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中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 939)

(USD Preference Shares Stock Code: 4606)

Announcement on the Establishment of a Wholly-owned Subsidiary

The board of directors (the “**Board**”) of China Construction Bank Corporation (the “**Bank**”) hereby announces that, as considered and approved at the 7th meeting of the Board held on 20 December 2016, the Bank proposes to establish a wholly-owned subsidiary, CCB Asset Management Co., Ltd. (abbreviated as CCB AMC, and is subject to the regulatory opinion), in Beijing with a proposed capital contribution of RMB12 billion.

Basic Information on CCB AMC

CCB AMC, which will be 100% held by the Bank and managed as a tier-1 subsidiary of the Bank, is proposed to be domiciled in Beijing with a proposed registered capital of RMB12 billion. CCB AMC is proposed to specialize in market-driven debt-to-equity swap business and will mainly operate and conduct financial business as approved by the financial regulatory authorities, such as acquisition of relevant debt rights, equity investment, converting debt into equity, holding, managing and disposing equity in debt-to-equity swap enterprises, etc.

CCB AMC will establish thorough corporate governance structure in accordance with PRC Company Law, Guidelines on Corporate Governance of Commercial Banks, relevant regulatory laws and regulations applicable to institutions for market-driven debt-to-equity swap and relevant corporate governance regulations and set up strict risk management and internal control mechanism according to regulatory requirements and business features.

Impact of the Investment on the Bank

The investment will be funded by the Bank's own capital.

The investment will meet the Bank's needs of adapting to changes in the internal and external economic situation and financial market, gradually transforming its profit model which is mainly based on interest margins of deposit and loan, improving its ability of capital management, carrying out the strategic transformation, enhancing its specialized and integrated financial service capability. The investment will benefit the Bank from utilizing its comprehensive advantage in client, channel, brand, personnel to actively participate in enterprise management, extend the service chain, enrich the supply of financial products, improve the customer experience, promote the innovation of business, improve the asset quality and risk prevention, and serving the real economy, which will achieve sustainable profit growth and value creation.

Risk Analysis on External Investment

The investment is subject to the approvals to be obtained from the relevant regulatory authorities.

Announcement is hereby given.

By order of the Board of Directors
China Construction Bank Corporation
Wang Zuji

Vice Chairman, Executive Director and President

20 December 2016

As at the date of this announcement, the executive directors of the Bank are Mr. Wang Hongzhang, Mr. Wang Zuji, Mr. Pang Xiusheng and Mr. Zhang Gengsheng; the non-executive directors of the Bank are Mr. Li Jun, Ms. Hao Aiqun, Mr. Guo Yanpeng and Mr. Dong Shi; and the independent non-executive directors of the Bank are Mr. Zhang Long, Mr. Chung Shui Ming Timpson, Mr. Wim Kok, Mr. Murray Horn, Mr. Carl Walter and Ms. Anita Fung Yuen Mei.