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中國民生銀行股份有限公司
CHINA MINSHENG BANKING CORP., LTD.

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

(Stock Code: 01988)

**ANNOUNCEMENT ON COMMUNICATION MEETING
WITH INVESTORS**

Reference is made to the overseas regulatory announcement published by China Minsheng Banking Corp., Ltd. (“**Minsheng Bank**”) on 25 June 2013 in relation to the minutes of the communication meeting with investors (the “**Meeting**”), we hereby announce the details of the Meeting as follows:

Minutes of Teleconference of Minsheng Bank

Date and time: 17:00, 25 June 2013

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Wan Qingyuan: Dear investors, good afternoon. Thank you for attending the teleconference today. I am Wan Qingyuan, the Board Secretary of Minsheng Bank, and I am the chairman of this Meeting. To begin with, let me introduce our management who attended the meeting today, including Mr. Zhao Pinzhang, the Vice President, Mr. Shi Jie, the Assistant to President, and Mr. Zhang Changlin, the General Manager of the assets and liabilities department. Recently, our share price has experienced significant fluctuations, and we believe it is necessary to discuss the situation with the investors. Mr. Zhao will give an outline of our Bank.

Zhao Pinzhang: First, I would like to express my gratitude to all investors and analysts here who would like to know more about Minsheng Bank’s performance in the capital market and its development. Since the beginning of June, the capital market has undergone substantial changes. Financing has been made difficult with the rising interest rates. Market liquidity has reduced as the banks tightened their liquidity for contingencies. As such, our share price has fluctuated significantly since yesterday. Our operation has been normal. Our deposits, loans, quality of assets and liquidity, which is of utmost concern, have maintained at the usual level from January till now. In respect of the situation in China, the deposits, loans and deposit to loan ratio of commercial banks currently amounted to approximately RMB63 trillion, RMB40 trillion and 66%, respectively, reflecting sufficient liquidity positions of the banks. Minsheng Bank has strictly complied with the policies of the PBOC, the requirements of regulatory departments and the systems of our Bank to

exercise reasonable control over its liquidity. Our bills business is also under normal operation. All sales and redemption of bills were carried out according to specific schedules and the required funds were arranged accordingly. Currently there is no unredeemable bill upon maturity. Moreover, the counterparties of the bills are financial institutions which we believe are free of other risks. We could say our current liquidity management is at normal level.

Wan Qingyuan: Thank you Mr. Zhao. The following is a Q&A section. Each person could raise no more than two questions. Please introduce yourself before raising the questions.

Guotai Junan: My first question is what is the proportion of beneficial interests sold in trust of Minsheng Bank? Is it below 10%? Second, what is the business scale of the latest wealth management products after the introduction of Document No. 8? Does Minsheng Bank meet the requirement of lowering the investment proportion of non-standard debt assets to 35%? Thank you.

Zhang Changlin: Our beneficial interests in trust basically accounted for 5%. As at the end of the first quarter, the investment proportion of non-standard debt assets accounted for approximately 10% in terms of the overall scale of wealth management business. The total amount of wealth management business of the first quarter was approximately RMB300 billion and the excess amount ranged only from RMB20 billion to RMB30 billion. As the investment terms are usually short, the problem of excess investment in non-standard debt assets will be solved as the investments mature in July and August.

Zhao Pinzhang: I would also like to say that currently the excess investment in non-standard debt assets is only RMB12 billion and it will become zero before July 20.

Merrill Lynch: Firstly, the market is guessing the PBOC's intention is to deleverage the interbank business. However, an increasing number of wealth management products with high rate of return in the past few days were launched by the banks. Do the banks need to match the products with assets of higher rate of return or do they need to invest in more non-standard debt assets in the second half of the year in order to meet with the high rate of return? Is it contradictory to the purpose of the PBOC? Secondly, regarding the discounted bills, 60% of the interbank business of Minsheng Bank is discounted bills held under resale agreements, how would the developments in these few days affect the interim report?

Zhao Pinzhang: For the first question, I think the wealth management business has nothing to do with deleveraging. The high rate of return is believed to be a normal market response. The tighter the market liquidity, the higher the investment return, and vice versa.

Zhang Changlin: For the discounted bills, in the short run, the movement of overall bill assets between banks slowed down as a result of tighten market liquidity. There is only a few days left in the second quarter and currently our bills business is under normal operation. After the release of the data at the end of June, you can see there is no significant change in either bills held under resale agreements or discounted bills. However, bills accounted for higher percentage in the growth of loans for the first and second quarters this year. As for the loan portfolio, the proportion of general loan has greatly improved as compared with the first quarter. There will not be significant impact on the interim report.

BOCOM International: The first question is that as additional capital and provisions are required for interbank business since this year under the tighter regulations, what are the Company's strategies for the development of its interbank business? The second question is how are the maturity profile of interbank balance and the change in interest spread since the beginning of this year?

Zhang Changlin: Based on regulatory requirements, banks are required to lower the leverage and to increase the liquidity in the real economy by providing more loans instead of bills which are considered as wealth management business. Secondly, in respect of our overall development strategy, we plan to adjust the proportion of bill business and offer more support for our strategic customers, small and micro enterprises ("MSEs") and private enterprises in accordance with the regulatory requirements. As for your question about the maturity, I would like to say that the assets and liabilities are generally rather short. Turnover of bills, mainly bill factoring, is about 10 days or one month. In the short-term, the turnover is relatively fast. However, as the market price is higher in recent periods due to higher financing needs in the market. The tightened market liquidity is only a result of more cautious grant of credit facility by the banks. With the increasing financing from the market, liquidity will be even tighter. As a result, it gives rise to the panic sentiment in the market. But you can rest assured that it is a normal phenomenon in terms of cash flow of the business structure. For the interest spread throughout the period, the first quarter saw a slight decrease as compared to last year. In the second quarter, from April to May, it also decreased slightly. As for June, the situation was rather special. No additional provision for businesses was made and the interest spread of deposits remained the same. The overall market experienced substantial changes subsequently, which make it difficult for us to make accurate forecast on our interest spread. The overall interest spread for the first half of the year was slightly lower than that of last year as our daily transaction volume increased as compared to last year.

CICC: Our first question is about wealth management products. Pursuant to the latest regulations, no transaction shall be carried out between proprietary accounts of wealth management products and banks. For wealth management products due in June, how would Minsheng Bank respond to the changes in regulations? How would you ensure sufficient funding for the due payment of wealth management products? Or would there be a possibility of difficulty in funding? Our second question is about the development strategies of interbank businesses. The central bank made certain adjustments to the monetary policy and the monetary conditions, which projects increase in interest rates of the interbank market. Under such circumstance, what would the strategies of Minsheng be for interbank business in the second half of the year? I also would like to know whether this business segment would contract comparatively and whether such comparative contraction would adversely affect the operating condition of customers or affect the real economy.

Zhao Pinzhang: As to the first question, I would like to clarify that there has been no problem of funding for the wealth management business of Minsheng Bank. We will adjust our existing operation model according to the policies and system arrangement of the central bank. As to the second question, we are deciding on the development of our interbank business as market changes have brought unfavourable impacts as well as huge business opportunities. We are looking into these issues and will propose new arrangements and plans in response to market changes to the half year meeting. Given the substantial market scale, revenue from this business segment accounts for a large proportion of our total revenue. As such, we will step up or market research efforts and increase our investment to enhance our market presence.

CITIC Securities: Except for lending business, we saw loosened leverage in recent years despite the fact that growth rates of banks exceeded expectation. The policies create pressure on the banks to deleverage, which is also how we interpret the intention of such policies. I would like to know, in the event that the high-growth businesses are to be subject to considerable restrictions in the future, would there be any other drivers for the future growth in operating results of Minsheng Bank other than MSE business? Another question is that there are rising concerns that the policy of the central bank is to revitalize deposits in order to increase and control liquidity of the real economy. In the perspective of a bank, if there is quantitative easing, will Minsheng Bank adjust its liquidity structure when allocating the funding to its limited credit assets or will it allocate credit resources for its own commercial gains? Since our interpretation is that the central bank is trying to divert money from local financing vehicles and the real estate sector to other sectors. I would like to know whether Minsheng Bank would comply with the intention of the central bank or follow its commercial principles when carry out its lending business.

Shi Jie: Minsheng Bank has been improving the quality of its credit assets. We will continue to expand structural adjustment in the second half of the year pursuant to the government policies. The structural adjustment mainly involves three aspects: First, we have been increasing our loans to MSEs which operate in the consumption market. Secondly, we have been developing businesses with local characteristics during the year. In the first half of the year, we conducted in-depth researches on over 30 institutions across China on the characteristics of local areas. We developed industrial chain and supply chain businesses with local characteristic so as to create new growth points for the Bank. Thirdly, we have been adjusting our businesses to cater for emerging industries, including industries which are less cyclical, such as education, health care and new environmental protection and energy conservation industries. Investment was made in the business catering for such industries. We are improving the development models of MSE Finance Version 2.0, businesses with local characteristics and businesses catering for emerging industries and innovative products. Furthermore, we will implement new commercial model and introduce new products in the second half of the year. As a result, our existing structure can be continuously improved. Besides, we have increased the use of tangible resources in attracting deposits. Together with the use of intangible resources, we were able to attract the entire core customer base. We adopt new core customer-oriented models, methods and products to expand deposits from the upstream and downstream operations of our existing core customers, so as to expand customer base and boost revenue. To conclude, we carried out structural adjustment to our liquidity, increased our loans to MSEs operating in consumption market, and increased investment in businesses with local characteristics and businesses catering to emerging industries which are less cyclical.

Zhao Pinzhang: After the Central Bank proposed the guideline of de-leveraging, Minsheng Bank has been considering its future development direction and potential actions to be taken. Firstly, we are considering to introduce new businesses with low inter-bank leverage ratio; secondly, we are considering to introduce the asset management business. For private banking business, as proposed by the Chairman of the Board, regional financing business will be actively developed as our another growth driver in addition to MSEs business. The resource allocation, market arrangement and business model of various businesses are currently under our review. Needless to say, it will take time, and a good environment and policy support are necessary.

Lion Fund: it is rumored that some institutions of Minsheng Bank are attracting the deposits at the rate of 15% per annum, can you tell us what is the average cost of inter-bank funds during the last week? There are certain concerns in the market in this regard.

Zhao Pinzhang: I can tell you that, a branch accepted the funds at the rate of 5.6% yesterday, and we thought it is a high rate. It is impossible that we accept the deposit at the rate of 15%.

Zhang Changlin: We generally accepted the funds at the average market rate; on last Thursday, the market rate soured to 20–30%, we accepted certain short-term funds at the overnight rate of over 10%. Generally speaking, all above deals were concluded at the online average rate, and most of them are accepted as short-term funds, such as overnight inter-bank borrowing or 7-day inter-bank borrowing. It is natural that the cost of funds will be getting lower with the decrease of market rate.

Zhang Changlin: It can be expected that the cost of funds in the market will be getting lower. We anticipate that the cost of funds in the capital market in the second half of this year will be slightly higher than the first half. However, it is natural that the margin will also rise and we can expect a good performance in our loan business.

Wan Qingyuan: Goldman Sachs, please.

Goldman Sachs: Currently, the inter-bank rate saw a rapid increase, what do you expect the growth rate of the inter-bank assets in the second half of this year? How will the loans to the small and medium enterprises (“SMEs”) be priced? What is your view of the quality of assets in current? What is the strategy of Minsheng Bank on inter-bank notes? Thanks.

Zhang Changlin: For inter-bank notes, there are various rumors in the internet. In fact, most of our note business is related to the real economy. Generally speaking, we seldom discount the notes for real estate enterprises, nor do we provide any note business for a company which acted as the government platform. The origin of the discounting business is the accepting bank, which will discount the notes only if an enterprise has established a trade relationship. Most of our note business involves inter-bank notes, which is in fact a quasi-capital business and is intended to address the liquidity and turnover of funds and to obtain the spreads. The number of notes may decrease if the number of origin of notes and acceptance of notes decrease. It is certain that, in the second half of this year, the cost of funds will be slightly higher, the liquidity will be tightened, and our spreads will be increased. The loan rates for SMEs and small and micro enterprises is currently stable, but is expected to rise in the second half of this year. As the market liquidity will be tightened in the second half of this year, the available funds and line of credit of each bank will be less than the first half, the banks will be in a better position in determining the loan rates.

Shi Jie: I will talk about the quality of the SME assets. Presently, from the perspective of macro-economy, the overall economy is on a declining trend, and the SME assets are by no means optimistic. In particular, the economic downturn is spreading from Yangtze River Delta region (especially Zhejiang) to Jiangsu, Fujian and Shandong Province this year, this is caused by worsening economic situation, insufficient effective demand in the real economy and lack of economic vitality. Minsheng has made some improvements in the form of financing to SMEs. Starting from this year, Minsheng Bank has made various efforts to identify suitable SMEs in the upper and lower stream of major enterprises based on their industrial chains, industrial groups, industrial platforms and industrial sources. Minsheng Bank also control the risks by controlling the management, cash flow and logistics of such SMEs. On one hand, Minsheng made some constriction, adjustments and improvements in relation to its existing SME clients, on the other hand, Minsheng adopted a new business model to develop and explore new SME clients. It can be concluded that, the average level of the quality of our SME assets is slightly lower than that of our overall assets. However, the risks of our SME assets are still under control under this severe condition.

Wan Qingyuan: Sinosafe, please.

Sinosafe: As an investor of convertible bonds, Sinosafe would like to know the intention of the management on the conversion of shares. If the share price reaches a certain level, what will be your revised expectation? My second question is, in relation to the asset quality, I think the fluctuation of share price is caused by the rumor last weekend that the bad debt rate of Minsheng Bank Shanghai Branch is as high as 4%, what do you think?

Zhao Pinzhang: RMB20 billion convertible bond of Minsheng Bank is due on 15 September this year. After the fluctuation of stock price in the market recently, we inquired some individual investors, and they have not given definite replies on the conversion of shares. I think we still have time, and I do not expect that the fluctuation will have much impact on the conversion of shares.

Wan Qingyuan: I would like to add that, according the terms of the convertible bonds formulated previously, if the closing price of the Minsheng's A Share in 15 out of 30 consecutive trading days is lower than 80% of the conversion price, Minsheng may adjust the conversion price. Therefore, the intention of conversion of shares is subject to the closing price on 15 September. In addition, due to the nature of the convertible bonds, the investors generally prefer to hold the convertible bond. Please Shi Jie answer the question on the bad assets of Shanghai Branch.

Shi Jie: Thank you for your attention to our asset quality. In the first half of this year, as the economic situation saw no improvement, we have made various efforts, including the change of business model and structure adjustment. I would like to point out that, firstly, according to our inspection, investigation and progress of debt collection as well as the data as at the end of May, the bad debt ratio in the first half of this year remain same with that at the beginning of this year; secondly, steel prices continued to fall in Shanghai, Zhejiang and Jiangsu Province, which has adverse impact on the financial performances of steel traders in this region. However, as I spoke during the road show in Hong Kong this April, in relation to our loans to steel traders, due to our measures such as the efficient use and disposal of the collaterals, the amount of loans extended by Minsheng to steel traders in Shanghai has reduced by almost RMB3 billion and the amount of bad debts has been controlled to a reasonable level. In addition, Minsheng Jiangsu Branch was not

involved in any only involved in few similar steel trades in Jiangsu Province. Thirdly, the bad debts of Minsheng Shanghai Branch should be less than RMB800 million, that is to say, the bad debt ratio is lower than 1%, rather than 4% as the media says. I can assume full responsibility for this conclusion.

Wan Qingyuan: Last one, Dacheng Fund please.

Dacheng Fund: How do you regard the impact of the Internet banks on traditional banks? Will the weak economy have any adverse impact on the assets of Minsheng Bank?

Zhao Pinzhang: Internet banks will have certain impact on traditional banks, and we are making efforts to tackle this challenge and will figure out proper development strategy. I think it is very likely that traditional banks and Internet companies will be supplementary to each other in future. Minsheng has carried out research and made investment on E-commerce banking business. For the second question, the downturn economy will have the impact on the liquidity and asset quality of the banks, and the concerns about the banks also relate to the crowding-out effect and de-leveraging. Banks face various problems every year. Under this circumstance, Minsheng has been seeking the development opportunities in the market and continuing to improve its management level. Though this incident in the capital market is unexpected, the liquidity risk is still under control, and the cost to control the risk is not as high as someone imagined. Though this incident is regarded by someone as serious, Minsheng can handle easily.

Lastly, I wish to draw your attention that our operations in the first half proceeded smoothly as scheduled. Thank you all!

Wan Qingyuan: That is all for today. Nearly 900 investors attended this online meeting, which shows your attention to Minsheng Bank and China's banking industry. Due to the significant fluctuation in the capital market recently, we convened this extraordinary meeting to give you a better understanding of Minsheng Bank and banking sector. I am of the opinion that, with the deepening of the financial reform and acceleration of interest rate liberalization in China, the commercial banks and financial institutions will encounter various challenges. To be frankly, this incident itself is not very serious, it is more important that the commercial banks and financial institutions should take this opportunity to have better knowledge of liquidity management and various challenges brought about by the interest rate liberalization and financial reforms. In future, a bank with higher level of marketization and market adaption will ensure a long-term development. Thank you for attending this meeting. Keep in touch. Thank you all!

By Order of the Board
CHINA MINSHENG BANKING CORP., LTD.
Dong Wenbiao
Chairman

26 June 2013

As at the date of this announcement, the executive directors of the Company are Dong Wenbiao, Hong Qi and Liang Yutang; the non-executive directors of the Company are Zhang Hongwei, Lu Zhiqiang, Liu Yonghao, Wang Yugui, Shi Yuzhu, Wang Hang, Wang Junhui, Wu Di and Guo Guangchang; and the independent non-executive directors of the Company are Qin Rongsheng, Wang Lihua, Han Jianmin, Cheng Hoi-chuen, Ba Shusong and You Lantian.