

August 1, 2017

MR. JOSE VALERIANO B. ZUÑO III
OIC - Disclosure Department
Philippine Stock Exchange, Inc.
3/F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Dear Mr. Zuño,

We are pleased to furnish your good office with a copy of China Banking Corporation's Balance Sheets as of June 30, 2017.

Thank you.

Very truly yours,



Alexander C. Escucha
Senior Vice President
Corporate Information Officer

CHINA BANKING CORPORATION

8745 Paseo de Roxas corner Villar St., Makati City

BALANCE SHEET (Head Office and Branches) As of June 30, 2017

ASSETS	Current Quarter	Previous Quarter
Cash and Cash Items	P 7,445,233,764.68	P 7,594,596,849.65
Due from Bangko Sentral ng Pilipinas	87,546,536,179.89	83,776,996,636.11
Due from Other Banks	11,092,890,096.71	12,448,295,855.58
Financial Assets at Fair Value through Profit or Loss	10,631,302,238.46	7,649,699,864.42
Available-for-Sale Financial Assets-Net	30,575,412,177.34	26,595,014,445.88
Held-to-Maturity (HTM) Financial Assets-Net	59,598,524,815.15	59,531,802,685.84
Unquoted Debt Securities Classified as Loans-Net	1,000,057,909.21	1,000,057,909.21
Investments in Non-Marketable Equity Security-Net	19,412,705.00	19,412,705.00
Loans and Receivables - Net	340,365,593,685.75	315,236,226,430.11
Loans to Bangko Sentral ng Pilipinas	0.00	0.00
Interbank Loans Receivable	0.00	200,000,000.00
Loans and Receivables - Others	338,093,015,739.58	314,064,058,697.92
Loans and Receivables Arising from RA/CA/PR/SLB	5,635,850,166.00	4,000,000,000.00
General Loan Loss Provision	3,363,272,219.83	3,027,832,267.81
Other Financial Assets	3,005,378,958.94	2,593,764,586.17
Equity Investment in Subsidiaries, Associates and Joint Ventures-Net	9,929,410,032.62	9,292,221,659.17
Bank Premises, Furniture, Fixture and Equipment-Net	4,233,840,025.76	4,174,273,903.91
Real and Other Properties Acquired-Net	520,070,700.40	559,609,644.39
Non-Current Assets Held for Sale	0.00	0.00
Other Assets-Net	6,380,753,996.65	8,796,839,244.27
TOTAL ASSETS	P 572,344,417,286.56	P 539,268,812,419.71
LIABILITIES		
Financial Liabilities at Fair Value through Profit or Loss	P 61,079,065.73	P 54,741,015.92
Deposit Liabilities	477,684,147,036.25	457,450,794,646.85
Due to Other Banks	21,810,303.94	7,953,208.51
Bills Payable	12,363,335,501.05	14,262,053,505.64
a) BSP (Rediscounting and Other Advances)	0.00	0.00
b) Interbank Loans Payable	2,674,910,000.00	8,641,720,107.40
c) Other Deposit Substitute	9,688,425,501.05	5,620,333,398.24
d) Others	0.00	0.00
Bonds Payable-Net	0.00	0.00
Unsecured Subordinated Debt-Net	0.00	0.00
Redeemable Preferred Shares	0.00	0.00
Special Time Deposit	0.00	0.00
Due to Bangko Sentral ng Pilipinas	0.00	45,310,592.56
Other Financial Liabilities	3,462,209,452.34	3,032,230,904.00
Other Liabilities	4,611,504,676.38	5,384,264,476.13
TOTAL LIABILITIES	P 498,204,086,035.69	P 480,237,348,349.61
STOCKHOLDERS' EQUITY		
Capital Stock	P 41,969,890,040.62	P 27,007,842,663.62
Other Capital Accounts	4,407,883,975.44	348,524,414.87
Retained Earnings	27,762,557,234.81	31,675,096,991.61
Assigned Capital	0.00	0.00
TOTAL STOCKHOLDERS' EQUITY	74,140,331,250.87	59,031,464,070.10
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P 572,344,417,286.56	P 539,268,812,419.71
CONTINGENT ACCOUNTS		
Guarantees Issued	P 0.00	P 0.00
Financial Standby Letters of Credit	0.00	0.00
Performance Standby Letters of Credit	15,284,050,493.83	14,549,752,902.67
Commercial Letters of Credit	5,676,448,279.87	5,337,266,952.96
Trade Related Guarantees	513,268,601.79	1,093,540,709.13
Commitments	9,001,438,195.39	8,994,568,465.86
Spot Foreign Exchange Contracts	10,469,082,517.30	6,976,913,021.88
Securities Held Under Custodianship by Bank Proper	0.00	0.00
Trust Department Accounts	110,528,427,154.59	107,233,537,221.55
a) Trust and Other Fiduciary Accounts	55,182,612,577.31	55,134,593,305.03
b) Agency Accounts	55,345,814,577.28	52,098,943,916.52
c) Advisory/Consultancy	0.00	0.00
Derivatives	28,184,700,506.79	27,159,631,935.55
Others	3,939,475,960.40	3,637,121,292.63
TOTAL CONTINGENT ACCOUNTS	P 183,596,891,709.96	P 174,982,332,502.23
ADDITIONAL INFORMATION		
Gross total loan portfolio (TLP)	P 346,056,738,479.43	P 321,093,535,439.61
Specific allowance for credit losses on the TLP	2,327,872,573.85	2,829,476,741.69
Non-Performing Loans (NPLs)		
a. Gross NPLs	P 3,584,955,716.65	P 3,614,348,811.57
b. Ratio of gross NPLs to gross TLP (%)	1.04	1.13
c. Net NPLs	P 1,257,083,142.80	P 784,872,069.88
d. Ratio of Net NPLs to gross TLP (%)	0.36	0.24
Classified Loans & Other Risk Assets, gross of allowance for credit losses	P 11,898,733,596.46	P 12,857,852,127.70
DOSRI Loans and receivables, gross of allowance for credit losses	10,511,684,784.92	8,841,728,940.35
Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%)	3.04	2.75
Gross non-performing DOSRI loans and receivables	P 0.00	P 139,939.57
Ratio of gross non-performing DOSRI loans and receivables to TLP (%)	0.00	0.00
Percent Compliance with Magna Carta (%)		
a. 8% for Micro and Small Enterprises	2.58	2.86
b. 2% for Medium Enterprises	7.02	8.84
Return on Equity (ROE) (%)	10.49	9.47
Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations		
a. Total CAR (%)	16.06	13.12
b. Tier 1 Ratio (%)	15.21	12.30
c. Common Equity Tier 1 Ratio (%) ^{1/}	15.21	12.30
Deferred Charges not yet Written Down	0.00	0.00
Unbooked Allowance for Credit Losses on Financial Instruments Received	0.00	0.00

^{1/} Common Equity Tier 1 is only applicable to all Universal and Commercial Banks and their subsidiary banks.

Republic of the Philippines } S. S.
Quezon City

We, DELIA MARQUEZ and RICARDO R. CHUA of the above-mentioned bank, do solemnly swear that all matters set forth in the above Balance Sheet are true and correct to the best of our knowledge and belief.

(Sgd.) DELIA MARQUEZ
First Vice President

(Sgd.) RICARDO R. CHUA
President & CEO

SUBSCRIBED AND SWORN to before me this July 24, 2017 at Quezon City, affiants exhibiting their Social Security System Numbers 03-7205726-0 and 03-2416389-8, respectively.

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(Sgd.) EVELYN R. TUMACDER-ALAMEDA
Notary Public for Quezon City
Admin Matter No. NP-168 until 31 December 2017
China Bank West Avenue Branch
West Avenue, Quezon City
PTR No. 5913638; 01.04.2017; Makati City
IBP Lifetime Member No. 0125
Roll of Attorney's No. 30400

BOARD OF DIRECTORS

HONORARY CHAIRMAN
HENRY SY, SR.

HANS T. SY
*Chairman of the Board and
Chairman of the
Executive Committee*

GILBERT U. DEE
Vice Chairman of the Board

RICARDO R. CHUA
*President and
Chief Executive Officer*

MEMBERS

PETER S. DEE

JOAQUIN T. DEE

JOSE T. SIO

HERBERT T. SY

HARLEY T. SY

INDEPENDENT DIRECTORS

ROBERTO F. KUAN

MARGARITA L. SAN JUAN

ALBERTO S. YAO

ADVISOR TO THE BOARD

HENRY SY, SR.

EXECUTIVE OFFICERS

RICARDO R. CHUA
*President and
Chief Executive Officer*

WILLIAM C. WHANG
*Executive Vice President
and Chief Operating Officer*

EXECUTIVE
VICE PRESIDENTS

ROSEMARIE C. GAN

ALBERTO EMILIO V. RAMOS

ROMEOD E. UYAN, JR.

SENIOR
VICE PRESIDENTS

PATRICK D. CHENG

ALEXANDER C. ESCUCHA

CONSOLIDATED BALANCE SHEET (Banks and Financial Subsidiaries) As of June 30, 2017

ASSETS	Current Quarter	Previous Quarter
Cash and Cash Items	P 8,647,077,106.27	P 8,761,276,607.00
Due from Bangko Sentral ng Pilipinas	94,358,453,951.53	90,102,351,434.77
Due from Other Banks	12,137,861,015.84	13,696,056,429.69
Financial Assets at Fair Value through Profit or Loss	10,843,316,401.91	7,890,594,153.30
Available-for-Sale Financial Assets-Net	34,653,073,447.72	30,044,535,201.93
Held-to-Maturity (HTM) Financial Assets-Net	63,078,386,714.16	63,006,544,243.41
Unquoted Debt Securities Classified as Loans-Net	1,103,040,919.67	1,103,070,271.72
Investments in Non-Marketable Equity Security-Net	28,345,603.54	28,345,603.54
Loans and Receivables - Net	402,689,110,799.92	374,474,783,766.84
Loans to Bangko Sentral ng Pilipinas	0.00	0.00
Interbank Loans Receivable	0.00	200,000,000.00
Loans and Receivables - Others	397,072,568,415.49	371,377,851,712.39
Loans and Receivables Arising from RA/CA/PR/SLB	9,580,945,282.00	6,500,000,000.00
General Loan Loss Provision	3,964,402,897.57	3,603,067,945.55
Other Financial Assets	4,179,223,291.96	3,699,261,399.22
Equity Investment in Subsidiaries, Associates and Joint Ventures-Net	490,515,580.03	425,396,813.96
Bank Premises, Furniture, Fixture and Equipment-Net	5,597,192,591.83	5,529,778,161.65
Real and Other Properties Acquired-Net	4,012,635,591.10	4,208,977,555.76
Non-Current Assets Held for Sale	312,702,857.80	317,794,585.04
Other Assets-Net	12,139,314,307.16	14,894,207,873.21
TOTAL ASSETS	P 654,270,250,180.44	P 618,182,974,101.05
LIABILITIES		
Financial Liabilities at Fair Value through Profit or Loss	P 61,079,065.73	P 54,741,015.92
Deposit Liabilities	554,274,189,417.21	530,827,601,152.77
Due to Other Banks	21,810,303.94	7,953,208.51
Bills Payable	12,363,335,501.05	14,262,053,505.64
a) BSP (Rediscounting and Other Advances)	0.00	0.00
b) Interbank Loans Payable	2,674,910,000.00	8,641,720,107.40
c) Other Deposit Substitute	9,688,425,501.05	5,620,333,398.24
d) Others	0.00	0.00
Bonds Payable-Net	0.00	0.00
Unsecured Subordinated Debt-Net	0.00	0.00
Redeemable Preferred Shares	0.00	0.00
Special Time Deposit	0.00	0.00
Due to Bangko Sentral ng Pilipinas	0.00	49,060,592.56
Other Financial Liabilities	4,968,991,154.10	4,371,898,186.85
Other Liabilities	6,568,562,899.57	8,212,493,491.51
TOTAL LIABILITIES	P 578,257,968,341.60	P 557,785,801,153.76
STOCKHOLDERS' EQUITY		
Capital Stock	P 41,969,890,087.24	P 27,007,842,710.24
Other Capital Accounts	5,472,466,841.24	879,689,391.78
Retained Earnings	28,580,576,429.94	32,493,116,186.74
Assigned Capital	0.00	0.00
Minority Interest in Subsidiaries	(10,651,519.58)	16,524,658.53
TOTAL STOCKHOLDERS' EQUITY	76,012,281,838.84	60,397,172,947.29
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P 654,270,250,180.44	P 618,182,974,101.05
CONTINGENT ACCOUNTS		
Guarantees Issued	P 0.00	P 0.00
Financial Standby Letters of Credit	0.00	0.00
Performance Standby Letters of Credit	15,545,830,039.94	14,843,249,662.53
Commercial Letters of Credit	5,676,448,279.87	5,337,266,952.96
Trade Related Guarantees	513,268,601.79	1,093,540,709.13
Commitments	12,339,583,296.30	13,522,868,687.50
Spot Foreign Exchange Contracts	10,469,082,517.30	6,976,913,021.88
Securities Held Under Custodianship by Bank Proper	0.00	0.00
Trust Department Accounts	111,178,541,809.94	108,898,279,739.87
a) Trust and Other Fiduciary Accounts	55,529,929,871.12	55,840,455,929.17
b) Agency Accounts	55,648,611,738.82	53,057,823,810.69
c) Advisory/Consultancy	0.00	0.00
Derivatives	28,184,700,506.79	27,159,631,935.55
Others	3,959,624,093.46	3,666,158,029.56
TOTAL CONTINGENT ACCOUNTS	P 187,867,078,945.39	P 181,497,908,738.98
ADDITIONAL INFORMATION		
1. List of Financial Allied Subsidiaries (excluding Subsidiary Insurance Companies)		
1. China Bank Savings, Inc.		
2. China Bank Capital Corporation		
2. List of Subsidiary Insurance Companies		
3. Capital Adequacy Ratio (CAR) on Consolidated Basis, as prescribed under existing regulations		
a. Total CAR (%)	15.50	12.78
b. Tier 1 Ratio (%)	14.65	11.97
c. Common Equity Tier 1 Ratio (%) ^{1/}	14.65	11.97
^{1/} Common Equity Tier 1 is only applicable to all Universal and Commercial Banks and their subsidiary banks.		

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We, DELIA MARQUEZ and RICARDO R. CHUA of the above-mentioned bank, do solemnly swear that all matters set forth in the above Balance Sheet are true and correct to the best of our knowledge and belief.

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China Bank West Avenue Branch
West Avenue, Quezon City
PTR No. 5913638; 01.04.2017; Makati City
IBP Lifetime Member No. 0125
Roll of Attorney's No. 30400



Your success is our business

Supervised by: Bangko Sentral ng Pilipinas. MEMBER: BancNet & PDIC (Maximum Deposit Insurance for Each Depositor P 500,000.00)