



*Bank of Communications
Your Trustworthy Partner Forever*

ANNUAL REPORT 2003



first-class service

first-class efficiency

first-class reputation

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Chairman's Message



Yin Jieyan
Chairman

Year 2003 was an extraordinary year. Under the leadership of the CPC Central Committee and the State Council, China achieved an economic growth that attracted worldwide attention, despite all the difficulty in and outside the country. Committed to reforms, development and innovation, Bank of Communications adhered to its ideology of operation and achieved a growth that was in pace with the development of the country's economy and financial industry. The bank's total assets reached 950.444 billion yuan, increasing by 23.94%. The balance of RMB and foreign currency deposits increased by 181.484 billion yuan or 27.02%. The balance of RMB and foreign currency loans increased by 116.624 billion yuan or 26.58%. The pre-provision profit was 9.5 billion yuan. All the major indicators reached new highs in the bank's history.

In 2003 Bank of Communications deepened its reforms in an overall way. Periodical and substantial achievements were made in a series of significant reform initiatives including

perfecting the corporate governance, restructuring the organizational structure and the risk management system, carrying forward the Data Centralization Project, starting and implementing financial restructuring and introducing foreign investment, which lays a solid foundation for the bank's further development.

What the bank achieved in 2003 is attributed to the regulators' sophisticated guidance and strict supervision, to the joint efforts and keen determination of the bank's senior management, to the hard work of the management at various levels and the whole staff and to the great support of all circles of society and of the shareholders, for which I would like to express my most heart-felt congratulations and thanks on behalf of the Board of Directors.

In 2004 Bank of Communications will be faced with new challenges and opportunities as well. We shall be committed to all the work in the bank's reforms and development to ascertain that

the bank develops in the correct track. As far as the Board of Directors is concerned, it is to concentrate on revising the Articles of Association, organizing the General Meeting of Shareholders and preparing to establish the new Board of Directors. As required by the bank's Articles of Association and the regulators, we shall set up the Supervisory Board reporting to the General Meeting of Shareholders and the specialized committees affiliated to the Board of Directors such as Auditing Committee, Risk Management Committee and Personnel & Remuneration Committee, and will introduce independent directors into the Board. We shall also make further progress in perfecting the corporate governance.

I am strongly confident that, as long as we follow the State's macro guidance, give full play to the active role of the staff and the shareholders and insist on the tenet of "first-class service, first-class efficiency and first-class reputation", Bank of Communications will be sure to win new victories in the new year.

殷介炎

Yin Jieyan
Chairman

President's Report



Fang Chengguo
President

In 2003, led by the CPC Central Committee and the State Council and guided by the regulators, Bank of Communications intensively carried out the Three-Represent Thought and adhered to the Six-Advanced development goals, and hence achieved good performance in business and other major work. In the year we seized the opportunities and overcame the difficulties so that the growth of business was expedited, the bank's overall reforms were carried forward, the management foundation was consolidated and the returns of operation grew steadily.

As of the end of 2003, the bank's integrated assets totaled 950.444 billion yuan, increasing by 183.57 billion yuan or 23.94% compared with the end of the previous year. The integrated balance of deposit totaled 853.083 billion yuan, increasing by 181.484 billion or 27.02% over the end of the previous year. The integrated balance of loans totaled 555.277 billion yuan, increasing by 116.624 billion yuan or 26.58%.

Based on the 5-category classification system, the NPL balance of the domestic operation at the year end was 69.479 billion yuan, a decrease of 10.751 billion compared with the end of the previous year, while the NPL rate dropped by 6.35 percentiles to 13.31%. The whole bank achieved a 9.5 billion yuan pre-provision profit, increasing by 2.358 billion or 33.01% compared with that in the previous year. In comparison with the previous year, the increment as well as the speed increase of deposit balance and loan balance in 2003 was the highest since the bank's re-establishment and the pre-provision profit reached the highest level in history as well.

In 2003 the bank achieved overall progress in its systemic reforms. The introduction of strategic overseas investors went on smoothly. The perfection of corporate governance was started while the role of the Board of Directors was strengthened in decision-making and the information disclosure was standardized in a step-by-step way. The organizational restructuring was carried forward steadily. The framework of the 8 large departments was primarily determined and is

being carried out in a step-by-step way. The Treasury Department and the Business Processing Center started operating and the linear management of credit management function and internal auditing function was being further carried forward. The simplified new performance assessment system on the principle of six-four ratio between quality indicators and profitability indicators was implemented successfully. While the pace of new product development was speeded up, new products meeting the needs of customers such as credit card, wealth management, corporate and individual internet banking, "bank-trust through" and cash management was launched one after another. IT construction advanced steadily. The Data Centralization Project went on smoothly. The development of Phase I of Core Accounting System was completed and the system is being tested. The development of credit management system and international business system has yielded periodical achievements. The IT system of Tokyo branch was successfully linked to the new system of Hong Kong Branch.

In 2003, Bank of Communications took portfolio adjustment as the theme of operation and management, stressing adjusting portfolio during development and expediting development during adjustment. The result was remarkably effective, which is displayed in the following 5 aspects.

First, the business portfolio was further perfected. While the corporate business kept a healthy and fast development momentum, the individual business, fee-based business and international business, the bank's three key business items, grew by leaps and bounds. The year-end balance of RMB corporate loan totaled 461.2 billion yuan, increasing by 26.5% compared with that at the end of the previous year. The year-end balance of RMB savings deposit totaled 260 billion yuan, increasing by 26% compared with that at the end of the previous year. The transaction volume of Pacific Card surmounted 221.6 billion yuan, increasing by 22.4% compared with that of the previous year. The size of fund custody doubled that of the previous year, defending the bank's leading position in the market. The revenue from fee-based business of the domestic branches totaled 1.659 billion yuan, increasing by 31.35% compared with that at the end of the previous year. The volume of international settlement totaled 50.7 billion yuan, increasing by 35.71% compared with that of the previous year.

Second, the customer portfolio was further improved. The marketing targeting the high-end customers and high-quality projects developed remarkably. The cooperation with institutional customers such as futures, securities and insurance companies was furthered. For the first time the bank won the bidding for the agent bank for the authorized payment of state revenue. The bank also utilized the early warning system and active withdrawal mechanism to weed out a group of risky and low-quality customers.

Third, the assets/liabilities structure approached perfection. The retail business grew continually, the loan portfolio was improved steadily, the size of bond investment expanded and the assets/liabilities rate was relatively coordinated.

Fourth, the business network layout was further perfected. Thanks to the implementation of the "elite network" strategy, the number of the business outlets with low yielding dropped by 36.49% compared with the beginning of the year while outlets' functions were strengthened and their profitability improved.

Fifth, the staff composition was turning for the better. The training and education of the staff was further strengthened and the age and knowledge composition of the staff was improved.

In 2003, Bank of Communications also further strengthened the operational management and the risk management. The reforms on the credit system was further deepened, the results of the World Bank project of improving the lending process were rolled out in an overall way, the review and examination of loans was strengthened and the mechanism of compliance review of loans was being established in a step-by-step way. The financial budgeting management was improved and the development of the management accounting system was carried forward. The disposal of problem assets was strengthened: the uniform evaluation and the centralized auctioning of foreclosures were formally started, the collection by means of litigations was remarkably effective, the cash collection rate rose considerably and the de-linking of self-owned companies reached the desired target. The implementation of the vertical internal auditing management system was expedited while the regular and specialized on-spot and non-on-spot auditing was further strengthened. The prevention and control system of compliance risks was also initially established.

The past year witnessed Bank of Communications take another step in business growth and other work despite all kinds of difficulty. On behalf of the management of the Head Office, I would like to express the most heart-felt thanks to the staff and their families, the government at various levels, the regulatory authorities, all circles of society and the shareholders for supporting the development of the bank!

Year 2004 will be critical to the reforms and development of Bank of Communications. In the context of the present economic and financial environment in and outside the country, this year our bank shall, guided by the Three-Represent Thought and adhering to the Six-Advanced Tenet, endeavor to seize the opportunities and, with a truth-seeking and down-to-earth attitude, promote the reforms and innovations, perfect the internal management, strengthen the risk control, optimize the resources allocation and improve the bank's competitiveness with the purpose to guarantee the safe and efficient operation of business and achieve an all-round, coordinated and sustainable growth.

First, to deepen the reforms of systems and mechanisms by planning in an overall way while stressing the focal points of the work. Efforts shall be made to win support from all circles to carry forward the overall reforms and financial reforms. With the support of State's policies, NPL's are to be reduced, partially through our own efforts and partially through market digestion. The provisions are to be allocated sufficiently to increase the Capital Adequacy Ratio in order to address the historic assets problems and improve the core competence. The follow-ups of the foreign stakes introduction are to be expedited and great efforts shall be made for the success of the foreign investment introduction so as to introduce into the bank the advanced management and experience of foreign banks. The reforms on the corporate governance are to be carried forward by perfecting the bank's internal power balancing mechanism following the "tripartite" system to the end of effective power restraining and coordinated development. The organizational restructuring is to be advanced actively and steadily. The organizational integration at headquarters level is to be implemented emphatically with the purpose to initially set up 8 large departments, the linear management system of middle offices and back offices such as credit function and internal auditing function is to be carried forward while the construction of the risk management system is to be deepened so as to establish an operating mode in which the front office targets profitability. The organizational structure at branch level and the regional

management mode are also to be determined. We shall explore the establishment of a perfected incentive mechanism by deepening the human resources reforms, promoting the salary reforms, perfecting the performance assessment system and reforming on the expense management. We shall improve the IT system, expedite the development of the Data Centralization Project and the management accounting system and speed up the upgrading of the network infrastructure so as to provide strong technology backup for the bank's development.

Second, to seize the opportunities, expedite the structural adjustment and implement the business innovation strategy and overseas development strategy. By implementing the optimized resources distribution strategy, we are to optimize the distribution of credit fund so as to expedite the growth of advantageous branches, enhance the bank's development in key regions and promote the integrated marketing to key customers. By vigorously implementing the strategy of promoting the development of key business items, we shall take measures from all aspects of leadership, marketing strength, credit support, technical support, product innovation, performance assessment, incentive mechanism and human resources to promote the development of individual banking, international business and fee-based business so that the three key business items may achieve rapid growth. Through committed implementation of overseas development strategy, we will be able to fully avail ourselves of the resources and access the space of development in and outside the country and to further perfect the layout of the overseas institutions while laying special emphasis on the business in Hong Kong. By painstakingly implementing the brand strategy, we will be able to perfect the product innovation mechanism and build quality and specialty brands by strictly following the principles of product innovation, and hence strengthen our ability in business innovation and product development.

Third, to strengthen risk control and establish the long-term management mechanism so as to further improve the ability to ward off and control the risks. With the strengthening of the internal control system as the core, a risk management system covering the whole process is to be built. The implementation of regulations and the related examination is to be strengthened to further improve the efficiency of management. The management over branches is to be further perfected by adopting modernized IT technology and expediting the data centering project with the purpose to consolidate the basics of management.

Fourth, following the philosophy that “people are the essence”, to strengthen the construction of mental civilization and company culture so as to guarantee and enhance the overall development of the staff, which is taken as one of the integral indicators of the development of Bank of Communications. The staff career planning is to be started to actively implement the training and life-long education for all the staff. We shall enrich the staff's cultural life, improve their working condition and guarantee their legal rights. We shall strive to continuously improve the staff's quality in terms of both knowledge and morality to encourage them to develop together with the bank.

I am all confidence that, by following the guidance of the gist of the 16th CPC Congress and the 3rd Plenary Session of the 16th CPC Central Committee and practicing with vigorous efforts the requirements by the Three-Represent Thought, Bank of Communications will surely achieve its desired targets with its core competence further strengthened and its operation and management further improved, hence will surely reciprocate the State, the shareholders, the staff and the society with higher returns.

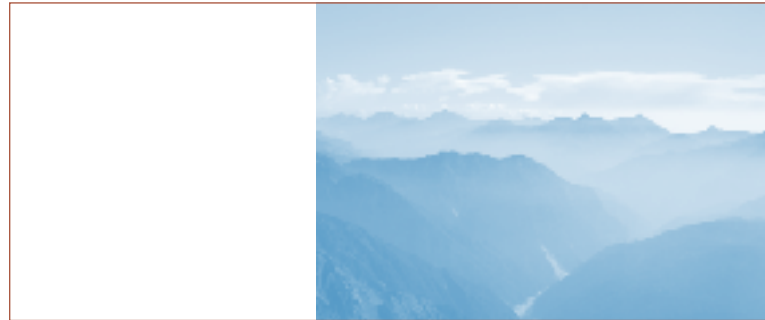


Fang Chengguo
President



Gu Mingchao
Chairman of the Board of Supervisors

The Board of Supervisors of Bank of Communications, accredited by the State Council, performs supervision of the Bank's assets quality and the value preservation of state-owned assets on behalf of the state.



Annual Report 2003

Part 1 Important Notice

The Board of Directors of the Bank and its directors assure that the materials recorded in this Report do not have any false records, misleading statements or significant omissions and they shall be accountable for the authenticity, correctness and integrity of the said materials in terms of individual and joint liability.

Part 2 Profile of the Company

1. The Registered Name of the Company in Chinese: 交通银行股份有限公司

The Registered Name in English: BANK OF COMMUNICATIONS LTD.

(for short Bank of Communications, or the Bank)

2. Legal Representative of the Company: Fang Chengguo

3. The Registered Address and Office Address of the Company:

The Registered Address: 18 Xian Xia Lu, Shanghai, P.R.China Zip Code: 200336

Office Address of the Company: 188 Yin Cheng Zhong Lu, Shanghai, P.R.China Zip Code: 200120

Website: <http://www.bankcomm.com>

4. The Contact to the Office of Board of Directors:

188 Yin Cheng Zhong Lu, Shanghai, P.R.China Zip Code: 200120

Telephone: 86-21-58781234 extension to Mr. Ying Xiaoming or Mr. Chen Tingchao at the Office of Board of Directors

Email: chen_tc@bankcomm.com

5. Other Related Information of the Company

The Date of First Registration: March 30, 1987

The Date of Registration Alteration: May 23, 2001

Business License Number: 1000001000595

Tax Registration Number: State Tax Shanghai Zi No.31004410000595X

Local Tax Shanghai Zi No.31004410000595X

Ownership: Joint-stock

The Domestic Certified Public Accountant Firm Retained by the Bank:

Pan-China Certified Public Accounts Co., Ltd.

6. Information Disclosure

The Financial Statements of the Bank are published on the website of the Bank:

<http://www.bankcomm.com>

The copies of Annual Report are available at the office of the Board of Directors and major business outlets of the Bank.

7. This Report is compiled out in both Chinese and English. When the two versions have discrepancies, the version in Chinese shall prevail.

Part 3 Summary of Major Financial and Performance Data

1. Major Profit Indicators for the Current Year

(Unit: RMB 1,000 Yuan)

Items	2003
Total profit	168,280
Net profit	82,044
Operating profit	715,660
Net non-operating income	-582,725
Net cash flows from activities operating	52,113,350

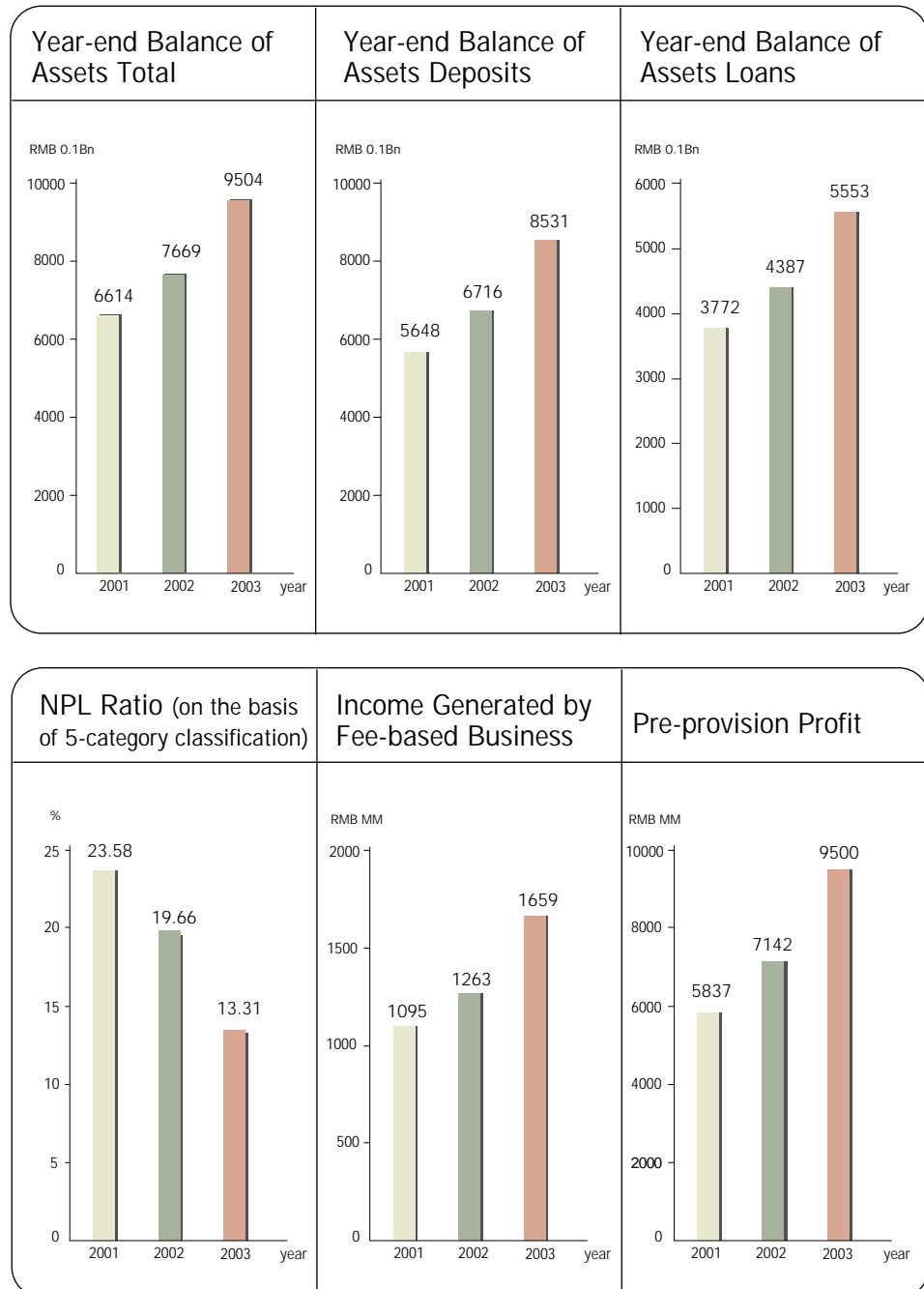
2. 3-year Major Accounting Data and Financial Indicators

(Unit: RMB 1,000 Yuan unless otherwise specified)

Items	2003	2002	2001
Income of key business	32,066,270	24,516,084	28,232,055
Net profit	82,044	1,261,741	1,908,613
Total assets	950,443,550	766,873,987	661,388,683
Shareholders' equity	40,644,134	32,565,230	32,423,420
Capital stock	17,108,155	15,909,537	15,909,537
Equity per share(yuan)	2.38	2.05	2.04
Net profit per share (yuan)	0.0048	0.0793	0.12
Net cash flows from operating activities per share (yuan)	3.05		
Return on net assets(%)	0.20%	3.87%	5.89%

Note: The Bank started the practice of compilation of the Cash Flows Statements from the year 2003.

3. Development of Major Business Items for the Recent 3 Years Preceding the End of the Reporting Period

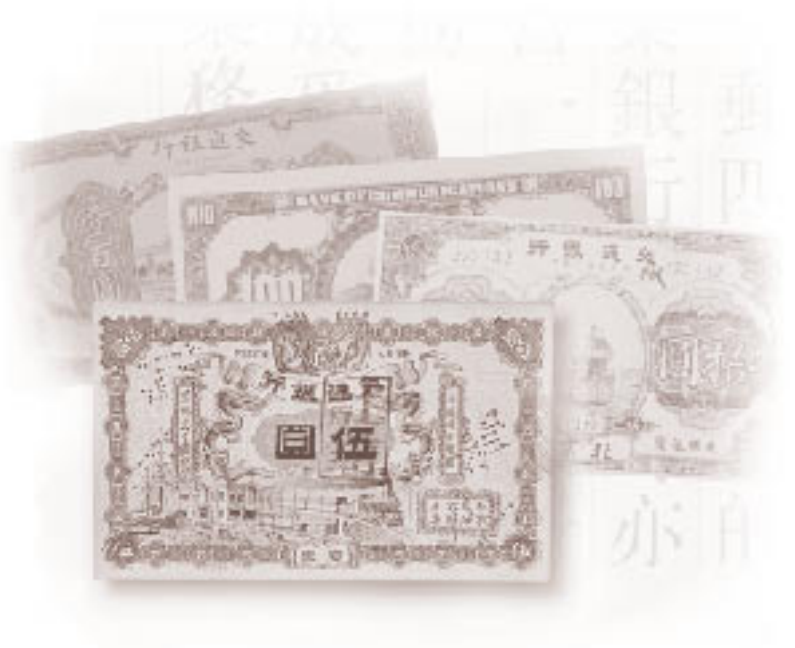


Note: NPL Ratio and Income Generated by Fee-based Business are data of domestic operation only.

4. Alteration to Shareholders' Equity within the Reporting Period

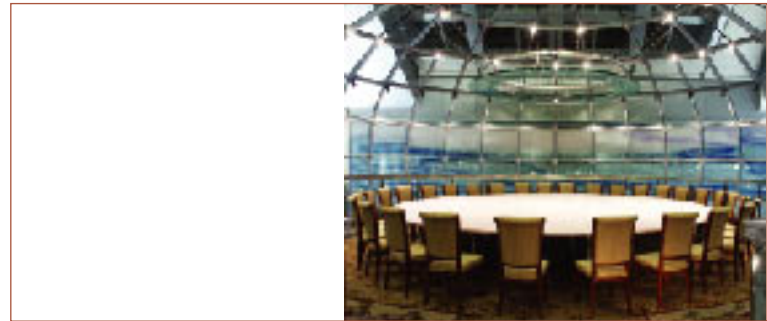
(Unit: RMB 1,000 Yuan)

Shareholders' Equity	Opening Amount	Increase	Decrease	Closing Amount
Capital stock	15,909,537	1,198,618		17,108,155
Capital surplus	5,290,978	7,517,010		12,807,988
Surplus reserve	10,078,691	504,858		10,583,549
Retained earnings	1,286,024	82,044	1,223,626	144,442
Total shareholders' equity	32,565,230	9,302,530	1,223,626	40,644,134



Communicates Sincerely.





Part 4 Corporate Governance

1. The Information on the Convention of the General Meeting of Shareholders

According to the resolution adopted at the 7th Session of the 3rd Board of the Directors of Bank of Communications, the Shareholders' General Meeting 2003 was convened in the form of voting by correspondence. The agendas put to vote are "Report on Financial Settlement and Profit Distribution Program for 2002" and "the Voting Motion on Changing the Members of the Board of Directors of Bank of Communications". Altogether 2,795 correspondence votes were dispatched, representing 15,909,536,955 shares. By the deadline for voting, the Shareholders' General Meeting 2003 received 2,645 correspondence votes, representing 15,507,358,110 shares and accounting for 97.47% of the paid-in equity of the Bank. The aforementioned agendas were adopted by 91.56% and 96.34% of voters respectively. In order to ensure the objectiveness, impartiality and validity of the correspondence votes, the Bank appointed a Voting Result Examination Group of Shareholders' General Meeting headed by Ms. Yin Baoyu to conduct the examination of the voting result to ensure the legitimacy and validity of the correspondence voting.

2. The Composition of the Board of Directors and Its Work

Name List of the 3rd Board of the Directors

Name	Sex	Age	Date of Assuming Office	Post
Yin Jieyan	Male	64	June 2000	Chairman
Fang Chengguo	Male	61	June 2000	Vice Chairman, President
Qiao Wei	Male	59	June 2000	Vice Chairman, Executive Vice President
Wu Jian	Male	50	June 2000	Managing Director
Liu Yuchang	Male	62	June 2000	Managing Director, Executive Vice President
Xu Junkang	Male	57	June 2000	Managing Director, Secretary of Discipline Inspection Commission
Li Jun	Male	48	June 2000	Managing Director, Executive Vice President
Yin Baoyu	Female	59	June 2000	Managing Director, Chairwoman of the Labor Union
Wang Yinping	Male	43	June 2001	Director, General Manager of China Chemical International Trade Shareholding Co., Ltd.
Chen Shaochang	Male	56	June 2002	Director, Vice President of Shanghai State-Owned Assets Operation Co., Ltd.
Li Ruge	Male	41	June 2000	Director, Executive Vice President of Shandong Electric Power Company
Li Zhongcheng	Male	58	June 2000	Director, Chief Accountant of Daqing Petroleum Administration
Li Guanglin	Male	40	July 2003	Director, Chief Accountant of Yuxi Hongta Tobacco (Group) Co., Ltd.
Yan Su	Male	50	July 2003	Director, Chairman of Nanjing State-Owned Assets Investment Management Holding (Group) Co., Ltd.
Qing Hong	Female	36	June 2000	Director, General Manager of Financial Department of China General Technology (Group) Holding, Limited
Fan Dazhi	Male	40	July 2003	Director, Executive Vice President of Beijing State-Owned Assets Operation Co., Ltd.
Wei Yunpeng	Male	62	June 2000	Director, Chief Accountant of China Huaneng Group

The Work of the Board of Directors

Due to the SARS, an epidemic broken out in Spring of last year, the 7th Session of the 3rd Board of Directors of Bank of Communications was convened in the form of voting by correspondence. On April 30, 2003, 17 "Review Comments on the Report" were sent by the Office of the Board of Directors to the directors asking them to review the "Annual Report 2002 of Bank of Communications". By the deadline of May 10, all the "Review Comments on the Report" were collected. On May 27, 2003, 17 correspondence votes were dispatched to the directors by the Office of the Board of Directors on the nine motions which were the Work Report of the Standing Board of Directors, the Annual Work Report 2002 of Bank of Communications, the Report on Financial Settlement and Profit Distribution Program of Bank of Communications for 2002, the Annual Report 2002 of Bank of Communications, the Procedures for the Convention of the Shareholders' General Meeting 2003, the Motion on Changing the Members of the Board of Directors of Bank of Communications, the Work Report of Remuneration Committee of the Board of Directors of Bank of Communications of 2002, the Appraisal and Remuneration Distribution on the Remuneration of the Senior Management of Head Office of Bank of Communications and the Motion on Rewarding the Senior Management of Bank of Communications 2002, etc. the directors Yin Jieyan, Fang Chengguo, Qiao Wei, Wu Jian, Liu Yuchang, Xu Junkang, Li Jun, Yin Baoyu, Chen Shaochang, Li Ruge, Li Zhongcheng, Qing Hong, Wei Yunpeng participated in the vote. Director Jin Linlin, Zhai Hongxiang, Wang Yinping and Chen Tuli were represented by Yan Su, Fan Dazhi, Li Chao and Li Guanglin respectively to take votes. By the deadline of June 10, all the "Correspondence Votes" were also collected. All the abovementioned nine motions have got approval.



On December 26, 2003, the 8th Session of the 3rd Board of Directors of the Bank was held in Shanghai. The number of the directors due at the meeting is 17 and the real number of directors and directors' representatives present at the meeting is 15. The number of the directors attending the meeting complies with the stipulations of the Corporation Law of the People's Republic of China and the Articles of Association of Bank of Communications. Therefore the meeting is legal and valid. The Chairman of the Board of Supervisors accredited by the State Council to Bank of Communications, officials from China Banking Regulatory Committee, the People's Bank of China and the Ministry of Finance of the People's Republic of China and some senior managers of the Bank attended the meeting as non-voting delegates. The participants examined and discussed over the Bank's Business of 2003 and the draft for the Bank's Work 2004, the Report on the Project of the Bank's Financial Restructure and the Progress of the Examination and Approval Procedures of the Project, the Report on the Profit Distribution Program of the Bank for 2003, the Report on the Progress of Introducing Foreign Investment of the Bank, the Report on the Work of Optimization of Corporate Governance, the Draft of Optimizing the Corporate Governance of the Bank. The participants voted on Bank's Business of 2003 and the Draft for Bank's Work 2004, the Report on the Profit Distribution Plan of the Bank for 2003 and the Draft of Optimizing the Corporate Governance of the Bank, which were approved unanimously by the directors and the directors' representatives attending the meeting.

3. The Composition and Work of the Board of Supervisors Accredited by the State Council of the People's Republic of China

On August, 2003, the Board of Supervisors of Bank of Communications accredited by the State Council was renamed. The name list of the new Board of Supervisors is as follows:

Chairman:	Gu Mingchao
Supervisors:	Liu Sha, Jiang Huadong, Fang Wei, Zhou Xiao, Zhao Lijun
Staff:	Wang Yurui, Li Zheng, Yuan Ping, Lin Wenjun

The major task of the Board of Supervisors is as follows: the Board of Supervisors for Financial Institutions of Bank of Communications (hereinafter the Board of Supervisors for short), accredited by the State Council of the People's Republic of China, takes the responsibility for the State Council and supervises the value preservation and appreciation of the assets and state-owned assets of the Bank on behalf of the State. The Board of Supervisors highlights the financial supervision and exercises the supervision over the financial activities and the business operation and management carried out by

the top management in accordance with relevant State's laws and regulations and regulations enacted by the Ministry of Finance of the People's Republic of China to ensure the state-owned assets and its equity against infringement.

The major responsibilities of the Board of Supervisors are: to inspect the performance of the Bank on the implementation of relevant State's financial and economic laws, administrative regulations and rules; to examine the financial condition of the Bank, review the financial and accounting materials and other materials related to business operation and management, and verify the authenticity and legality of the financial report and the capital operation report; to examine the business performance, profit distribution, value preservation and appreciation of state-owned assets and the condition of capital operation, etc; to examine the business operation activities conducted by the top management of the Bank, make assessment on their business performance and work out the proposals for reward or punishment and for appointments or removals.

The work of the Board of Supervisors is to conduct regular examinations on all the institutions of the Bank, generally twice per year, and to conduct non-scheduled special examinations according to the practical needs. The major forms of the work are: to convene the conferences in the state-owned financial institutions concerning the issues of supervision and examination and debrief the report made by the top management of the Bank on the financial and capital conditions as well as business performance of operation and management; to examine financial and accounting materials of the Bank such as financial reports, accounting evidence, accounting books, as well as other materials relevant to the business operations and management activities; to audit the financial and capital conditions of the Bank, to draw opinions and proposals from the staff, to acquaint themselves with the concrete situation, and to claim for explanations from the top management of the state-owned financial institution when necessary; to make investigations on the financial conditions and business performance of operation and management of the Bank among the relevant institutions of finance, industry and commerce administration, taxation, auditing and financial regulatory agencies.

According to the requirement of supervision and examination, the Chairman of the Board of Supervisors shall attend or appoint other members of the Board of Supervisors to attend, as nonvoting delegates, the meetings of the Board of Directors as well as other relevant meetings.

The Board of Supervisors guides the work of the internal regulatory department such as auditing and inspecting, etc.

4. The Members of the Senior Management and Their Basic Work

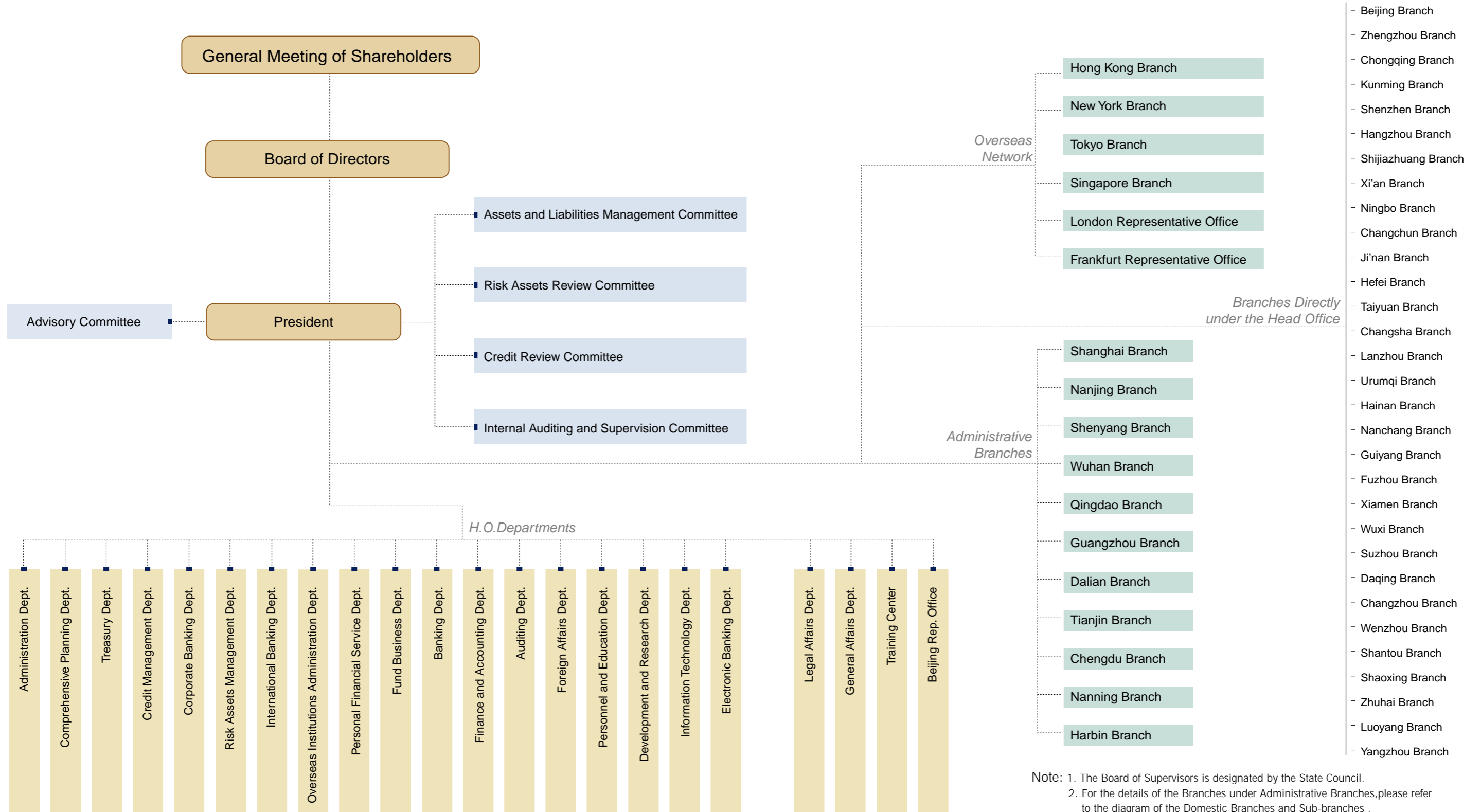
Name	Sex	Age	Years engaged in financial work	Post	Range of responsibility
Fang Chengguo	Male	61	43	Vice Chairman, President	To manage the overall work and take charge of the Personnel and Education Dept.
Qiao Wei	Male	59	14	Vice Chairman, Executive Vice President	To take charge of the Administration Dept., Research Dept., Legal Affairs Dept., and Training Center.
Liu Yuchang	Male	62	43	Managing Director, Executive Vice President	To take charge of the Credit Management Dept. and Risk Assets Management Dept.
Xu Junkang	Male	57	32	Managing Director	To take charge of the Auditing Dept.
Li Jun	Male	48	30	Managing Director, Executive Vice President	To take charge of the Comprehensive Planning Dept., Treasury Dept., Corporate Banking Dept., Fund Business Dept. and Beijing Rep. Office.
Zhang Jianguo	Male	49	23	Executive Vice President	To take charge of the International Banking Dept., Overseas Institutions Administration Dept., Information Technology Dept., Electronic Banking Dept., and Foreign Affairs Dept.
Peng Chun	Male	41	16	Assistant President	To take charge of Financial and Accounting Dept., Personal Financial Service Dept., Banking Dept. and General Affairs Dept.



5. The Composition of Staff

As of the end of the reporting period, the Bank has altogether 55,510 employees, 36,889 among whom are of the degrees above junior college level, accounting for 66% of the staff, and 44,371 among whom are below the age of 40, accounting for 80% of the staff.

Part 5 Organization Chart



Note: 1. The Board of Supervisors is designated by the State Council.
 2. For the details of the Branches under Administrative Branches, please refer to the diagram of the Domestic Branches and Sub-branches .



Part 6 Risk Management

1. Compliance Status of Major Regulatory Indicators

- 1) Capital Adequacy Ratio. At the end of the reporting period the bank's CAR was 7.41%.
- 2) Risk Centralization Indicators. At the end of the reporting period the balance of the loan to the largest single borrower accounted for 8.48% of the net value of capital, in compliance with the regulatory requirement of no higher than 10% while the balance of the loans to the top 10 borrowers accounted for 48.52% of the net value of capital, in compliance with the regulatory requirement of no higher than 50%.
- 3) Liquidity Indicators. At the end of the reporting period, the ratio of the liquid assets within 1 month maturity against the liquid liabilities within 1 month maturity was 55.7%, which was in compliance with the regulatory requirements. The liquidity of the assets was fairly good.
- 4) Indicators of Fund Placement. At the end of the reporting period, the ratio of fund borrowing was 0.04%, lower than 4% as required by the regulators. The ratio of fund lending was 0.78%, lower than 8% as required by the regulators.

2. Industrial and Regional Breakdown of Loans at the End of the Reporting Period

Industrial Breakdown of Loans (Top 5)		Regional Breakdown of Loans (Top 5)	
Industries	%	Region	%
Real Estate	11%	Jiangsu	13%
Commerce, Trade & Dining	11%	Shanghai	12%
Transportation	7%	Beijing	9%
Service	5%	Guangdong	9%
Petrochemistry	5%	Zhejiang	7%

3. The Top 10 Loan Clients

As of the end of the reporting period, the loan extended to the top 10 loan clients amounted to RMB19.641 billion yuan, accounting for 3.76% of the total loan amount. The top 10 loan clients were, namely, Shanghai Municipal Construction and Investment Development Co., Ltd., Highway Administration of Transportation Bureau of He'nan Province, Sinopec, China Netcom Corporation (CNC), He'nan Telecommunication Co., Ltd., China Eastern Airlines, Heilongjiang 93 Oil & Grease Co., Ltd., Shanghai Cosco Liangwan Real Estate Development Co., Ltd., China Three Gorges Project Corporation, Transportation Bureau of Jilin Province, Dalian Waishitong Enterprise Development Co., Ltd.

4. Classification of Loan Risks and NPL Balance, Ratio and Related Changes

(1) Classification of Loan Risks

As one of the World Bank Technology Assistance Project, the "double 10-category classification system" (hereinafter referred to as the "double 10 system") targeting both the clients and the credit



cases has been rolled out to all the branches and sub-branches of the bank. The "double 10 system", on the one hand, classifies the loan clients into 10 categories based on the analysis of the clients' financials, non-financials, quality of financial statements, their industries and positions in the industries, etc., and, on the other hand, classifies the loan cases into 10 categories by taking into

account such facts as ways of securing and purpose and structure of loans on the basis of the client ratings. The rating results under the 10-category classification of the loan cases are correlated with those under 5-category classification and can be converted directly to the latter.

The ratings under the "double 10 system", as the content of credit examination and post-lending supervision, are consistent in terms of rating procedures with the procedures of credit approving and post-lending supervision, and are performed and updated through tools such as "Form of Application for Credit", "Regular Supervision Report", "Credit Memorandum" and "Action Plans for Problem Credit Clients".

(2) NPL Facts

As of the end of the reporting period, the NPL balance of domestic branches and sub-branches were RMB69.479 billion yuan, 13.31% in terms of percentage, down 6.35 percentiles compared with the previous year. In this, substandard loans amounted to 16.302 billion yuan, accounting for 3.12%, down 2.76 percentiles compared with the previous year; doubtful loans 39.653 billion, 7.6%, down 2.55 percentiles; loss 13.524 billion yuan, 2.59%, down 1.04 percentiles.

5. Provision for Loan Losses

(Unit: RMB1,000 yuan)

Items	Dec. 31 2002	Amortization of the Period	Back Transfer of the Period	Write-off of the Period	Dec. 31 2003
General Provision	7,063,350	9,785,260	7,455	8,794,811	8,061,254
Special Provision	1,040,731	302,172	-	-	1,342,903
Total	8,104,081	10,087,432	7,455	8,794,811	9,404,157

6. Risk Management of Credit Extension for Group Corporation Clients

The bank is committed to perform integrated marketing for group corporation clients by centralizing the bank's advantageous resources so as to improve the bank's core competence. Through years of efforts, the bank has established good cooperation with a group of Head Office level group corporation clients including Sinopec, Shanghai Baosteel Group Corporation, Wuhan Steel Group Corporation, China Telecom Corporation, OsteoBiologics, Inc. (OBI) and China International Marine Containers (Group) Ltd. (CIMC). Credit lines are given based on sufficient investigation and knowing of the credit status, operating and financial situation of the group corporation clients.

Meanwhile, the bank carried out a series of relevant management regulations with the purpose to effectively ward off the credit risks, standardize the operation of credit business, strengthen the credit management and promote a healthy growth of credit business involving group corporation clients. The credit business for group corporations is managed on the principle of "centralized guidance and multilevel management". "Centralized guidance" means that the Head Office stipulates the management guidance regarding the integrated credit business for group corporation clients in a centralized way so as to define the scope of credit recipients, to specify the ways to determine,

approve, utilize and manage the credit limits and to supervise and review the whole bank's management of the integrated credit business for group corporation clients. "Multilevel management" means that the objects of centralized credit management are managed at Head Office level or branch level according to the locations of the parent company and the subsidiaries. Under this system, those group corporation clients crossing Administrative Branches or Branches Directly Affiliated to Head Office are classified as Head-Office-level group corporation clients and those within the jurisdiction of a single Administrative Branch or Branch Directly Affiliated to Head Office are classified as branch-level group corporation clients.

Immediately after signing a Letter of Intention of Credit Extension or a Bank-Enterprise Cooperation Agreement on Intention of Credit Extension with a Head-Office-level group corporation client, the Head Office guides and urges the operating branch to arrange human resources to perform pre-stage investigation, assessment, examination and other work of the centralized credit extension for the client. By means of daily maintenance of the group corporation client, the bank strengthens the supervision and risk management of the centralized credit extension for the Head-Office-level group corporation client and perform regular or irregular joint review for the whole corporation to keep abreast of the changes in its general operation and financials so as to ward off risks in time and guarantee the wholesome development of the bank's credit assets.

7. Balances, Types and Ratios of foreclosures

As of the end of the reporting period, the breakdown of the foreclosures of domestic branches and sub-branches were shown as below:

(Unit: RMB1,000 yuan)

Types	Balance	Ratio
Real Estate (including those being built)	5,262,811	77.40%
Right of Land Utilization	742,315	10.92%
Equity	479,330	7.05%
Others	314,785	4.63%
Total	6,799,241	100%

8. Equity Investment and Self-owned Entities

As of the end of the reporting period, the balance of equity investment by domestic branches and sub-branches was 1.34 billion yuan, down 44.15 million or 3.19% compared with the beginning of the year.

At the beginning of the reporting period, there were 55 self-owned entities of domestic branches and sub-branches to be de-linked. As of the end of the reporting period, the number of the self-owned entities of domestic branches and sub-branches was reduced by 25 compared with the beginning of the reporting period.

9. Tactics, Measures and Effects of Managing Problem Assets

In order to strengthen the management and disposal of the NPL's, early 1999 the bank established Risk Assets Management Department specialized in the responsibility of managing and disposing of problem assets. Meanwhile, by establishing the Risk Assets Review Committee, the bank formed a group decision-making mechanism headed by the Executive Vice President in charge and adopted a parallel mode of credit risk management: Credit Review Committee °™credit extension function°™ performing loans Vs. Risk Assets Review Committee °™risk management function °™NPL's.

Starting from 2000, a World Bank funded project was implemented with PriceWaterhouseCoopers as the project consultant aiming to improve the lending process at Bank of Communications. Up to now the major results of the project, including a whole set of management policies, process and tools targeting the problem credit clients and their non-performing loans, have been rolled out within the whole bank. As required by the project, the bank's basic mode of NPL management is: with NPL's as the object, risk ratings as the criterion and action plans as the tool, to implement centralized management and specialized disposal by means of client transfer.

In the process of collecting and disposing of NPL's, the bank follows the ideology of seeking optimized equilibrium among risk, cost and return and adheres to the principle of "soonest disposal, cash collection first and comprehensive balancing", meaning that in practice the bank should strive to reduce the risks and loss of the assets as a whole, to control and reduce the cost of disposal and to convert the no-yielding or low-yielding assets into yielding or even high-yielding assets. Compared

with the beginning of 2003, the bank's NPL balance dropped by 10.751 billion yuan with the ratio dropping by 6.35 percentiles.

10. Balances of Major Off-the-sheet Items

As of the end of the report period, the total balance of the major off-the-sheet items was 114.654 billion yuan, in which the balance of Letter of Guarantee Issued was 19.694 billion yuan, the balance of Letter of Credit Issued 21.943 billion yuan and the balance of Bank Acceptance Bills Receivable 73.017 billion yuan.

11. Strategies and Measures to Control Credit Risks, Liquidity Risks, Market Risks and Operational Risks

(1) Management of Credit Risks

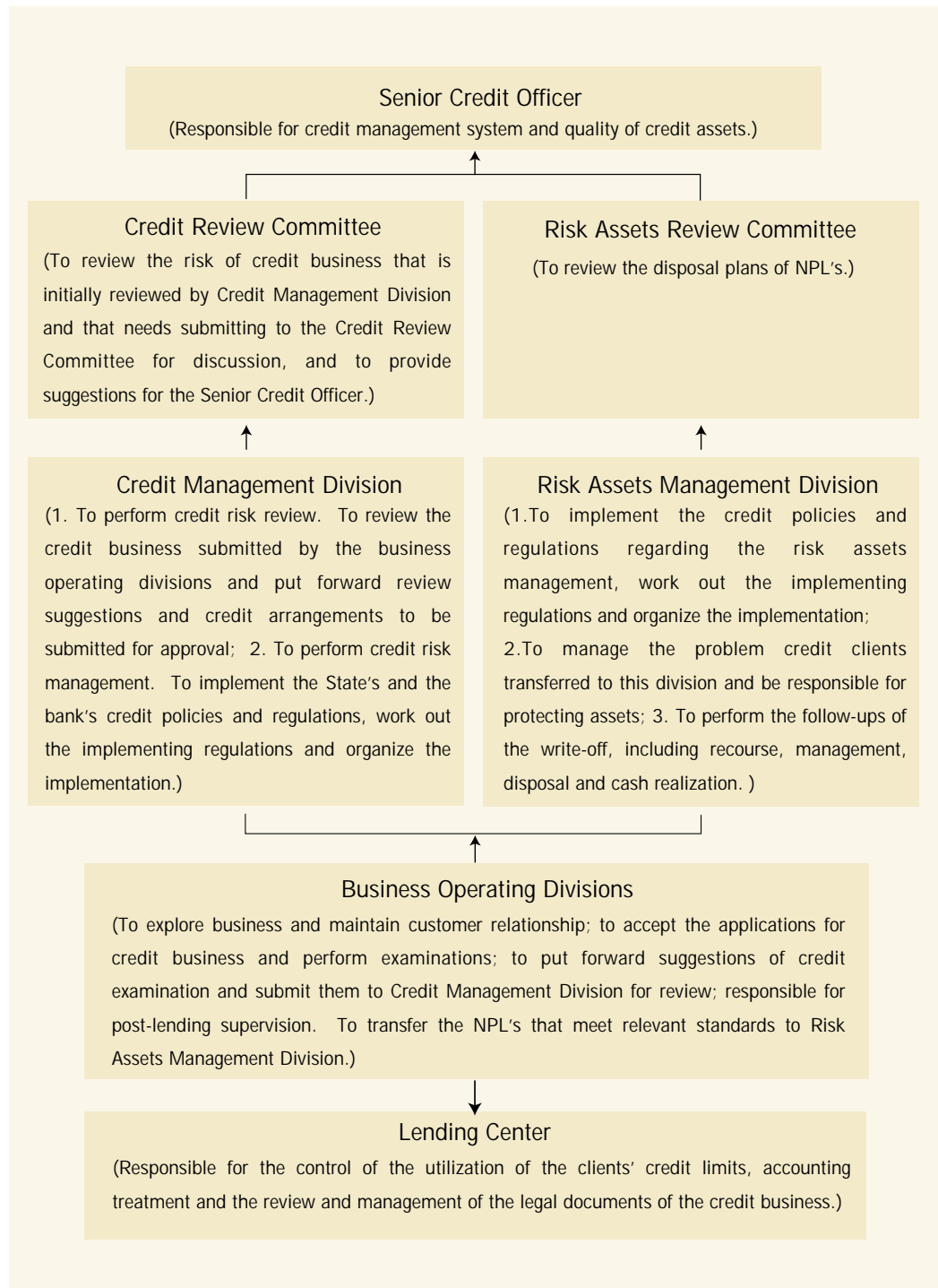
1) Policies of Credit Risk Management and Control

In the reporting period, the bank strengthened the guidance on credit investment portfolio and, with the purpose to control risks in a preemptive way, studied and stipulated the 8 credit extension initiatives and portfolio policies, i.e. the 5 key industries of steel & iron, telecommunication, petrochemistry, transportation and real estate, the 2 economic circles of Beijing Olympic Games and Shanghai World Expo, and the small and medium-sized enterprises. The Industrial Studies laid equal stress on stating the status quo and revealing the trend and, with elaborated policies and definite directions of extending credit, were of great guiding effect, foreseeability and operability, hence providing guidance for the quality-guaranteed development of credit business. At the mean time, the bank further perfected the policies on credit rating and credit lines, following the requirements of the World Bank funded project. The core definitions of all rating levels and the reference fraud ratio were added into the rating policy so that the risk ratings of credit clients and debt items not only were equivalent to those of external rating agencies and PBOC's 5-category classification but also matched the internal rating requirements of Basel Accord II. Elements such as repayment record, tax record and commercial credit record were added into the rating for the objects of credit extension so that the results of rating became more complete and authentic. In order to find out and assess the risks of credit business in time and to take soonest measures to reduce loss, the bank established and perfected the early warning system and the active withdrawal system. The early warning signs that reveal the enterprises' potential risks were screened and the relevant requirements and procedures of disposal are stipulated. When the object of credit extension shows the early warning signs, which

may probably harm the safety of the bank's credit assets, the customer manager carries out a holding-reduction or withdrawal plan and submits the plan to the Credit Management Division for review, followed by the final review performed by the branch's senior credit officer. At the mean time, the Risk Management Division guides and co-works with the marketing function to implement the holding-reduction or active withdrawal plan of the risk assets. Therefore, a fairly complete policy guidance system of credit risk management and control has been initially formed within the bank.

2) Organizational Structure and Repartition of Responsibilities

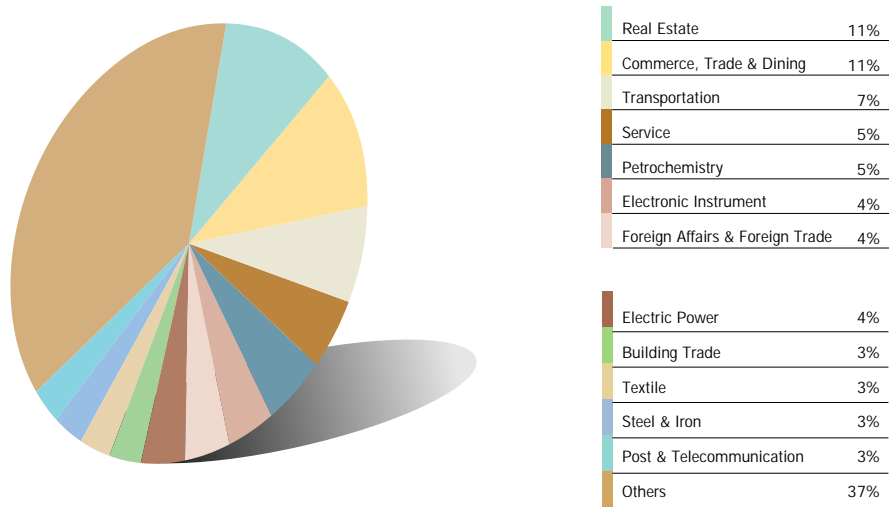
On the principle that business operation function should be separate from risk supervision function and that the disclosure of risks should be emphatically addressed, the bank restructured the credit organization and the repartition of responsibilities. Following the requirements of the project of "Improving the Lending Process at Bank of Communications", the organizational structure of credit risk management and the repartition of responsibilities at branch level are displayed as below.



Credit business cases exceeding the approving limit of the branches, after being reviewed and approved by the Senior Credit Officer of the branches, are to be submitted to the Credit Management Department at the Head Office (while the NPL restructurings exceeding the branch limits are to be submitted to the Risk Assets Management Department at the Head Office). The Credit Management Department and the Specialist Review Team are to put forward suggestions of review, submit them to the Credit Review Committee for review, and finally submit them to the President for approval. The suggestions of disposal made by the Risk Assets Review Department, after reviewed by the Risk Assets Management Committee, are to be submitted to the President for approval. The president can deny the projects approved by the Credit Review Committee or Risk Assets Review Committee but cannot approve the projects if they are denied by the Credit Review Committee or Risk Assets Review Committee.

3) Extent of Credit Risk Centralization

At the end of the reporting period, the breakdown of loans by industries (local and foreign currencies integrated) is shown as below.



At the end of the reporting period, the breakdown of loans (local and foreign currencies integrated) by types is shown as below.

Breakdown of Loans (local and foreign currencies integrated) by Types

(Unit: RMB100 million yuan)

Types	Opening Balance	Closing Balance
Unsecured Loans	858	1,367
Guaranteed Loans	2,045	2,307
Mortgage Loans	799	1,046
Pledge Loans	237	269

Diagram of Loan Types at the Beginning of the Reporting Period

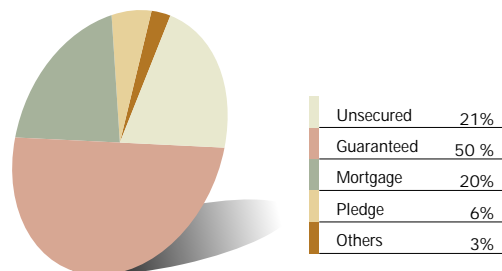
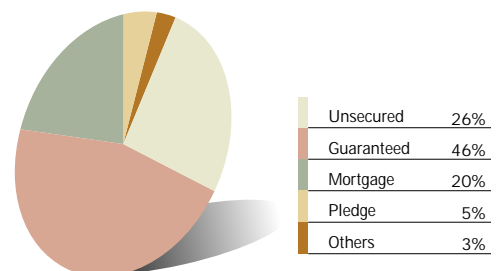


Diagram of Loan Types at the End of the Reporting Period



(2) Management of Liquidity Risks

In 2003 all the liquidity indexes of the bank were in accordance with the regulatory requirements. As of the end of the reporting period, the integrated loan/deposit ratio was 67.75%, in which RMB loan/deposit ratio was 67.77% and foreign currency loan/deposit ratio 67.55%. The RMB and foreign currency surplus reserves ratio was 8.39% and 7.62% respectively. Short-term turning capital loans accounted for a majority in the RMB loan portfolio, the mid and long-term loans accounting for 25.8% in the total of loans. In the reporting period the bank did not borrow fund from the central bank and its balance of net inter-bank lending was 5.299 billion yuan. In the context of the domestic economic and financial market and the changes taking place in the capital market in 2003, the bank increased its bond investment so as to keep adequate liquidity and better ward off the liquidity risks. As of the

end of the reporting period, the bonds held by the bank totaled 115.044 billion yuan, increasing by 34.32% compared with the previous year. The bond assets accounted for 15.08% in the RMB fund utilization, increasing by 1.28 percentiles compared with the previous year. In the bond portfolio held by the bank, treasury bonds accounted for 47.16%, bonds issued by policy banks 46.41%, bills issued by central bank 6.41%. In terms of maturity portfolio of the bonds, the long-term and short-term bonds were of rational proportions. Short-term bonds within 1-year maturity accounted for

20.88% while the bonds with 10-year-plus maturity accounted for only slightly more than 1%. In addition, floating interest rate bonds also accounted for a considerable proportion.

The above mentioned indexes indicated that the bank had sufficient fund and strong ability of payment. From the perspective of either the liquidity indexes stipulated by the regulators or the bank's actual ability of fund payment, the fund liquidity of the bank was fairly good.



In the operation during the reporting period, the bank obediently followed the State's macro adjustment and the "window" guidance of the central bank and attached great importance to liquidity management. In terms of the strategy of liquidity management, the bank always advocates a stable operation and adopts prudent principles in its operation activities through implementing assets/liabilities management, strictly controlling loan/deposit ratio and insisting on a diversified funding strategy. The facts have proven the bank's liquidity management effective.

(3) Management of Market Risks

With the gradual liberalization of interest rate, the commercial banks in China, with no except of Bank of Communications, will be facing more market risks with interest rate risks being the principal risks. The bank utilized the self-developed Assets/Liabilities Gap Management and Analysis System to perform quantitative measuring and calculation of the interest rate risk exposures of over 70% of the bank's assets/liabilities portfolios. The result indicated that there was a relatively large gap between short-term interest rate sensitive assets and liabilities and there might be interest rate risks of liabilities sensitivity. The bank used the data provided by the Assets/Liabilities Management and Analysis System to perform the pressure test analyzing the effects of interest rate changes on the bank's net

income. The result indicated that based on the current assets/liabilities period portfolio, the rise of interest rate by a large margin in the short future might cause the reduction of the bank's net income. Therefore, based on the fluctuation of the interest rate in the market, the bank adjusted the assets/liabilities period portfolio and reduced the gap between interest rate sensitive assets and liabilities on the principle of prudent operation to keep its interest rate risk exposures in accordance with its assets and liabilities size.

The bank's foreign exchange fund is centralized in the utilization and management of the Head Office while the branches and sub-branches authorized to provide foreign exchange trading business for clients have to entrust the Head Office to square the position and are not allowed to keep the exposures. In order to ward off the market risks of foreign exchange, the bank established a relevant risk management system containing a series of indicators including foreign exchange exposure limits for different business items, exposure period and loss-stopping point, etc., stipulated the power limits of deciding and adjusting the exposure limits, exposure period and loss-stopping point, and built a strict supervising and reporting system. In addition to a wholesome market risk management system of foreign exchange, the bank introduced into business operation the Reuters Kondor+ Risk Management System. The system provided the VAR (Value Assessment Representation) for foreign exchange exposure risk control and the pressure testing technology capable of simulate the historic events, arming the bank with advanced technology to control the FX exposure risks.



With the purpose to ward off credit risks and guarantee the safety of foreign exchange fund, in 2003 the bank implemented centralized management over global inter-bank credit limits and worked out the annual credit limits on the principles of inter-bank credit extension. In addition, the bank strengthened the supervision for those high-risk countries and regions, adjusted the inter-bank credit limits according to the changes of the transaction counterparts, and increased the types of credit extension to meet the need of business growth.

(4) Management of Operational Risks

In the reporting period, the bank continued strengthening the construction and implementation of its internal control mechanism. First, the bank worked out and perfected the rules and regulations regarding performance assessment, business management and system operation. The performance assessment was further perfected through revising the **Measures of Assessment on Operation Goals Responsibility System of Bank of Communications**. The post management was strengthened through the consecutive stipulations of the **Provisional Regulations on the Management of Important Posts of Bank of Communications**, **Provisional Measures on Post Qualification of Employees of Bank of Communications**, and **Post Responsibilities and Provisional Measures of Management for Retail Business Examiners and Instructors of Bank of Communications**. The **Criteria and Guidance on the Standard-Reaching and Upgrading of the Accounting of Comprehensive Business Processing System** was revised to strengthen the risk control after the system came into use. The loan withdrawal mechanism was initially established through the stipulation of the **Guiding Suggestions on Establishing Credit Risk Early Warning System and Active Withdrawal Mechanism**. The **Measures on Determining and Affixing the Responsibility for Non-Performing Credit Assets of Bank of Communications** was worked out to affix the responsibility for the newly increased NPL's. The system of Joint Meeting on the Supervision on the Branch-Level Senior Management was perfected by working out the **Implementing Measures of the Internal Auditing for the Economic Responsibilities of Branch Leaders**, further perfecting the supervisory mechanism for the senior management. The **Provisional Implementing Measures on the Rectification and Reform of Internal Auditing of Bank of Communications** was carried out so as to standardize and improve the work of rectification. Second, the bank strived to improve and integrate the business operating systems, strengthen the safety of operation of the computer systems and carry forward in an overall way the upgrading of the IT systems by expediting the construction of the Data Centralization Project, the establishment of the management accounting system and the improvement of the network infrastructure with the purpose to improve the operation and management as well as the working efficiency within the whole bank. Third, the bank performed the strengthened examination and review of the implementation of the internal control regulations, which was stressed in the internal auditing examination and was included in all the on-spot internal auditing activities. The bank even conducted a specialized internal auditing on the implementation of internal control regulations. In addition, the bank conducted a series of specialized internal auditing activities involving various links of internal control in the business operation such as intra-jurisdiction book account, export negotiation, non-credit problem assets, safe operation of computers, RMB settlement account and cash management. Business operating departments such as accounting, credit management and individual banking also continually strengthened the review over the implementation of internal control regulations within their own business systems so as to promote



the internal control of the business systems. Fourth, the bank strengthened the rectifications after the examinations and strengthened the punishment for those violating regulations and disciplines.

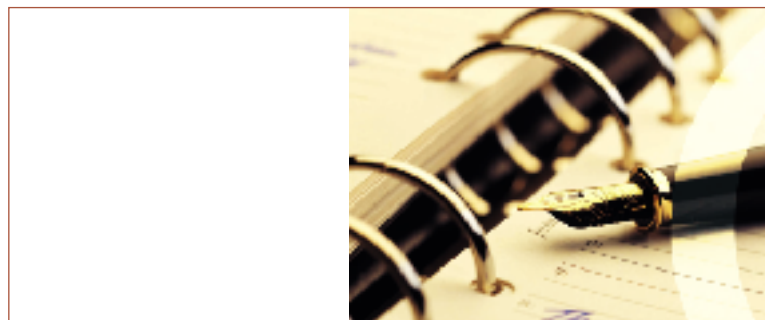
Although internal control and risk management measures have been stipulated in all the business areas including post management, treasury transactions, credit extension and risk management, financial accounting, individual banking, international settlement and system operation, etc., risk may still emerge in the following aspects:

- 1) The construction of internal control regulations. With the continual innovation of product types, there might be a lagging of internal control measures. In the light of the great differences in economic and financial environment existent among the regions where different branches are located, a uniform set of rules regulations can hardly cover the specific risks encountered by every branch and sub-branch.
- 2) Power limits and credit management. The accumulative risk exposures may exceed the estimated level when the authorized exceeds their operation levels or limits and process the business without the consent of the authorizing or beyond the credit limits of the customers.
- 3) Management of business operation. Although the bank has stipulated detailed operation process for every business post, business operation in variance with the stipulated process may appear due to the lagging of the operators themselves or of the management.

Generally speaking, the bank's internal control system is fairly complete, rational and effective. The rules and regulations have covered all the business areas on the whole. Operators at various levels are able to follow the regulations. The computer systems run stably and safely. All these have catalyzed the compliant and stable operation and the sustained growth of business.

Your Trustworthy Partner Forever.





Part 7 Major Events in 2003

1. Significant Litigation, Arbitrations and Legal Cases within the Reporting Period

Within the reporting period, there was no litigation, arbitration or significant lawsuits that resulted in a major impact on the business of the Bank.

2. The List of Top 10 Shareholders and Their Holding Variations

No.	Shareholder's Name	Holding Shares as of the beginning of the reporting period	Increase (decrease) of the holding shares as of the reporting period	Holding Shares as of the end of the reporting period
1	Ministry of Finance	3,776,365,093	1,198,617,555	4,974,982,648
2	Shanghai State Owned Assets Operation Co., Ltd.	679,957,500		679,957,500
3	Shanghai Tobacco (Group) Corp.	378,328,046		378,328,046
4	Yunnan Hongta Investment Co., Ltd.	339,289,624	5,748,702	345,038,326
5	Shandong Electric Power Company	300,000,000		300,000,000
6	Beijing State Owned Assets Management Co., Ltd.	189,555,000		189,555,000
7	China FAW Group Corporation	177,376,500		177,376,500
8	China Kweichow Moutai Co., Ltd.	150,545,520		150,545,520
9	ZheJiang South-east Electric Power Co., Ltd.	150,000,000		150,000,000
10	China National Technical Imp. & Exp. Corp.	147,311,541		147,311,541

Part 8 Financial Statements

The financial statements for 2003 of our bank has been audited by Pan-China Certified Public Accountant as per the domestic auditing standards. Mr. Wang Pengcheng, CPA, and Mr. Wu Min, CPA, have signed and issued a standard auditor's report without reserved opinions.

1. Auditor's Report
2. Financial Statements
3. Notes to the Financial Statements

AUDITOR'S REPORT

Beijing
2 April 2004

To the Board of Directors of Bank of Communications

We have audited the Balance Sheet of Bank of Communications (the Bank) as of 31 December 2003, the related Income Statement and Cash Flow Statements for the year then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit findings.

Our audit has been conducted in accordance with the Independent Auditing Standards for Certified Public Accountants of the People's Republic of China (the PRC) to provide reasonable assurance about whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in financial statements, and the evaluation of the accounting policies adopted and significant accounting estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements of the Bank comply with the Accounting Standards for Enterprises and the Financial Institutions Accounting System of the PRC, the Financial Accounting for Financial Institutions and Insurance Companies, and other mandatory professional reporting requirements and statutory requirements, giving true and fair view, in all material aspects, of the financial position of the Bank as at 31 December 2003, of its performance and cash flows for the year ended on that day.

Pan-China Certified Public Accountants



BALANCE SHEET

Reported in RMB unless otherwise specified

AS OF 31 DECEMBER 2003

ASSETS	As of 31 December	
	2003	2002
CURRENT ASSETS		
Cash on and in bank	7,947,862,300.56	6,921,153,475.54
Due from the Central Bank	104,698,491,766.48	76,383,967,824.00
Due from banks	66,566,697,927.50	63,941,444,296.14
Short-term loans	292,097,060,459.25	245,308,532,863.66
Receivable from negotiation of L/C bills	8,310,198,064.98	4,919,869,909.80
Accounts receivable	409,735,826.16	547,262,567.93
Other receivables	9,386,577,978.47	6,086,850,949.32
Bills discounted	24,045,301,323.60	16,333,850,929.80
Short-term investments	57,624,359,679.66	53,244,980,923.09
Other current assets	6,647,214,236.69	756,111,053.18
Current portion of long-term investments	14,470,754,441.72	15,111,811,490.64
Total current assets	592,204,254,005.07	489,555,836,283.10
LONG-TERM ASSETS		
Medium-term and long-term loans	174,808,525,703.48	112,782,870,249.02
Overdue loans	55,940,486,544.28	59,229,249,384.49
Less: Provision for loan losses	9,404,156,532.53	8,104,080,907.37
Rent receivable	75,848,092.80	78,978,987.80
Long-term investments	108,209,372,110.87	92,146,221,998.22
Fixed assets	20,573,451,318.24	12,752,745,721.80
Less: Accumulated depreciation	5,428,175,770.28	4,574,230,646.37
Less: Provision for impairment of fixed assets	6,186,130.75	5,291,157.60
Fixed assets, net	15,139,089,417.21	8,173,223,917.83
Construction in progress	2,514,784,354.31	2,399,383,896.21
Intangible assets	728,596,968.78	665,907,801.58
Deferred assets	1,404,354,642.75	1,434,208,710.14
Other long-term assets	8,822,394,205.80	8,512,186,726.80
Total long-term assets	358,239,295,507.75	277,318,150,764.72
TOTAL ASSETS	950,443,549,512.82	766,873,987,047.82
CONTINGENT ASSETS		
Customers' liabilities under L/C and Guarantees	117,004,584,219.55	73,952,559,826.41
Collection Receivable for customers	6,940,620,896.81	3,332,035,733.26

BALANCE SHEET (Continued)

Reported in RMB unless otherwise specified

AS OF 31 DECEMBER 2003

LIABILITIES AND SHAREHOLDERS' EQUITY	As of 31 December	
	2003	2002
CURRENT LIABILITIES		
Short-term deposits	484,377,637,175.60	371,331,235,115.35
Finance deposits	235,284,046.94	219,730,040.10
Due to the Central Bank	-	-
Due to banks	24,652,461,983.09	33,149,361,241.35
Inward remittance	1,477,608,133.61	1,934,971,160.51
Outward remittance	10,020,757,902.59	8,767,713,841.74
Accounts payable	5,252,492,524.74	4,664,081,023.94
Other payables	14,281,172,469.22	10,765,806,042.65
Short-term guarantee deposits	29,998,266,724.88	22,701,698,813.39
Other current liabilities	59,587,784.12	2,671,728,636.38
Current portion of long-term liabilities	233,379,384,290.08	193,072,036,061.36
Total current liabilities	803,734,653,034.87	649,278,361,976.77
LONG-TERM LIABILITIES		
Long-term deposits	102,974,171,938.39	83,220,903,841.77
Long-term guarantee deposits	1,500,781,332.69	395,547,835.48
Long-term debentures issued	3,307,459.58	3,334,035.73
Long-term borrowings	1,463,963,425.82	1,205,482,890.61
Other long-term liabilities	122,538,507.38	205,126,619.88
Total long-term liabilities	106,064,762,663.86	85,030,395,223.47
Total liabilities	909,799,415,698.73	734,308,757,200.24
SHAREHOLDERS' EQUITY		
Capital stock	17,108,154,510.00	15,909,536,955.00
Capital surplus	12,807,987,967.50	5,290,977,504.92
Surplus reserve	10,583,549,544.28	10,078,691,404.86
Retained earnings	144,441,792.31	1,286,023,982.80
Total shareholders' equity	40,644,133,814.09	32,565,229,847.58
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	950,443,549,512.82	766,873,987,047.82
CONTINGENT LIABILITIES		
L/C and guarantees	117,004,584,219.55	73,952,559,826.41
Collection for customers	6,940,620,896.81	3,332,035,733.26

INCOME STATEMENT

Reported in RMB unless otherwise specified

FOR THE YEAR ENDED 31 DECEMBER 2003

	As of 31 December	
	2003	2002
OPERATING INCOME	32,066,269,594.75	24,516,084,446.43
Interest income	22,012,144,161.18	15,357,822,059.70
Inter-bank income	3,739,364,948.68	3,676,964,389.36
Fee and commission income	1,391,781,371.18	1,066,538,537.23
Foreign exchange income	601,563,436.83	421,062,561.57
Income from bonds investment	4,069,902,660.04	3,836,329,487.19
Income from securities	55,144,055.40	68,462,259.09
Rental income	4,173,452.68	7,373,691.92
Other operating income	192,195,508.76	81,531,460.37
OPERATING EXPENDITURE	30,090,578,595.58	21,715,592,388.52
Interest expenses	9,716,641,448.60	8,663,957,894.87
Inter-bank expenses	777,120,117.23	876,922,444.66
Fee and commission expenses	285,234,464.96	244,755,538.88
Foreign exchange losses	64,971,223.86	41,075,460.75
Operating expenses	7,481,314,557.16	6,751,281,328.34
Fixed assets depreciation	1,312,462,125.48	1,176,657,582.80
Allowances	10,087,431,752.60	3,631,396,238.33
Other operating expenses	365,402,905.69	329,545,899.89
BUSINESS TAX AND LEVIES	1,260,031,052.07	1,050,302,742.73
OPERATING PROFIT	715,659,947.10	1,750,189,315.18
Add: Income from equity investment	65,896,107.96	63,286,316.02
Non-operating income	255,605,516.94	284,562,820.41
Adjustments to prior year's profit and loss	-30,550,468.64	35,577,134.48
Less: Non-operating expenses	838,330,850.49	544,491,786.84
TOTAL PROFIT	168,280,252.87	1,589,123,799.25
Less: Income tax expenses	86,236,375.01	327,383,181.16
NET PROFIT	82,043,877.86	1,261,740,618.09

CASH FLOWS STATEMENTS

Reported in RMB unless otherwise specified

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003
Cash Flows From Operating Activities	
Collections from long-medium term loans	17,378,048,646.43
Net in savings deposit	113,478,368,655.39
Net in deposit other than savings deposit	69,273,652,774.83
Funds absorbed under management	3,817,617,012.18
Inter-bank deposit received	(8,278,228,714.50)
Net Borrowings from other financial institutions	(218,670,543.76)
Interest received	29,867,439,140.73
Fees and commissions received	1,391,781,371.18
Other cash received related to operating activities	1,657,707,825.49
Subtotal of cash inflows	228,367,716,167.97
Long-medium term loans issued	79,403,704,100.89
Net short-term loans issued	54,601,543,304.36
Net trust loans issued	4,249,583,607.32
Payment for principal other than savings deposit	-
Net reserves for general deposit	15,889,910,440.50
Net Inter-bank loans issued	-
Net Lending to other financial institutions	(20,351,519,816.75)
Interest paid	13,883,753,354.13
Fees and commissions paid	285,234,464.96
Cash payment to employee and for employee	3,029,857,538.62
Income tax paid	86,236,375.01
Tax other than income tax paid	1,261,891,651.46
Other cash paid related to operating activities	23,914,171,636.91
Subtotal of cash outflows	176,254,366,657.41
Net cash provided by operating activities	52,113,349,510.56

CASH FLOWS STATEMENTS (Continued)

Reported in RMB unless otherwise specified

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003
Cash Flows From Investing Activities	
Proceeds from redemption or sale of investment	92,554,944.29
Coupon payment received on bond investment	4,399,808,626.59
Proceeds from disposal of fixed assets, intangible assets and other long-term assets	287,592.83
Subtotal of cash inflows	4,492,651,163.71
Payment for purchase and construction of fixed assets, intangible assets and other long-term assets	2,354,904,371.78
Investment in share equities	155,769,814.70
Investment in bonds	30,905,096,443.95
Subtotal of Cash Outflows	33,415,770,630.43
Net cash used by investing activities	(28,923,119,466.72)
Cash Flows From Financing Activities	
Proceeds from equity investment	-
Proceeds from bond issuance	-
Other cash received related to financing activities	-
Subtotal of cash inflows	-
Cash paid to payoff debts	6,176.15
Financing expense paid	-
Dividends paid or profit distributed in cash	798,028,297.86
Cash for interest payment	-
Other cash paid related to financing activities	-
Subtotal of cash outflows	798,034,474.01
Net cash used by financing activities	(798,034,474.01)
Effect From Exchange Translation	
Net Increase in Cash and Cash Equivalents	22,392,195,569.83

CASH FLOWS STATEMENTS (Continued)

Reported in RMB unless otherwise specified

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003
Reconciliation of Net Profit After Income Tax To Net Cash Provided By Operating Activities	
Net Profit	82,043,877.86
Add:	
Accrued provisions for bad debts (provisions for impairment in fixed assets)	-
Accrued provisions for loan loss	1,300,075,625.16
Depreciation of fixed assets	853,945,123.91
Amortization of intangible assets	43,367,072.33
Amortization of the long-term deferred expense	282,533,587.99
Loss incurred for disposal of fixed assets, intangible assets and other long-term assets (subtract: gain)	2,815,619.13
Loss in investment (subtract: gain)	(4,135,798,768.00)
Decrease in operating account receivables (subtract: increase)	(61,539,583,921.64)
Increase in operating accounting payables (subtract: decrease)	115,223,951,293.82
Net cash provided by operating activities	52,113,349,510.56
Non-Cash Investing and Financing Activities	
Payoff debt with fixed assets	-
Payoff debts with investments	-
Long-term investments with long-term assets	-
Fixed assets by financing lease agreement	-
Reconciliation of Cash and Cash Equivalent	
Cash at end of year	7,947,862,300.56
Subtract: cash at beginning of year	6,921,153,475.54
Cash equivalent at end of year	69,074,107,008.73
Subtract: cash equivalent at beginning of year	47,708,620,263.92
Net increase in cash and cash equivalents	22,392,195,569.83

NOTES TO THE FINANCIAL STATEMENTS

Reported in RMB unless otherwise specified

AS OF 31 DECEMBER 2003

1. Brief introduction of the Bank

The Bank of Communications (hereinafter referred to as “the Bank”) was restructured on 1 April 1987, approved by Document (1986) No.81 issued by the State Council of the People’s Republic of China and by Document (1987) No. 40 issued by the People’s Bank of China as the nation-wide joint-stock commercial bank headquartered in Shanghai. The Bank operates as a commercial bank raising its funds domestically and from overseas, and conducts businesses in RMB and foreign currencies. As of 31 December 2003, the capital stock was RMB 17,108,154,510.00.

2. Preparation of combined financial statements

The Bank has two-tier management consisting of head office and supervisory branches i.e. regional offices. The 2003 combined financial statements are derived from the financial statements of Shanghai headquarters, 86 local branches and 4 overseas branches. The major transactions within the group and the related balances have been offset.

3. Principal Accounting Policies

(1) Accounting standards

These financial statements comply with the requirement of the Accounting Standards for Business Enterprises, Financial Institutions Accounting System, the Financial Accounting for Financial Institutions and Insurance Companies, and other mandatory reporting requirements so far as the requirements are considered appropriate.

(2) Accounting year

The accounting year of the Bank is from 1 January to 31 December of each calendar year.

(3) Reporting currencies

Unless otherwise indicated, all amounts are expressed in RMB.

(4) Accounting basis and principals of measurement

Unless otherwise specified (See item (12)), the financial statements have been prepared in accordance with the historical cost convention on an accrual basis.

(5) Foreign currency translations

All foreign currency monetary assets and liabilities are initially recorded in terms of the currency denominated respectively. When preparing the combined financial statements, paid-in capital contributed in foreign currencies is translated into RMB at historical exchange rate. The translation difference arising from conversion are reflected in the capital surplus account in accordance with Cai Shang Zi [95] No.454-Notice on Amendments to the Finance Regulations of Financial and Insurance Enterprises with regard to Foreign Exchange Business promulgated by the Ministry of Finance in 1995. Other balances denominated in foreign currency are converted into RMB at the exchange rates quoted by the State Administration of Foreign Exchange on the balance sheet date, and the resulting translation differences are treated as the current period profit/loss.

(6) Loan classification, interest income recognition and loan varieties

Items	Criteria of classification	Interest income included in the income statement
Normal loans	within the loan duration	Yes
Overdue loans	overdue within 90 days	Yes
Doubtful loans	overdue over 90 days	No
Bad loans	According to the criteria of loans write-off issued by the Ministry of Finance	No

The Bank's loan consists of short-term working capital loans, bills discounted, packing loans, inward and outward documentary bill, factoring financing, medium-term working capital loans, fixed assets loans and advances.

(7) Provisions for credit losses

Provisions for credit losses consist of general provisions and specific provisions. General provisions are provided against the principal of doubtful loans.

As to domestic branches, according to Cai Jin Zi [2001] No. 127-Notice on the Accrual of Provision for Loan Losses and the Management of Loan Losses Write-off by Financial Enterprises issued by the Ministry of Finance, general provisions are provided on 1% of the loans, lending and investment balance outstanding at the year end.

To overseas branches, provisions are accrued according to The local banking regulations .

(8) Investments**1) Short-term investments**

Short-term investments are recorded at the cost of investment and are accounted for investment income when the investment is sold or due.

2) Long-term bond investments

The long-term bond investment is recorded at the purchase cost after the deduction of surcharges such as commission to broker, taxation and fees, and of the interest accrued from last coupon date to the purchase date. The premium (or discount) paid for the long-term bond investment is amortized using straight-line method for the bond's holding period.

3) Long-term equity investments

The long-term equity investment is recorded at the purchase cost.

(9) Fixed assets

Fixed assets are stated at historical cost. Depreciation of fixed assets is provided using the straight-line method over their estimated useful life, taking into account their estimated residual value of 3% of cost. The estimated useful lives and depreciation ratios of major depreciable assets are as follows:

Items	Useful life	Annual depreciation rate
Buildings	30-35 years	2.77-3.23%
Electrical equipment	3 years	32.33%
Transportation equipment	4-6 years	16.17-24.25%
Machinery & equipment	5-11 years	8.82-19.40%

(10) Intangible assets and amortisation

Intangible assets are initially recorded at acquisition cost, capitalized and brought to account in the balance sheet. If the beneficial period is defined in the contracts, the intangible assets are amortized on a straight-line basis not exceeding the period as set out in the relevant agreements, or the time horizon set out by law in case of absence of definition; when the operation period is expected less than the beneficial period, a time horizon not exceeding the expected operation period is adopted. Absence of the reasonable beneficial period, the amortization period would not exceed 10 years.

(11) Deferred assets and amortisation

Pre-operating expenses of newly established branches recorded as one-time expense at the initial business month. Other long-term deferred expenses are amortised evenly over beneficial period.

(12) Revenue recognition

1) Interest income

Interest income on normal loans and loans overdue within 90 days is reflected in profit when earned on an accrual basis. The interest income on receivable on loans overdue over 90 days is recognized when the interests are actually collected. According to Cai Jin [2001] No. 25-Notice on Amendments to Accounting Procedure of Financial Enterprises with regard to Interest Receivable issued by the Ministry of Finance and Cai Shui [2002] No. 182-Notice on

Levying Business Tax on Interest Receivable of Financial Enterprises issued by the Ministry of Finance, interest receivables attributed to the income statement until 31 December 2002 have been written off outright in the year of 2002. Meanwhile, no more provision for bad debt is established, and the practice to write-off bad debts is ceased.

2) Other incomes

Other income is accounted on an accrual basis.

(13) Expense recognition

1) Interest expenses

Interest expenses for demand deposits are settled quarterly. Interests on demand savings deposits are settled annually. Time deposits are accrued in accordance with the interest of deposit certificate. Liabilities in form of long-term accrues interest at par value and interest year rate.

2) Other expenses

Other expense is accounted on an accrual basis.

(14) Income tax

The income tax adopts accrual tax method.

(15) Overseas branches

The accounting policies and procedures adopted by overseas branches should be in accordance with those generally accepted accounting principles used in those countries where the branches are located. There lies no significant difference between overseas branches and domestic branches.

4. Taxation**(1) Income tax for enterprises**

According to the Provisional Regulations of Income Tax for Enterprises in the People's Republic of China and other related tax regulations, the domestic branches of the Bank are subject to 33% income tax. Income tax is declared and paid in a combined manner. The income tax for domestic branches is declared and approved at the local tax offices, then it is summed up and submitted by Shanghai Head

Office to the Collecting Office in Shanghai. In 2003, the practice of prepaying the enterprise income tax locally is not adopted by the Bank's different branches. Items that are non-assessable for income tax purposes are declared following the relevant tax laws.

Overseas branches shall pay the enterprise income tax at 16.5% of the taxable income (the income tax for overseas branches is offset at a fixed rate, i.e., 16.5% of the taxable income).

(2) Business tax

Business tax for domestic branches of the Bank is levied based on revenue earned. According to the Notice as to the Reduction in Business Tax for Financial Institutions and Insurance Companies (Cai Shui [2001] No.21), the business tax rate in 2002 was 6%, and reduced to 5% in 2003. The domestic branches of the Bank declared and paid the business tax locally.

5. Notes to Major Items

(1) Cash on and in bank

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Cash	6,888,357,379.57	7,891,724,049.89
Bank deposits	32,796,095.97	56,138,250.67
Total	6,921,153,475.54	7,947,862,300.56

(2) Due from the Central Bank

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Due from the Central Bank	76,383,967,824.00	104,698,491,766.48
Including:		
Deposit reserve	34,356,567,833.35	50,246,478,273.85
Supplemental deposit reserve	41,801,934,990.65	54,253,881,492.63
Fiscal deposit with central bank	225,465,000.00	198,132,000.00
Total	76,383,967,824.00	104,698,491,766.48

(3) Due from banks

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Deposits from domestic banks	3,332,901,430.88	4,392,221,560.23
Deposits from overseas banks	2,348,318,842.39	10,229,871,955.87
Loans from domestic banks	6,181,188,634.38	5,689,841,160.65
Loans from overseas banks	52,079,035,388.49	46,254,763,250.75
Total	63,941,444,296.14	66,566,697,927.50

(4) Short-term loans

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Short term working capital loans	192,198,806,197.09	229,863,825,795.46
Short-term mortgage loans	49,549,475,251.40	59,287,503,854.43
Credit card overdrafts	29,401,808.52	43,168,064.10
Advances	2,591,849,023.87	2,089,964,884.51
Overdrafts	939,000,582.78	812,597,860.75
Total	245,308,532,863.66	292,097,060,459.25

(5) Receivable from negotiation of L/C bills

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Outward documentary bills	982,868,885.20	1,100,286,620.23
Inward documentary bills	3,818,152,794.80	6,555,214,194.94
Export factoring	16,219,863.34	13,103,559.79
Export collection financing	102,628,366.46	399,582,461.76
Export invoice financing	-	242,011,228.26
Total	4,919,869,909.80	8,310,198,064.98

(6) Accounts receivable

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Interest receivable	547,262,567.93	409,735,826.16

(7) Other receivables

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Other receivables	6,086,850,949.32	9,386,577,978.47
Including:		
Temporary payment	3,432,452,108.80	6,858,702,803.55
Secured deposit	25,494,399.33	37,012,158.95
Other advances	101,689,428.45	148,988,398.86
Non-operational receivables	2,254,434,424.10	2,341,874,617.11
Total	5,814,070,360.68	9,386,577,978.47

(8) Bills discounted

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Bills discounted	16,333,850,929.80	24,045,301,323.60

(9) Short-term investments

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Short-term investments	53,244,980,923.09	57,624,359,679.66
Including:		
Treasury bonds	301,369,424.31	6,123,569,574.28
Other short-term bonds	7,268,427,448.94	16,728,435,691.01
Total	7,569,796,873.25	22,852,005,265.29

(10) Medium and long-term loans

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Medium and long-term loans	40,754,679,040.42	64,883,258,125.34
Utilities enterprise loans	4,151,853,900.00	7,620,332,119.36
Long-term mortgage loans	10,671,116,768.90	12,269,437,558.97
Housing mortgage loans	10,192,477,953.35	10,807,409,322.41
Vehicle loans	4,066,291,483.59	5,984,868,491.37
Individual consumer loans	16,508,989,595.21	32,381,342,080.65
Medium-term working capital loans	19,825,488,812.51	20,449,101,199.17
On-lending	1,214,779,433.75	1,461,654,724.07
Real estate loans	5,397,193,261.29	18,951,122,082.14
Total	112,782,870,249.02	174,808,525,703.48

(11) Overdue loans

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Overdue loans	59,229,249,384.49	55,940,486,544.28

The overdue loans accounts for 10.08% of total loans as of 31 December 2003, and the closing balance of bad loans is 6,548,495,889.66.

(12) Provision for loan losses

Items	General provision	Specific provision	Total
Opening balance	7,063,349,576.77	1,040,731,330.60	8,104,080,907.37
Provision for current period	9,785,260,241.14	302,171,511.46	10,087,431,752.60
Recovery for current period	7,455,044.63	-	7,455,044.63
Write-off for current period	8,794,811,172.07	-	8,794,811,172.07
Closing balance	8,061,253,690.47	1,342,902,842.06	9,404,156,532.53

(13) Long-term investments

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Bonds investments	90,541,947,367.57	106,540,460,200.33
Equity investments	1,604,274,630.65	1,668,911,910.54
Total	92,146,221,998.22	108,209,372,110.87

Equity investments:

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Investment in domestic banks	85,547,400.00	85,542,600.00
Investment in domestic non-bank financial institutions	211,645,672.50	217,295,942.50
Other share equity investments	1,307,081,558.15	1,366,073,368.04
Sub-total	1,604,274,630.65	1,668,911,910.54

(14) Fixed assets and accumulated depreciation

Initial value of fixed assets	Opening balance	Additions	Reductions	Closing balance
Buildings	6,606,400,683.77	6,634,518,536.63	38,476,243.68	13,202,442,976.72
Machinery & equipment	1,748,984,291.24	666,754,575.02	355,732,032.55	2,060,006,833.71
Electronic equipment	3,674,506,642.75	1,069,703,891.67	234,968,524.38	4,509,242,010.04
Vehicles	722,854,104.04	165,352,847.68	86,447,453.95	801,759,497.77
Total	12,752,745,721.80	8,536,329,851.00	715,624,254.56	20,573,451,318.24
Less: Accumulated depreciation	4,574,230,646.37	1,231,401,041.87	377,455,917.96	5,428,175,770.28
Less: Provision for impairment of fixed assets	5,291,157.60			6,186,130.75
Fixed assets, net	8,173,223,917.83			15,139,089,417.21

(15) Deferred assets

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Prepaid rental	426,323,560.52	416,949,998.84
Pre-operating expenses	7,184,632.34	10,164,524.11
Other deferred expenses	1,000,700,517.28	977,240,119.80
Total	1,434,208,710.14	1,404,354,642.75

(16) Other long-term assets

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Other long-term assets	8,512,186,726.80	8,822,394,205.80
including:		
Assets for debt settlement upon disposal	7,371,523,916.00	7,190,404,675.14

Other long-term assets include loss up to RMB 366,294,141.46 on disposal of assets for debt settlement upon approval of tax authorities.

(17) Short-term deposits

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Short-term deposits	371,331,235,115.35	484,377,637,175.60
Including:		
Short-term deposits from enterprises	267,755,382,373.22	348,850,686,412.88
Short-term saving deposits	102,510,913,924.56	134,893,978,540.29
Total	370,266,296,297.78	483,744,664,953.17

1) Short-term deposits from enterprises

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Current deposits from enterprises	255,813,728,040.62	331,969,302,271.08
Special deposits	557,188,608.09	655,977,275.12
Deposits from governmental agencies and non-governmental institutions	10,504,971,219.37	14,548,042,445.26
Housing fund deposits	607,311,458.38	686,788,767.02
Institutional credit card deposits	242,701,321.65	350,148,242.83
Trust deposits	4,587.74	4,618.73
Fund issuing deposits	20,101,678.19	636,542,279.78
Overdrafts	9,375,459.18	3,880,513.06
Sub-total	267,755,382,373.22	348,850,686,412.88

2) Short-term saving deposits

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Current saving deposits	57,695,135,643.25	72,490,540,045.70
Individual credit card deposits	44,815,778,281.31	62,403,438,494.59
Sub-total	102,510,913,924.56	134,893,978,540.29

(18) Due to banks

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Due to banks	33,149,361,241.35	24,652,461,983.10
Including:		
Deposits from banks	16,904,164,033.79	9,749,136,721.56
Fund deposits	893,884,666.17	4,159,398,725.26
Loans from domestic banks	82,400,000.00	722,096,650.00
Loans from overseas banks	10,049,900,970.91	9,002,182,537.15
Total	27,930,349,670.87	23,632,814,633.97

(19) Accounts payable

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Interests payable	4,664,081,023.94	5,252,492,524.74

Interests payable for the deposits of various kinds follow the corresponding interest rates by the People's Bank of China, and are accrued quarterly.

(20) Long-term deposits

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Enterprise long-term deposits	18,790,380,029.33	22,230,704,950.39
Long-term saving deposits	64,430,523,812.44	80,743,466,988.00
Total	83,220,903,841.77	102,974,171,938.39

(21) Share capital

Sources	Opening balance		Closing balance	
	Amount	%	Amount	%
State shares	7,856,083,107.00	49.38	9,007,241,777.00	53.06%
Corporate shares	8,053,453,848.00	50.62	8,030,912,733.00	46.94%
Total	15,909,536,955.00	100.00	17,108,154,510.00	100.00%

There is only one shareholder that holds more than 5% of total equity. The very shareholder is the Ministry of Finance who holds 4,974,982,648 shares, representing 29.08% of the total equity.

(22) Capital reserve

Items	Opening balances	Additions	Reductions	Closing balances
Share premium	4,162,857,835.36	1,198,617,556.36	-	5,361,475,391.72
Foreign exchange differential	1,090,526,230.63	10,524,080.61	-	1,101,050,311.24
Assets Revaluation Reserve	36,511,198.57	6,266,096,725.62	-	6,302,607,924.19
Donation	1,082,240.36	41,772,099.99	-	42,854,340.35
Total	5,290,977,504.92	7,517,010,462.58	-	12,807,987,967.50

(23) Surplus reserve

Items	Opening balance	Additions	Reductions	Closing balance
Statutory surplus reserve	4,617,333,075.34	160,988,028.05	-	4,778,321,103.39
Statutory public welfare reserve	420,570,823.24	123,653,390.07	-	544,224,213.31
Discretionary surplus	5,040,787,506.28	220,216,721.30	-	5,261,004,227.58
Total	10,078,691,404.86	504,858,139.42	-	10,583,549,544.28

(24) Income from bonds investments

Items	2002	2003
Income from treasury bonds	1,869,196,717.53	1,922,500,611.38
Income from policy bank bonds	840,349,606.07	1,332,782,767.02
Income from long-term financial bonds	333,902,648.88	796,000.00
Income from other bonds	792,880,514.71	813,823,281.64
Total	3,836,329,487.19	4,069,902,660.04

(25) Business tax and levies

Items	2002	2003
Business tax	969,273,971.61	1,143,757,403.97
City construction tax	54,529,077.31	78,496,465.43
Additional tax and levies	26,499,693.81	37,777,182.67
Total	1,050,302,742.73	1,260,031,052.07

(26) Income from equity investments

Items	2002	2003
Income from investment in financial enterprises	7,512,508.20	900,000.00
Income from other equity investments	55,773,807.82	64,996,107.96
Total	63,286,316.02	65,896,107.96

(27) Income tax

Items	2002	2003
Income tax	327,383,181.16	86,236,375.01

Income tax for the year of 2003 will be declared and paid in June 2004.

(28) Breakdown of Loans of Domestic Branches (RMB'00,000,000)

1) Loans by industries

Industries	Amount	(%)
Agriculture, forestry, animal husbandry and fishery	50	0.96
Manufacturing	1,690	32.37
Electric power	209	4.00
Water and gas	47	0.90
Trading and restaurants	551	10.55
Foreign affairs and foreign trade	226	4.33
Post and telecommunications	145	2.78
Transportation	342	6.55
Education	109	2.09
Scientific research	31	0.59
Construction	181	3.47
Real estate	553	10.59
Geology, water resource and warehousing	20	0.38
Finance and insurance	48	0.92
Services	286	5.48
Public health, sports and welfare	27	0.52
Art and entertainment	30	0.57
Individual	490	9.39
Others	186	3.56
Total	5,221	100.00

2) Loans by regions

Regions	As of 31 Dec. 2002	As of 31 Dec. 2003
Shanghai	463	638
Beijing	304	464
Tianjin	69	82
Chongqing	124	141
Zhejiang	277	366
Jiangsu	514	666
Anhui	94	122
Liaoning	286	322
Jilin	91	106
Heilongjiang	118	141
Guizhou	30	42
Hubei	195	226
Hunan	44	56
Jiangxi	40	51
Guangdong	333	453
Guangxi	91	103
Hebei	100	122
Shandong	233	291
Henan	210	258
Sichuan	90	106
Fujian	40	56
Yunnan	95	100
Hainan	32	32
Xinjiang	44	55
Shaanxi	73	94
Gansu	36	49
Shanxi	46	67
Inner Mongolia	9	12
Total	4,081	5,221

3) Loans by risk involved

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Normal	2,840	4,033
Special mention	439	493
Sub-standard	240	163
Doubtful	414	397
Loss	148	135
Total	4,081	5,221

4) Loans by method involved

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Credit loans	858	1,367
Secured loans	2,045	2,307
Pledged loans	799	1,046
Impawn loans	237	269
Bills discounted	142	232
Total	4,081	5,221

(29) Off-the-sheet items

Items	As of 31 Dec. 2002	As of 31 Dec. 2003
Bank acceptance bill	44,674,382,786.21	73,017,249,880.74
Issuance of letter of guarantee	12,838,288,025.54	19,694,127,874.27
Issuance of letter of credit	14,621,120,604.91	21,942,580,966.53
Total	72,133,791,416.66	114,653,958,721.54

6. Contingency

By the end of the reporting period, the Bank had involved in 306 unsettled lawsuits, among which, the Bank as plaintiff amounts to 107, the total monetary amount is 7,728,839.6 thousand Yuan, and in the rest the Bank acts as defendant, the amount involved is 2,229,567.2 thousand Yuan.

7. Non-adjustment Subsequent Events

The Bank after the balance sheet reporting date have had no significant non-adjustment subsequent events.

8. Significant Assets Transfers and Sales

The Bank had no significant assets transfer and sale in the year of 2003.

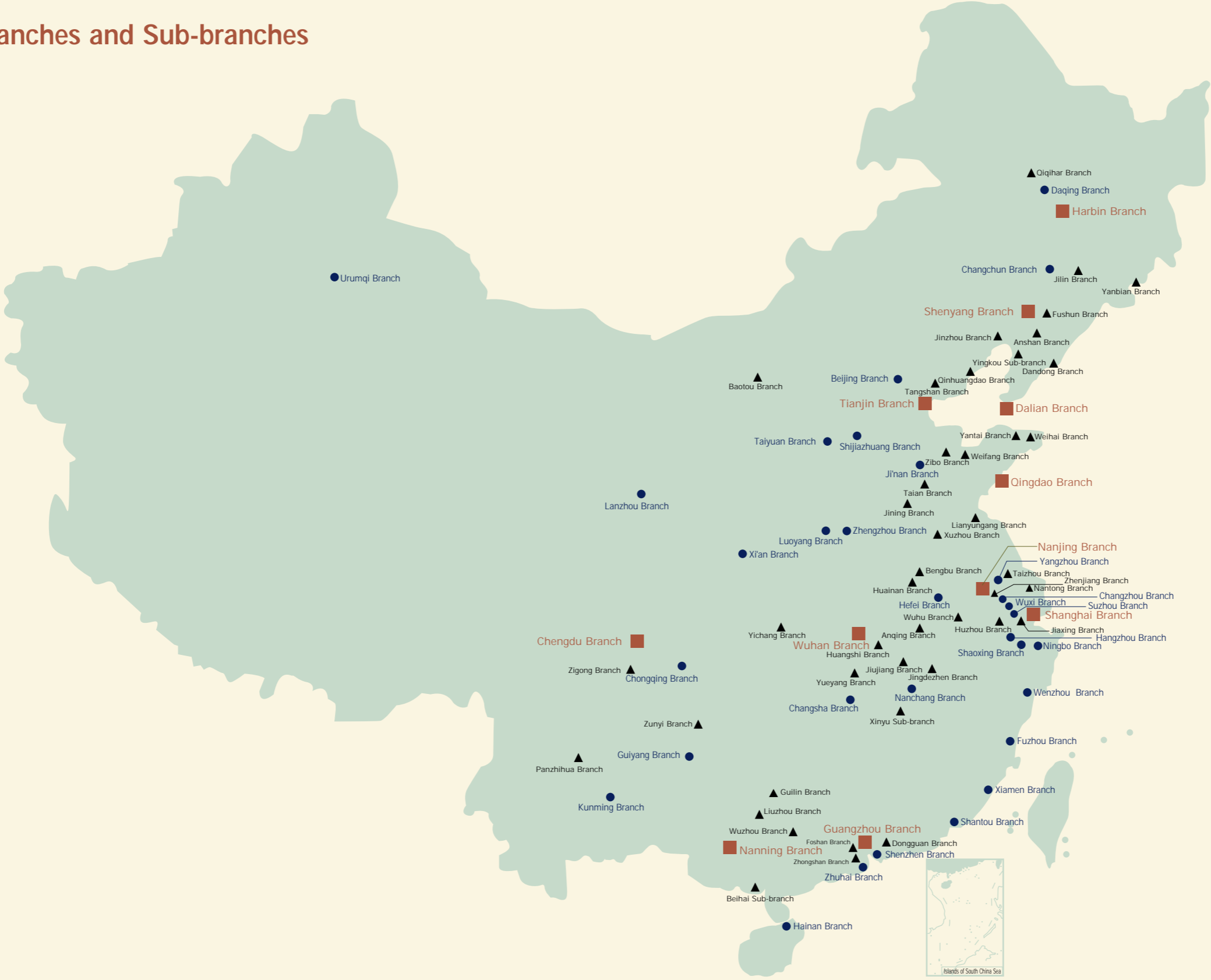
9. Related Party Transactions

The Bank had no significant related party transaction in the year of 2003.

10. The Capital Adequacy Ratio

The Bank's risk-weighted assets totalled 587.22 billion at the end of 2003. The net amount of tier 1 capital was 37.37 billion and the net amount of capital 43.50 billion, among which tier 2 capital was 9.40 billion, which are provisions for credit losses; Tier 1 capital adequacy ratio was 6.36 % and the CAR was 7.41%.

Domestic Branches and Sub-branches



- Administrative Branches
- Branches Directly under the H.O.
- ▲ Branches under Administrative Branches

Domestic Branches and Sub-branches

◆ Shanghai Branch

99 Zhong Shan Nan Lu, Shanghai
TEL: (021)63111000
TLX: 33438 COMSH CN
SWIFT: COMMCNSHSHI
P.C.: 200010
FAX: (021)63744799

◆ Jiaxing Branch

236 Zhong Shan Xi Lu, Jiaxing
TEL: (0573)2052112
SWIFT: COMMCNSHJXG
P.C.: 314001
FAX: (0573)2052110

◆ Huzhou Branch

299 Ren Min Lu, Huzhou
TEL: (0572)2212138
SWIFT: COMMCNSHHUZ
P.C.: 313000
FAX: (0572)2214738

◆ Nanjing Branch

124 Zhong Shan Bei Lu, Nanjing
TEL: (025)83324718
SWIFT: COMMCNSHNJG
P.C.: 210009
FAX: (025)83322050

◆ Zhenjiang Branch

229 Jie Fang Lu, Zhenjiang
TEL: (0511)5021069
SWIFT: COMMCNSHZJG
P.C.: 212001
FAX: (0511)5021124

◆ Xuzhou Branch

56 Zhong Shan Nan Lu, Xuzhou
TEL: (0516)5608180
SWIFT: COMMCNSHIUZ
P.C.: 221006
FAX: (0516)5608186

◆ Lianyungang Branch

141 Hai Lian Zhong Lu, Xin Pu
District, Lianyungang
TEL: (0518)5414580
SWIFT: COMMCNSHLYG
P.C.: 222003
FAX: (0518)5411387

◆ Nantong Branch

27 Ren Min Zhong Lu, Nantong
TEL: (0513)5058018
SWIFT: COMMCNSHNTG
P.C.: 226001
FAX: (0513)5058028

◆ Taizhou Branch

99 Xi Cang Lu, Taizhou
TEL: (0523)6242741
SWIFT: COMMCNSHTAI
P.C.: 225300
FAX: (0523)6210456

◆ Wuhu Branch

BoCom Tower, Beijing Xi Lu, Wuhu
TEL: (0553)3839500
SWIFT: COMMCNSHWHU
P.C.: 241000
FAX: (0553)3839531

◆ Huainan Branch

Chao Yang Zhong Lu, Huainan
TEL: (0554)6657888
P.C.: 232001
FAX: (0554)6651788

◆ Bengbu Branch

88 Nan Shan Lu, Bengbu
TEL: (0552)2040377
SWIFT: COMMCNSHBBU
P.C.: 233000
FAX: (0552)2040376

◆ Anqing Branch

99 Long Shan Lu, Anqing
TEL: (0556)5509699
SWIFT: COMMCNSHAQG
P.C.: 246004
FAX: (0556)5509641

◆ Shenyang Branch

100 Shi Yi Wei Lu, Shen He District,
Shenyang
TEL: (024)22719497
SWIFT: COMMCNSHSYG
P.C.: 110014
FAX: (024)22825238

◆ Anshan Branch

38 Er Yi Jiu Lu, Tie Dong District,
Anshan
TEL: (0412)5554790
SWIFT: COMMCNSHASN
P.C.: 114001
FAX: (0412)5554785

◆ Fushun Branch

1 Zhong Yang Da Jie, Xin Fu District,
Fushun
TEL: (0413)2648493
SWIFT: COMMCNSHFSN
P.C.: 113008
FAX: (0413)2648493

◆ Jilin Branch

10 Jiang Wan Lu, Jilin
TEL: (0432)2102998
SWIFT: COMMCNSHJLN
P.C.: 132001
FAX: (0432)2102996

◆ Yanbian Branch

6 Guang Ming Jie, Yanji
TEL: (0433)2520486
SWIFT: COMMCNSHYBN
P.C.: 133000
FAX: (0433)2520418

◆ Wuhan Branch

Rui Tong Plaza, 847 Jian She Da Dao,
Wuhan
TEL: (027)85487102 85487110
SWIFT: COMMCNSHWHN
P.C.: 430015
FAX: (027)85487112

◆ Huangshi Branch

380 Yi Yang Lu, Huangshi
TEL: (0714)6238934
P.C.: 435000
FAX: (0714)6221614

◆ Yichang Branch

22 Sheng li Si Lu, Yichang
TEL: (0717)6484982
P.C.: 443000
FAX: (0717)6484831

◆ Yueyang Branch

Yin Du Mansion, Nan Hu Da Dao,
Yueyang
TEL: (0730)8224418
P.C.: 414000
FAX: (0730)8225694

◆ Xinyu Sub-branch

7 Bei Hu Xi Lu, Xinyu
TEL: (0790)6441941
P.C.: 338000
FAX: (0790)6441943

◆ Jiujiang Branch

49 Xun Yang Lu, Jiujiang
TEL: (0792)8231117
P.C.: 332000
FAX: (0792)8118426

Jingdezhen Branch

1 Chang Nan Da Dao, Jingdezhen
 TEL: (0798)8570699
 P.C.: 333000
 FAX: (0798)8570660

◆ Qingdao Branch

6 Zhong Shan Lu, Qingdao
 TEL: (0532)2967888
 SWIFT: COMMCNSHQDO
 P.C.: 266001
 FAX: (0532)2897062

◆ Weihai Branch

34 Hai Bin Bei Lu, Weihai
 TEL: (0631)5226210
 SWIFT: COMMCNSHWHI
 P.C.: 264200
 FAX: (0631)5226058

◆ Weifang Branch

358 Dong Feng Dong Jie,
 Weifang
 TEL: (0536)8190228
 SWIFT: COMMCNSHWFG
 P.C.: 261041
 FAX: (0536)8190228

◆ Zibo Branch

100 Zhong Xin Lu, Zhang Dian
 District, Zibo
 TEL: (0533)2186999
 SWIFT: COMMCNSHZBO
 P.C.: 255040
 FAX: (0533)2180511

◆ Yantai Branch

222 Nan Da Jie, Yantai
 TEL: (0535)6677088
 SWIFT: COMMCNSHYTI
 P.C.: 264000
 FAX: (0535)6677086

◆ Taian Branch

86 Dong Yue Da Jie, Taian
 TEL: (0538)8220402
 SWIFT: COMMCNSHTAN
 P.C.: 271000
 FAX: (0538)8220402

◆ Jining Branch

3 Dong Men Da Jie, Jining
 TEL: (0537)2883600
 SWIFT: COMMCNSHJNG
 P.C.: 272119
 FAX: (0537)2883628 2883659

◆ Guangzhou Branch

123 Jie Fang Nan Lu, Guangzhou
 TEL: (020)83270451
 SWIFT: COMMCNSHGUA
 P.C.: 510120
 FAX: (020)83270386

◆ Zhongshan Branch

30 Yue Lai Nan Lu, Shi Qi, Zhongshan
 TEL: (0760)8812999
 SWIFT: COMMCNSHZSN
 P.C.: 528400
 FAX: (0760)8808917

◆ Foshan Branch

1-1 Ti Yu Lu, Foshan
 TEL: (0757)83356919
 SWIFT: COMMCNSHFSA
 P.C.: 528000
 FAX: (0757)83333125

◆ Dongguan Branch

190 Qi Feng Lu, Dongguan
 TEL: (0769)2336998
 SWIFT: COMMCNSHDGN
 P.C.: 523008
 FAX: (0769)2336908

◆ Dalian Branch

1 Ren Min Lu, Zhong Shan District,
 Dalian
 TEL: (0411)2639911
 SWIFT: COMMCNSHDLN
 P.C.: 116001
 FAX: (0411)2656612

◆ Jinzhou Branch

42 Yun Fei Jie, Er Duan, Jinzhou
 TEL: (0416)3124258
 SWIFT: COMMCNSHJIN
 P.C.: 121000
 FAX: (0416)3125832

◆ Dandong Branch

68 Jin Shan Da Jie, Dandong
 TEL: (0415)2125736
 SWIFT: COMMCNSHDDG
 P.C.: 118000
 FAX: (0415)2131250

◆ Yingkou Sub-branch

21 Bo Hai Da Jie Xi, Yingkou
 TEL: (0417)2837764
 SWIFT: COMMCNSHYKU
 P.C.: 115003
 FAX: (0417)2837764

◆ Tianjin Branch

32 Bin Jiang Dao, He Ping District, Tianjin
 TEL: (022)23403512
 SWIFT: COMMCNSHTJN
 P.C.: 300041
 FAX: (022)23302004

◆ Tangshan Branch

103 Xin Hua Dong Dao, Tangshan
 TEL: (0315)3720100
 SWIFT: COMMCNSHTSN
 P.C.: 063000
 FAX: (0315)2849299

◆ Qinhuangdao Branch

174 Wen Hua Bei Lu, Hai Gang District,
 Qinhuangdao
 TEL: (0335)3038260
 SWIFT: COMMCNSHQHD
 P.C.: 066000
 FAX: (0335)3028046

◆ Baotou Branch

24 Gang Tie Da Jie, Qing Shan District,
 Baotou
 TEL: (0472)5143280
 SWIFT: COMMCNSHBTU
 P.C.: 014030
 FAX: (0472)5144698

◆ Chengdu Branch

211 Xi Yu Long Jie, Chengdu
 TEL: (028)86525666
 SWIFT: COMMCNSHCUD
 P.C.: 610015
 FAX: (028)86525555

Zigong Branch

108 Wu Xing Jie, Zi Liu Jing District,
 Zigong
 TEL: (0813)2105667
 P.C.: 643000
 FAX: (0813)2105667

Panzhihua Branch

21 Xin Hua Jie, Bing Cao Gang, Panzhihua
 TEL: (0812)3334197
 P.C.: 617000
 FAX: (0812)3334197

Zunyi Branch

108 Zhong Hua Lu, Hong Hua Gang
 District, Zunyi
 TEL: (0852)8824421
 P.C.: 563000
 FAX: (0852)8825356

Domestic Branches and Sub-branches

◆ Nanning Branch

228 Ren Min Dong Lu, Nanning
TEL: (0771)2835133
SWIFT: COMMCNSHNJG
P.C.: 530012
FAX: (0771)2835475

◆ Guilin Branch

8 Nan Huan Lu, Guilin
TEL: (0773)2829898
SWIFT: COMMCNSHGLN
P.C.: 541002
FAX: (0773)2826506

◆ Liuzhou Branch

32 Yue Jin Lu, Liuzhou
TEL: (0772)2860711
SWIFT: COMMCNSHLIU
P.C.: 545001
FAX: (0772)2866680

◆ Wuzhou Branch

47 Da Zhong Lu, Wuzhou
TEL: (0774)2832582
SWIFT: COMMCNSHWUZ
P.C.: 543000
FAX: (0774)2827711

◆ Beihai Sub-branch

BoCom Tower, Yun Nan Lu, Beihai
TEL: (0779)3088836
SWIFT: COMMCNSHBHI
P.C.: 536000
FAX: (0779)3038440

◆ Harbin Branch

242 Guo Ge Li Da Jie, Nan Gang
District, Harbin
TEL: (0451)82644467
SWIFT: COMMCNSHHEB
P.C.: 150001
FAX: (0451)82644448

◆ Qiqihar Branch

205 Bu Kui Da Jie, Jian Hua District,
Qiqihar
TEL: (0452)2559771
SWIFT: COMMCNSHQQH
P.C.: 161006
FAX: (0452)2559777

◆ Beijing Branch

33 Jin Rong Jie, Xi Cheng District,
Beijing
TEL: (010)66101616
TLX: 222915 BCOMB CN
SWIFT: COMMCNSHBJG
P.C.: 100032
FAX: (010)88086008

◆ Zhengzhou Branch

11 Zheng Hua Lu, Zhengzhou
TEL: (0371)5723888
SWIFT: COMMCNSHZHE
P.C.: 450008
FAX: (0371)5751011

◆ Chongqing Branch

158 Zhong Shan San Lu, Yu Zhong
District, Chongqing
TEL: (023)63639888
SWIFT: COMMCNSHCQG
P.C.: 400015
FAX: (023)63851916

◆ Kunming Branch

67 Hu Guo Lu, Kunming
TEL: (0871)3105250
SWIFT: COMMCNSHKMG
P.C.: 650021
FAX: (0871)3107584

◆ Shenzhen Branch

2066 Shen Nan Zhong Lu, Shenzhen
TEL: (0755)83680000
SWIFT: COMMCNSHSZN
P.C.: 518031
FAX: (0755)83680033

◆ Hangzhou Branch

173 Qing Chun Lu, Hangzhou
TEL: (0571)87216012
TLX: 351123 BOCOM CN
SWIFT: COMMCNSHHAN
P.C.: 310006
FAX: (0571)87082330

◆ Shijiazhuang Branch

22 Zi Qiang Lu, Shijiazhuang
TEL: (0311)7026358
SWIFT: COMMCNSHSJZ
P.C.: 050000
FAX: (0311)7026358

◆ Xi'an Branch

16 An Ban Jie, Xi'an
TEL: (029)7259535
SWIFT: COMMCNSHIAN
P.C.: 710004
FAX: (029)7210455

◆ Ningbo Branch

55 Zhong Shan Dong Lu, Ningbo
TEL: (0574)87361089
SWIFT: COMMCNSHNBO
P.C.: 315000
FAX: (0574)87262365

◆ Changchun Branch

502 Tong Zhi Jie, Changchun
TEL: (0431)8928485
SWIFT: COMMCNSHCCN
P.C.: 130061
FAX: (0431)8967498

◆ Ji'nan Branch

98 Gong Qing Tuan Lu, Ji'nan
TEL: (0531)6106389
SWIFT: COMMCNSHJNN
P.C.: 250012
FAX: (0531)6106390

◆ Hefei Branch

38 Hua Yuan Jie, Hefei
TEL: (0551)2637010
SWIFT: COMMCNSHHFI
P.C.: 230001
FAX: (0551)2637010

◆ Taiyuan Branch

BoCom Tower, 115 Jie Fang Lu,
Taiyuan
TEL: (0351)4070094
SWIFT: COMMCNSHTYN
P.C.: 030002
FAX: (0351)4071457

◆ Changsha Branch

37 Shao Shan Zhong Lu, Changsha
TEL: (0731)5555522
SWIFT: COMMCNSHCSA
P.C.: 410007
FAX: (0731)5603737

◆ Lanzhou Branch

252 Qing Yang Lu, Lanzhou
 TEL: (0931)8820387
 SWIFT: COMMCNSHLAN
 P.C.: 730030
 FAX: (0931)8810479

◆ Urumqi Branch

3 Dong Feng Lu, Urumqi
 TEL: (0991)2833597
 SWIFT: COMMCNSHWLM
 P.C.: 830002
 FAX: (0991)2840184

◆ Hainan Branch

45, Guo Mao Da Dao,
 Finance and Trade Zone, Haikou
 TEL: (0898)68532666
 SWIFT: COMMCNSHHNN
 P.C.: 570125
 FAX: (0898)68532333

◆ Nanchang Branch

21 Yong Shu Lu, Nanchang
 TEL: (0791)6281014
 SWIFT: COMMCNSHNCG
 P.C.: 330003
 FAX: (0791)6214486

◆ Guiyang Branch

4 Sheng Fu Lu, Guiyang
 TEL: (0851)5861461
 SWIFT: COMMCNSHGYG
 P.C.: 550001
 FAX: (0851)5861460

◆ Fuzhou Branch

116 Hu Dong Lu, Fuzhou
 TEL: (0591)7874839 7874850
 SWIFT: COMMCNSHFUZ
 P.C.: 350003
 FAX: (0591)7874837

◆ Xiamen Branch

9 Hu Bin Zhong Lu, Xiamen
 TEL: (0592)2295012
 SWIFT: COMMCNSHIMN
 P.C.: 361004
 FAX: (0592)2295013

◆ Wuxi Branch

198 Ren Min Zhong Lu, Wuxi
 TEL: (0510)2708125
 TLX: 362051 WCBS CN
 SWIFT: COMMCNSHWXI
 P.C.: 214001
 FAX: (0510)2701640

◆ Suzhou Branch

9 Nan Yuan Bei Lu, Suzhou
 TEL: (0512)65188666
 SWIFT: COMMCNSHSUZ
 P.C.: 215006
 FAX: (0512)65186051

◆ Daqing Branch

2 Re Yuan Jie Dong Feng Lu, Dong
 Feng Xin Cun, Daqing
 TEL: (0459)6688863
 SWIFT: COMMCNSHDQG
 P.C.: 163311
 FAX: (0459)6688860

◆ Changzhou Branch

171 Yan Ling Xi Lu, Changzhou
 TEL: (0519)6607696
 SWIFT: COMMCNSHCHA
 P.C.: 213003
 FAX: (0519)6607630

◆ Wenzhou Branch

Paris Mansion, Xiao Nan Lu,
 Wenzhou
 TEL: (0577)88252225
 SWIFT: COMMCNSHWEN
 P.C.: 325000
 FAX: (0577)88255563

◆ Shantou Branch

83 Jin Sha Lu, Shantou
 TEL: (0754)8611888
 SWIFT: COMMCNSHSTU
 P.C.: 515041
 FAX: (0754)8611962

◆ Shaoxing Branch

283 Ren Min Zhong Lu, Shaoxing
 TEL: (0575)5115890
 SWIFT: COMMCNSHSXG
 P.C.: 312000
 FAX: (0575)5137247

◆ Zhuhai Branch

BoCom Tower, 1227 Ji Da Jiu
 Zhou Da Dao Dong, Zhuhai
 TEL: (0756)3338822
 SWIFT: COMMCNSHZHI
 P.C.: 519015
 FAX: (0756)3338811

◆ Luoyang Branch

60 Kai Xuan Dong Lu, Luoyang
 TEL: (0379)3222560
 SWIFT: COMMCNSHLYA
 P.C.: 471000
 FAX: (0379)3938888

◆ Yangzhou Branch

2 Wen He Bei Lu, Yangzhou
 TEL: (0514)7344635
 SWIFT: COMMCNSHYAN
 P.C.: 225002
 FAX: (0514)7348552

Branches and Sub-branches marked with
 ◆ are authorized to conduct international
 banking business

Overseas Network

**Hong Kong Branch**

20 Pedder St., Central, Hong Kong
 TEL: (00852)-28419611
 TLX: 73409 COMBK HX
 SWIFT: COMMKHHXXX
 CAB: COMMUBANK HONG KONG
 FAX: (00852)-28106993

New York Branch

One Exchange Plaza, 55 Broadway
 New York, NY 10006-3008 U.S.A
 TEL: (001)-(212)-376-8030
 TLX: 3775149 COMBKNY
 SWIFT: COMMUS33
 FAX: (001)-(212)-376-8089

Tokyo Branch

3-5-1, Toranomon Minato-ku
 Tokyo 105, Japan
 TEL: (0081)-(3)-3432-1818
 TLX: 7225349
 SWIFT: COMMJPJT
 FAX: (0081)-(3)-3432-1824

Singapore Branch

50 Raffles Place, #26-04 Singapore
 Land Tower, Singapore
 048623 Singapore
 TEL: (0065)-65320335
 SWIFT: COMMSGSG
 FAX: (0065)-65320339

London Representative Office

18/F, Royex House, Aldermanbury Square
 London, EC2V 7HR U.K.
 TEL: (0044)-207-6061808
 FAX: (0044)-207-6062362

Frankfurt Representative Office

Bockenheimer Landstr.42
 60323 Frankfurt am Main, Germany
 TEL: (0049)-(69) 172843
 (0049)-(69) 172845
 FAX: (0049)-(69) 172811



We strive for advanced development in banking system, operating ideology, internal mangement, service measures, human resources and company culture.



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