



中国信达资产管理股份有限公司
CHINA CINDA ASSET MANAGEMENT CO., LTD.

2013 Annual Results

March 2014



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Business Review	Mr. Jingfan Zang	President
Financial Results	Mr. Jianguo Gu	Vice President
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中国信达资产管理股份有限公司
CHINA CINDA ASSET MANAGEMENT CO., LTD.

1 Business Review

2 Financial Results

3 Outlook

Key Achievements in 2013



Successfully completed the listing on the Main Board of Hong Kong Stock Exchange with US\$2.8 billion being raised



Aggressively expanded distressed asset management business with an annual acquisition amount of RMB88.8 billion, representing a 70.2% growth compared to 2012



Steadily executed the disposal plan of DES Assets with a net disposal gain and dividend income of RMB5.0 billion



Rapidly developed the asset management business, private equity funds' third party AUM increased to RMB20.1 billion, surged 416.2% compared to 2012



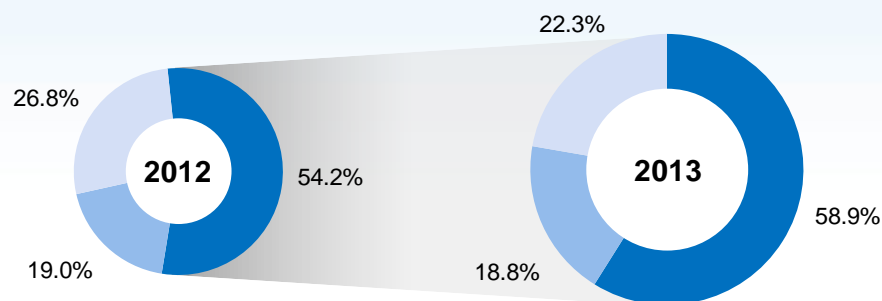
Continuously created the synergy in financial service platforms with the income derived from business arising from cross-selling efforts reached RMB1.6 billion



Focused on enhancing risk management capability, with effective credit risk and market risk control

Balanced Development of Each Business Segment

Total Assets Breakdown by Segment

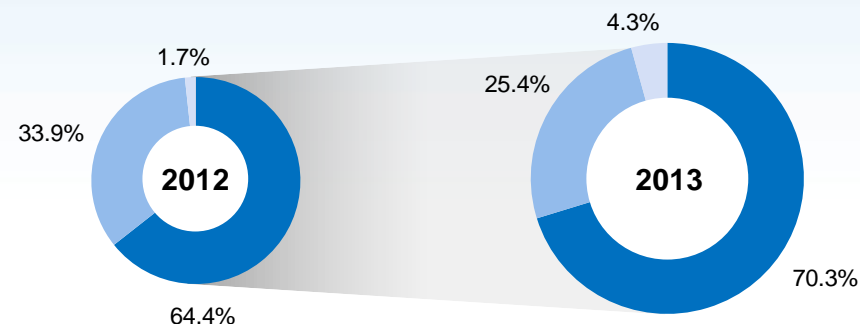


■ Distressed Asset Management ■ Financial Investment and Asset Management ■ Financial Services

Total Assets:
RMB254.6 bn

Total Assets:
RMB383.8 bn

Pre-tax Profit Breakdown by Segment

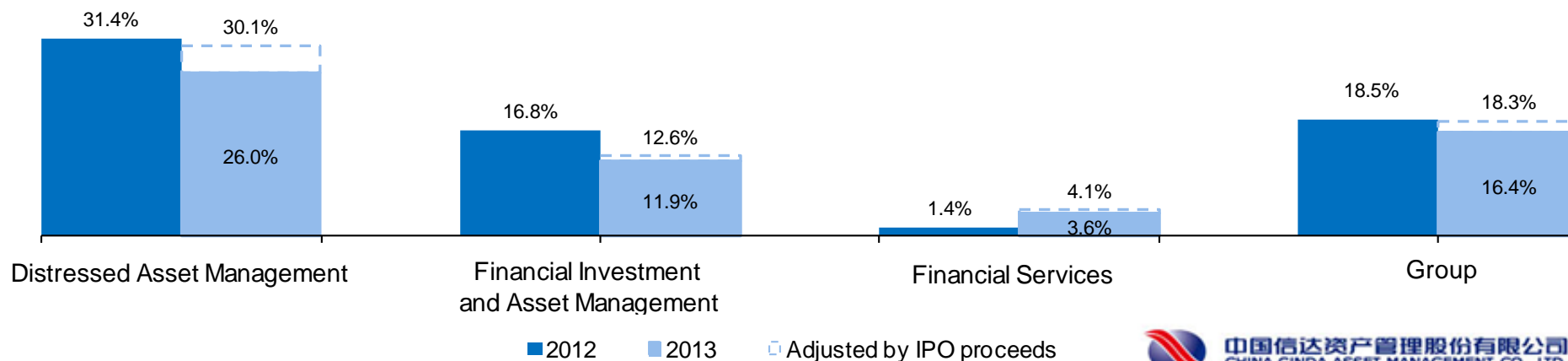


■ Distressed Asset Management ■ Financial Investment and Asset Management ■ Financial Services

Pre-tax profit:
RMB9.6 bn

Pre-tax profit:
RMB11.8 bn

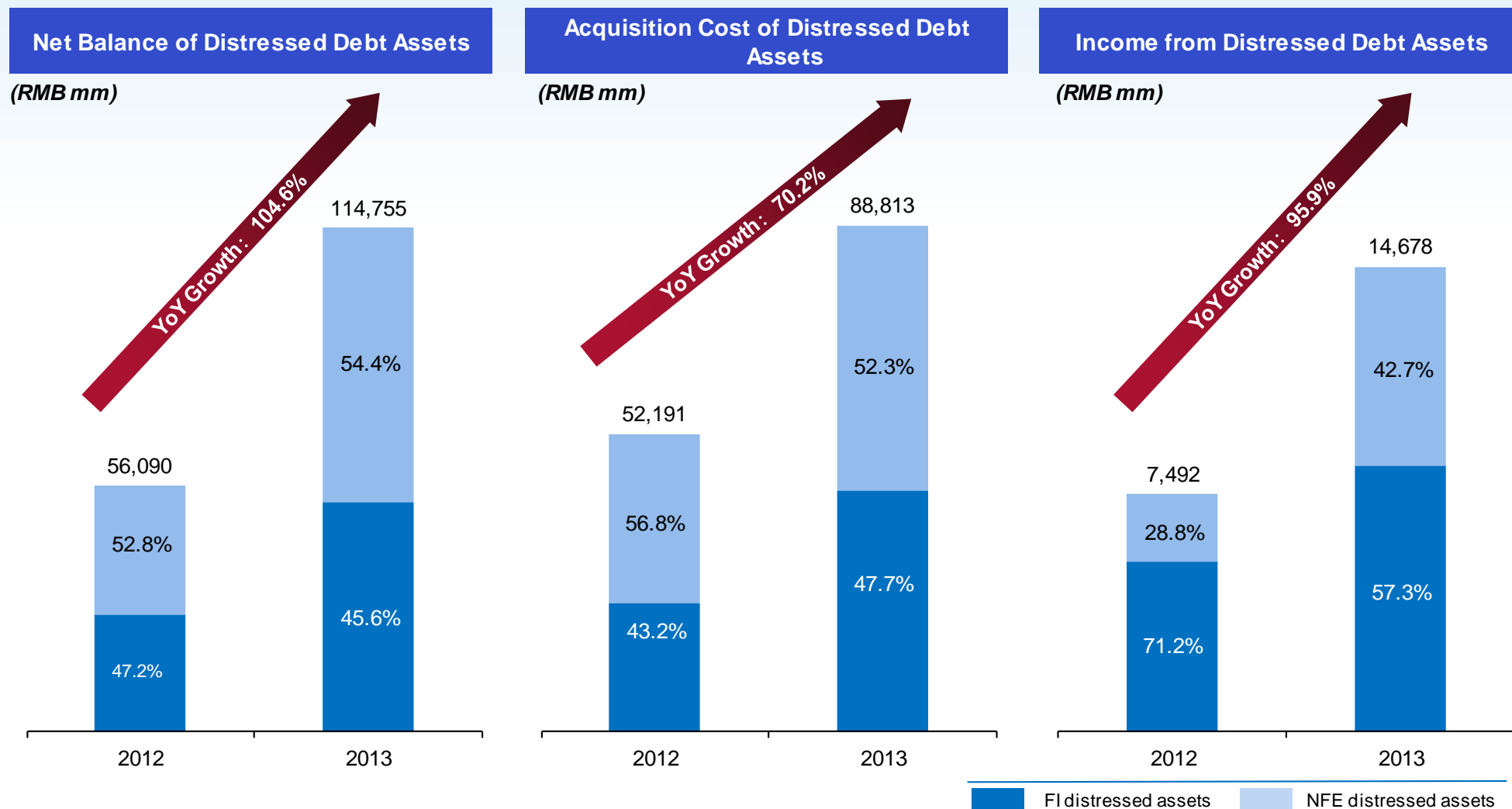
Pre-tax ROAE



Note: Percentage calculation does not include elimination

1 Distressed Asset Management – Distressed Debt Assets

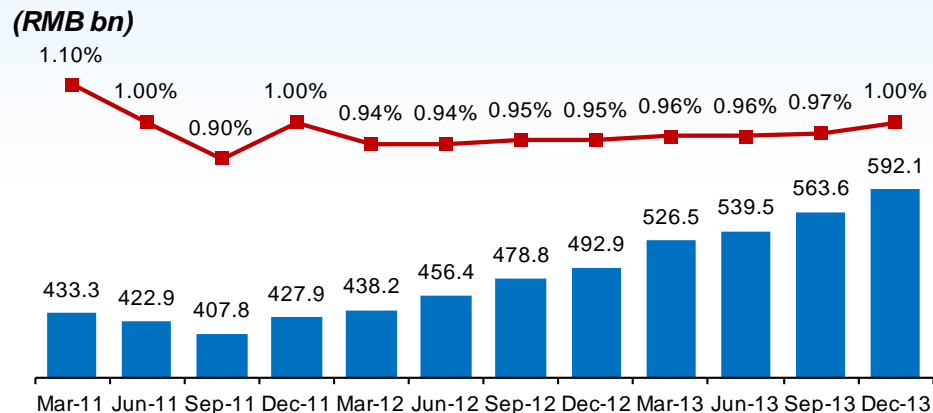
Rapid growth in business scale



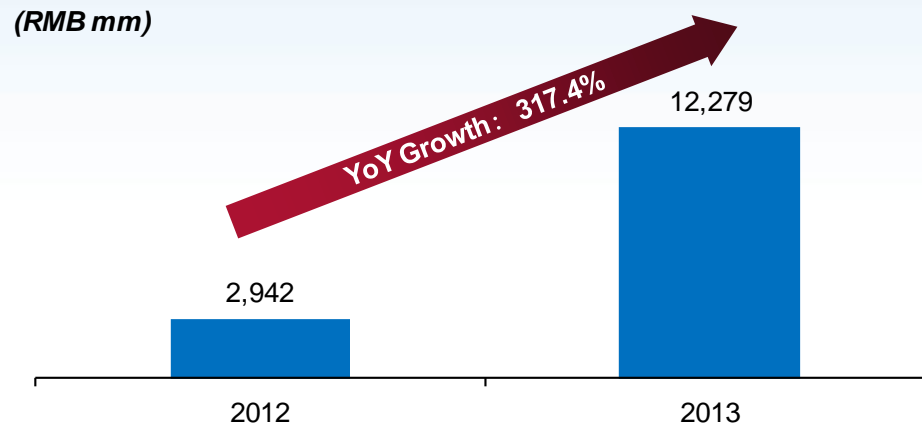
1 Distressed Asset Management – Traditional Distressed Assets

Acquisition amount increased significantly as banks accelerated disposal of non-performing loans

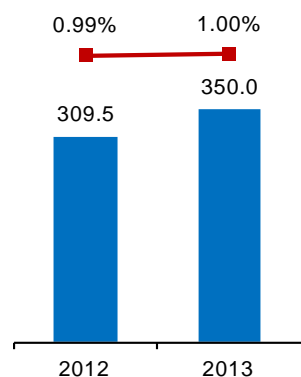
Balance of NPLs from Banks (1)



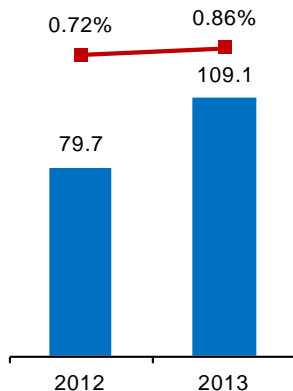
Acquisition Cost(2)



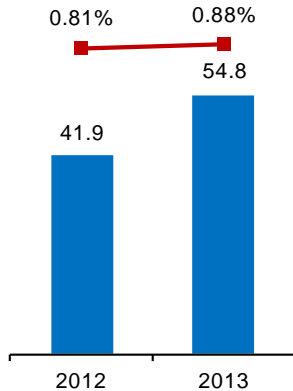
Large Commercial Banks



Joint-stock Commercial Banks

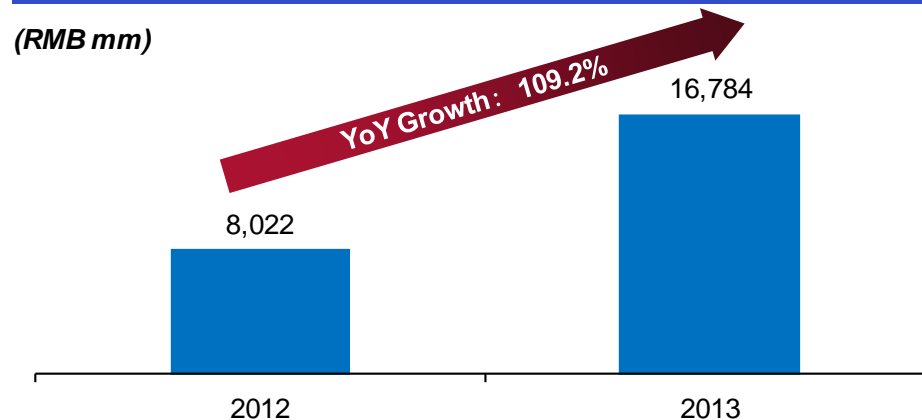


City Commercial Banks



Balance of NPL NPL ratio

Net Balance (2)



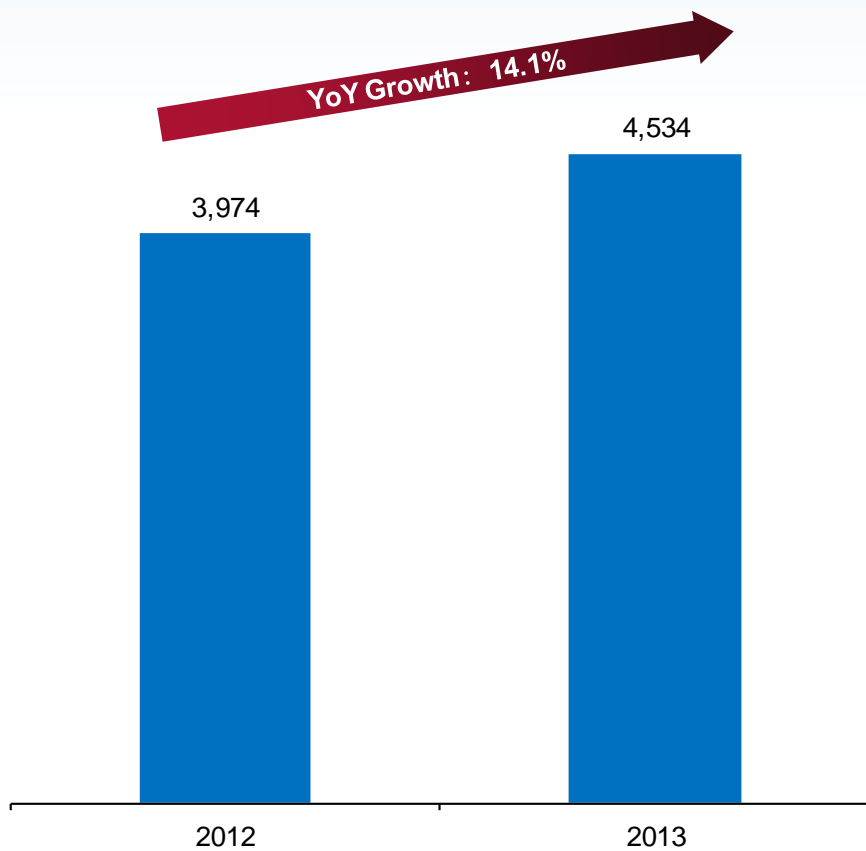
(1) Source: CBRC
(2) First segment data

1 Distressed Asset Management – Traditional Distressed Assets

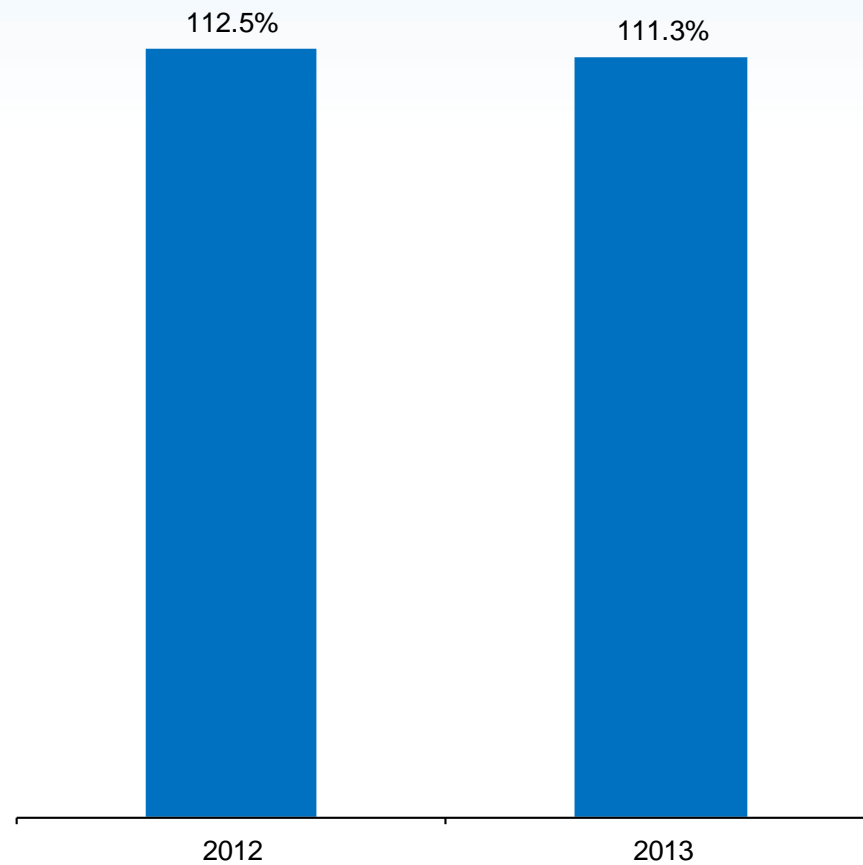
Increasing income and stable return on disposal

Income from Traditional Distressed Assets⁽¹⁾

(RMB mm)



Return on Disposal⁽¹⁾

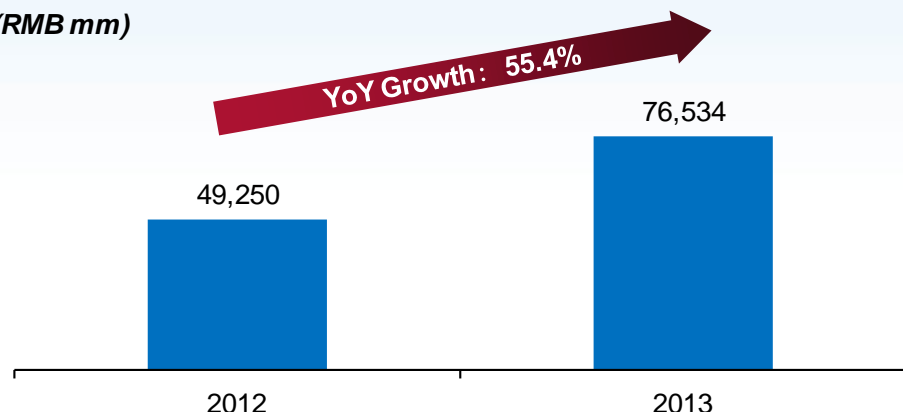


1 Distressed Asset Management – Restructured Distressed Assets

Significant market potential

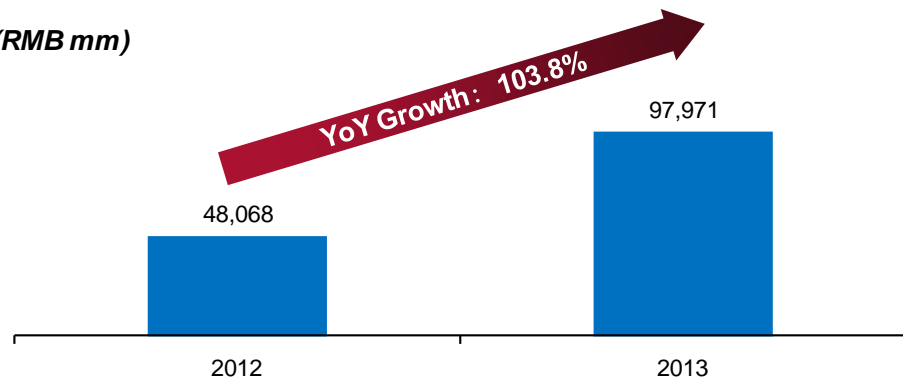
Acquisition Cost

(RMB mm)

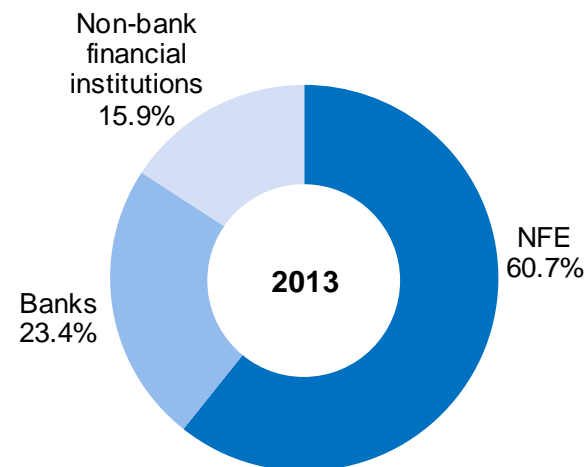
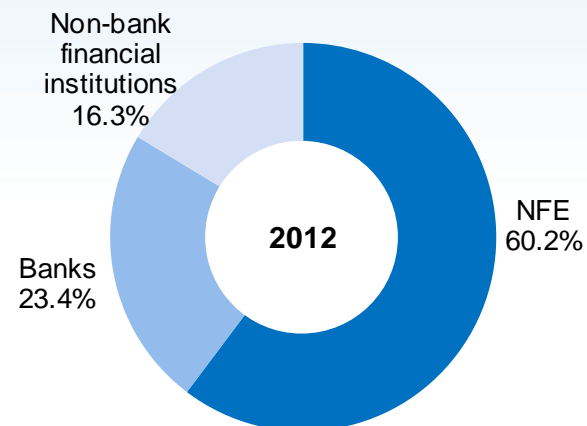


Net Balance

(RMB mm)



Acquisition Cost Breakdown by Sources⁽¹⁾

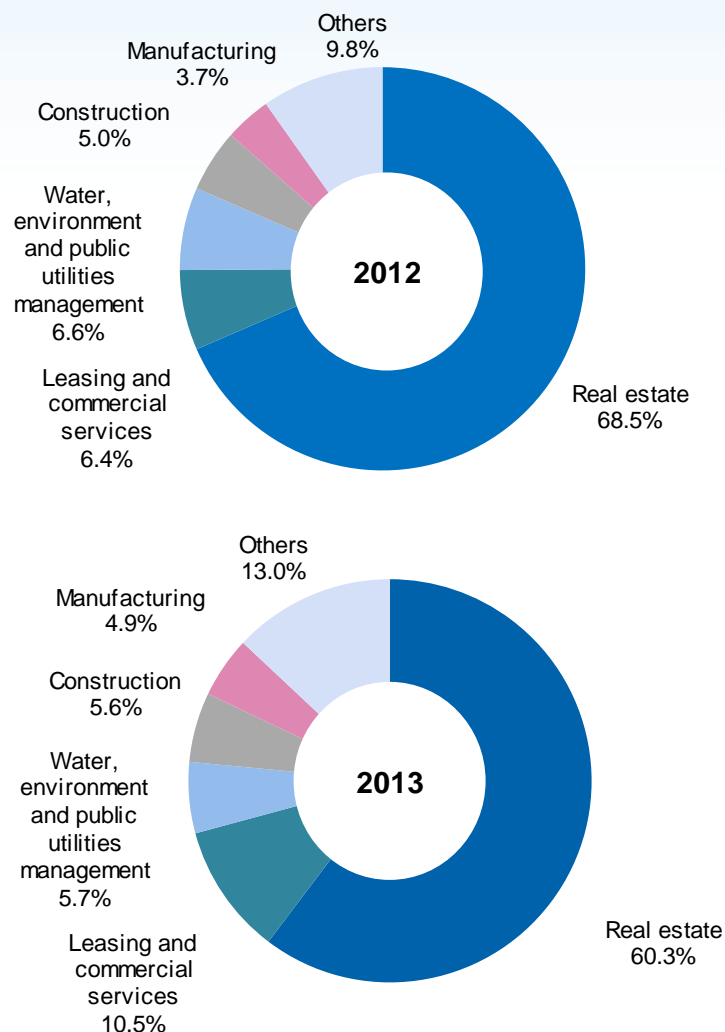


(1) Distressed assets from banks equal to the sum of distressed assets from large commercial banks, joint-stock commercial banks, city and rural commercial banks and other banks minus the total acquisition cost of traditional distressed assets, distressed assets from non-bank financial institutions equal to distressed assets from non-bank financial institutions under FI distressed assets, distressed assets from NFE equal to the total acquisition cost of restructured distressed assets minus the sum of two categories mentioned before

1 Distressed Asset Management – Restructured Distressed Assets

Structural adjustment and risk control are the strategic focus of Restructuring Model

Industry Breakdown

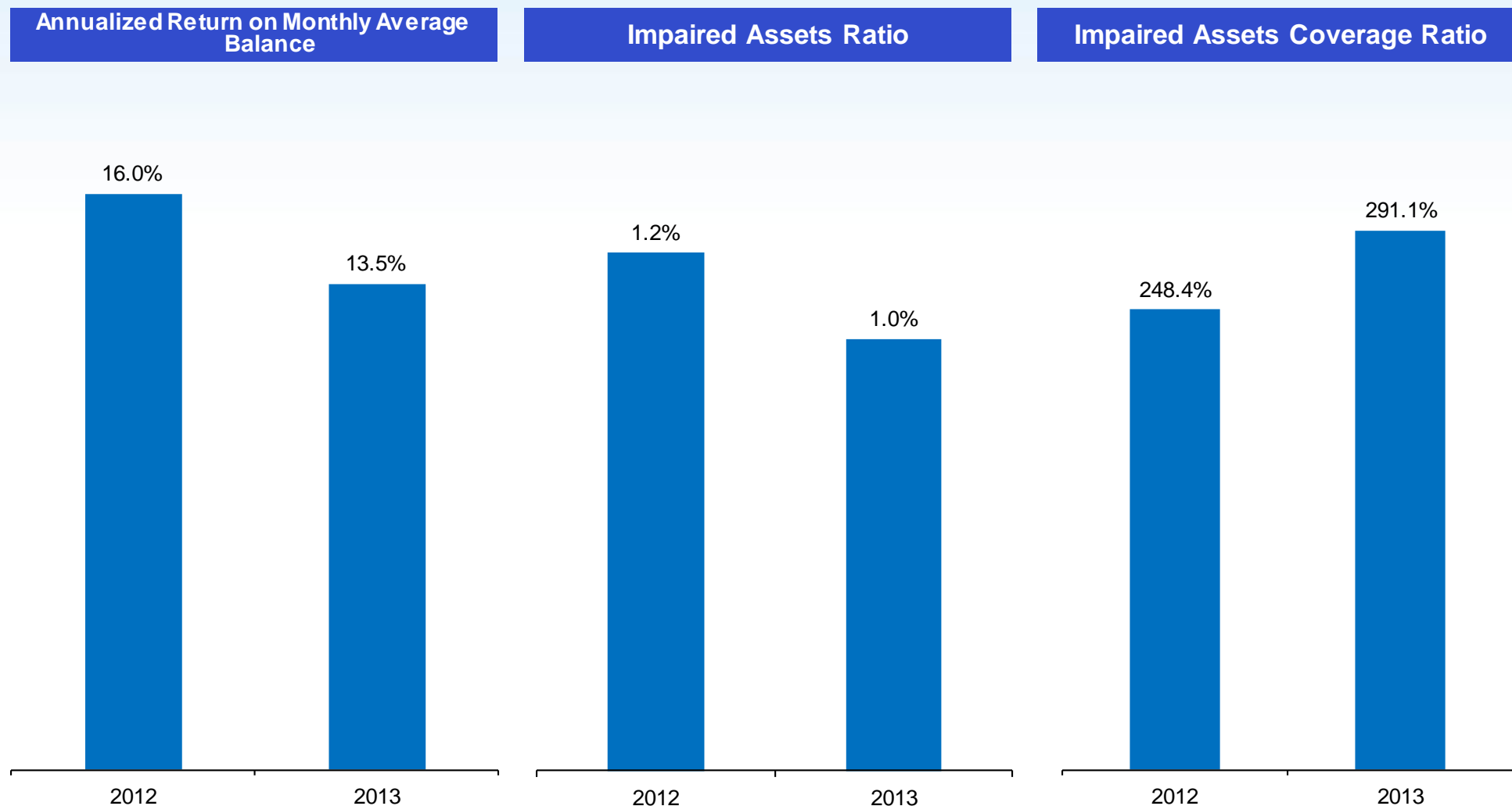


Maximizing Risk Adjusted Return

- Continue to enhance the portfolio of restructured distressed assets through the adjustment of industry composition and maturity profile
- Further strengthen the credit assessment process and implement strategy to adjust the regional exposure, to proactively reduce risk exposure
- By the end of 2013, the percentage of assets secured with guarantee, mortgage and pledge accounted for 99.3% of total distressed debt assets classified as receivables

1 Distressed Asset Management – Restructured Distressed Assets

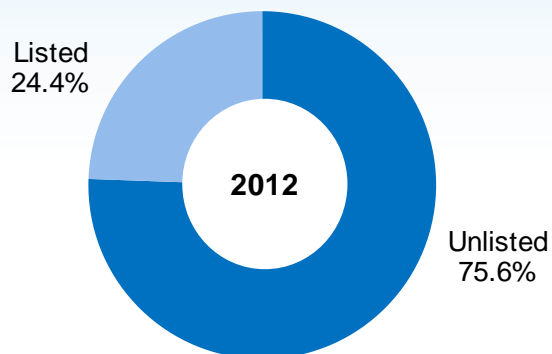
Stable annualized return and improving asset quality



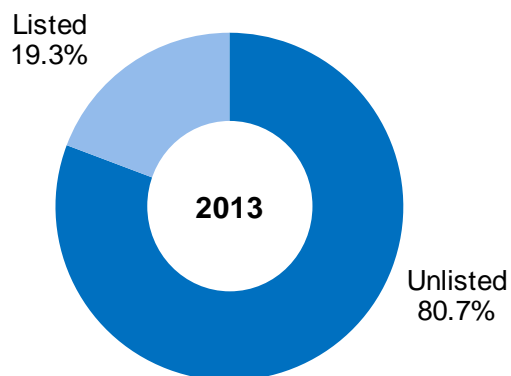
1 Distressed Asset Management – DES

Unlisted DES Assets still represent the majority; Accelerate the disposal of listed DES Assets

Book Value Breakdown by Type



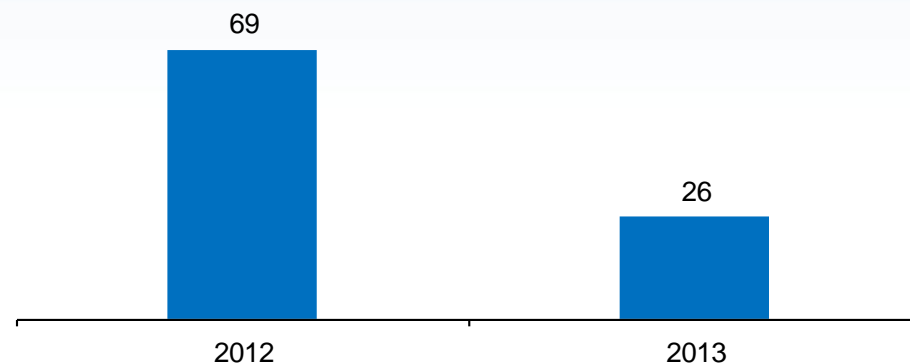
Total book value of RMB48.2bn



Total book value of RMB42.3bn

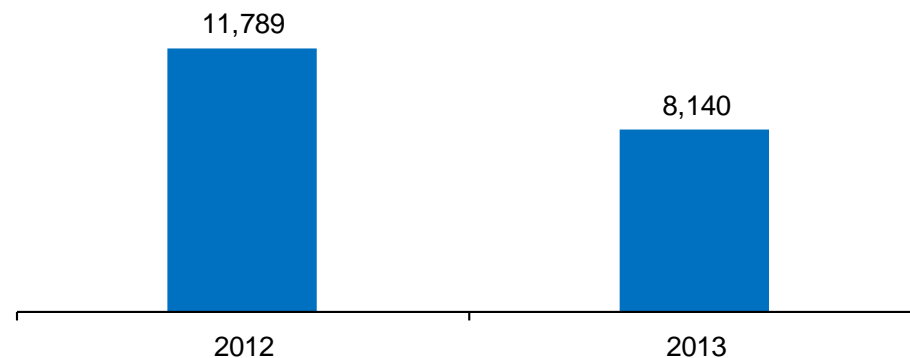
Accelerate the Disposal of Listed DES Assets to Reduce Market Risk

No. of Listed DES Companies



Book Value of Listed DES Assets

(RMB mm)

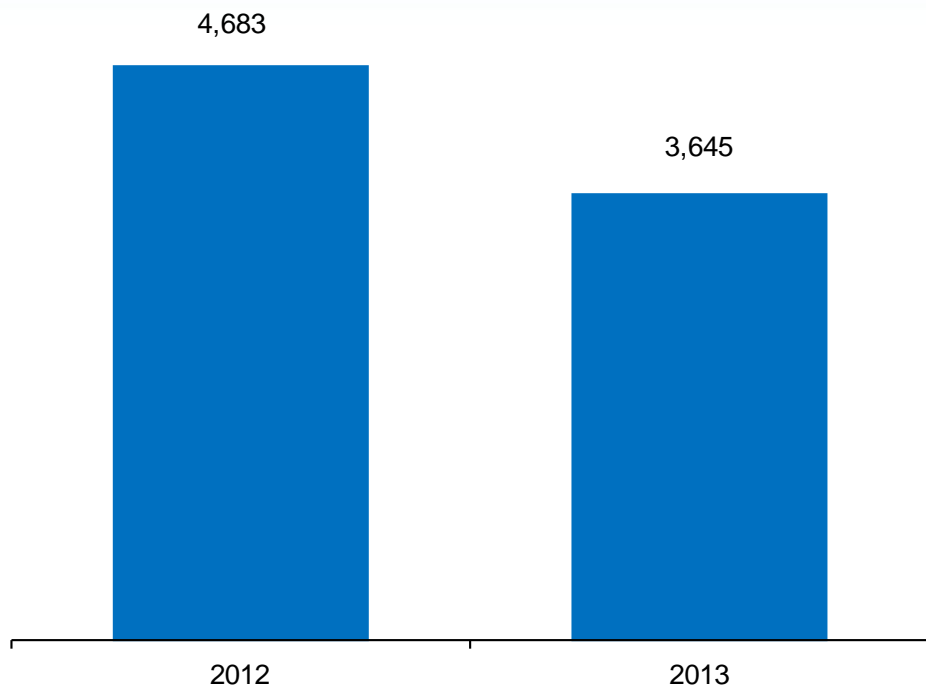


1 Distressed Asset Management – DES

Disposal income keep stable with dividend income grew rapidly

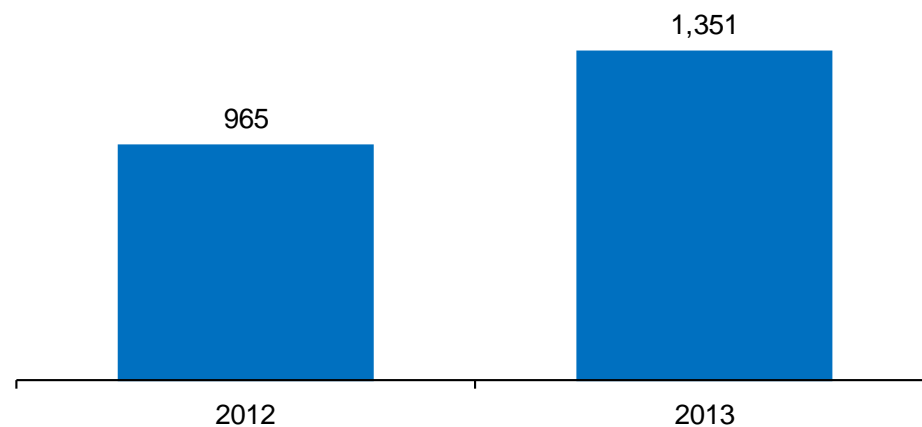
Net Gain on DES Assets Disposed

(RMB mm)



Dividend Income

(RMB mm)

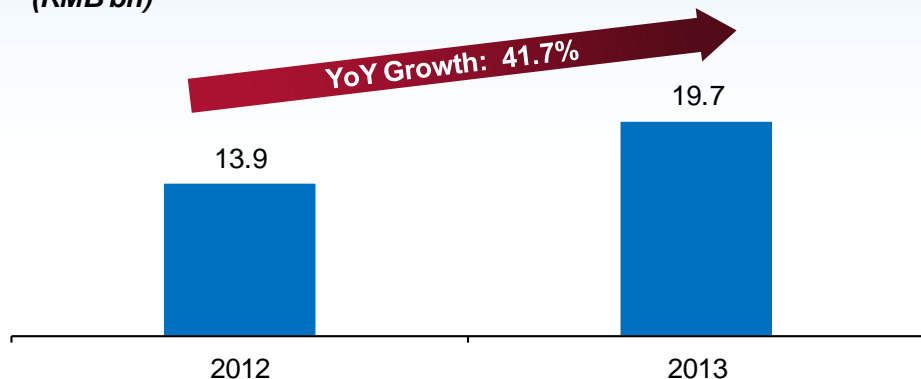


2 Financial Investment and Asset Management

Diversified investment portfolio and fast growing investment income

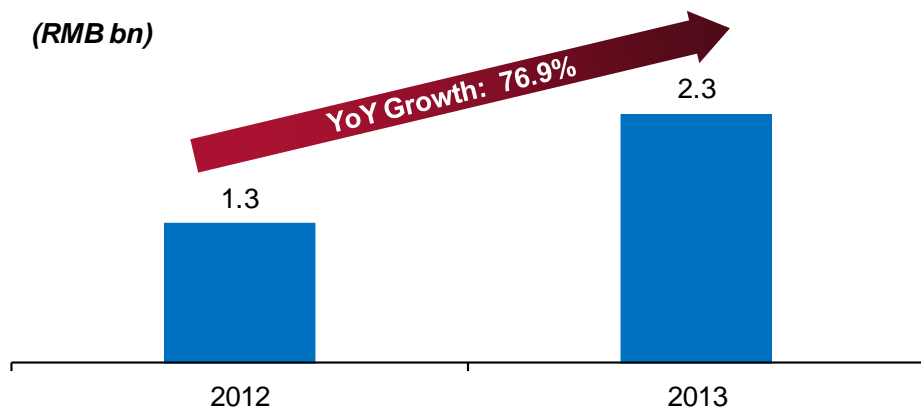
Balance of Principal Investments

(RMB bn)

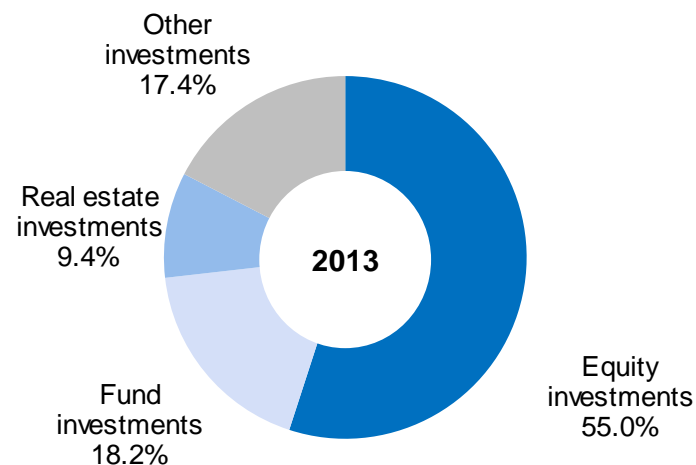
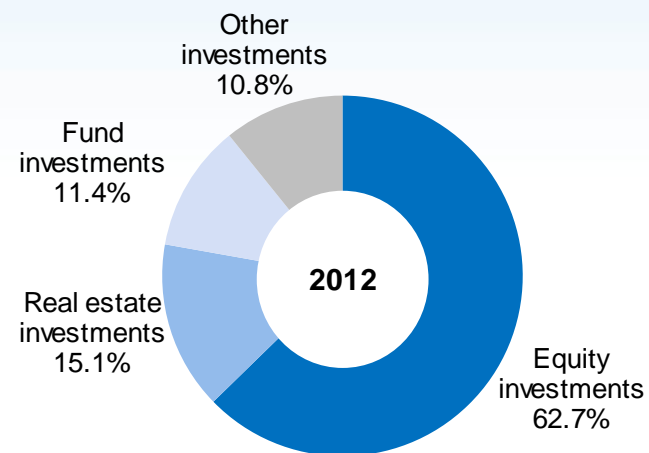


Income from Principal Investments

(RMB bn)



Balance of Principal Investment Breakdown by Investment Type

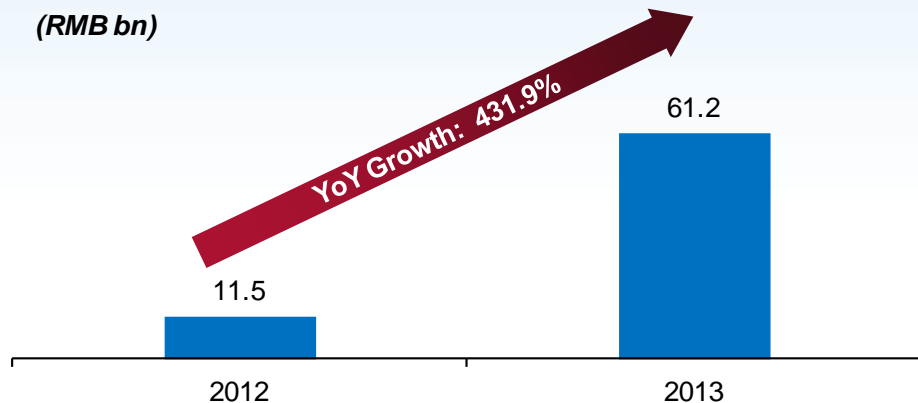


2 Financial Investment and Asset Management

Continue expanding third-party assets under management

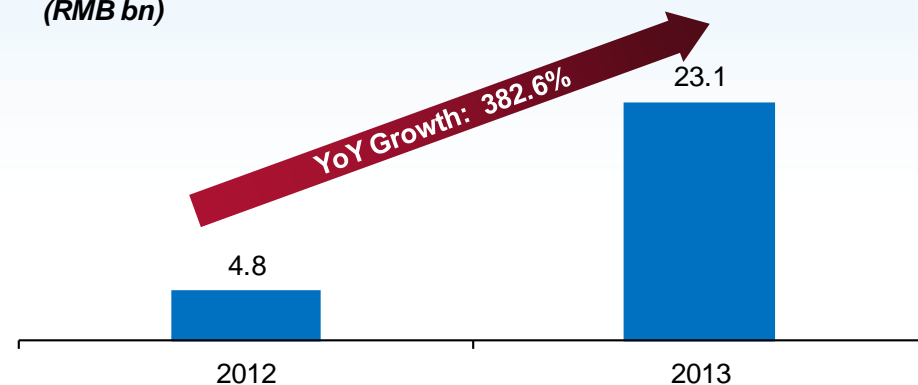
Total Committed Capital of PE Business

(RMB bn)



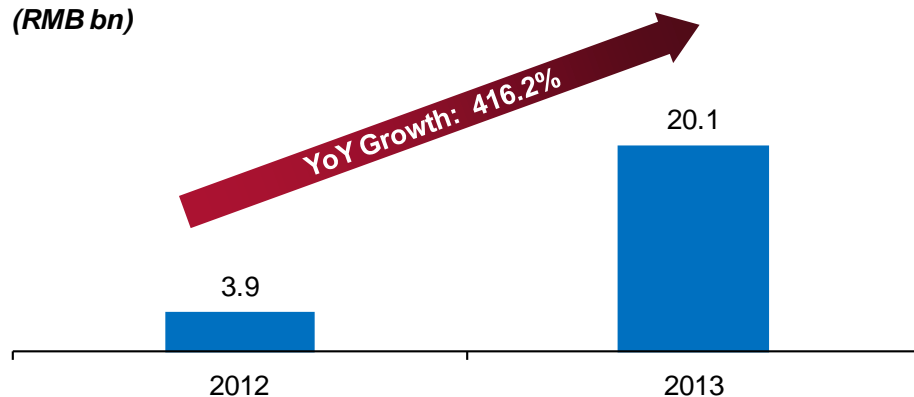
Total Paid-in Capital

(RMB bn)



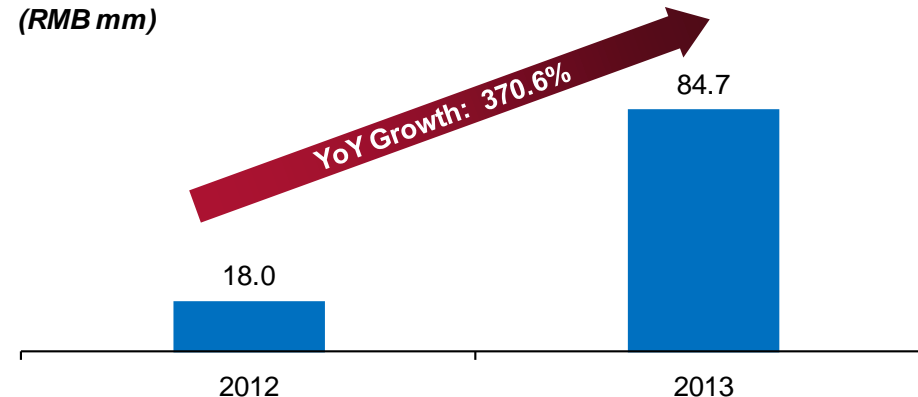
Paid-in Capital from Third Parties

(RMB bn)



Fund Management Income

(RMB mm)

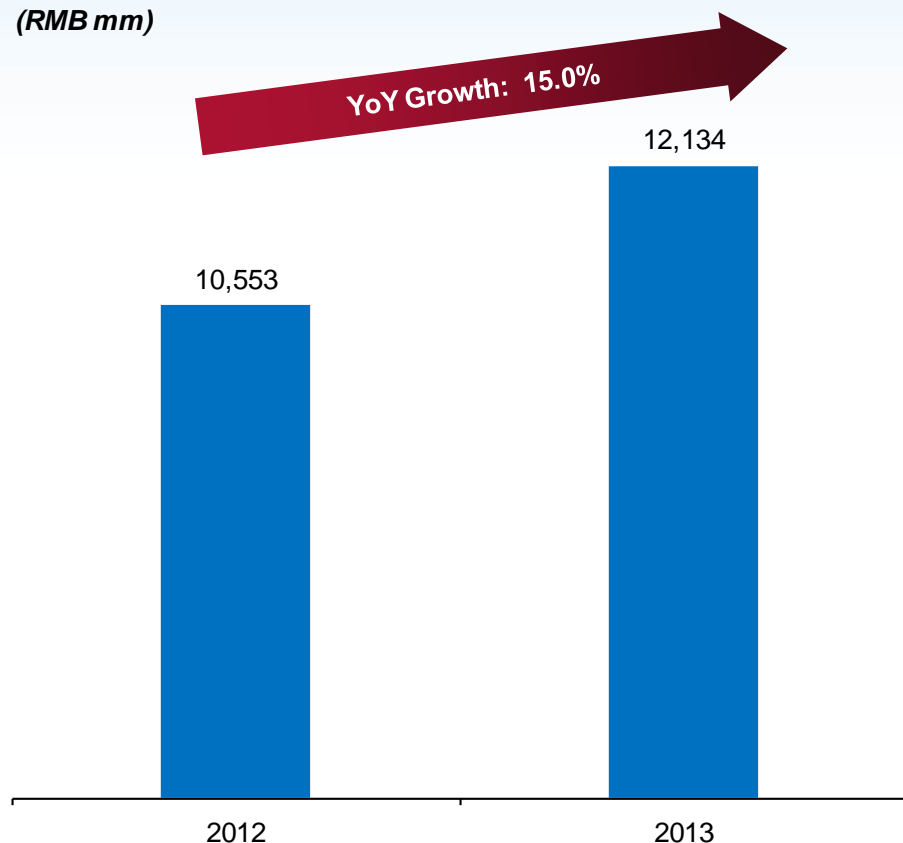


3 Financial Service

Improving performance of financial subsidiaries

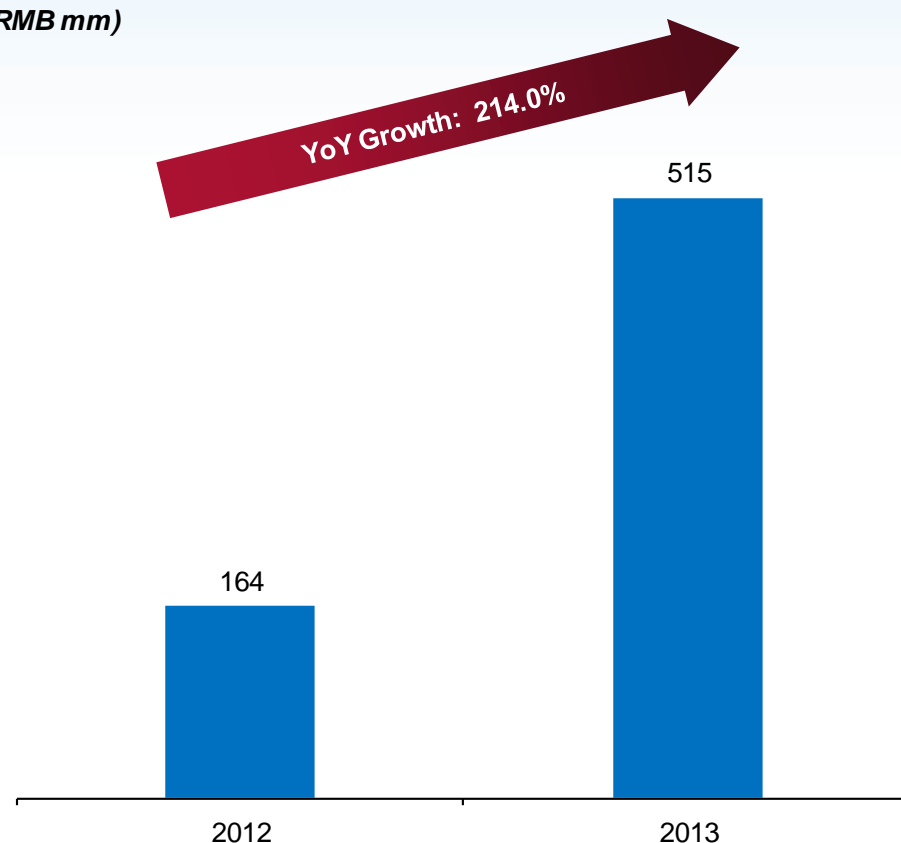
Total Income of Financial Subsidiaries⁽¹⁾

(RMB mm)



Pre-tax Profit of Financial Subsidiaries⁽¹⁾

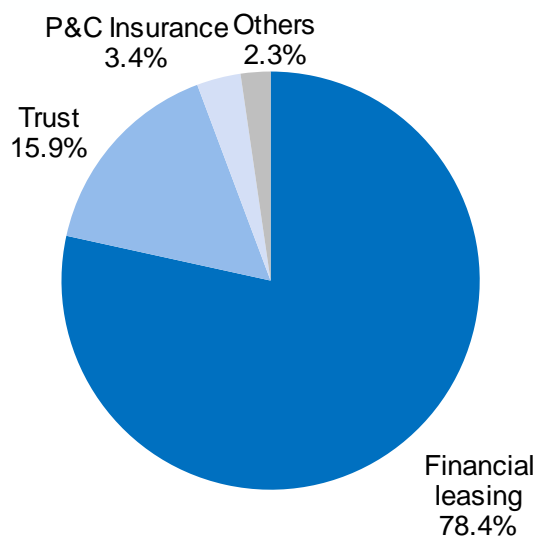
(RMB mm)



3 Financial Service

Significant intra-group synergy

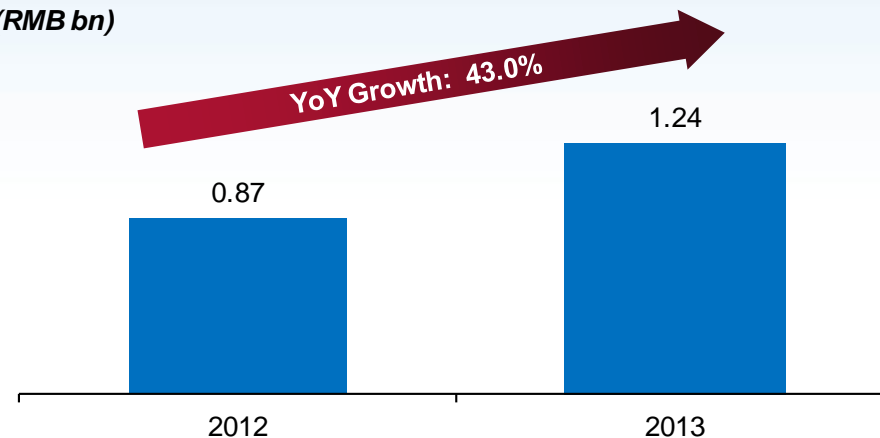
Breakdown of Cross-Selling Income



Total income: RMB1.6 bn

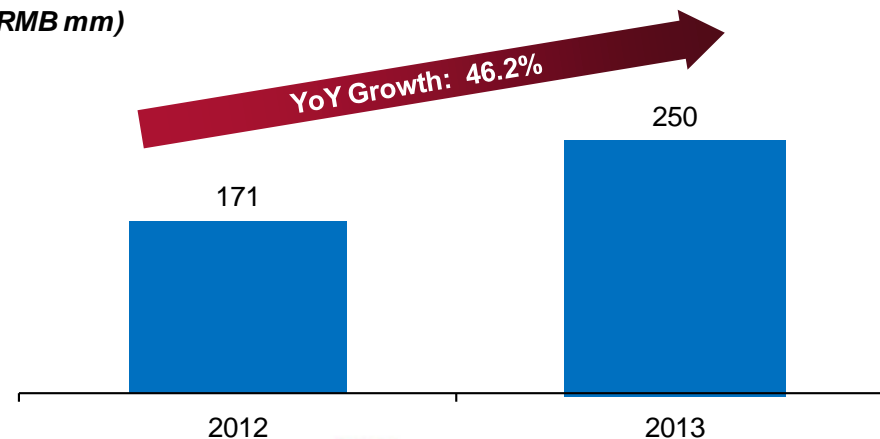
Total Income of Cinda Financial Leasing Derived from Cross-Selling⁽¹⁾

(RMB bn)



Total Income of Jingu Trust Derived from Cross-Selling⁽¹⁾

(RMB mm)





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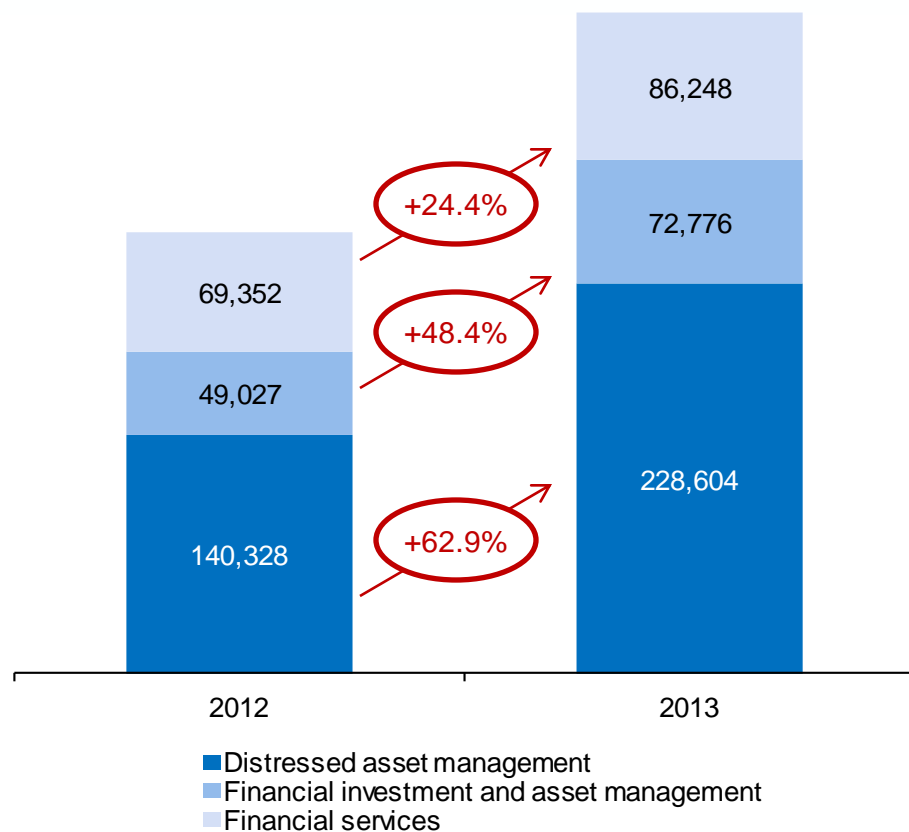
Major Financial Data

<i>(RMB mm, except per share data and ratios)</i>	2012	2013	Change
Total assets	254,614	383,785	+ 50.7%
Equity attributable to equity holders of the Company	54,774	75,998	+ 38.7%
Total income	32,335	42,413	+ 31.2%
Profit before tax	9,596	11,772	+ 22.7%
Profit attributable to equity holders of the Company	7,306	9,027	+ 23.6%
EPS	0.25	0.30	+ 20.0%
Cost-to-income ratio	29.7%	26.2%	- 3.5 ppt
ROAA	3.4%	2.9%	- 0.5 ppt
ROAE	15.8%	13.8%	- 2.0 ppt
Capital Adequacy Ratio	21.0%	21.6%	+ 0.6 ppt

Sufficient Capital and Moderate Leverage Ratio can Support Future Business Development

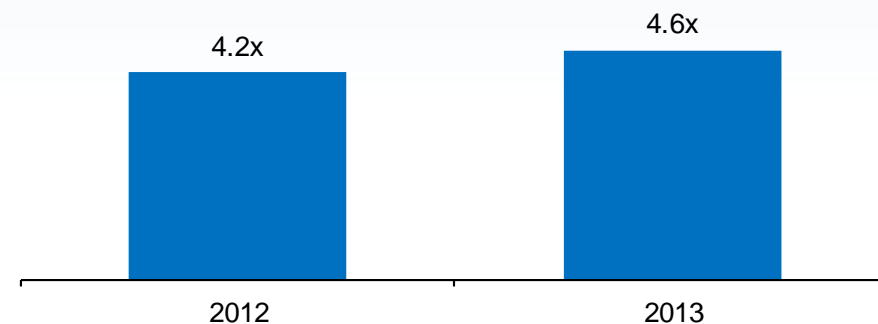
Increasing Asset Scale⁽¹⁾

(RMB mm)

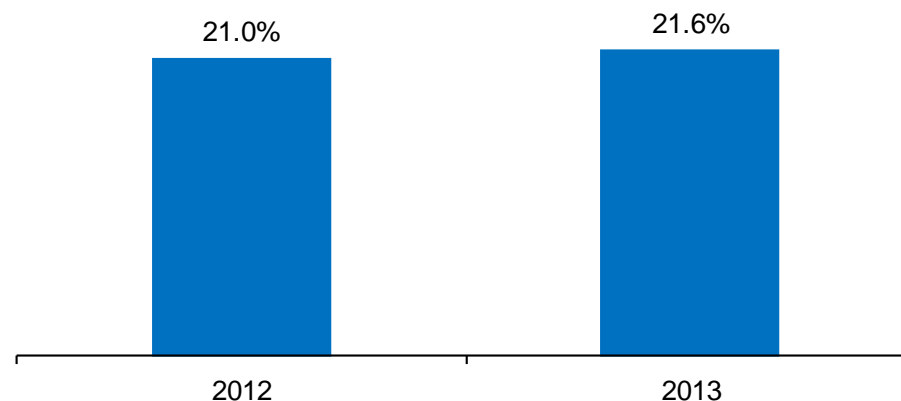


Group Leverage Ratio⁽²⁾ and Capital Adequacy Ratio

Total Assets / Total Equity



Capital Adequacy Ratio



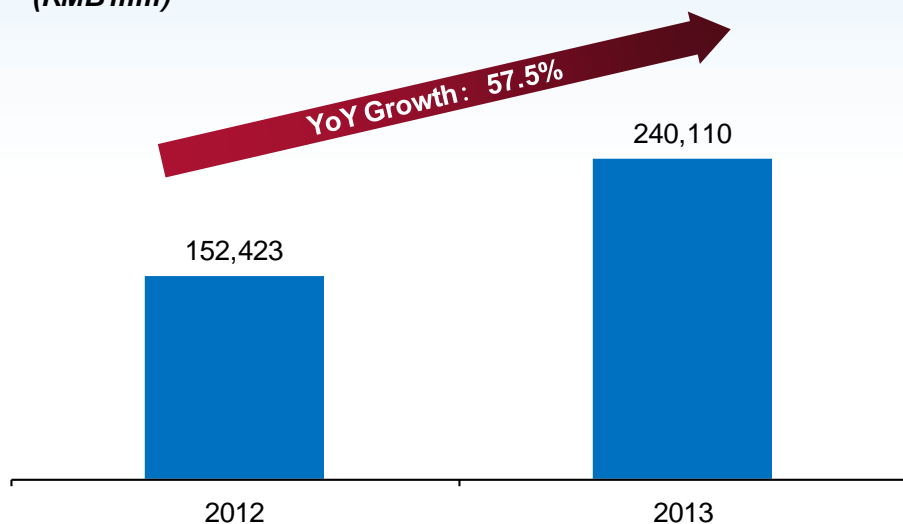
(1) Exclude elimination

(2) Total assets divided by total equity

Diversified and Commercialized Funding Channel

Balance of Interest Bearing Liabilities

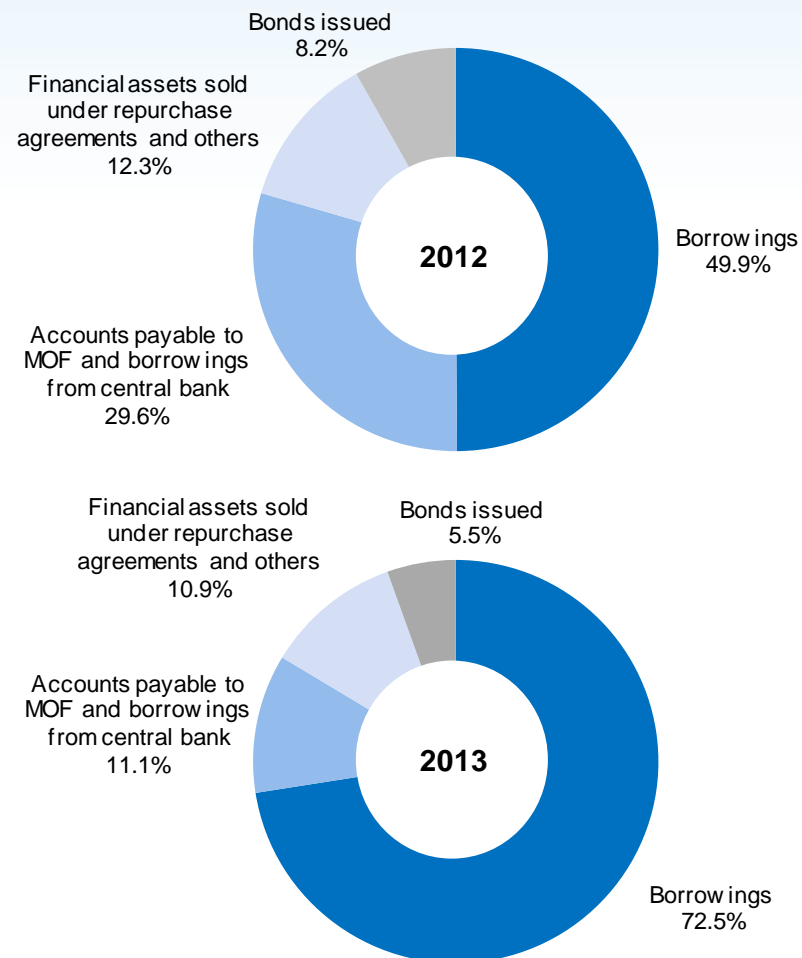
(RMB mm)



Interest Rate Range of Borrowings of Parent Company

	As of December 31	
	2012	2013
Fixed rate	4.80% - 6.90%	4.75% - 6.90%
Variable rate	5.35% - 6.15%	5.10% - 6.25%

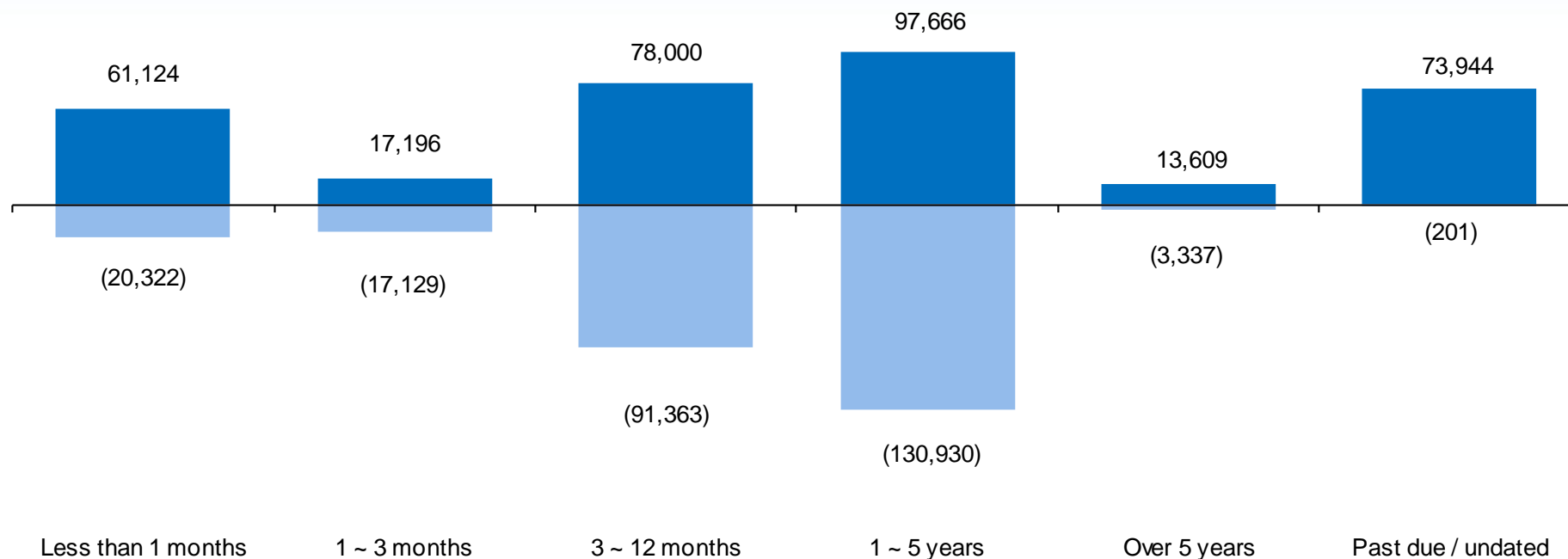
Interest Bearing Liabilities Breakdown



Well Matched Duration of Financial Assets and Liabilities

Analysis of Remaining Maturity of the Financial Assets and Liabilities as of 12/31/2013

(RMB mm)



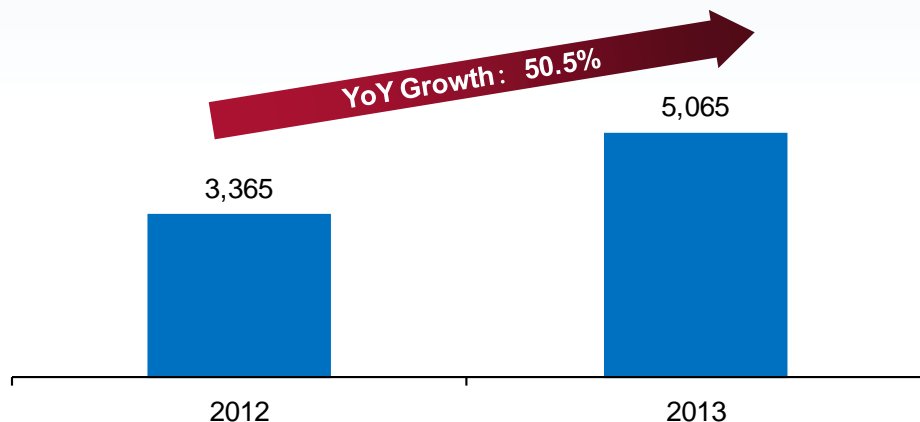
■ Financial assets ■ Financial liabilities

Improved Operational Efficiency Driven by Economies of Scale

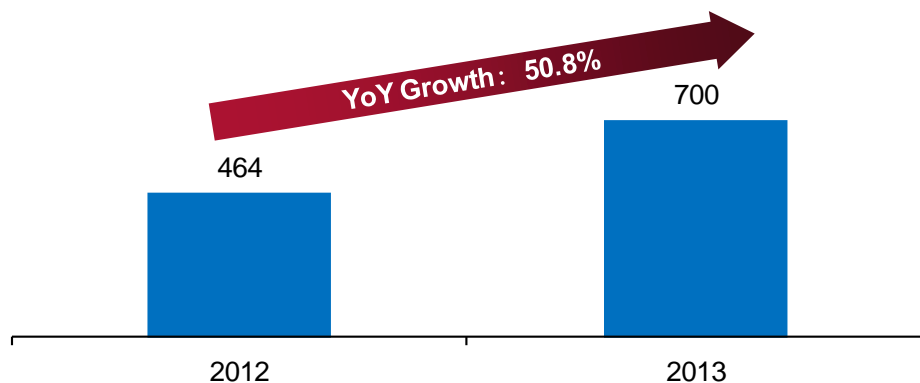
Further Enhancement in Operational Efficiency

(RMB mm)

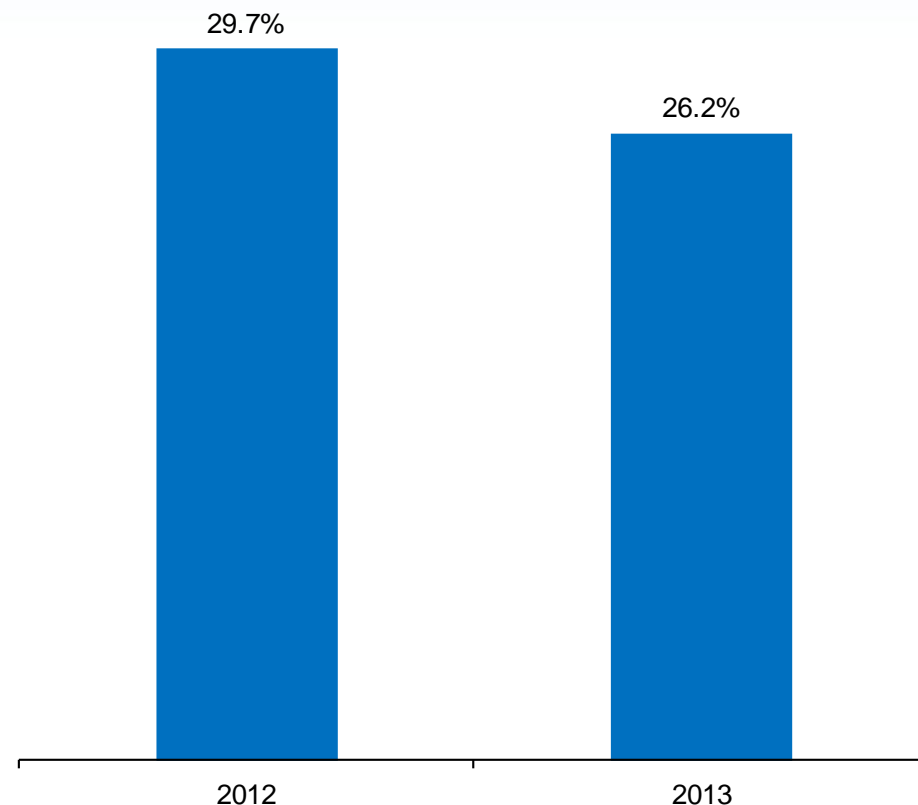
Average of Distressed Assets Managed Per Branch ⁽¹⁾



Average Income from Distressed Asset Management Per Branch ⁽²⁾



Cost-to-Income Ratio⁽³⁾



(1) Calculated based on sum of book value of distressed debt assets and book value of DES assets divided by 31 branches

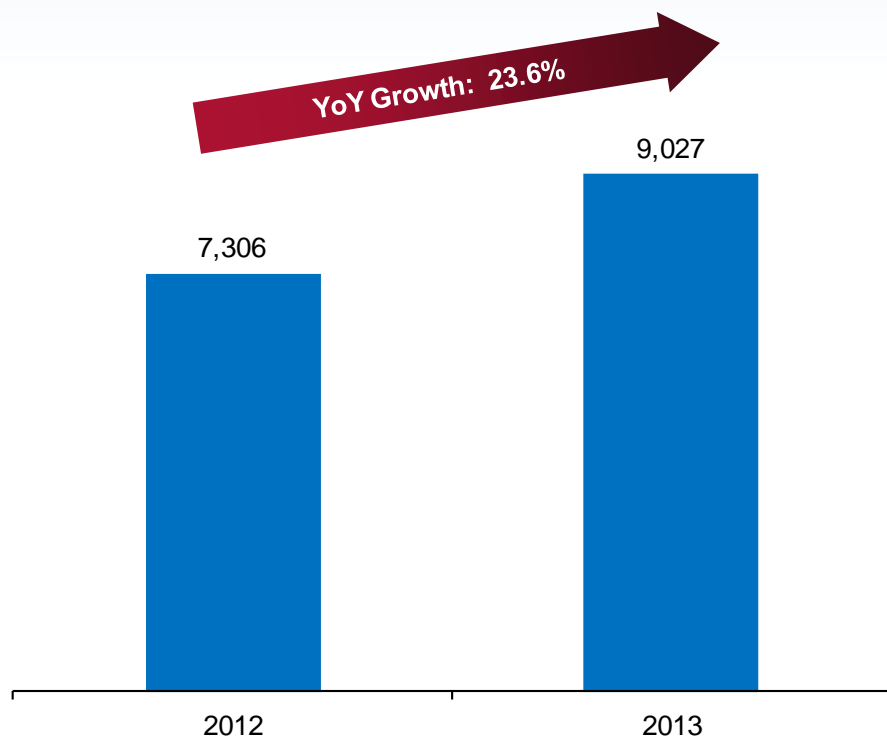
(2) Calculated based on total income from distressed asset management divided by 31 branches

(3) Cost/income ratio = operating expense / (total income – insurance costs – commission and fee expense – purchases and changes in inventories – interest expense), in which operating expense include employee benefits, depreciation and amortization and other expenses

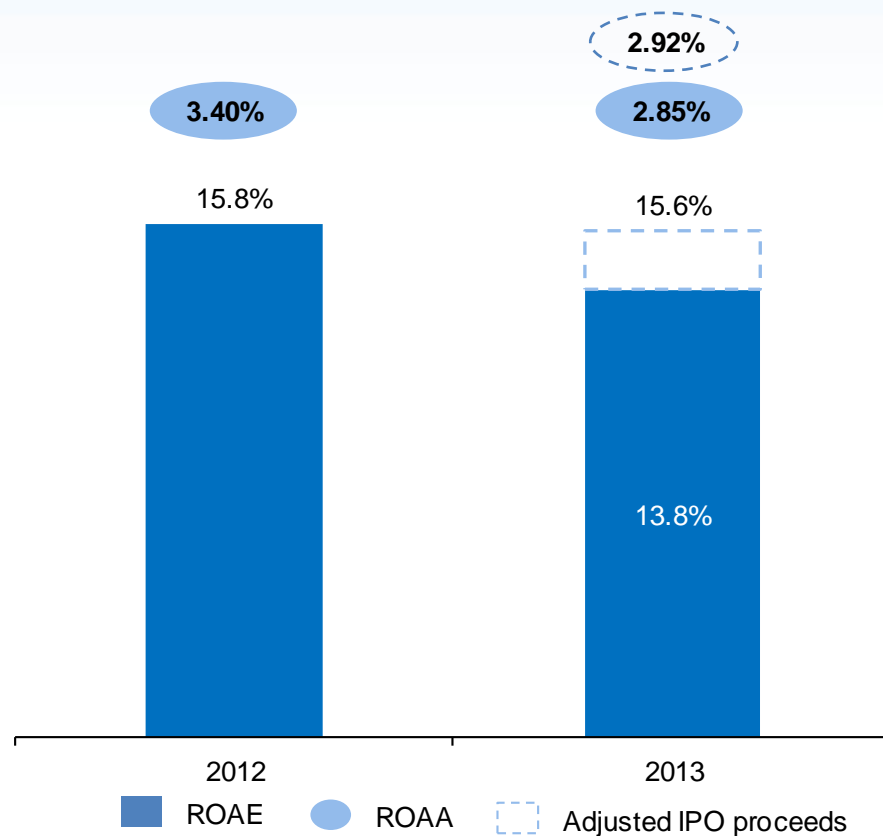
Superior Profitability

Profit Attributable to Shareholders

(RMB mm)



ROAE / ROAA





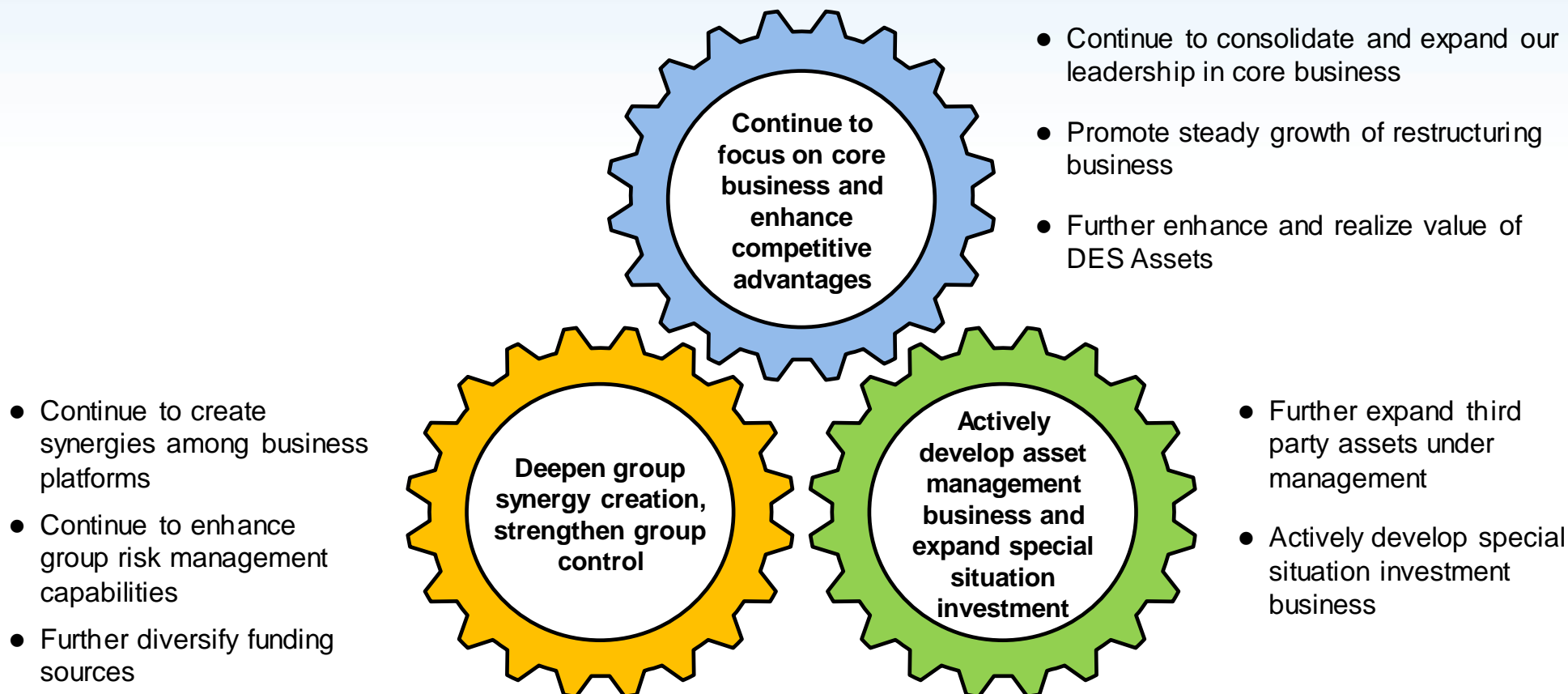
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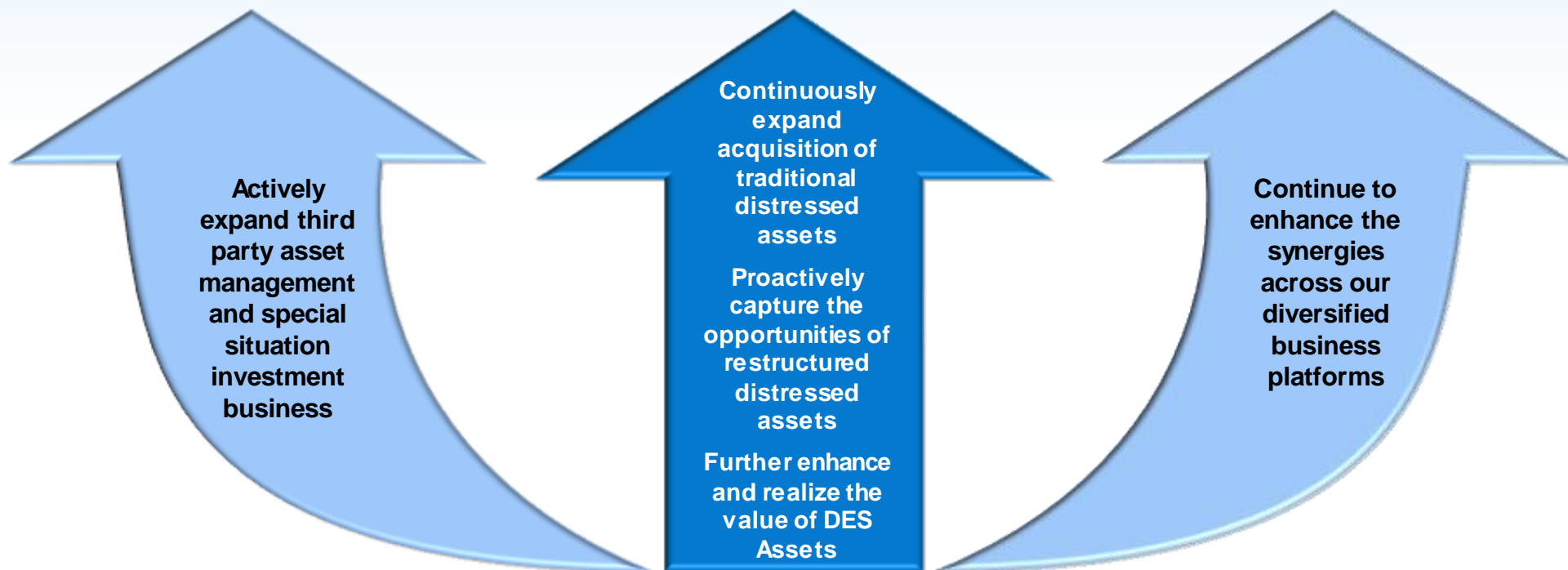
3 Outlook

Development Strategy and Sustainable Business Model



Corporate Vision

Continue to develop and refine our differentiated business model and to deliver sustainable and competitive returns to our shareholders through further consolidating and extending our leadership in the distressed asset management sector, actively developing our asset management business and operating our diversified business platforms synergistically



中国信达
CHINA CINDA

“One Cinda” Principle



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