产				
货币资金	-	2,031,130,151	-	2,031,130,151
存放中央银行款项	-	27,713,920	-	27,713,920
应收融资租赁款	657,784	34,797,031,731	833,416,484	35,631,105,999
预付款项	-	2,301,032,000	-	2,301,032,000
其他资产	297,431,433	-	-	297,431,433
资产合计	298,089,217	39,156,907,802	833,416,484	40,288,413,503
负债				
借入资金	-	19,700,000,000	12,366,831,000	32,066,831,000
存入保证金	189,047,874	-	-	189,047,874
预收租金	2,278,420,180	-	-	2,278,420,180
其他负债	416,721,530	-	-	416,721,530
负债合计	2,884,189,584	19,700,000,000	12,366,831,000	34,951,020,584
资产负债敞口	(2,586,100,367)	19,456,907,802	(11,533,414,516)	5,337,392,919

35 风险管理（续）

(2) 市场风险（续）

(iii) 货币风险分析

本集团的主要经营位于中国境内，主要业务以人民币结算。

于 2013 年 12 月 31 日，本集团持有的外币资产和外币负债折算成人民币的金额列示如下：

	2013 年 12 月 31 日		
		美元	
	人民币	折合人民币	合计
资产			
货币资金	1,844,690,487	882,937,769	2,727,628,256
存放中央银行款项	10,529,440	-	10,529,440
应收融资租赁款	42,094,040,635	1,960,991,537	44,055,032,172
其他资产	386,861,336	4,037,998,591	4,424,859,927
资产合计	44,336,121,898	6,881,927,897	51,218,049,795
负债			
借入资金	35,574,000,000	6,822,365,900	42,396,365,900
存入保证金	74,191,500	-	74,191,500
预收租金	2,190,544,864	-	2,190,544,864
其他负债	818,263,325	24,028,934	842,292,259
负债合计	38,656,999,689	6,846,394,834	45,503,394,523
净头寸	5,679,122,209	35,533,063	5,714,655,272

35 风险管理（续）

(2) 市场风险（续）

(iii) 货币风险分析（续）

于 2012 年 12 月 31 日，本集团持有的外币资产和外币负债折算成人民币的金额列示如下：

	2012 年 12 月 31 日		
	人民币	美元 折合人民币	合计
资产			
货币资金	2,031,130,151	-	2,031,130,151
存放中央银行款项	27,713,920	-	27,713,920
应收融资租赁款	34,868,175,482	762,930,517	35,631,105,999
预付款项	2,301,032,000	-	2,301,032,000
其他资产	297,431,433	-	297,431,433
资产合计	39,525,482,986	762,930,517	40,288,413,503
负债			
借入资金	31,300,000,000	766,831,000	32,066,831,000
存入保证金	189,047,874	-	189,047,874
预收租金	2,278,420,180	-	2,278,420,180
其他负债	413,736,058	2,985,472	416,721,530
负债合计	34,181,204,112	769,816,472	34,951,020,584
净头寸	5,344,278,874	(6,885,955)	5,337,392,919

35 风险管理（续）

(3) 流动性风险

流动性风险是指没有足够资金来源满足资金需求而产生的风险。本集团已经或可能发生的流动性风险主要由于融资租赁业务产生的资金收入与资金支出的金额和到期日错配而产生。本集团根据流动性风险管理政策对现金流进行合理计划和日常监控，并确保维持适量的高流动性资产。

本集团整体的流动性状况由资金财务部管理与协调，资金财务部按监管要求和审慎原则拟定本集团流动性管理政策，这些政策包括：

– 采取稳健策略，日常调度资金余缺，确保在任何时点都保持合理的营运资金；

– 以建立合理的资产负债结构为前提，保持稳定而合理的资金来源结构，同时持有一定比例的信用等级高、变现能力强的流动性资产组合作为储备；及

– 对公司的流动性资金进行集中管理、统一运用。

本集团的资金来源主要为资本金、银行借入资金、融资租赁业务的租金，在资本金和租赁业务资金来源不足的情况下，补充流动性的主要方式是借入资金和拆入资金。本集团的资金支出大部分为购买租赁物的资金支出和维持本集团日常运转所产生的资金支出，在存在外部借入资金和拆入资金的情况下，资金支出还包括到期还款额及筹资费用。

本集团主要采用编制年度资金计划的办法对一年以内的现金流情况进行预测，通过建立大额支付提前报告制度等措施，对临时性的资金支出进行监控。

35 风险管理（续）

(3) 流动性风险（续）

未折现合同现金流量分析

下表列示于资产负债表日资产和负债未经折现合同现金流量分析，实际现金流量可能与本分析有显著差异。

2013 年 12 月 31 日

	未折现合同现金流	无期限	实时偿还	1 个月以内	1 个月至 3 个月	3 个月至 1 年	1 年至 5 年	5 年以上
资产								
货币资金	2,731,630,523	-	500,869,090	2,079,448,933	151,312,500	-	-	-
存放中央银行款项	10,529,440	10,529,440	-	-	-	-	-	-
应收融资租赁款	53,364,632,148	130,579,447	-	670,833,927	2,934,134,855	10,161,842,358	31,299,768,952	8,167,472,609
其他资产	4,424,859,927	4,420,590,672	-	-	3,985,911	-	283,344	-
资产合计	60,531,652,038	4,561,699,559	500,869,090	2,750,282,860	3,089,433,266	10,161,842,358	31,300,052,296	8,167,472,609
负债								
借入资金	43,625,292,925	-	-	4,463,002,421	8,798,402,506	27,735,125,019	1,062,539,208	1,566,223,771
存入保证金	74,191,500	-	-	-	-	21,000,000	24,151,500	29,040,000
预收租金	2,190,544,864	-	-	-	2,000,000	209,885,244	1,978,659,620	-
其他负债	842,292,259	2,307,494	-	57,602,280	116,885,461	134,716,125	306,367,372	224,413,527
负债合计	46,732,321,548	2,307,494	-	4,520,604,701	8,917,287,967	28,100,726,388	3,371,717,700	1,819,677,298

35 风险管理（续）

(3) 流动性风险（续）

未折现合同现金流量分析（续）

2012 年 12 月 31 日

	未折现合同现金流	无期限	实时偿还	1 个月以内	1 个月至 3 个月	3 个月至 1 年	1 年至 5 年	5 年以上
资产								
货币资金	2,031,883,318	-	131,130,151	1,900,753,167	-	-	-	-
存放中央银行款项	27,713,920	27,713,920	-	-	-	-	-	-
应收融资租赁款	43,388,535,568	130,979,447	-	465,292,459	2,269,275,909	7,859,366,742	25,988,928,633	6,674,692,378
预付款项	2,721,731,336	-	-	-	-	230,113,687	2,073,440,948	418,176,701
其他资产	297,431,433	283,207,939	-	-	13,960,150	-	263,344	-
资产合计	48,467,295,575	441,901,306	131,130,151	2,366,045,626	2,283,236,059	8,089,480,429	28,062,632,925	7,092,869,079
负债								
借入资金	32,590,497,754	-	-	8,717,082,582	9,764,718,462	12,922,672,960	1,186,023,750	-
存入保证金	189,047,874	-	-	-	-	70,007,874	91,500,000	27,540,000
预收租金	2,278,420,180	-	-	5,000,000	-	64,763,816	1,638,556,964	570,099,400
其他负债	416,721,530	28,273,000	-	60,148,495	201,865,266	18,634,769	51,800,000	56,000,000
负债合计	35,474,687,338	28,273,000	-	8,782,231,077	9,966,583,728	13,076,079,419	2,967,880,714	653,639,400

35 风险管理（续）

(4) 操作风险

操作风险是指由不完善或有问题的内部程序、人员、系统或外部事件所造成损失的风险。

本集团在以内部控制措施为主的环境下拟定了一系列政策及程序以识别、评估、控制、管理和报告风险。这套涵盖所有业务环节的机制涉及本集团开展业务的各个环节。这个机制将使本集团能够全面识别并致力于所有租赁、活动、流程和系统中的内在操作风险。

(5) 金融资产和金融负债的公允价值

本集团除少量固定利率借入资金、不生息的存入保证金、预收租金和押金以外，其他金融资产及金融负债的到期日均在一年以内或者为浮动利率，其账面价值接近其公允价值。

对于不生息的存入保证金、预收租金和押金，以剩余到期期间相近的现行定期存款利率作为贴现率按现金流贴现模型计算其公允价值。

	账面价值	
	2013 年 12 月 31 日	2012 年 12 月 31 日
存入保证金	74,191,500	189,047,874
预收租金	2,190,544,864	2,278,420,180
其他应付款-押金	527,638,000	107,800,000

	公允价值	
	2013 年 12 月 31 日	2012 年 12 月 31 日
存入保证金	63,540,748	168,855,170
预收租金	1,925,901,690	1,918,444,390
其他应付款-押金	424,559,795	83,717,910

35 风险管理（续）

(6) 资本管理

本集团的资本管理以资本充足率和资本回报率为核心，目标是使之符合外部监管、信用评级、风险补偿和股东回报的要求，并推动本公司的风险管理，保证资产规模扩张的有序性，改善业务结构和经营模式。

本集团根据银监会颁布的《金融租赁公司管理办法》，并参照银监会颁布的《商业银行资本管理办法(试行)》及相关规定、结合租赁行业特点计算和披露资本充足率。对于与行业特点相关的处理方法，已与监管部门进行沟通。本集团资本充足率计算范围包括本公司及全部子公司。风险加权资产包括信用风险加权资产、市场风险加权资产和操作风险加权资产。

本集团于 2013 年 12 月 31 日根据银监会《商业银行资本管理办法(试行)》计算的监管资本状况如下:

(单位：人民币万元)	2013 年 12 月 31 日
核心一级资本	571,465.50
核心一级资本扣除项目	997.18
核心一级资本净额	570,468.32
一级资本净额	570,468.32
二级资本	59,730.01
资本净额	630,198.33
风险加权资产	4,992,465.78
核心一级资本充足率	11.43%
一级资本充足率	11.43%
资本充足率	12.62%

本集团于 2013 年 12 月 31 日根据银监会《商业银行资本充足率管理办法》计算的监管资本状况如下:

(单位：人民币万元)	2013 年 12 月 31 日	2012 年 12 月 31 日
核心资本净额	571,465.50	533,739.29
附属资本	44,910.31	38,539.64
资本净额	616,375.81	572,278.93
风险加权资产总额	4,742,069.69	3,658,177.70
核心资本充足率	12.05%	14.59%
资本充足率	13.00%	15.64%

36　承诺

(1)　融资租赁租出承诺

于资产负债表日，本集团及本公司的融资租赁租出承诺如下：

	2013 年 12 月 31 日	2012 年 12 月 31 日
融资租赁租出承诺	100,000,000	1,465,581,100

(2)　经营租赁租入承诺

于资产负债表日，不可撤销的经营租赁协议项下的未来最低租赁付款额为：

	2013 年 12 月 31 日	2012 年 12 月 31 日
1 年以内（含 1 年）	15,684,161	3,411,381
1 年以上 2 年以内（含 2 年）	14,736,691	1,053,374
2 年以上 3 年以内（含 3 年）	6,185,650	129,868
合计	36,606,502	4,594,623

37　或有事项

截至本财务报表批准日，本集团及本公司无需要在财务报表附注中说明的重大或有事项。

38　资产负债表日后事项

截至本财务报表批准日，本集团及本公司无重大资产负债表日后事项。

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

PERIOD FROM 9 SEPTEMBER 2014 TO 31 MAY 2015

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

CONTENTS

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS:	Shuguang Mi (Chinese Resident) Brian Goulding (Irish Resident) Neil Fleming (Irish Resident)
COMPANY SECRETARY:	Matsack Limited 70 Sir John Rogerson's Quay Dublin 2 Ireland
REGISTERED OFFICE:	2 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
BANKS:	Bank of Ireland Global Markets 2 Burlington Plaza Burlington Road Dublin 4 Ireland
REPORTING ACCOUNTANTS:	PWC One Spencer Dock North Wall Quay Dublin 1 Ireland
SOLICITORS:	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland
CORPORATE ADMINISTRATOR:	Capita International Financial Services (Ireland) Limited 2 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland

DIRECTORS' STATEMENT

The Directors present their report and the non statutory financial statements of CCB Leasing (International) Corporation Limited (the 'Company') and its subsidiaries (together the 'Group') for the period ending 31 May 2015.

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company was incorporated and commenced trading on 9 September 2014. The Company's principal activity is the holding of investments.

The Company is the sole owner and beneficiary of CCB Aviation Corporation Limited ('CCB Aviation'), an Irish registered company. CCB Aviation was incorporated for the principal activity of acquiring and leasing of aircraft. CCB Aviation owns (2) Embraer E195-200 aircraft MSN 19000471 and MSN 19000530, currently on lease to Azul Linhas Aereas Brasileireas S.A. ('Azul'). The purchase of the aircraft by CCB Aviation was funded by loans and an investment from the Company.

CCB Aviation is the sole owner and beneficiary of Star Rising Aviation 2 Limited ('Star Rising 2'), an Irish registered company. Star Rising 2 was incorporated for the principal activity of acquiring and leasing of aircraft. Star Rising 2 owns (1) Airbus A319-100 aircraft MSN 2431 (currently on lease to Sichuan Airlines Company Limited), (1) Airbus A320-200 aircraft MSN 5144 (currently on lease to China Eastern Airlines), (1) Boeing 737-800 aircraft MSN 41301 (currently on lease to China Eastern Airlines) and (1) Boeing 737-800 aircraft MSN 41307 (currently on lease to Air China Limited). The purchase of the aircraft by Star Rising 2 was funded by loans from the Company.

SUBSEQUENT EVENTS

On the 25 June 2015, the Directors approved and ratified the incorporation of a wholly owned subsidiary, CCBL (Cayman) Incorporation Limited, a company incorporated in the Cayman Islands with limited liability. This wholly owed subsidary intends to list a bond issue on the Hong Kong stock exchange, with the existing Group companies acting as guarantor to this company.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors have identified the following principal risks facing the Group. The Group is exposed to asset risk, interest rate risk and liquidity risk due to the structure of the Group.

Credit and concentration risk

The Group is subject to the credit risk of its Lessees as to collection of rental payments under its operating lease. Credit risk is defined as the risk of loss in cash and earnings if the counterparty is unable to pay its obligations in due time.

The receipt of the operating lease amounts is highly dependent upon the financial strength of the lessees. Default by the lessees could have a material adverse effect on the Group's cash flow and earnings and the Group's ability to meet its debt obligations.

Asset risk

The Group bears the risk of re-leasing or selling the aircraft at the end of its lease term. If demand for aircraft decreases, market lease rates may fall and should this continue for an extended period, it could affect the market value of the aircraft and may result in an impairment charge.

The Group is highly dependent upon the continuing financial strength of the commercial airline industry. A significant deterioration in this sector could adversely affect the Group through a reduced demand for aircraft and/or reduced market rates, higher incidences of lessor default and aircraft on the ground. The Group periodically performs reviews of its carrying value of aircraft and associated assets, receivables and the sufficiency of accruals and provisions, substantially all of which are susceptible to the above risks and uncertainties.

Interest rate risk

Interest rate risk is the risk (variability in value) borne by an interest bearing asset or liability, such as a loan or a bond, due to variability of interest rates.

Liquidity risk

The Group has funded its operations with debt financing and capital. The ability of the Group to continue to operate is dependent on its ability to meet its payment obligations, which are dependent among other things upon the factors outlined above.

Based on all of the information available at present, the Directors believe that the Group and the Company has sufficient liquidity to meet its obligations as they fall due and that it continues to be appropriate to prepare the financial statements on a going concern basis.

BASIS OF PREPARATION

The directors are responsible for preparing the financial statements in accordance with the basis of preparation below.

These special purpose non statutory financial statements are not the statutory financial statements of CCB International Leasing Corporation Limited for the period from incorporation on 9 Sepmeber 2014 to 31 May 2015. They are prepared for the directors of CCB International Leasing Corporation Limited solely for the purpose outlined in the engagement letter of 22 June 2015.

The accounting policies used by the directors in the preparation of the special purpose non statutory financial information is set out in note 2 "Accounting Policies". The special purpose non statutory financial statements do not therefore include all information required to be disclosed by International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Directors must prepare financial statements which give a true and fair view of the assets, liabilities and financial position of the Group and of the Group's profit or loss for that period. In preparing Group financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;

• make judgements and estimates that are reasonable and prudent;

• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

Approved by the Board of Directors and signed on behalf of the Board by:

Shuguang Mi
Director
Date: 09 July 2015

Brian Goulding
Director
Date: 09 July 2015

Independent auditors' report to the members of CCB Leasing (International) Corporation Limited

Report on the non statutory financial statements

In our opinion, CCB Leasing (International) Corporation Limited's non statutory group financial statements (the "financial statements") have been properly prepared, in all material respects in accordance with the Basis of Preparation as outlined on page 5 and the accounting policies in note 2 to the financial statements.

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the basis of preparation. The accounting policies used and disclosures made are not intended to, and do not, comply with all the requirements of IFRSs as adopted by the European Union.

In addition, these financial statements have not been prepared under section 391 of the Companies Act 2014 and are not the company's statutory group financial statements.

The financial statements comprise:

- the consolidated statement of financial position as at 31 May 2015;
- the consolidated statement of profit and loss and other comprehensive for the period then ended;
- the consolidated statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is the basis of preparation and accounting policies in note 2 to the financial statements.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Responsibilities for the financial statements and the audit

As explained more fully on page 5, the directors are responsible for the preparation of the financial statements in accordance with the basis of preparation and accounting policies in note 2 to the financial statements and for determining that the basis of preparation and accounting policies are acceptable in the circumstances.

Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CCB LEASING (INTERNATIONAL) CORPORATION LIMITED (continued)

This report, including the opinion, has been prepared for and only for the company's directors as a body in accordance with our engagement letter dated 22 June 2015 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the company, save where expressly agreed by our prior consent in writing.

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers
Chartered Accountants
Dublin

10 July 2015

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period ending 31 May 2015

	Note	2015 USD
REVENUE		
Operating lease revenue	3	4,256,224
EXPENSES		
Administrative expenses	4	(426,770)
Depreciation	10	(1,582,420)
OPERATING PROFIT		2,247,034
Finance income	7	1,153,603
Finance expense	8	(1,437,482)
NET FINANCE COSTS		(283,879)
PROFIT BEFORE INCOME TAX	5	1,963,155
Deferred tax expense	9	(245,394)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		1,717,761
Other comprehensive income		-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,717,761

All activities are derived from continuing operations. All profits and total comprehensive income for the period are attributable to the owners of the Company.

The accompanying notes on pages 11 to 19 form an integral part of these consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 09 July 2015 and signed on its behalf by:

Shuguang Mi
Director
Date: 09 July 2015

Brian Goulding
Director
Date: 09 July 2015

CCB LEASING (INTERNATIONAL) CORPORATION LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 May 2015

	Note	2015 USD
ASSETS		
NON-CURRENT ASSETS		
Aircraft	10	209,919,383
		209,919,383
CURRENT ASSETS		
Cash and cash equivalents	11	13,128,566
Trade and other receivables	12	45,869,633
Unamortised Arrangement Fees	13	1,659,751
		60,657,950
TOTAL ASSETS		270,577,333
EQUITY AND LIABILITIES		
EQUITY		
Share capital	14	-
Retained Earnings		1,717,761
TOTAL EQUITY		1,717,761
LIABILITIES		
NON-CURRENT LIABILITIES		
Loans and borrowings	15	250,000,000
Security deposit	16	4,623,234
		254,623,234
CURRENT LIABILITIES		
Loans and borrowings	15	-
Interest payable	17	2,389,777
Operating lease income prepaid	18	2,564,206
Trade and other payables	19	9,036,961
Deferred Tax Provision	20	245,394
		14,236,338
TOTAL LIABILITIES		268,859,572
TOTAL EQUITY AND LIABILITIES		270,577,333

The accompanying notes on pages 11 to 19 form an integral part of these consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 09 July 2015 and signed on its behalf by:

Shuguang Mi
Director
Date: 09 July 2015

Brian Goulding
Director
Date: 09 July 2015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
as at 31 May 2015

	Share capital USD	Capital contribution USD	Retained earnings USD	Total equity USD
Balance at 9 September 2014	-	-	-	-
Issue of share capital	1	-	-	1
Proceeds from capital contribution	-	-	-	-
Total comprehensive income for the period	-	-	1,717,761	1,717,761
Balance at 31 May 2015	1	-	1,717,761	1,717,762

All equity is attributable to the holders of the ordinary shares of the Company.

The accompanying notes on pages 11 to 19 form an integral part of these consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 09 July 2015 and signed on its behalf by:

Shuguang Mi
Director
Date: 09 July 2015

Brian Goulding
Director
Date: 09 July 2015

1 CORPORATE INFORMATION

The Company is a single member private company limited by shares. The Company was incorporated and commenced to trade on 9 September 2014. The address of the Company's registered office is 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland.

The Company has two (2) fully owned subsidiaries: CCB Aviation Corporation Limited and Star Rising Aviation 2 Limited.

The parent company of the Group is CCB International Innovative Investment Limited, a Hong Kong registered company (the 'Parent Company').

The principal activity of the Group is the holding of investments, financing, and leasing and operation of commercial aircraft.

2 ACCOUNTING POLICIES

BASIS OF PREPARATION

The directors are responsible for preparing the financial statements in accordance with the basis of preparation below.

These special purpose non statutory financial statements are not the statutory financial statements of CCB International Leasing Corporation Limited for the period from incorporation on 9 Septmeber 2014 to 31 May 2015. They are prepared for the directors of CCB International Leasing Corporation Limited solely for the purpose outlined in the engagement letter of 22 June 2015.

ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with IFRS as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision only affects that year or in the year of the revision and future years if the revision affects both current and future years.

The Directors consider the critical accounting judgements to be the estimated useful lives and residual values of its aircraft assets at the end of each annual year and utilise third party experts, where possible, to support estimates.

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in US Dollars ('USD'), which is the functional and presentation currency of the Company.

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated to the Company's functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing at the balance sheet date. Foreign currency differences on these are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

2 ACCOUNTING POLICIES - continued

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are carried at cost less accumulated impairment losses.

NON-DERIVATIVE FINANCIAL INSTRUMENTS

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flow from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date, i.e, the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified on the contract expire or are discharged or cancelled.

Financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at cost or amortised cost using the effective interest method less any impairment losses in the case of financial assets.

Other non-derivative financial instruments are measured at cost or amortised cost using the effective interest method, less any impairment losses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than investing or other purposes. Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

AIRCRAFT

Aircraft that management intends to hold and lease are stated at cost, less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset, including any cost attributable to bringing the asset to a working condition for intended use. Borrowing costs related to the acquisition of qualifying assets are included as part of the cost of the asset. Depreciation is calculated on a straight line basis over the asset's useful life.

Depreciation is recognised in the Statement of Profit or Loss and Other Comprehensive Income over the remaining useful life from the date of manufacture or purchase to a residual value.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

On acquisition, an element of the cost of aircraft is attributed to its service potential, reflecting the maintenance condition of the engines and airframe. This is depreciated on the basis set out above.

Depreciation methods, residual values and useful lives are reviewed at the reporting date.

Residual values are determined based on the estimated values at the end of the useful lives of the aircraft assets, which are supported by estimates received from independent appraisers. In accordance with IAS 16, "Property, plant and equipment", the Company's aircraft and major modules that are to be held and used are reviewed for impairment whenever events or changes in circumstance indicate that the carrying value may not be recoverable. An impairment review involves consideration as to whether the carrying value of an aircraft is not recoverable and in these circumstances a loss is recognised as a write down of the carrying value to the higher value of its value in use and net realisable value. Value in use is calculated as the present value of the future cash flows to be derived from the operation of the asset. Future cash flows are discounted using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

If recoverable amounts are lower than carrying values, assets are reduced to their recoverable amounts with the resultant impairment charges being recorded in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income. Where a prior impairment loss has decreased or reversed, the carrying amount of the asset is increased and the impairment loss reversed in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income to the extent that the asset is not carried at a higher value than if no impairment loss had been recognised in prior years.

2 ACCOUNTING POLICIES - continued

BORROWINGS

Borrowings are recognised initially at fair value, net of transaction cost incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Company Statement of Profit or Loss and Other Comprehensive Income over the period of borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least one year after the reporting date.

REVENUE

Operating leases

The Company as lessor, leases aircraft principally under operating leases and records rental income rateably over the life of the lease as it is earned. The Company accounts for lease rental income under lease agreements that include step rent clauses on a straight-line basis over the lease term.

For past-due rentals on all leases, a bad debt provision may be established on the basis of management's assessment of collectability and to the extent such past-due rentals exceed related security deposits held and any provision so established is recorded in the Operating lease revenue section in the Statement of Profit or Loss and Other Comprehensive Income.

If the Company's lease contracts require payment in advance, rentals received, but unearned under these lease agreements, are recorded as operating lease income prepaid in liabilities on the Statement of Financial Position.

FINANCE INCOME AND EXPENSES

Finance income comprises interest income on bank accounts.

Finance expenses comprise interest expense on borrowings and impairment losses recognised on financial assets. All borrowing costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest method.

DEFERRED TAX

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences those arising on: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3 OPERATING LEASE REVENUE

	2015 USD
Operating lease revenue	4,256,224
Total Operating lease revenue	**4,256,224**

The distribution of operating lease revenue by geographical region is as follows:

	2015 USD	2015 %
Brazil	2,374,532	56%
China	1,881,692	44%
Total Operating lease revenue	**4,256,224**	**100%**

4 ADMINISTRATIVE EXPENSES

	2015 USD
Administration fees	53,227
Audit fees	15,000
Tax advisory and tax compliance fees	54,897
Legal and professional fees	239,833
Rent	55,690
Directors fees	10,228
Foreign exchange loss/(gain)	(2,105)
Total Administrative expenses	**426,770**

5 PROFIT BEFORE INCOME TAX

The result before taxation is arrived at after charging:	2015 USD
Audit fees	15,000
Tax compliance fees	54,897
Directors fees	10,228
Depreciation	1,582,420
Total	**1,662,545**

6 EMPLOYEES AND REMUNERATION

The Group had no employees during the financial period. Capita acts as corporate administrator to the Group in accordance with the terms of the service agreements made with the Company and its subsidiaries, respectively.

7 FINANCE INCOME

	2015 USD
Loan interest income	1,093,655
Amortisation of arrangement fee income	59,948
Total Finance Income	**1,153,603**

8 FINANCE EXPENSE

	2015 USD
Interest expense on third party loans	1,049,773
Amortisation of arrangement fee expense	386,249
Bank charges	1,460
Total Finance expense	**1,437,482**

9 INCOME TAX EXPENSE

	2015 USD
Current tax expense	-
Deferred tax expense	245,394
Total Deferred tax expense	**245,394**
Reconciliation of effective tax rate	
Profit before income tax	1,963,155
Tax based on standard rate of 12.5%	245,394
Tax based on passive rate of 25%	-
Adjust for tax effects of:	
Capital Allowances over Depreciation	(315,904)
Tax Losses Forward	70,510
Total Current tax charge	**-**

10 AIRCRAFT

	2015 USD
Cost	
Balance at 9 September 2014	-
Additions	211,501,803
Balance at 31 May 2015	**211,501,803**
Depreciation	
Balance at 9 September 2014	-
Depreciation charge for the period	(1,582,420)
Balance at 31 May 2015	**(1,582,420)**
Net book value at 31 May 2015	**209,919,383**

The Directors are satisfied that the net book value of the aircraft is appropriate.

The aircraft is held for use on operating lease. The purchase price was based on appraisal value at that time. Based on this the Directors believe it is appropriate to hold the aircraft at cost and no impairment charge has been recognised.

11 CASH AND CASH EQUIVALENTS

	2015 USD
Bank balances	13,128,566
Total Cash and cash equivalents	**13,128,566**

12 TRADE AND OTHER RECEIVABLES

	2015 USD
Loans and advances to customers	42,449,602
Interest and commission income receivable	327,351
Other assets	3,092,680
Total Trade and other receivables	**45,869,633**

13 UNAMORTISED ARRANGEMENT FEES

	2015 USD
Unamortised arrangement fees	1,659,751
Total Unamortised arrangement fees	**1,659,751**

14 SHARE CAPITAL

	2015 EUR
Authorised	
1 Ordinary shares of EUR 1 each	1

	2015 USD
Issued and called-up	
1 Ordinary shares of EUR 1 each	1

Dividends

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings. No dividends were paid during the financial period ending 31 May 2015 or proposed by the Directors at the balance sheet date.

15 LOANS AND BORROWINGS

	2015 USD
Loan owed to related party	100,000,000
Loan from third parties	150,000,000
Total Loans and borrowings	250,000,000
Non-Current Liabilities	
Loan owed to related party	100,000,000
Loan from third parties	150,000,000
	250,000,000
Current Liabilities	
Loan owed to related party	-
Loan from third parties	-
	-

Maturity analysis	2015 USD
Due within one year	-
Due between one and five years	250,000,000
Due after five years	-
Total	250,000,000

The Company entered into a revolving facility with Deutsche Bank for USD 300 million. As at 31 May 2015, the Company had drawn down USD 150 million under this facility. The Company has also entered a term facility agreement with CCB Corporation for USD 100 million to fund the purchase of aircraft within the Group. The funds received under both facilities were used in the purchase of aircraft within the Group.

16 Security Deposit

	2015 USD
Security Deposit	4,623,234
Total Security deposit	4,623,234

17 INTEREST PAYABLE

	2015 USD
Interest payable on third party loans	602,015
Unamortised arrangement fees	1,787,762
Total Interest payable	**2,389,777**

18 OPERATING LEASE INCOME PREPAID

	2015 USD
Opreating lease income prepaid	2,564,206
Total Opreating lease income prepaid	**2,564,206**

19 TRADE AND OTHER PAYABLES

	2015 USD
Maintenance Reserves	8,967,734
Other liabilities	69,227
Total Trade and other payables	**9,036,961**

20 DEFERRED TAX PAYABLE

	2015 USD
Capital Allowances over Depreciation	315,904
Lossed Forward	(70,510)
	245,394
Opening Deferred Tax Payable	-
Deferred Tax Charge	245,394
Closing Deferred Tax Payable	**245,394**

21 GROUP MEMBERSHIP

The parent company of the Group is CCB International Innovative Investment Limited, a Hong Kong registered company (the 'Parent Company').

22 RELATED PARTY TRANSACTIONS

Transactions with related entities

The Company has received funding from China Construction Bank Corporation London Branch during the period 09 September 2014 to 31 May 2015 of USD 100 million.

Transactions with a director - related entity

Capita International Financial Services (Ireland) Limited. The corporate services provider for the Company, is considered a related party by virtue of Mr. Neil Fleming being an employee of Capita International Financial Services (Ireland) Limited (up to and including 31 May 2015). Administration fees in the amount of USD 53,227 were paid in respect of corporate services provided to the company during the period.

23 CONTINGENCIES

On the 25 June 2015, the Directors approved and ratified the incorporation of a wholly owned subsidiary, CCBL (Cayman) Incorporation Limited, a company incorporated in the Cayman Islands with limited liability. This wholly owed subsibary intends to list a bond issue on the Hong Kong stock exchange, with the existing Group companies acting as guarantor to this company.

At 31 May 2015 the Directors were not aware of any other commitments or contigent liabilities.

24 SUBSEQUENT EVENTS

On the 25 June 2015, the Directors approved and ratified the incorporation of a wholly owned subsidiary, CCBL (Cayman) Incorporation Limited, a company incorporated in the Cayman Islands with limited liability. This wholly owed subsibary intends to list a bond issue on the Hong Kong stock exchange, with the existing Group companies acting as guarantor to this company.

25 APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised by the Board of Directors on 09 July 2015.

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