



中国邮政储蓄银行

POSTAL SAVINGS BANK OF CHINA

2017 Interim Results Presentation

August 30, 2017



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I

Financial Performance



Key Financial Indicators

(RMB100 million)	June 30, 2017	Dec. 31, 2016		
Total assets	85,438.26	82,656.22	↑	3.37%
Total loans to customers	33,404.54	30,106.48	↑	10.95%
Total liabilities	81,790.44	79,187.34	↑	3.29%
Customer deposits	78,062.35	72,863.11	↑	7.14%
	June 30, 2017	Dec. 31, 2016		
Capital adequacy ratio	11.67%	11.13%	↑	54bps
NPL ratio	0.82%	0.87%	↓	5bps
Provision coverage ratio	288.65%	271.69%	↑	16.96ppts
(RMB100 million)	1H2017	1H2016		
Operating income	1,059.73	932.86	↑	13.60%
Net interest income	875.14	816.37	↑	7.20%
Net fee and commission income	70.33	58.66	↑	19.89%
Net profit	265.92	232.16	↑	14.54%

Source: PSBC Interim Report 2017

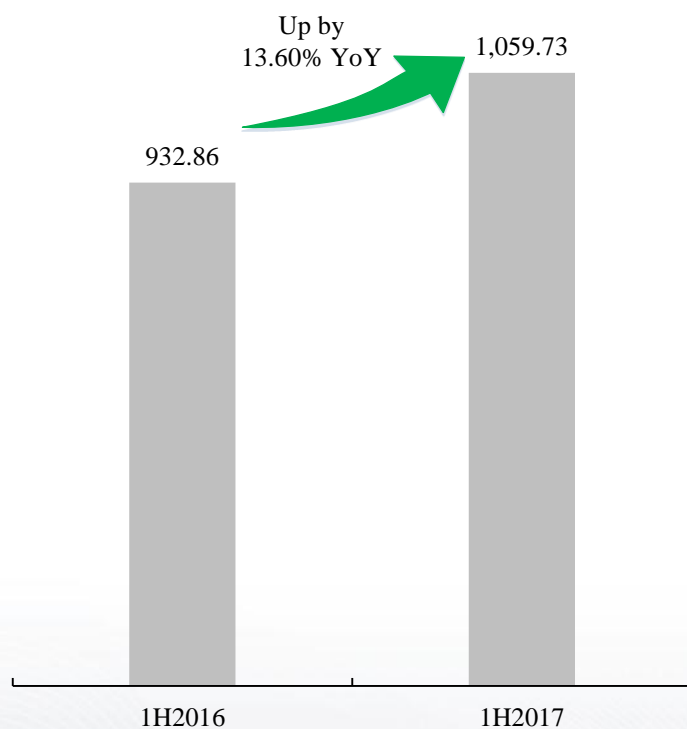
Note: Some figures are rounded based on the data in the Interim Report.



Improved Profitability and Optimized Business Structure

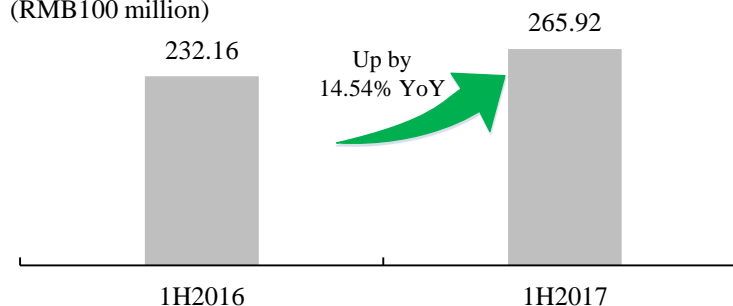
Operating Income

(RMB100 million)



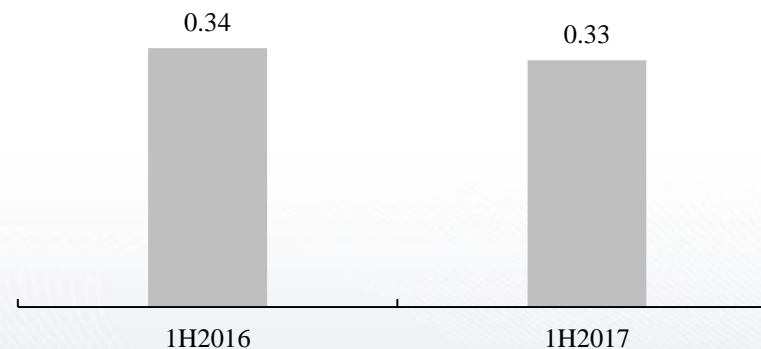
Net Profit

(RMB100 million)



Basic Earnings per Share

(RMB)



Source: PSBC Interim Report 2017

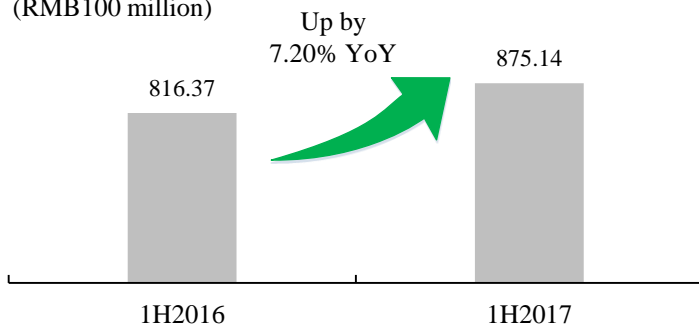
Note: Some figures are rounded based on the data in the Interim Report



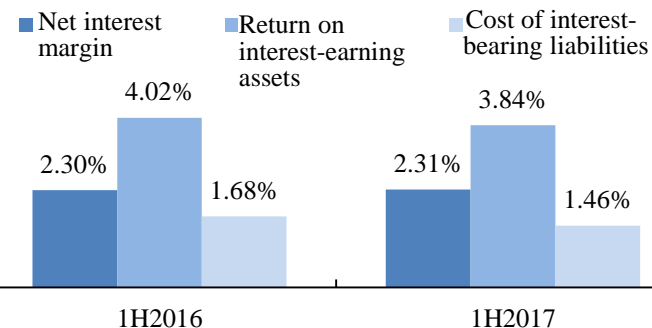
Steady Growth of Interest-earning Assets and Income

Net Interest Income

(RMB100 million)

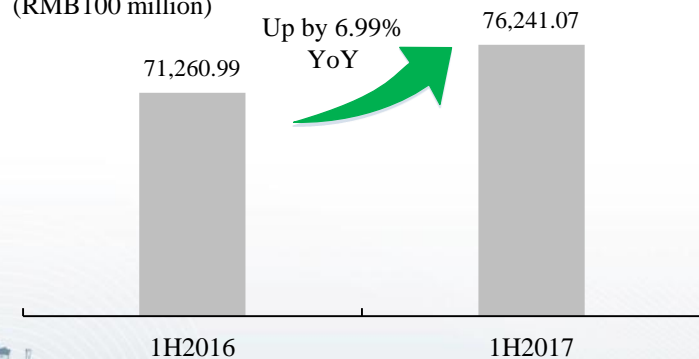


Yields

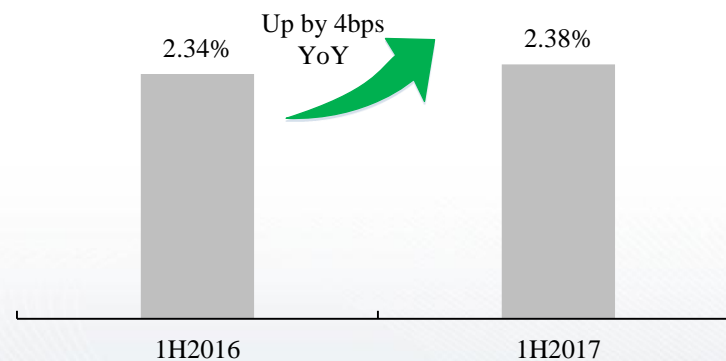


Average Balance of Interest-earning Assets

(RMB100 million)



Net Interest Spread



Source: PSBC Interim Report 2017

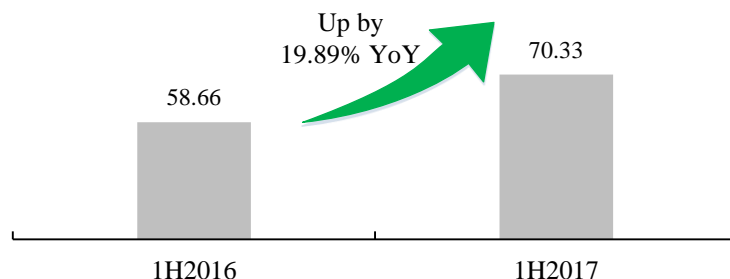
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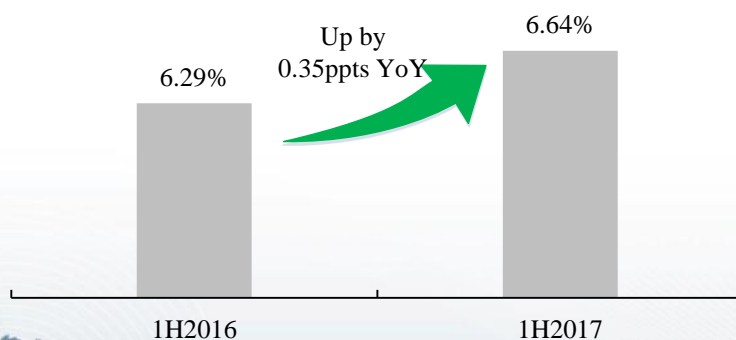
Fast Growth of Net Fee and Commission Income

Fast Growth of Net Fee and Commission Income

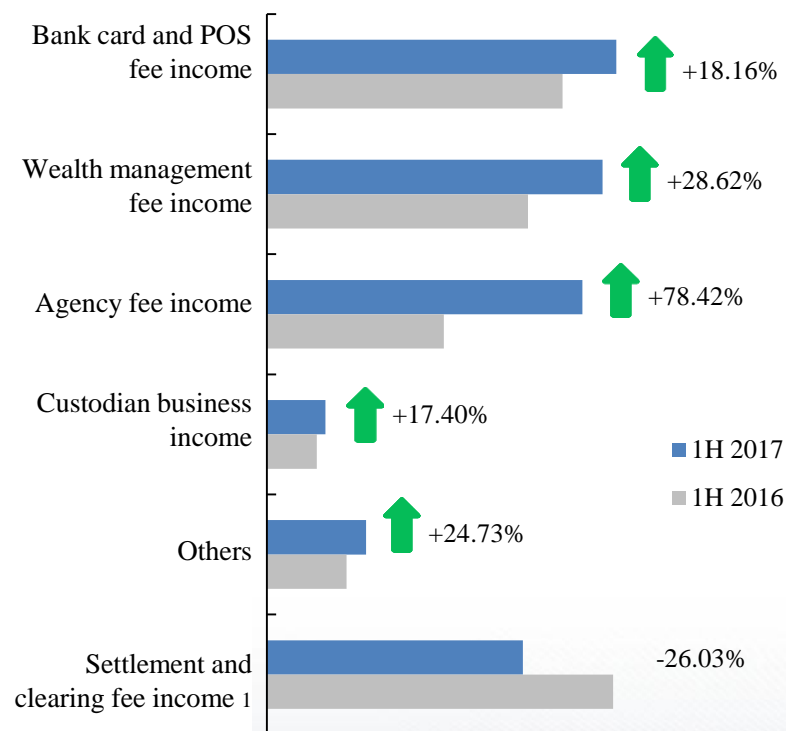
(RMB100 million)



Rising Proportion of Net Fee and Commission Income



Fee-based Business Income on the Rise



1. Due to the cancellation of cross-region transaction fees, settlement and clearing fee income reached RMB2,094 million, down by 26.03% year on year

Source: PSBC Interim Report 2017

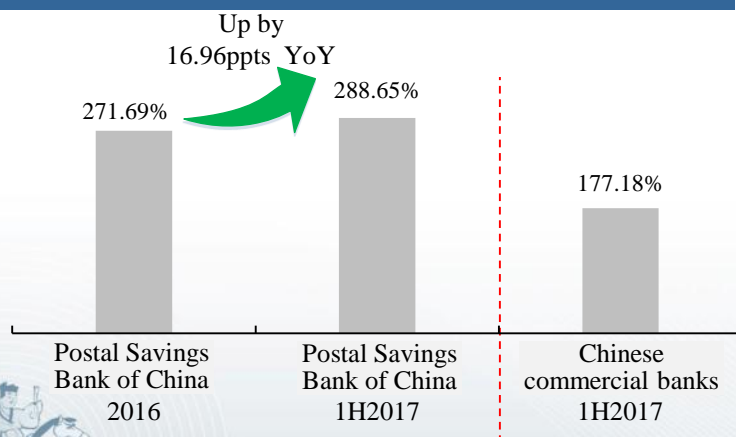
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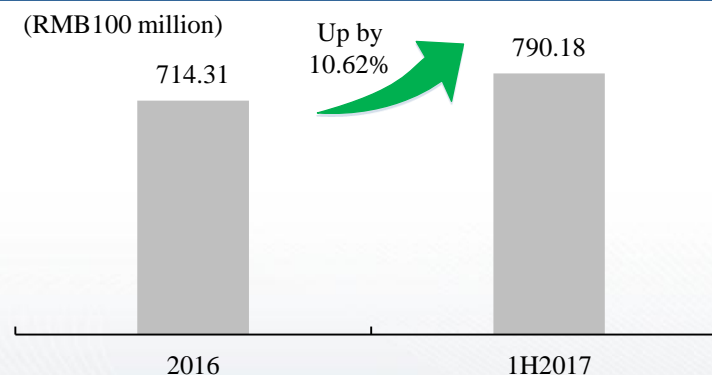
Excellent Asset Quality and Sufficient Provisions

(RMB100 million)				
	1H2017		2016	
	Balance	Proportion	Balance	Proportion
Normal	32,939.60	98.61%	29,601.05	98.32%
Special mention	191.19	0.57%	242.52	0.81%
Non-performing loans	273.75	0.82%	262.91	0.87%
Substandard	57.57	0.17%	77.28	0.26%
Doubtful	96.97	0.29%	69.65	0.23%
Loss	119.20	0.36%	115.98	0.39%

High Provision Coverage Ratio



Increasing Provision for Impairment of Loans



Source: PSBC Interim Report 2017 and the CBRC
Note: Some figures are rounded based on the data in the Interim Report.



II

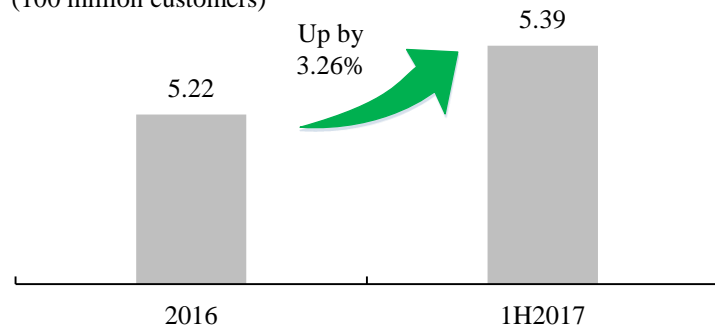
Business Development



Improved Service Capability for High-end Customers and Faster Transformation and Upgrading of Outlets

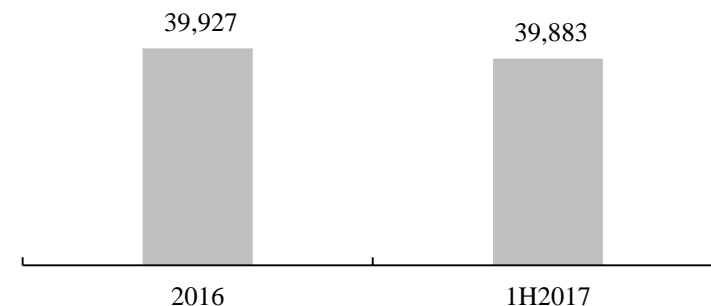
Large Personal Customer Base in China

(100 million customers)



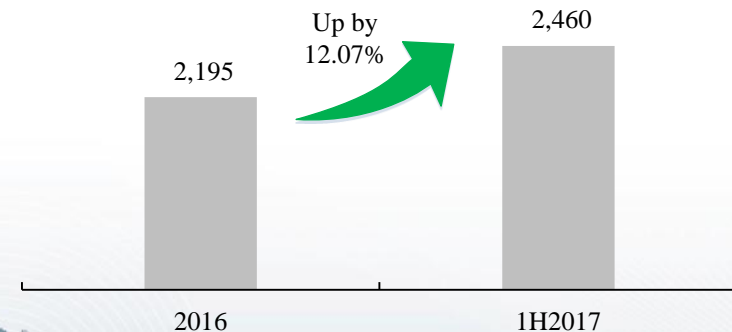
Wide Outlet Coverage in China

Number of outlets



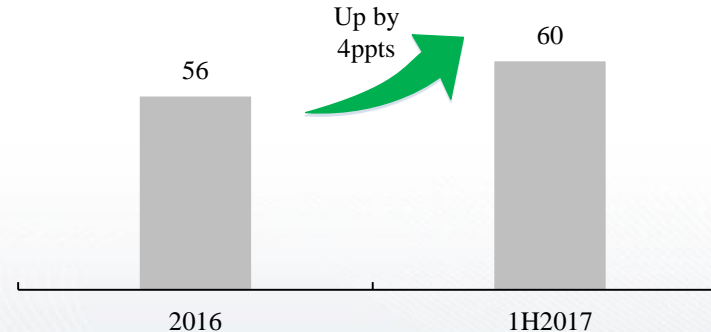
Number of VIP Customers

(10,000 customers)



Faster Transformation and Upgrading of Outlets & Popularization of Intelligent Outlets

Proportion of CRS (%)



Source: PSBC Interim Report 2017

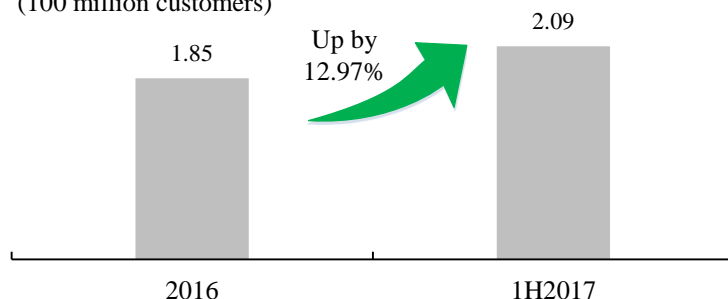
Note: Some figures are rounded based on the data in the Interim Report.



Rapid Development of online E-banking Service Channels

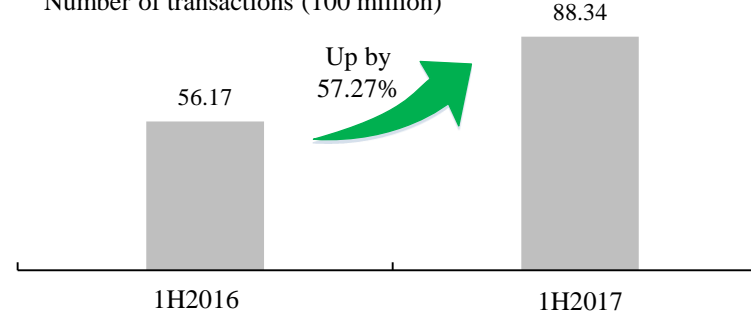
Fast Development of E-banking Customer Base

(100 million customers)



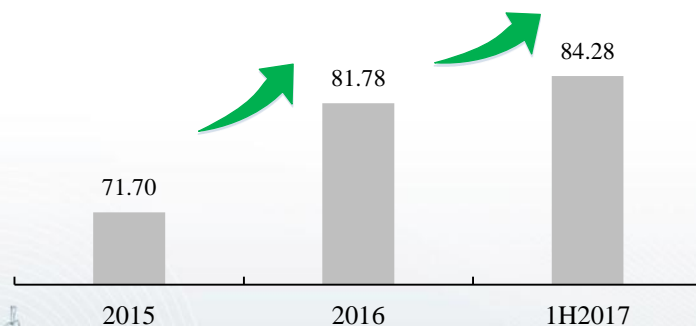
Rapid Increase of E-banking Transactions

Number of transactions (100 million)



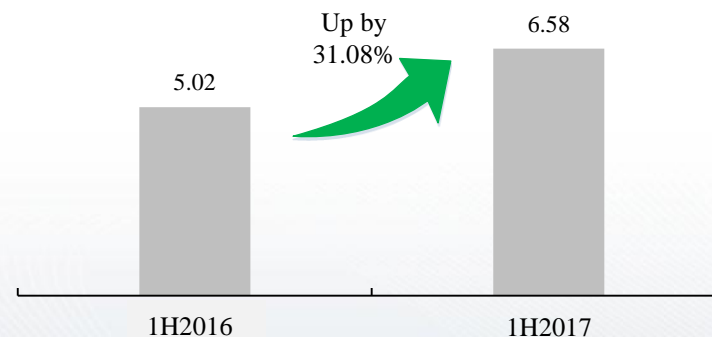
Fast Rising Substitution Rate of E-banking Transactions

(%)



Substantial Increase of E-banking Transaction Amount

E-banking transaction amount (RMB trillion)



Source: PSBC Interim Report 2017

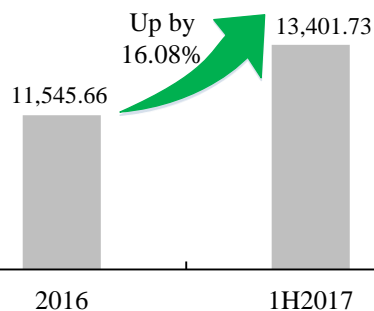
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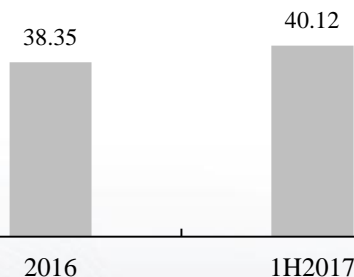
Adhering to the Strategic Positioning of Retail Banking and Serving Communities, SMEs and Sannong (agriculture, rural areas and farmers)

Serving Communities

Balance of personal consumption loans and credit card overdrafts (RMB 100 million)

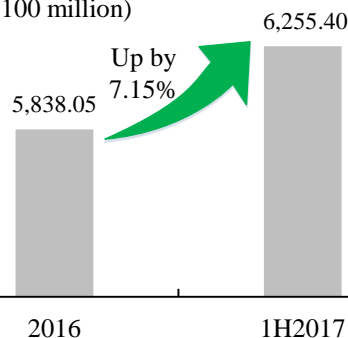


% of total loans
(%)

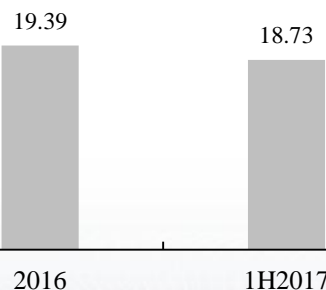


Serving SMEs

Balance of loans to micro and small business¹ (RMB100 million)

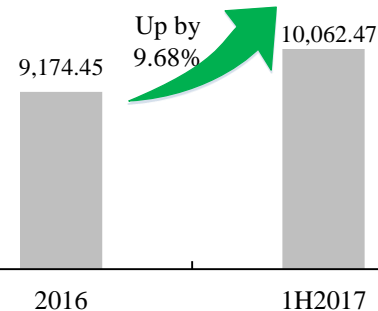


% of total loans
(%)

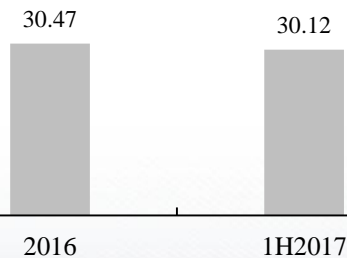


Serving Sannong (agriculture, rural areas and farmers)

Balance of agriculture-related loans (RMB100 million)



% of total loans
(%)



Source: PSBC Interim Report 2017

Note: Some figures are rounded based on the data in the Interim Report

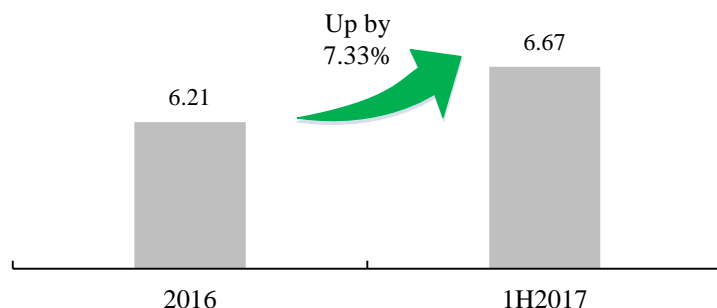
¹ Micro and small business loans include corporate loans to small enterprises (including loans to medium-sized enterprises with the amount of less than RMB30 million), personal micro loans and personal business loans.



Personal Business: Rapid Growth in Deposit and Fee-based Business

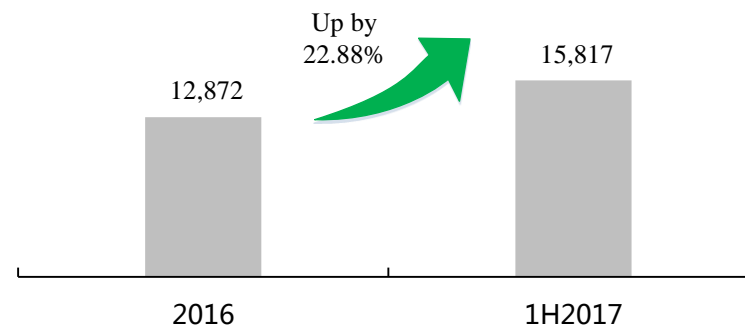
Personal Deposits

(RMB trillion)



Credit Cards in Circulation

(1,000)



Size of Agency Insurance



In the first half of 2017, the total written premium of new policies of our bancassurance business reached **RMB311 billion**



Of which, the size of regular payment insurance business reached **RMB25.7 billion**, a year-on-year growth of **38.31%**

Construction of Fintech Ecosystem



An open Fintech ecosystem was established in cooperation with China Post Group, Tencent and JD



As of the end of the June 30, 2017, we cooperated with **678** merchants in total. During the first half of 2017, we completed **4.25 billion** transactions with transaction amount of **RMB1.35 trillion**.

Source: PSBC Interim Report 2017

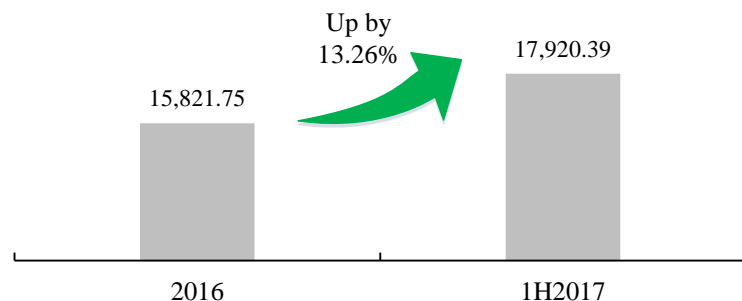
Note: Some figures are rounded based on the data in the Interim Report.



Personal Business: Steady Development of Loan Business

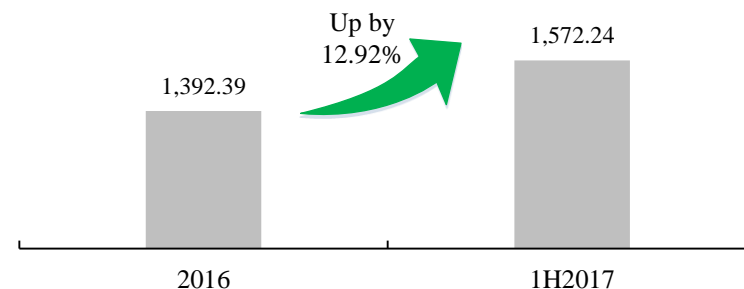
Personal Loan Business

(RMB100 million)



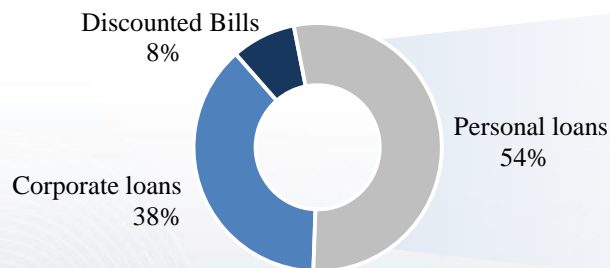
Personal Micro Loan

(RMB100 million)



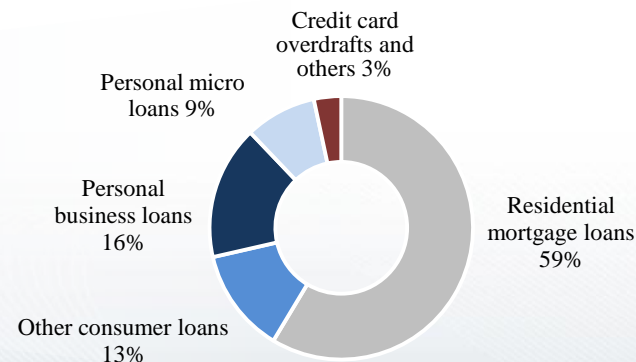
Proportion of Personal Loans

As of the end of June 2017



Structure of Personal Loans

As of the end of June 2017



Source: PSBC Interim Report 2017

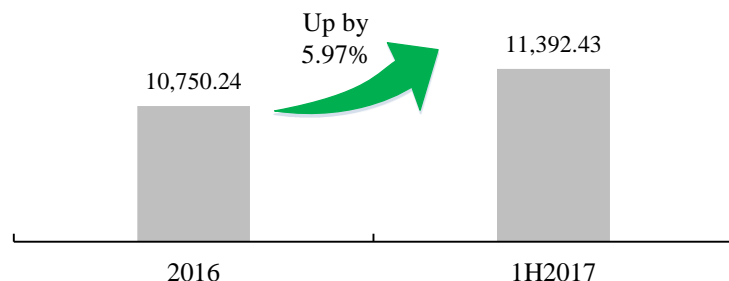
Note: Some figures are rounded based on the data in the Interim Report.



Steady Development of Corporate Banking

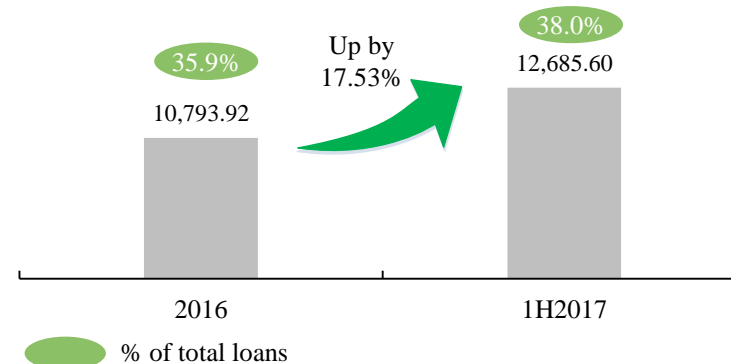
Corporate Deposits

Total corporate deposits (RMB100 million)

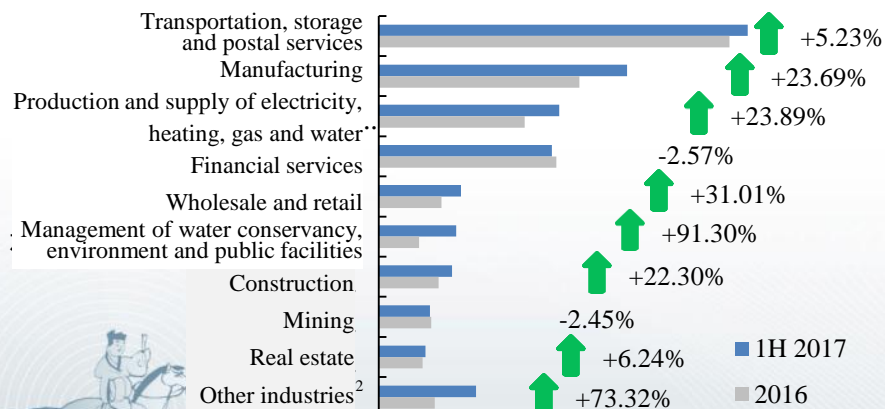


Corporate Loans

Total corporate loans ¹ (RMB100 million)



Distribution of Corporate Loans



1. Excluding discounted bills

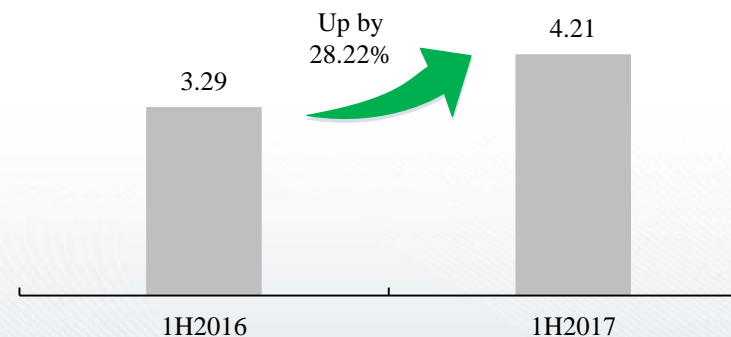
2. Other industries include leasing and business services, agriculture, forestry, animal husbandry, fisheries, information transmission, computer services and software, etc.

Source: PSBC Interim Report 2017

Note: Some figures are rounded based on the data in the Interim Report.

Custodian Business

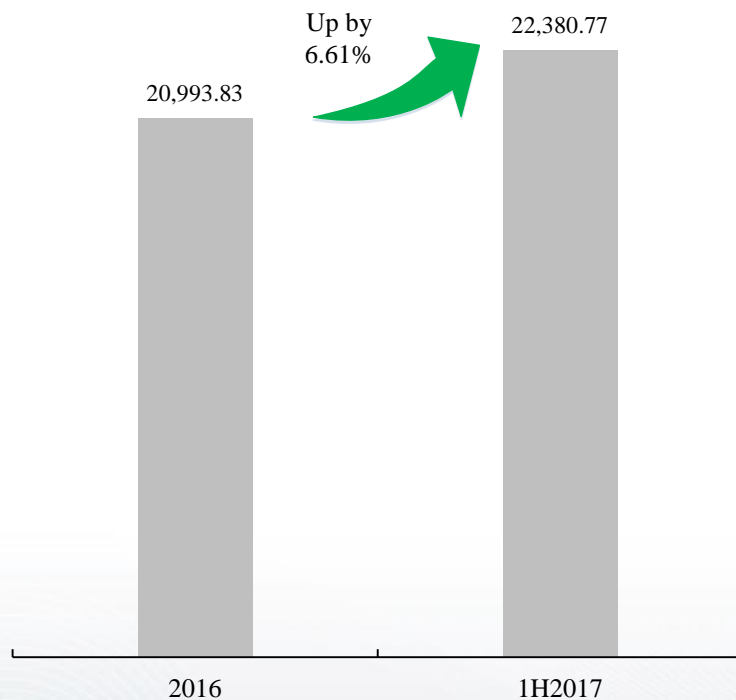
Size of assets under custody (RMB trillion)



Optimized Structure of Treasury Business

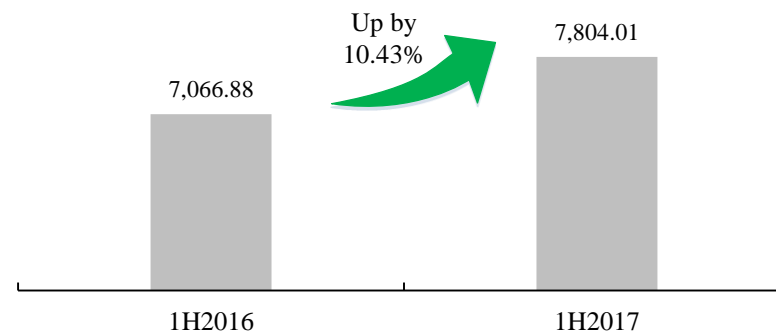
Excellent Performance of Debt Securities

Balance of debt securities (RMB100 million)



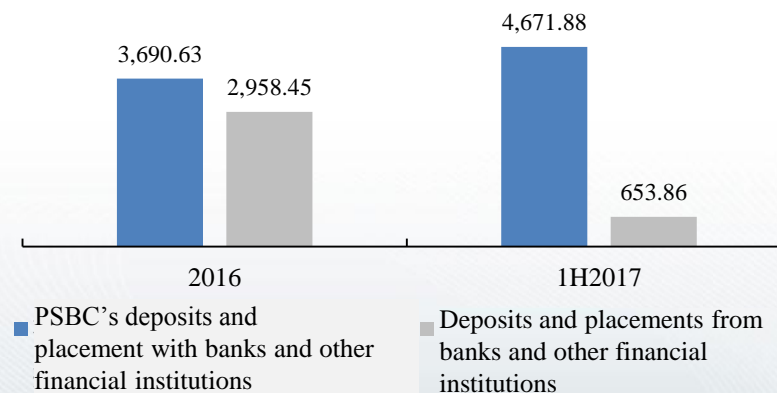
Sound Operation of Wealth Management Products

Size of assets under management (RMB100 million)



Traditional Advantages Maintained in Interbank Financing

Size of interbank financing (RMB100 million)



Source: PSBC Interim Report 2017

Note: Some figures are rounded based on the data in the Interim Report.



III

Outlook



Outlook

1

Promote the implementation of retail banking strategy to serve the real economy with all-out efforts

- Stepped up improving the operation mechanism of Sannong Finance Department
- Build the domestic top-notch small enterprises services provider
- Serve the implementation of the Belt and Road Initiative, construction of Xiong'an New Area, Beijing-Tianjin-Hebei Coordinated Development and construction of Yangtze River Economic Belt

2

Advance reform and innovation, increase input in Fintech

- Make full use of big data, cloud computing and blockchain
- Establish data labs and big data portals
- Form a new ecosystem with the integration of finance and technology for E-banking
- Steadily promote the preparation for establishing the financial leasing company

3

Adopt multiple measures to accelerate business development

- Intensify incentives and innovation to raise fee-based business income
- Cement the marketing for strategic customers
- Continue to enhance corporate banking business
- Control cost in a strict, focused, refined and effective manner

4

Intensify risk control and consolidate the protection mechanism for reform and development

- Pay close attention to regional and industrial risks
- Optimize customer access standards, make sure we have accurate collateral value assessment
- Strictly control the growth of loans to enterprises with excess capacity in accordance with risk limits



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同步
TOGETHER
WE MAKE IT
BETTER

THANKS!

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