



2015 China Trust Survey

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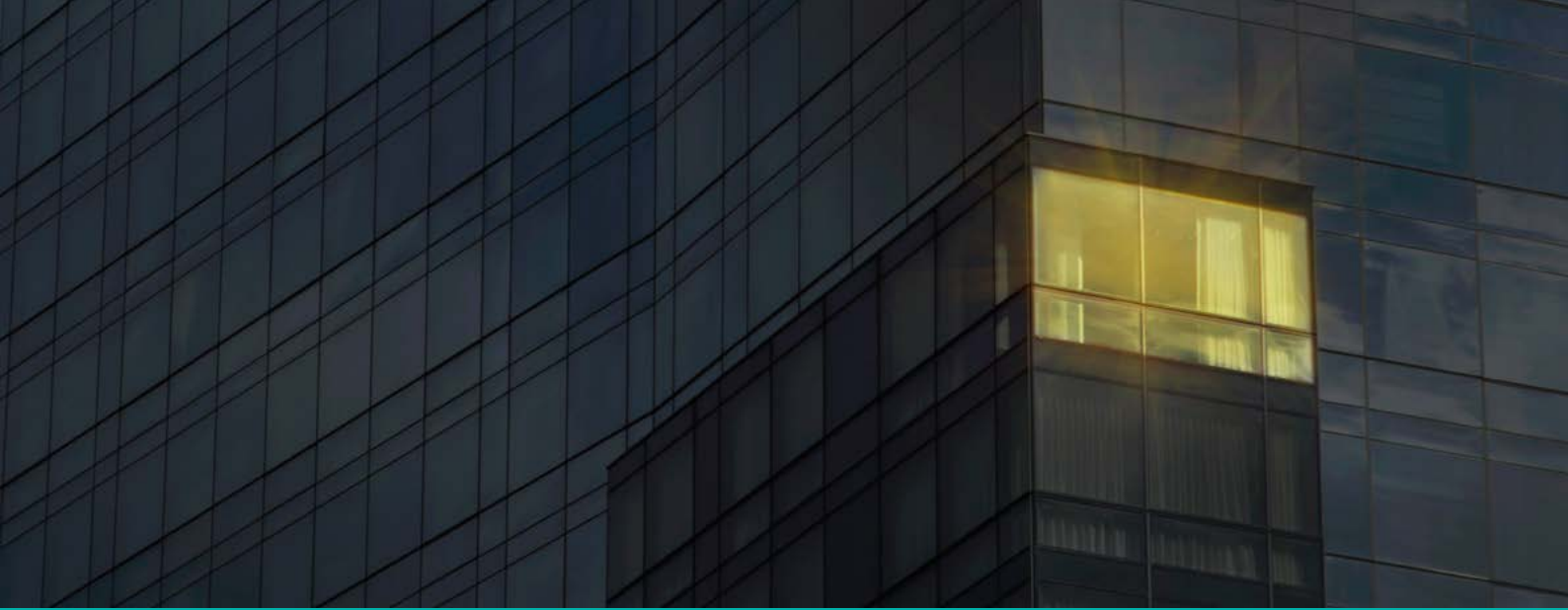
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Key points:

This report reviews the development of China's trust sector since 2007, and analyses the overall operation of trust companies in 2015. It reveals the full range of challenges faced by the sector under the "new normal," and predicts the outlook of its development in the future. Highlights of the report are listed as follows:



- ▶ The trust assets under management in the trust sector reached RMB 15.62 trillion as of the third quarter of 2015. Despite the continuous growth of the overall assets in terms of scale and the improvement of performance compared to 2014, the growth rates have been falling sharply. Even negative growth was seen in the scale of trust assets in the third quarter of 2015. The sector has stepped down from its fast growing phase.
- ▶ The trust sector has always been a crucial driver towards the development of the real economy. Trust companies provide enterprises various customized financing solutions by designing the structure of the financing transaction. This kind of financing service, including trust loans or channel business, has lost its momentum after a high-growth phase.
- ▶ China's trust sector has entered a "new normal," under which the sector faces a series of challenges at all levels, including the risks to the whole sector arising from the macroeconomic decline, the continuous shrinking of the traditional channel business, the increasingly fiercer competition for assets management business, and the impact of the emergence of the internet finance.
- ▶ Favourable mechanisms and policies have been one of the reasons for the rapid development of the trust sector. However, despite of the variety of innovation, elements essential for the trust business — wealth management, social investment and public welfare — have not been well developed. This has been exacerbated by existing problems in information disclosure, risk management, R&D capability, investors education, etc. We believe that the trust sector needs to both catch up with the global trends and build up their internal strength to maintain sustainable growth.
- ▶ The trust sector has been growing steadily given the improvement of relevant supporting laws and regulations even since 2007. However, the change of business environment necessitates the introduction of new laws and regulations and supporting systems to support the sustainable development of the sector. Innovations in terms of trust registration and transfer, business categorization, regulatory indicators, business scope, relevant tax laws and other mechanisms are essential for the development of the sector.



- ▶ In the process of the transformation and upgrading of the trust sector, new drivers of growth will be identified via product innovation, such as asset securitization, fund-like trusts, urbanization trusts, socialization trusts and alternative asset securitization trusts.

- ▶ Trust companies have a large space for innovation in terms of the management and inheritance of wealth products, being encouraged by regulators to go “back to essentials”. The financial function of the trust sector will switch from financing to asset management, which is what it is essentially designed to do.

- ▶ The trust sector will have to explore its future positioning and development, considering the trend of the financial industry and its own unique characteristics, to facilitate the customization, differentiation and globalization of the sector.

- ▶ Given the financial nature of the trust sector, the Internet will of course be a technical tool for the sector. The development of the “Internet” has brought benefits to the trust sector in terms of channels, platforms, risk management and innovation, but will not bring disruptive changes to the sector in the short term.



Introduction

The trust assets under management in China's trust sector amounted to RMB 15.62 trillion as of the third quarter of 2015. The sector has, already reached a milestone by exceeding the threshold of RMB 15 trillion in the second quarter of 2015. Despite the continuous growth of the asset in terms of scale, and the improvement in performance of 68 trust companies in 2015, the sector has been declining, with the growth rate falling sharply.

China's trust sector entered the era of a "new normal" in 2014/2015, when the trust sector faced a series of challenges, including the slowdown of the macro-economy, the shrinkage of the traditional financing trust business, especially the channel business, fiercer competition in the asset management market, risk exposure accumulated during the high-growth period, and even the impact of the rise of Internet finance. Economic downturn, structural adjustment and optimization, and changes to the growth drivers have become the new theme of the trust sector. Identifying the new growth drivers in the short term, and the direction of development in the long term is a matter for serious consideration within the sector.

Favourable mechanisms and policies have been one of the reasons for the rapid development of the trust sector. The traditional trust business essentially relied on favourable mechanisms to provide what seem to be innovative products, but which are actually financing services in substance, i.e., trust loans or channel business. The strong demand for financing facilitated the high growth of the trust sector, but the trust business for wealth management, social investment and public welfare has not been well developed. The high growth also concealed some potential problems in information disclosure, risk management, R&D capability, investors education, etc. It is like a martial arts master who is an expert in swordsmanship, but knows little about the artistry of the broadsword and boxing, and even less

about internal strength. In this case, it is difficult for him to become a great master. Similarly, we believe that the trust sector needs to both practice the artistry and have the internal strength to maintain sustainable growth.

The trust sector needs continuous innovation, which not only requires it to take full advantage of favourable mechanisms, but also give full play to its core advantage. The trust sector can launch many new offerings, making them new growth drivers, such as asset securitization, fund-like trusts, urbanization trusts, public welfare trusts, wealth management and family trusts, etc. Instead of being restricted by the limitations of a financing provider, trust companies need to make active innovations through restructuring and proactive management.

The trust sector needs to think more about its future positioning and development direction. Cross-sector asset management and the customisation, differentiation and globalisation of trust companies may be the trends for future development. Trust companies are supposed to establish their business models, research and development capabilities, product designs, funding channels, risk management for main business, in consideration of the trend of the financial industry and their own unique characteristics, so as to strengthen their internal strength.

KPMG is honoured to publish a report on the trust sector of Mainland China again this year. We are pleased to witness the rapid development of the sector since 2008, when our first report was issued. In particular, the high transparency of disclosure in the sector of annual report greatly inspired other players in the financial services market. Ever since 2014, all 68 registered trust companies have publicly issued their annual reports, marking new peak in the level of transparency within the sector. The main purpose of this report is to provide information to the stakeholders in the trust sector and trust companies.

Development of the trust sector

Development of the trust sector during 2007-2015

As an important part of China's financial industry, the trust sector is a sector featuring flexibility and innovation, playing a complementary and piloting role in economic development. Emerging from mixed operations, the trust sector survived various difficulties and adversities, temporarily contracted in restructuring, finally resuming its growth under new regulation. It has come up with innovative solution to the problems it has encountered, and has become a leading sector in the financial industry.

The following characteristics of the trust sector have been identified for the period of 2007-2015:

I. The scale of trust assets under management initially experienced high growth, then started to decline in 2013

Trust companies have been developing steadily by means of transformation, restructuring and improvements in products offered ever since they regained the licence for trust business in 2007.

Data released by the China Trustee Association (CTA) show that both the balance of trust assets under management and the newly incremented trust assets of the entire sector broke the threshold of RMB 1 trillion at the end of 2008. 8,231 trust products were actually newly incremented (issued) in 2008, with the total trust assets amounting to RMB 1,559.619billion, realising a year-on-year (YoY) increase of 125.82% and 92.86%, respectively.

In 2009, the four-trillion-renminbi economic stimulus plan and the moderately loose monetary policy introduced by the government injected a lot of liquidity to the market, directly pushing the proprietary assets of trust

companies to exceed RMB one hundred billion, and both the total trust assets under management and the newly incremented trust assets for the year broke RMB 2 trillion.

By the end of 2012, the scale of the trust assets under management and the profit realised by the trust companies had reached a new record high of RMB 7.47 trillion and RMB 44.14 billion, respectively, increasing by 55.30% and 47.84%, respectively compared to 2011. Both the scale and the income of the trust sector reached historic peaks, with the scale of trust assets under management exceeding that of the insurance sector of RMB 7.35 trillion, emerging as the second largest financial sector, behind the banking sector only.

The total scale of the trust assets under management in trust companies reached RMB 10.91 trillion in 2013, a YoY increase of 46.05% compared to RMB 7.47trillion in 2012. However, the growth rate was slightly lower than that of 2012. The macroeconomic slowdown increased the inherent risks to the operation of the trust companies, and the interest rate liberalisation increased the market risks to trust companies. In addition, the capital shortages in the middle-year and the year-end triggered the fear of liquidity risks, and frequently occurring fraud led to the concern for the systemic risks of the trust sector.

As of the end of 2014, the scale of the trust assets under management in the trust sector was RMB 13.98 trillion, a YoY increase of 28.14% compared with RMB 10.91 trillion in 2013. However, the growth rate was 18 percentage points lower than that of 2013. In 2014, given the change in economic growth, the pains resulted



from restructuring, the digestion of the previously issued stimulus policies, the liberalisation of interest rates, and the expansion of the asset management business, the decline of growth rate of the whole sector was inevitable.

By the end of September 2015, the total scale of the trust assets under management in the trust sector reached RMB 15.62 trillion, a YoY increase of 11.72% compared with the end of 2014, but a month-on-month decline of 1.58% compared to the second quarter of 2015. In the first three quarters of 2015, the trust sector was under significant pressure given the relatively contracted liquidity of the market as a whole, the economic downturn and the volatility of the stock market. Indicators show that the trust sector kept its rapid growth in the first half of 2015, but drop slightly in the third quarter, suggesting a new trend of development.

Data of the main business of the trust sector during the period of 2007-2015 shows significant structural changes to the business, frequent record highs of trusts in terms of scale, the continuous optimisation of business structure, the controllable systematic risks, stable industrial development and the promising outlook of transformation. However, the trust sector also faces a multitude of challenges such as the slowdown of the sector, the decline of the performance, and the increase of risks of individual cases.

II. Trust companies have clear lines of core business, and have been improving their proactive management.

During the period from 2007-2015, most trust companies gradually shifted their business focus from traditional ones to trust business involving asset

management. Data released by the CTA shows that when the service charges and commissions income exceeded the income from the traditional business for the first time in 2010, the income from the trust business reached RMB 16.686 billion, accounting for 58.76% of the operating income of the whole trust sector, which reached RMB28.395 billion in 2010. Ever since, both the income from the trust business of trust companies and the share of this income in the operating income of the whole sector have showed a trend of continuous growth. In 2012, the income from the trust business reached RMB 63.842 billion, accounting for 73.92% of the operating income of the whole trust sector, which reached RMB 47.193 billion in 2012. The trust business have been increasingly deemed as the

main business of trust companies.

Data released by the CTA shows that the proportion of single-fund trusts in the newly incremented trusts was as high as 93% in 2008, and that of the assembled-fund trusts was only 7%; however, the data as of the end of 2014 show that the newly incremented assembled-fund trusts had reached RMB 1,571.4 billion, accounting for 33.84% of all trust assets; and at the end of September 2015, this ratio increased to 39.32%. From 2014 to 2015, the proportion of assembled-fund trusts in the total trust assets was increasing rapidly, though the total scale of trust assets was decreasing. It indicated that the trust sector has been pushing forward the transformation by strengthening the proactive improvement of the sector and decreasing the proportion of increasing rapidly to address market changes.

III. Trust companies have played an important role in guiding private investment and serving the real economy

Ever since 2007, trust companies have been an important force in supporting the real economy. Trust funds can invest in equity, debt and various usufruct, which necessitates the use of a variety of financial instruments in serving the real economy, and tailor-making financing plans for enterprises by designing flexible trading structures. In satisfying the financing requirements of small and medium private enterprises, the trust sector has to some extent alleviated the awkward situation of "significant private capital having difficulty in finding proper investment targets". Given the stringent regulation, the overall risks of the sector are under control. The trust sector has therefore become a well-controlled pool of private liquidity, playing an important role in guiding private investment.

IV. Making the trust sector a platform for financial innovation, heralding the era of asset management

Since the second half of 2012, the China Securities Regulatory Commission (CSRC) has issued new policies designed to broaden the scope of investment for futures companies, insurers and brokerage firms and other financial institutions, expand the scope of business for the securities and fund agencies, and grant asset management licenses to brokerage firms and futures companies. These new policies help increase the number of entities allowed to be involved in the asset management business, significantly impacting the operation of trust companies.

Trust funds invest across the money market, capital market and industrial fields. The trust platform is one that integrates most financial instruments, including the equity, debt, mixture of equity and debts, convertible equities, convertible bonds, etc., which makes trust companies incubators for innovative financial products.

Since 2007, the continuous innovation of the trust sector has facilitated the rapid growth of the scale of trust assets under management, greatly inspiring the innovation of business models and offerings of securities companies, fund companies, insurance assets management companies to follow suit, eventually accelerating the arrival of the era of asset management. The introduction of new policies on asset management in 2012, and the introduction of asset management plans for commercial banks and insurance assets management companies in 2013 heralded the era of comprehensive asset management.

V. The improvement of the regulatory framework for trust companies helps ensure the steady growth of the trust sector.

With two new rules, the *Administration Measures of Trust Investment Corporation and Measures for the Administration of Trust Companies' Trust Plans of Assembled Funds*, which came into effect on March 1, 2007, the regulators started with categorised regulation — trust companies either updated their financial licenses, or entered a transition period, for the purpose of returning to the essence of the business. Based on the new regulatory requirements and market demand, trust companies made relevant business restructuring to actively convert to “professional financial institutions with core competitiveness that can properly control risks and make continuous innovations, while in compliance with rules and regulations.”

In early 2009, the CBRC issued the *Circular on Promoting the Healthy Development of the Economy by Adjusting Certain Credit Regulatory Policies*, which increased the ratio of trust loans in assembled-fund

trusts to 50%, to reasonably loosen the trust companies' regulatory requirements on the qualification of developers and the capital ratio, greatly broadening the development space for bank-trust cooperative products, and the Real Estate Investment Trust (REIT), enriching product lines, and expanding the scope of investment.

The deepening of cooperation between banks and trust companies resulted in many innovative financial products, some of which provide trust loans to clients using trust companies as platform banks. Due to the rapid growth of such financial products, and that some banking-trust cooperative products were suspicious of converting on-balance-sheet credit assets into the off-balance-sheet ones, trust companies are called by some media the “shadow banks.” Bank-trust cooperative products went against the initial intention of building trust companies into innovative financial institutions. In August 2010, the CBRC issued the *Notice of the China Banking Regulatory Commission on Regulating the Relevant Matters on Wealth Management Cooperation between Banks and Trust Companies* to further regulate wealth management cooperation. The Notice emphasised that trust companies should retain independent operation in cooperation, and make proportion management on the balance of financing business, i.e., the share of financing business in the whole bank-trust cooperative business should by no means exceed 30%. This rule has exerted significant impact on the bank-trust cooperative financing products of most trust companies.

With the growing of the trust sector and the deterioration of internal structural risks of trusts, regulators are put on the alert. The CBRC issued the *Measures on Net Capital Management by Trust Companies*, incorporating the trust sector into the regulatory scope of capital management, which initiated the “one law three rules” era for trust companies.

In March 2014, the CBRC issued the *Guidance on Risk Regulation of Trust Companies* (i.e. Notice No. 99), to guide and regulate operations for the sustained and healthy development of the trust sector, taking risk controls and transformation as a priority. Notice No. 99 clearly defines the trust companies' financial functions as “managing entrusted capitals and providing wealth management services,” which requires the trust companies to properly integrate various services like asset management, investment banking, and fiduciary services, etc., to realise differentiation and build trust companies into modern trust institutions with core competitiveness that can properly control risks and make continuous innovations, while remaining in compliance with rules and regulations.

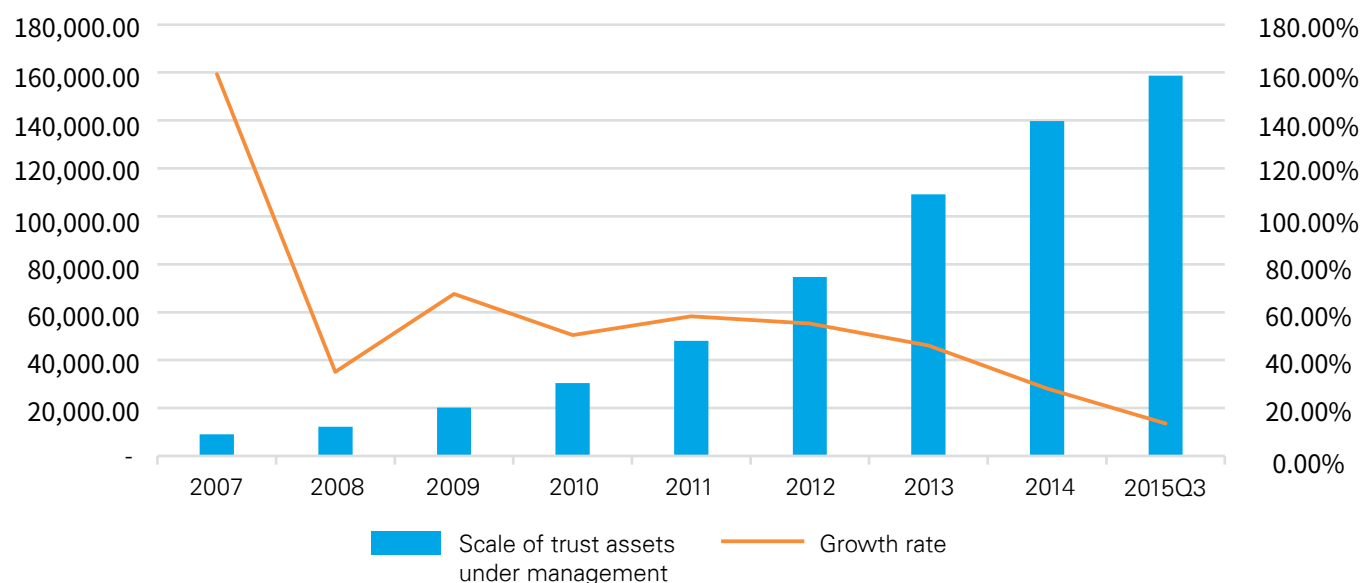
Since 2007, the CBRC has revised the “two rules”

to further regulate wealth management cooperation between banks and trust companies. It also actively led the trust sector to mitigate risks and establish responsibility-sharing mechanisms, and clarified and decided the direction of transformation for the trust companies that have been making years of explorations by issuing the *Methods of Net Capital Management of Trust Companies*, and *Guidance on Risk Supervision of Trust Companies*. In addition, the CBRC has also developed comprehensive support systems for corporate governance, information disclosure, accounting, regulatory rating, etc., and issued business-specific regulatory policies targeting REITS, banking-trust cooperative and trust-government cooperative businesses, in accordance with the macroeconomic policies and features of the trust market. The CBRC has built up the regulatory framework for the trust sector, and the CTA has organised a series of thorough research projects to collect materials for the amendment of the Trust Law of People's Republic of China. In addition, the Method of Trust Registration Management is also in preparation, designed to properly build the trust

registration platform, and improve the mechanism for transferring the beneficial rights of the trusts. The foundation of the steady and robust development of trust companies has been reinforced in this way.

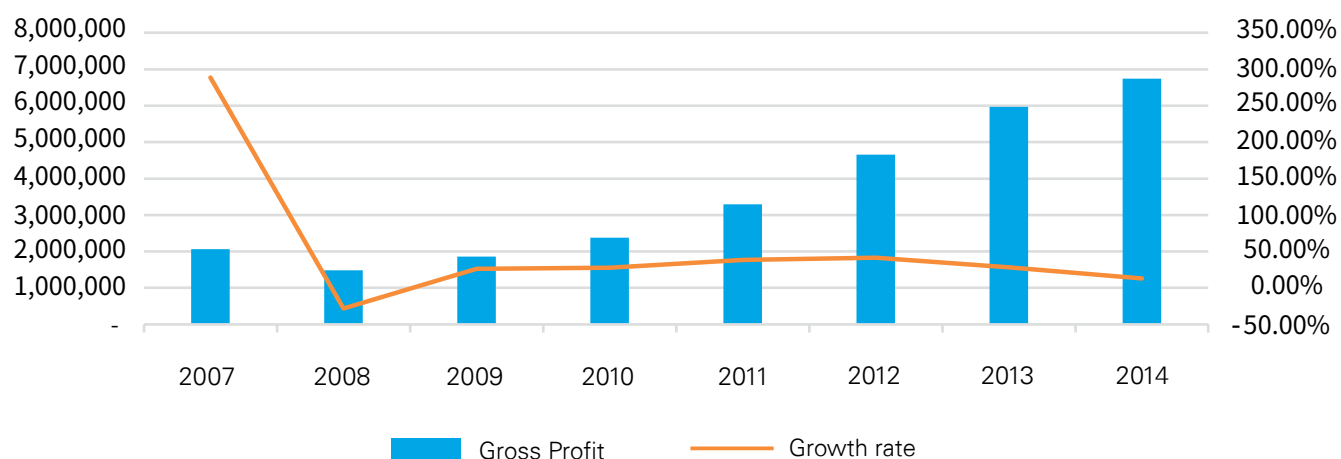


Scale of trust assets under management in the trust sector and their growth, 2007-2015 (in Hundred million RMB)



Source: Wind

Gross profit of the trust sector and its growth, 2007-2014 (in Hundred million RMB)



Source: Wind

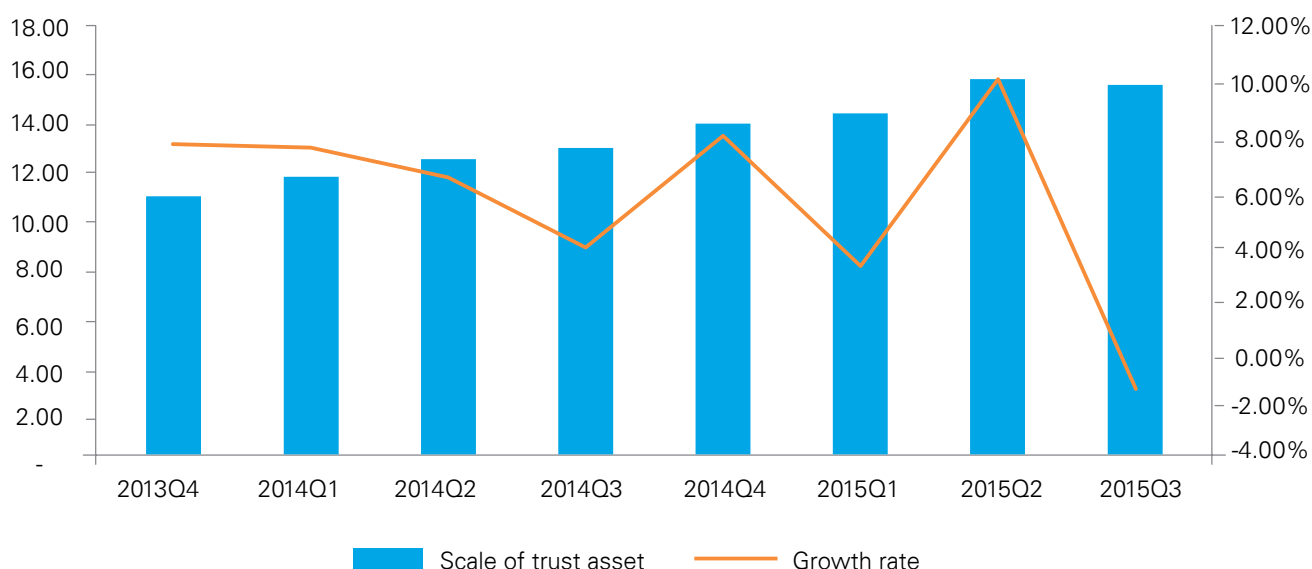
Analysis of operation of the whole sector in 2015

As at the third quarter of 2015, the trust sector entered a stage of transformation after stepping down from the previously fast-developing period, given China's economic downturn and intensified competition. Despite of the negative growth in the scale of the trust assets, the trust sector retained a steady upward trend on the whole. To be specific, the growth of the scale of trust assets slowed down, but the short term return of the assets rose significantly as the bull market was expected to continue in the first half of 2015; business data indicated major structural changes, representing further optimisation of trust asset structure; trust companies enhanced their proactive management and made further adjustments in terms of asset allocation.

I. Scale of trust assets continued to grow, while at a slower rate, but declined in the third quarter.

CTA Statistics show that at the end of the third quarter of 2015, the scale of trust assets amounted to RMB 15.62 trillion, a YoY increase of 11.73% from RMB 13.98 trillion as at the end of 2014. The annual growth rate of trust assets as at the end of 2014 and 2013 were 28.14% and 46.05% respectively; the growth rate of the third quarter of 2015 declined by 16.41% and 34.32% compared with that of 2014 and 2013. The scale of the trust assets as at the end of the third quarter of 2015 dropped by 1.58% from RMB 15.87 trillion as at the end of the second quarter of 2015. Declines and even negative growth were seen in the scale of trust assets in 2015, for two reasons: firstly, the economic decline and intensified competition greatly affected the traditional financing trust business; secondly, there was a mismatch between the increase rate of innovative products and the shrinking rate of traditional business, e.g. channel business.

Scale and growth rate of trust assets (RMB trillion)



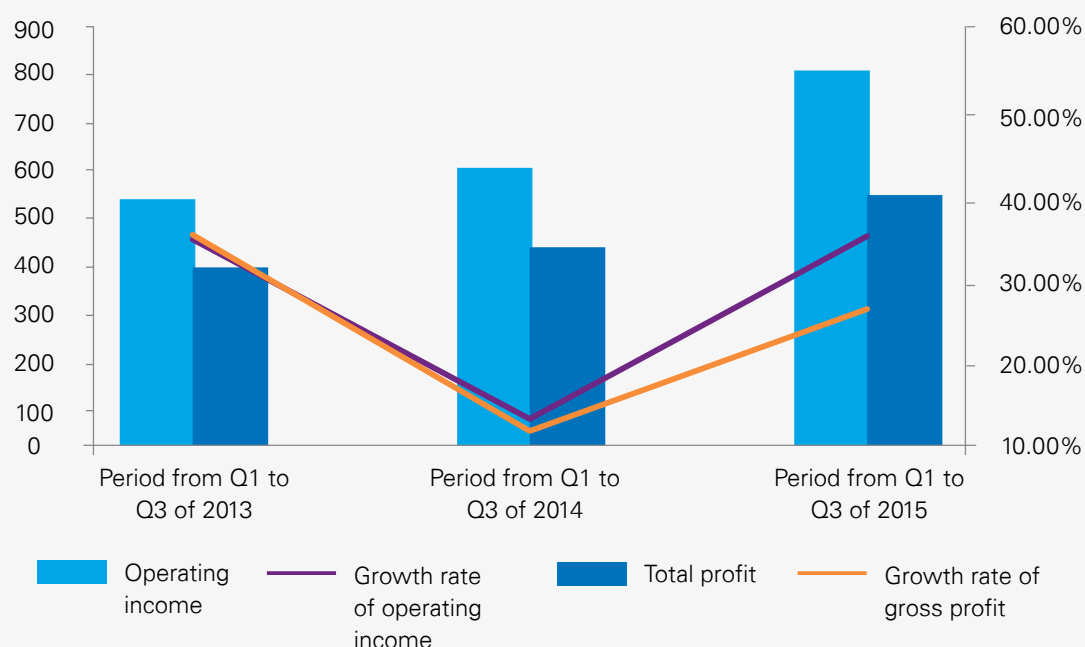
Source: CTA

II. The growth rate of the operating income and gross profit increased, but a quarter-on-quarter decline was seen in profit indicators in the third quarter.

CTA Statistics show that as at the end of the third quarter of 2015, the trust sector had realized an operating income of RMB 82.214 billion, a YoY increase of 35.09%; the gross profit was RMB 54.871 billion, a YoY increase of 26.31% compared with that at the end of the third quarter of 2014. The YoY growth of both the operating income and the gross profit realised, a significant increase compared with the YoY increase as at the third quarter of 2014. The profit per capita of the

trust sector for the first three quarters was RMB 2.4189 million, an increase of RMB 315,500 compared with RMB 2.1034 million as at the end of the third quarter of 2014. The bull market in the first half of 2015 greatly boomed the performance of the trust sector. However, owing to the continuous erosion of the traditional trust business by other competing financial sectors, the growth rate of the incremented business in the trust sector kept declining. Exacerbated by the plunge of the stock market since June, the operating income and profits of the trust sector for the third quarter of 2015 decreased by 11.47 % and 29.52% respectively on the quarter-on-quarter basis.

Scale and growth of operating income and gross profit of trust sector (in Hundred million RMB)



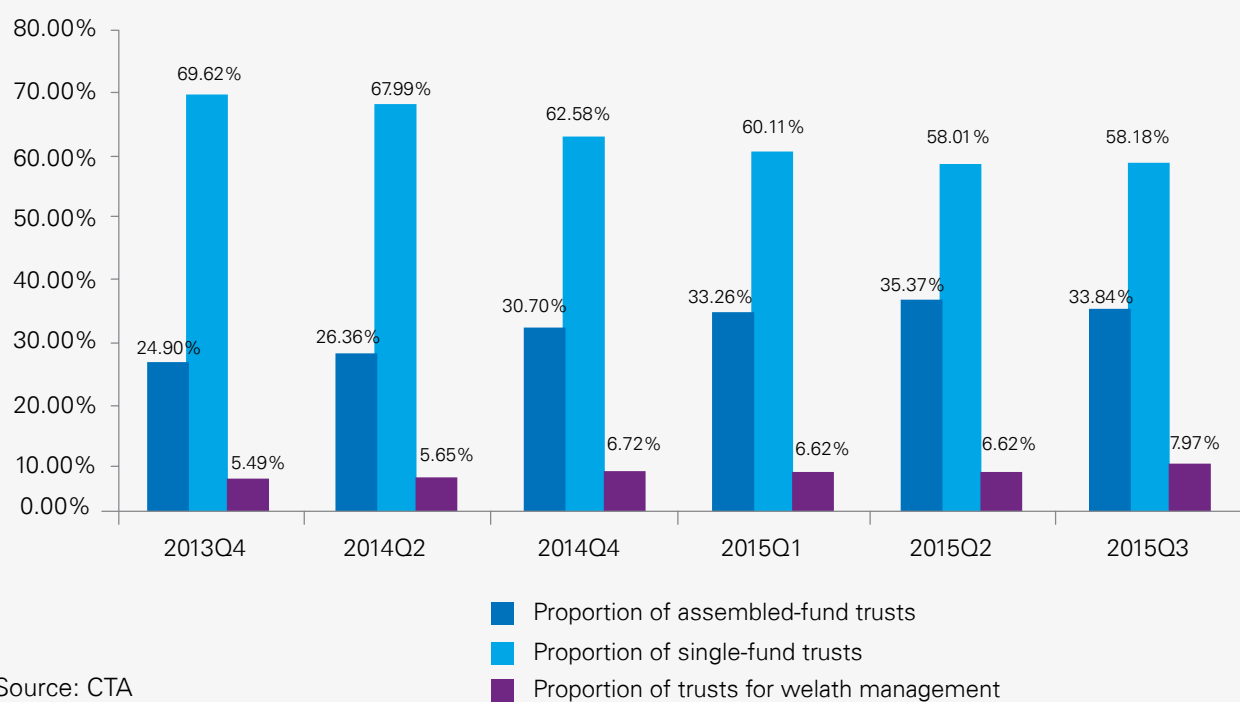
Source: CTA

III. Continuous improvement in proactive management of the trust business

The proportion of assembled-fund trusts in the total trust assets has been increasing since 2013. As at the end of the third quarter of 2015, this ratio continued to rise by 3.14 percentage points compared to 30.7% as at the end of 2014, while the scale of total trust assets kept declining. At the same time, the ratio of single-fund trusts to the total trust assets continued to decline. This ratio as at the third quarter of 2015 decreased by 4.4 percentage points compared to that of the end of the

previous year, mainly resulting from the decline of the ratio of single-fund trusts driven by single major client. The ratio of the trust for wealth management for the third quarter of 2015 to the total trust assets stabilised at a relatively lower rate of 7.97%. The increase in the ratio of assembled-fund trusts to the total trust assets indicated the expedited improvement of the sector in proactive management designed to adapt to the market changes and that a successful transformation was underway.

Proportion of each category of trust assets



IV. Adjusted allocation of newly incremented trust assets

Business data for the first three quarters of 2015 show that the incremental trust funds were mainly invested in five major sectors, namely securities market, industrial and commercial enterprises, basic industries, real estate and financial institutions.

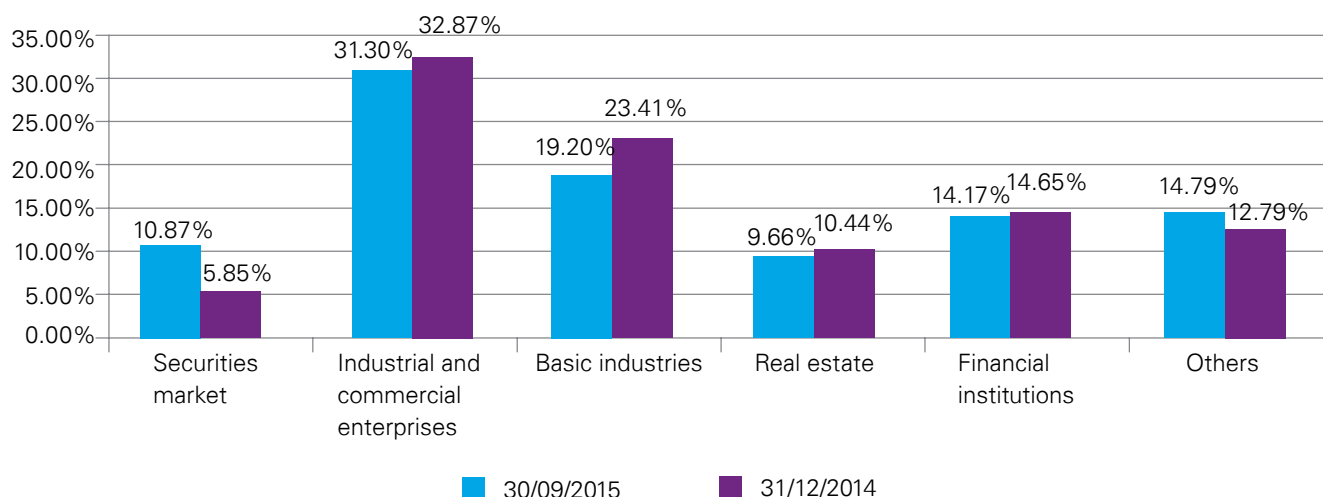
Among the five major sectors, the securities market received an increased investment from trust companies. Driven by the bull market of A-shares, trust companies actively carried out securities investment business. The ratio of incremented trust funds allocated to the securities sector increased to 10.87% in the first three quarters of 2015 from 5.85% as at 2014.

The funding allocated to industrial and commercial enterprises, the basic industries and real estate was reduced given the economic downturn and the increase in corporate credit risks. The incremented trust funds allocated to industrial and commercial enterprises declined the fastest, falling to 31.30% in the first three quarters of 2015 from 32.87% as at 2014. In addition, with the operating difficulties in the real estate and mining industries spreading to the primary industries, lots of companies faced tightened capital chains and increased credit risks. Accordingly, trust companies became more prudent with the funds allocated to

industrial and commercial enterprises. The ratio of the incremented trust funds allocated to the basic industry dropped to 19.2% in the first three quarters of 2015 from 23.41% as at 2014, resulting from the restriction on funds allocated to local government financing projects imposed by the Opinions on Strengthening Management of Local Government Debts issued by the State Council. The ratio of the incremented trust funds allocated to the real estate industry declined to 9.66% as at the end of the first third quarter of 2015 from 10.44% as at the end of 2014, for the following reasons: firstly, the risks in the real estate market, especially those in the tier-three and tier-four cities continued to accumulate, and the overdevelopment of real estate has resulted in difficulties in capital turnover and an increase in business risks for certain developers; secondly, the rapid expansion of real estate investment trusts has led to the increase of inherent risks, and thus was cooled down in the first three quarter of 2015.

Given the bleak real economy and the capricious capital markets, financial institutions, as one of the best assets, is still the preferred investment target of trust funds. The proportion of incremented trust fund for the first three quarters of 2015 invested in financial institutions stayed flat compared to the proportion for 2014.

Allocation of incremented trust asset by industry



Source: CTA

Challenges to the trust sector

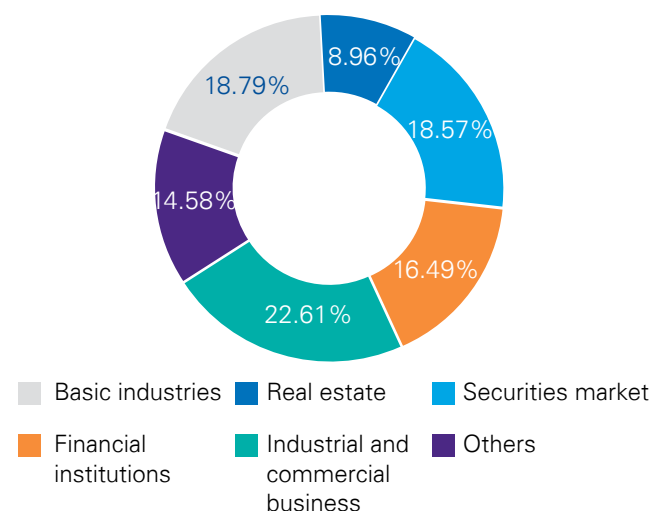
According to CTA data, as of September 2015, the total operating income and net profit of the trust sector were RMB 82.214 billion and RMB 54.871 billion, respectively, an increase of approximately 35% and 26% compared with the third quarter of 2014; however, the income from trust business, the principal business of trust companies, increased by merely 10.33%, seriously lagging behind the growth of the entire sector; on the other hand, there were 506 high-risk projects

amounting to RMB 108.3 billion, an increase of RMB 4.9 billion compared with the RMB 103.4 billion at the end of the second quarter of 2015, a quarter-on-quarter rise of 4.74%. In addition, leading trust companies grew sluggishly. After a period of rapid development since 2008, the entire trust sector has stepped into transformation and is confronted with great challenges in making a successful soft landing.

I. Risks arising from macroeconomic decline

Data from the National Bureau of Statistics shows that China's GDP for the first three quarters of 2015 amounted to RMB 48.78 trillion, a YoY increase of 6.9%, a record low for 24 years. The Chinese economy has bid farewell to the high growth of the past 30 years (an average of approximately 10%), and gradually entered a "new normal" stage. The "new normal" economy is mainly characterised by slow growth, economic structure optimisation and upgrading, and economic growth driven by improvements and innovations in terms of service, instead of factors involving production or investment. In terms of economic restructuring, given the overcapacity striking the steel, cement and other manufacturing industries, the high debt ratios of local governments, and overreliance of the entire economy upon the real estate sector, productivity cutting is supposed to be required of the manufacturing sector, deleveraging is required of the financial industry, and controlling the real estate sector required of the entire economy. These transformations posed high pressure to resist the downturn of the macro-economy.

List of industries where trust funds were invested in as of September 2015



Source: CTA

As the second largest finance sector next to the banking sector, the trust sector has a business cycle highly correlated to macroeconomic fluctuation. It may face the following risks arising from macroeconomic declines: (1) decline in the real economy will definitely affect profit margins and the ability of accepting high financing costs of the real estate, mining and energy, and infrastructure industries, which will influence the pricing and yield of the trust sector; (2) a series of stimulus policies have been adopted by the government to address the macroeconomic recession, including the launch of alternative financing channels and the expanding of banking business, significantly impacting the scale of the trust sector and the growth of the trust business; (3) financial risks of individual cases break out easily during times of recession, which will also lead to an increase in high-risk trust projects.

In the second half of 2014, when the stock market began to heat up, the securities market (including stocks, funds and bonds) became the main investment target of trust funds, accounting for approximately 18.57% at the end of the third quarter of 2015. According to the online statistics of Use Trust, in the first three quarters of 2015, the securities investment assembled-fund trusts issued amounted to RMB 290.032 billion, increasing by 311.60% compared with RMB 70.464 billion in the same period last year.

The real estate sector is also a major investment target for trusts, accounting for approximately 8.96% of the entire investment in the third quarter of 2015. According to the data of 70 large-and-medium-sized cities for September released by the NBS on 23 October 2015, prices of new commercial residences in 58 cities fell, and rose in 12 cities, indicating a continuous decline in the real estate market, which in turn affected trust products making investments in this market. In January 2015, Zhonghai Trust, EverBright Xinglong Trust, Sichuan Trust and Zhongrong Trust were caught up in the crisis

of Glorious Property. Since Glorious Property acquired land in 2009-2010, the project development and sales had slowed down due to the sluggish economy. Glorious Property suffered from a loss of RMB 220 million for the first time in the first half of 2014, with its income decreasing by nearly 200% compared with the same period in 2013. All the trust companies involved were therefore left with redemption risks.

Thus, revenue declines accompanied by a certain degree of risks may constitute a “normal” trend for trust products under the macroeconomic decline. How to both guarantee reasonable yields and control risks effectively in such economic environment will be a great challenge.

Having suffered from declining profits due to the economic downturn, evidenced by the decreasing scale of the trust sector and the sluggish business development of the trust business, entities can hardly bear the high cost of trust financing; in addition, availability of direct financing channels such as the restarted IPOs and the New Third Market has offered more entities access to the public market financing. Consequently, the expansion of trust business will be under pressure.

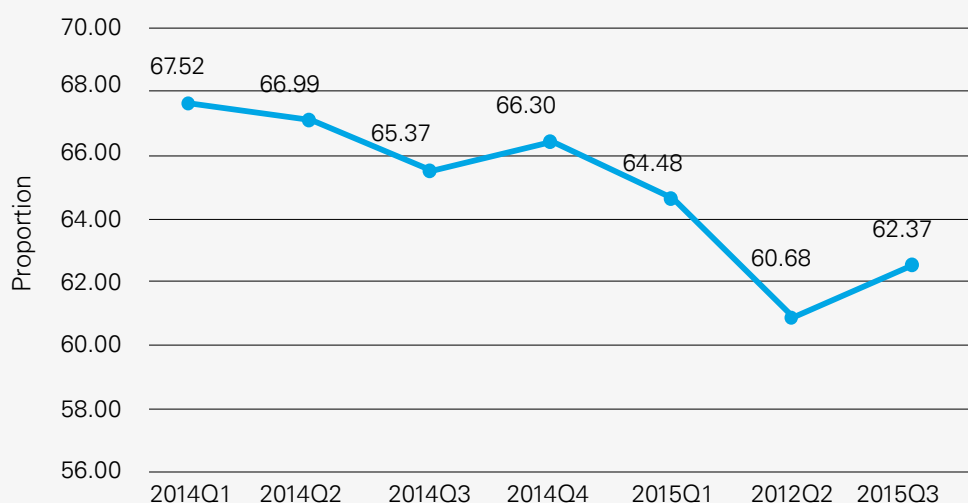
High-risk trust projects are also increasing. Recent CTA data shows that, as of the end of the third quarter of 2015, there were 560 high-risk projects in the trust sector, amounting to RMB 108.3 billion, an increase of RMB 4.9 billion or 4.74% compared with the balance of RMB 103.4 billion at the end of the second quarter of 2015. The non-performing assets ratio rose to 0.69% from 0.65% at the end of 2014. All these necessitated the break of “rigid payment”; while investors losing this protective umbrella would switch their focus from “guaranteed income” to strict project and trust screening. Therefore, trust companies will no longer enjoy abundant funding, being challenged more seriously by investors.

II. Continuous shrinking of channel business

In the first three quarters of 2015, the trust sector stepped down from the fast-growing phase which started in 2008 and entered a period of transformation featuring differentiation, customisation and globalisation, due to the economic slowdown, abnormal fluctuations

of the stock market and the overall liquidity tightening. The channel business which has been making use of the policy loopholes is doomed to decline.

Proportion of channel business



Source: CTA

Data shows that the scale of trust assets increased from RMB 11.73 trillion in the first quarter of 2014 to RMB 15.62 trillion in the third quarter of 2015, an increase of 33.16%. We can tell from the chart above that the proportion of the channel business in the overall trust assets fell from 67.52% in the first quarter of 2014 to 60.68% in the second quarter of 2015. Though this ratio rose slightly in the third quarter, it didn't change the trend of, continuous shrinking of the channel business. (Source: CTA)

"Channel business" refers to business where trust companies neither take the initiative to systematically get involved in project development, product design, arrangement of trading structure and development of risk control measures, nor directly manage trust assets. This kind of business merely requires trust companies to act as an intermediate channel for external assets investment in the form of trust products, with the actual rate of return as low as around 0.3%. In short, owing to the privilege of trust licenses holders, trust companies help banks and other financial institutions to invest in particular assets. Although the rate of return is not satisfactory, channel business can facilitate trust companies to expand asset scale.

In the early days, major trust companies vied for channel business to take advantage of the "low technical threshold" and win "quick money," so the channel business developed fast. However, potential risks also lurked in its subsequent development. A multitude of risk events consequently burst out, such as the redemption of RMB 3 billion of China Credit Trust's

"Cheng Zhi Jin Kai No.1" mineral investment trust in early 2014; a trust loan of RMB 1 billion from Jilin Province Trust trapped in Liansheng Energy; default in the RMB 163 million bank-trust cooperative financial products issued by of Xiamen International Trust. The frequent occurrence of risk events rang the alarm for the trust sector, and began to draw attention to the risks with channel business. Channel business featuring low incomes but high risks not only inflated asset bubbles, but also circumvented regulations, and even weakened macroeconomic regulation and control, which explained the regulators' frequent intervention and stricter supervision.

The State Council and relevant regulators have issued policies to regulate the development of trust business, prevent systematic risks and promote business transformation, which accelerated the shrinking of channel business. For example, the State Council issued the *General Office of the State Council's Notice on Strengthening the Supervision over Shadow Banking* ("Notice No.107") at the end of 2013, which prohibits trust companies from carrying out business with characteristics of shadow banking, such as non-standardized financial capital pools, and requires trust companies to establish and improve trust register systems and probe into the transfer of trust beneficiary rights. In May 2014, the People's Bank of China, the China Banking Regulatory Commission ("CBRC"), the China Securities Regulatory Commission ("CSRC"), the China Insurance Regulatory Commission ("CIRC") and the State Administration of Foreign Exchange jointly issued the *Notice on Regulating Business between*

Financial Institutions ("Notice No.127"), which stipulates that financial institutions under resale (repurchase) agreements or mutual investments shall not accept or provide any direct or indirect, explicit or implicit third-party financial institution credit guarantee, except as otherwise provided by the State.

In addition, with the competition being intensified in the comprehensive asset management market, channel business is facing increasingly fiercer competition. In 2013, the CBRC decided to launch both the asset management pilot business and the direct debt financing instruments in domestic commercial banks. Given the wider scope of investment from banks, channel

business was impacted. In addition, the CBRC issued the *Administrative Measures for Security Funds of the Trust Sector*¹ at the end of 2014, which would result in higher financing costs for the channel business featuring low yields. A number of research institutions believed that this "is likely to urge counterparties to give up their cooperation with trust companies and turn to other asset management entities".

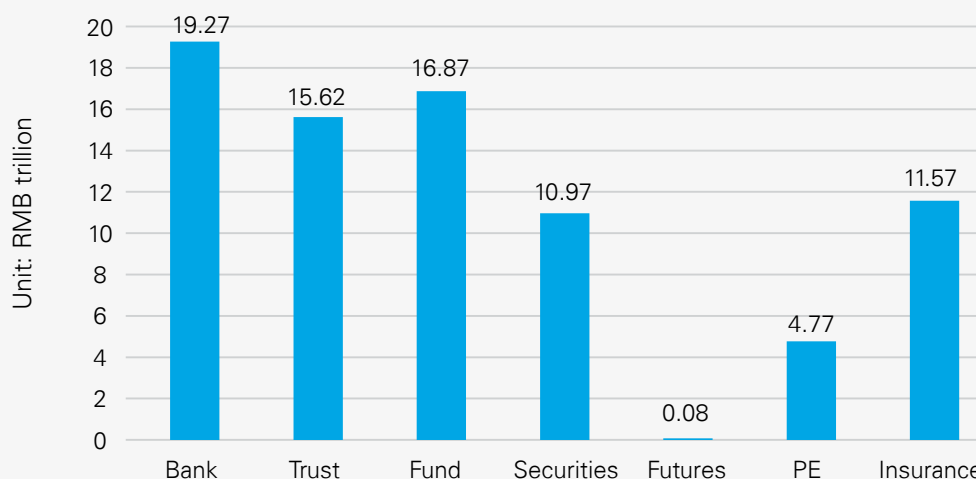
From current data analysis, if the channel business eventually disappeared, two-thirds of the assets of the trust sector would shrink. Therefore, how to make it up by resorting to integrated asset management would emerge as the priority of trust companies.

III. Fiercer competition for asset management

With the sustained economic development in China, GDP per capita increased from US \$5,577 in 2011 to US \$ 7,595 in 2014 (Source: NBS). Accelerated accumulation of personal wealth and the increase of high net worth individuals have driven the demand for wealth management products. Thanks to the gradual deregulation, domestic wealth management has ushered in a new era of vigorous development. With asset management becoming a new prey for all types of financial institutions, trust companies are under great pressure to win the competition.

To fuel up the economy, the central bank has been cutting interest rates asymmetrically since November 2014 — it cut the reserve requirement ratio (RRR) and the interest rates in turn several times during February-October 2015, the benchmark interest rate in March, RRR again in April, and the benchmark interest rate again in May. It seems that cutting RRR and interest rates has become normalized. With the removal of the cap on deposit interest rates, wealth management products may be presented by banks on their balance sheets as deposits, or continue to stay off the balance sheets

Scale of assets under management by various financial institutions



Source: China Banking Association (CBA), Asset Management Association of China (AMAC) and CIRC

1. Article 14 in the Administrative Measures for Security Funds of the Trust Industry states that 1% of the newly issued trusts shall be subscribed by security funds, among which, trust funds for investment purpose purchasing standardized products shall be subscribed by trust companies; and trust for financing purposes be subscribed by fund requestors. With the close of the issuance of each trust product, subscriptions shall be paid to trust fund accounts, and transferred by trust companies to security fund companies on a quarterly basis.



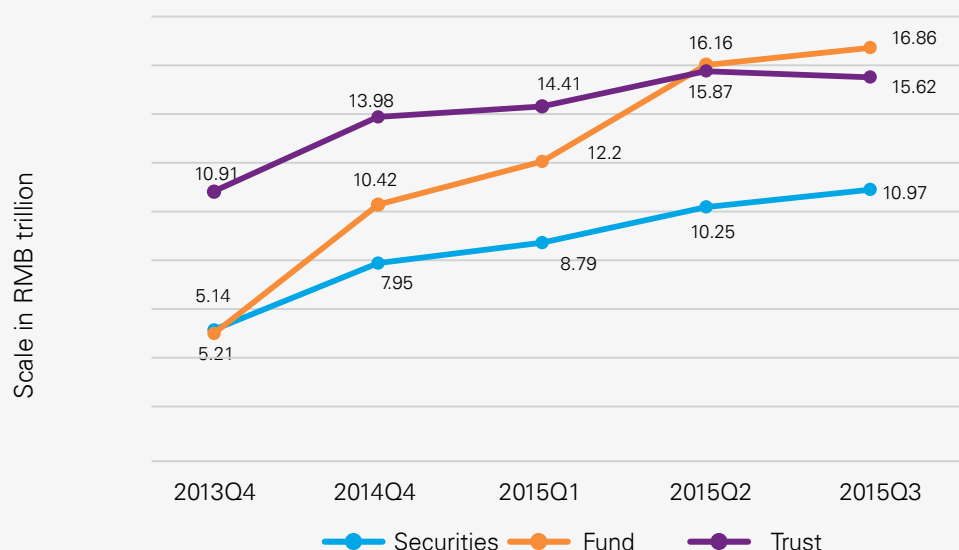
to be invested in some high-risk areas with a higher yield, which makes it a wealth management product similar to the trust plan of assembled funds, with yield rates higher than the current ones. When commercial banks are allowed to conduct asset management, trust companies will face a huge challenge. In addition, given the stronger support for the launch of the mixed banking business, the landscape of asset management will soon be clear, which will consequently affect trust business.

In the era of the comprehensive asset management, competition and cooperation coexist between various financial institutions, enabling the expansion of asset management across the market. As of 30 September 2015, assets under management in banking institutions amounted to approximately RMB 34.89 trillion, including RMB 19.27 trillion managed by domestic banks and RMB 15.62 trillion by trust companies (Source: China Banking Association). The asset management business of fund management companies and their subsidiaries, securities companies, futures companies, private equity funds amounted to approximately RMB 32.69 trillion in total, including RMB 6.69 trillion of mutual funds operated by fund management companies, RMB 10.17 trillion of special-account funds managed by fund management companies and their subsidiaries, RMB 10.97 trillion of assets managed by securities companies, RMB 81.9 billion of assets by futures companies, and RMB 4.77 trillion by private equity funds (Source : Asset Management Association of China). The scale of assets under management in the insurance sector totalled approximately RMB 11.57 trillion (Source: CIRC).

As shown in the above chart, the vast majority of asset management business is conducted by banks, trust companies, fund management companies, securities companies and insurance companies. The trust companies both cooperate and compete with the other financial institutions, and will expect more cross-industry business with them given the gradual deregulation.

In China, a country with the highest savings rate in the world, both residents and businesses have a bank reliant “complex”, which offers banks a unique advantage to develop asset management. However, in the early days, due to the unclear definition of the legal entity, banks were not allowed to make direct investment for their wealth management products in their own name. As a result, wealth management channels offered by trust products became the preferred choice of banks. However, the CBRC has been strengthening the supervision over wealth management by issuing rules like the *Notice on Regulating Commercial Banks’ Wealth Management* (“Notice No. 8”) and *Notice on Regulating Business between Financial Institutions* (“Notice No.127”), which calls into questions the future of bank-trust channel business. In addition, as domestic commercial banks are allowed to conduct pilot asset management business and are expected to be licensed for mixed banking business, they will gradually develop their own asset management business, which will definitely affect the trust sector.

Scale of assets under management by securities, funds and trust companies



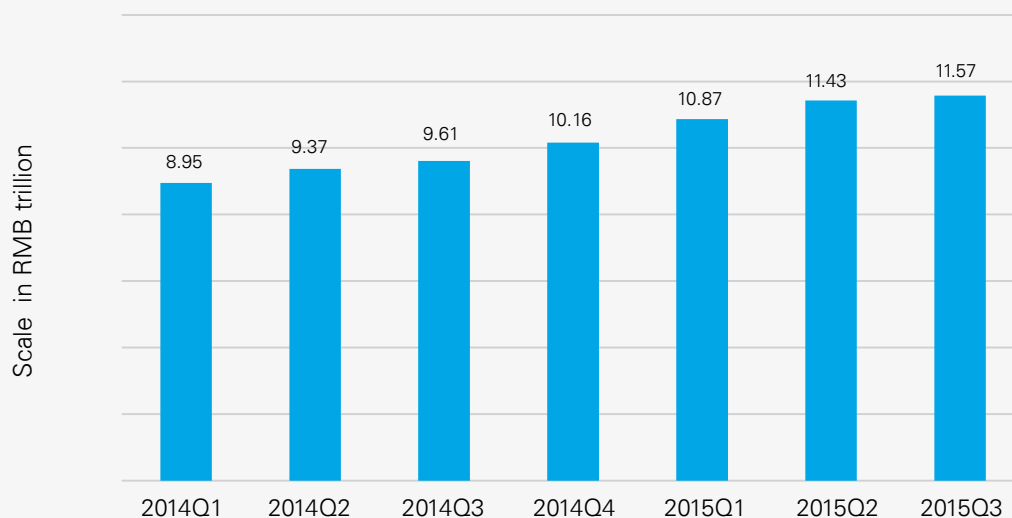
Source: CTA and AMAC

Similarly, assets under the management of securities companies, mutual funds managed by fund management companies, and special account funds by fund management companies and their subsidiaries have been growing substantially, with a growth rate higher than that of the trust assets.

Compared with securities and funds, the first-mover advantage of the trust sector resulted from favourable policies is gradually trailing off. For example, after the CSRC issued *Administrative Measures for Asset Securitisation of Securities Companies and Subsidiaries of Fund Management Companies*, competition among trusts, brokers and fund management companies for asset securitization-related brokerage business were even fiercer; compared with brokers and fund management companies, trust companies are more experienced and developed in asset securitisation business, with a better process in place, but still lack diversity and flexibility in product structure and design.

As shown in the chart below, assets under the management of insurance companies have been growing steadily. However, compared with trust companies, the asset management departments of insurance companies had been conducting business in a more passive manner. In spite of its financial strength, they are not specialised in sales and identifying proper underlying assets for investment, which calls for closer cooperation between insurance companies and trust companies. For example, CITIC Trust and Prudential Life Insurance have jointly launched a series of innovative products targeting high-end domestic customers; in another case, 23.86% of the shares held by Chongqing Water Group in Chongqing Trust were transferred to China Life Investment Holding Company Limited, a subsidiary of China Life. Both cases show that insurance companies have been trying to make up for their shortcomings and enhance their competitiveness by cooperating with trusts.

Scale of assets under management by insurers



Source: CIRC

In summary, against the background of continuous deregulation, innovation and competition will accelerate the development of the comprehensive asset management era; and the boundaries between banking,

trust, insurance, securities and fund management will gradually vanish. Differentiated strengths and proactive management would particularly important in the increasingly fierce competition.



IV. Emergence of Internet finance

According to statistics of the Association of China Internet Financial Industry (ACIFI), as of the end of the first quarter of 2015, the scale of internet finance in China has exceeded RMB 10 trillion, among which the scale of the payment market amounted to RMB 9.22 trillion, the sale of funds exceeded RMB 600 billion, and the assets under wealth management around RMB 10 billion, though it was only one year away from the time the concept of “Internet finance” was initially proposed in 2013.

Inefficiency in the financial system is the main reason for the emergence of Internet finance. Specifically speaking, first, the imbalance between the capital demand of small and micro enterprises (“SME”) and the capital supply of banks and other financial institutions, which has led to frequent private financing risk events; second, the imbalance between the public demand for consumer credit and the supply of such products by banks and other financial institutions; third, the imbalance between the public demand for investment and wealth management products facilitated by the increased abundance in household wealth and the supply of such offerings by financial institutions; fourth, the increase of demand for cross selling of securities, fund management and insurance products have boosted the development of online marketing; fifth, equity financing was quite difficult under the approval-based IPO system. Given all these factors, internet finance in China has been booming fast by offering credit financing targeting individuals and SMEs, equity-like financing via innovative products, the investment and wealth management products for the public, and other financial products.

The quick emergence of Internet finance has accelerated the disintegration between the funds and the financial institutions, making it increasingly difficult for trusts to maintain their unparalleled position in wealth and asset management. The biggest threat that internet finance has imposed on the trust sector may not lie in the disruptive financial products it created, but the ultimate user experience it offers to the clients, which would potentially cut off the close ties between customers and financial institutions.

Firstly, trusts target high-end customers and focus on the quality of financial products, i.e., whether their products generate higher returns with controllable risks. For example, most people are shut out by the RMB 1 million minimum subscription threshold for trust products. In contrast to trusts, internet finance targets the general public.

Secondly, without a trust register system in place, the transfer of traditional trust products still needs to be done offline. Complex management processes and slow responses make it difficult for traditional trust products to adjust services flexibly to cater for fast-changing customer needs; the lack of a platform to communicate with clients also prevents trust companies from accurately positioning the customer demands, resulting in a waste of resources. The disadvantages mentioned above make obvious contrast to the convenience offered by the internet finance. For example, the internet and mobile finance can provide 24-hour services and payment platforms, and are not restricted by space, so that customer needs can be met to the greatest extent.

Thus, it is an indisputable fact that the internet will enhance the efficiency of capital allocation and change the structure of the financial sector. In order to maintain the leading advantages, the trust sector must take proactive actions and initiatives to address the potential problems and in the meanwhile leverage the power of internet finance.

The *China Trust Industry Report (2014-2015)* indicates that finance is the focus of internet finance, while the internet is just the tool. The emergence of the internet and big data are bringing new opportunities to the trust sector. What trust companies should do is optimize their use of the internet to provide better financial services. In our opinion, trust companies may start with the following:

- Make use of the internet and big data to upgrade existing marketing and financing channels. Prioritizing product development, traditional finance tends to develop products prior to financing, which may lead to a mismatch between financing and product development. However, internet finance uses search engines, cloud computing and big data to directly release and match online the information of demands and supplies, enabling trust companies to make dynamic predictions regarding the market and adjust product development and marketing strategies accordingly to achieve precision marketing. In addition, trusts can facilitate interaction with customers and provide 24/7 services through Mobile Internet applications, so as to enhance the quality of e-services, improve the ultimate customer experience and expand marketing scope. Moreover, the use of Internet technology will help to reduce both the transaction costs and information asymmetry, creating new financing channels. For example, trust companies can set up



a crowdfunding platform and use the resources of private equity (PE) subsidiaries to conduct business, so as to achieve complementary advantages; a P2P platform can also be established to carry out credit business for SMEs.

- Improve risk management and operations with internet technology. While actively developing Internet finance, trust companies may also take advantage of internet technology to enrich risk management measures. For example, trusts can improve their project risk evaluation by using big data in finance to assess risks with customers; establish risk tolerance criteria for pre-event risk assessment; use information monitoring systems to ensure real time risk alerts and win enough time for risk mitigation. In addition, internet finance may help trust companies to improve operations. For example, they can use internet finance technology to set up a data warehouse, to help make effective decisions for management purpose. Furthermore, internet finance may help expand the scope of project selection, relying more on the internet instead of project managers to search for projects, so as to save more time and effort for careful project screening.
- Cooperate with internet companies for project innovation. In the Internet era, financial products must be more innovative and flexible, with high demands and short durations, to adapt to the changing customer structure and financial needs. This is a greater challenge for financial institutions in terms of their innovative capacity. With various non-

traditional, non-structured, vast information provided by internet companies and well developed internet finance platforms, trusts have been given a large space for innovation. For example, consumer trust is an important innovative product resulting from the cooperation between trusts and internet companies. In 2014, CITIC Trust and Baidu jointly launched the first movie consumer finance platform “Bai Fa You Xi”, which was a consumer trust product linked to a film named *The Golden Era* and the forecast of its box office and other indicators deduced from the internet-based big data.

Internet finance will bring numerous opportunities, but it is difficult for the disruptive effect of “Internet +” to transform the trust sector in the short term due to its inherent characteristics. For example, as privately placed funds, many trust products are not as standardised as mutual funds or other wealth management products, hence not as appropriate for online transaction as public internet financial products are. Moreover, trusts are forbidden to promote their products publicly, and the investment threshold for most trust products exceeds RMB 1 million, demanding a face-to-face sales mechanism. Unlike securities or funds, the liquidity of trust products is bound by regional and policy restrictions, and the third-party trading platform for the trust sector has yet to play its due role.



Trends of the trust sector

The scale of assets under management in the trust sector amounted to RMB 15.62 trillion as at the third quarter of 2015, degrading the sector from the second largest financial sector in China to the third one, exceeded recently by the fund management sector. However, given the economic downturn, the intensified

competition of asset management business as well as the risk exposure accumulated in the rapid growth during the past five years, the trust sector has witnessed the stagnation of the rapid development, which started from 2008 and entered a stage of transformation.

I. Growth engine of the trust business

In the course of transformation and upgrading, trust companies are gradually developing towards diversification and professionalization, making efforts to enhance their own capabilities with regard to risk management. While being devoted to improving traditional products like real estate investment trusts and infrastructure investment trusts, the trust sector may derive profitability mainly from the following three types of trusts in the future:

I. Asset securitisation and fund-like trust products

Subsequent to the issuance of Notice No. 99 and Notice No. 127 that restricted the banks' business related to non-standardised products, CBRC issued the Circular on Register Procedures for Credit Asset Securitization on 20 November 2014. It stipulated the substitution of register systems for the examination and approval system for credit asset securitisation business, based on the principles of administration streamlining and power delegation. That is, the CBRC would only examine compliance rather than review and approve each securitisation product, nor would it open the asset package to examine specific issuance plans of underlying assets. In other words, the policies would encourage asset securitisation to be more normalized. Given the advantage of risk isolation and bankruptcy remoteness, the trust business makes the most suitable business that the SPVs (Special Purpose Vehicle) in asset securitisation can be involved in. SPVs are required to be under the trust system, playing an important part in revitalizing non-performing assets and optimizing resource allocation.

Wind Info shows that as of the end of 2014, 95 asset securitisation products had been issued with a total value of RMB 384.6 billion, among which 65 were issued in 2014 alone with a total value of RMB 277 billion. From the end of 2014 to 16 June 2015, 29 credit asset securitisation products were issued with a total value of RMB 105.288 billion. The range of underlying assets also extended from traditional business loans to lease payments, automobile loans and infrastructure charges; the issuers included not only major state-owned banks and four major asset management companies, but also urban commercial banks, rural commercial banks, auto finance companies, financial leasing companies and microfinance companies.

Trust companies only acted as a transaction channel in the past, but have taken a more active role now by getting involved in the design of product structures as trustees, plan managers or issuers in the asset securitization business. This enables the trust companies to enhance their expertise and innovative capacity in the intensifying competition of traditional business, so as to improve their own position in the business.

As pointed out in the 2014 Annual Report of China Credit Trust, six additional credit asset securitisation projects were entrusted to the company in 2014 with an asset-backed issuance value of RMB 22.149 billion. With the introduction of collateralised assets pools open to public investment established by the Huayuan 2014 Phase 1 credit asset securitisation project, the company became the first trust company in China to expand the scope of underlying assets for securitisation via well-designed legal arrangements.



Bank of Communications (Bocomm) International Trust successfully issued Jiaorong 2014 Phase 1 leasing asset-backed security, the first leasing asset securitization product in China with a total issuance value of RMB 1.012 billion. It took the financial leasing receivables of 15 financial leasing products issued by Bocomm Financial Leasing Co. Ltd. as the underlying assets, marking the ice-breaking for China's securitisation of financial leasing assets.

On 15 July 2015, Yongying 2015 Phase 1 consumer credit asset-backed security established by Guoyuan Trust entrusted by the Bank of Ningbo was issued in the inter-bank market with an initial issuance value of RMB 3.699 billion. The securitisation product established a dynamic asset pool that enabled recurring assets purchase, different from the underlying asset pools established by other products where the assets remained fixed from the initial measurement date; this securitisation product was also the first asset-backed security with individual consumer loans as the underlying asset issued on the inter-bank market since the recovery of pilot business of asset securitisation in 2012.

Other than asset securitisation, fund-like products are also one of the catalysts for the transformation of and the pursuit of higher profitability of the trust companies.

Fund-like trust products refer to trust products restructured in imitation of the operation of a fund to become a genuine trust fund. Hence, trust funds have the following two features:

1. Large scale: the 27th article of the *Administrative Measures on Assembled-Fund Trust Plan of Trust Companies* states that "different trust plans managed by the same company should not be invested in the same project"; and portfolio are

established for investment to diversify risks only when the trust product reaches a certain scale. Compared with the "one on one" model, the fund-like trust product is able to diversify trust risks by portfolio investment.

2. Longer duration: Normally the duration of a fund lasts more than five years, while the fund-like products can have a duration of 10 years or more. The trust company ensures liquidity of the products by establishing appropriate mechanism for subscription and redemption in the duration of the products. The long duration of fund-like product allows the trust fund to implement middle and long term asset allocation plan so as to ensure a stable and sustainable return.

In 2014, Hangzhou Industrial & Commercial Trust Co., Ltd. (Hangzhou Trust) introduced three strategic portfolio investing assembled-fund trust plans; according to the 2014 Annual Report of Hangzhou Trust, as at the end of 2014, the balance of fund-like trust products accounted for 54% of all assembled-fund trust business. In addition, Bairui Trust Company also successfully managed and participated in fund projects such as air harbour industry fund, Lanzhou new city industry fund, clean energy industry fund and Zhongyi technology industry fund to establish a stable profitability model and improve core competitiveness.

Providing these services not only enables trust companies to build close partnership with major corporations and establish long-term investment mechanism, but also helps them improve proactive management by engaging them in project screening and management.

II. Trusts for urbanisation and public welfare

Statistics from NBS show that the urbanisation rate as at the beginning of 2015 was 54.77%. Statistics also show that there were 298 million people in China residing in places other than those of their household registration, among which 253 million were migrating populations, making the urbanisation rate of the household-registered population only 35.9%, hence there is a great demand for urban infrastructure. The research of the Research Institute for Fiscal Science, Ministry of Finance (MOF) shows that every percentage point increase of the urbanisation rate will boost the local governments' demands for public investment by 5.9 percentage points. According to Exploring More Effective Investing and Financing Model for Local Governments issued by Urban China Initiative, the capital demand for new urbanisation in 2020 will exceed RMB 20 trillion, half of which is to be provided by the government and the other half by private funding, providing a great opportunity for the development of urbanisation trust.

On 4 February 2015, NDRC issued the *Comprehensive Pilot Plan for New Urbanisation in China (the "Plan")*, specifying Jiangsu province, Anhui province and 62 cities and towns including Dalian to be the comprehensive pilot zones for new urbanisation. The *Plan* set out five targets for the pilot zones, namely establishing cost sharing mechanism for the urbanisation of rural population, establishing a diversified and sustainable investing and financing mechanism for urbanisation, exploring and establishing new administration model featuring innovative methods and lower costs, reforming the rural homestead system and pushing forward reform and innovation of the comprehensive system. The *Plan* and the respective implementing initiatives at the pilot zones indicate a great demand for investing and financing. Given the advantages of the trust system, trust investing and financing, as an important supplement for financing means such as bonds and bank loans, will play an irreplaceable role in the new urbanisation.

In consideration of the trend of industrial restructuring under the "new normal" as well as policies concerning rural economy, rural development and rural residents, and policies on new urbanization, trust companies integrate various resources of banks, securities firms and PE funds to expand merge and acquisition, and restructuring business, explore new types of trust involved in land transfer and take full advantage of the "all-in-one license" trust operation to give full play to trust business featuring wide business scope, flexible product design and quick financing, so as to provide comprehensive financial services to the real economy. This has been one of the focuses of the trust sector in 2015.

As the financing demand of new urbanisation mainly aroused from the construction of urban infrastructure such as public transportation and indemnificatory housings as well as industrial clusters, trust companies can choose to engage in projects with controllable risks that meet national industrial policies and generate stable cash flow, to effectively serve the new urbanization.

In 2013, CITIC Trust, as both the trustee and issuer, cooperated with the government of Yongqiao, Suzhou, Anhui province to promote the first land transfer trust project in China with the size of the land concerned amounting to 5,400 acres. The trust project transformed farmers' income models from merely rental-reliant to "rental plus floating profit", thereby improving the efficiency of land use, establishing a harmonious system for rural development, agricultural transformation and urbanisation, and representing a fundamental reform of the rural land system; in 2014, Wanxiang Trust successfully launched the "Land of Hope series", the first land transfer trust plan in Zhejiang, and "Beautiful Homeland series", a removal and resettlement property right trust plan, that effectively fuelled land reform and urbanization, revitalised rural stock assets, and secured and increased farmers' property income by introducing trust model to form new production relations.

The development of the trust sector and its increasing involvement in social development and construction gives rise to the charitable trust, that is trusts established for charitable purposes. Through the charitable trust system, the profit from economic activities can be allocated to social construction and charity for the benefits of society. Existing charitable trusts on the market include the following: China Natural Resource Protection Charitable Trust issued by Wanxiang Trust for supporting charitable projects designed to protect China's natural and ecological environment, with a total raised fund of RMB 347,000; "Houde No. 4 charitable trust" issued by Zijin Trust for helping children with serious illness in families with financial difficulties, with a total raised fund of RMB 700,000; in August 2015, Zhongyuan Trust launched Leshan Phase 1 charitable trust plan, which was expected to raise a fund of RMB 5 million for supporting charity programs of Zhengzhou Charity Federation.

General speaking, the development of charitable trusts has been lagging behind, mainly due to the lack of detailed rules and supporting regulations regarding charitable trusts in the *Trust Law*, specifically,

1. Inadequate review and approval procedures: many typical cases showed that the review and approval for trust operations involve the Department of Civil Affairs, Education Bureau, and Health and Family Planning Commission, which can be attributed to the ambiguous definition of “Administrative Institution of Public Welfare” in the Trust Law that resulted in problems in the distribution of responsibilities and obligations with regard to the review and approval of charitable trusts. In addition, in order to establish a multi-purpose charitable trust or a charitable trust that can receive cross-province donations, the charitable trust is required to obtain permissions from all relevant authorities on a one-by-one basis, thus resulting in great inconvenience.
2. Lack of a trust registration system: The Trust Law stipulated that the publicity system of trusts should be based on trust registration, but did not set out further implementing provisions for trust registration. The lack of detailed rules created difficulties for the transfer of trust assets, resulting in the failure to establish a charitable trusts with non-cash assets. This damped the passion of trust companies to set up charitable trusts.
3. Ambiguous legal provisions: As the Administrative Measures for Trust Companies have not set out specific regulatory rules for activities of charitable trusts, charitable trusts must abide by the same rules as non-charitable trusts, in terms of the qualification of investors, nature of private financing and the minimum financing amount, thus imposing great restraints on people with limited financial strength but a strong passion for charities to participate in public welfare activities via charitable trusts.
4. Inadequate tax incentive mechanisms: according to the existing tax regulations, qualified public welfare organizations such as foundations and charity organizations can apply for tax deduction for donations from the finance, tax and civil affairs departments. As a charitable trust is neither a legal person nor social organization, it cannot apply for tax deduction for donations, thus greatly demotivating trust companies to set up charitable trusts.

Relevant laws and regulations should be enhanced for the development of charitable trusts. The following measures are suggested to address issues mentioned above:

III. Alternative asset securitisation trusts

During the transformation of the trust sector in recent years, in addition to mainstream trust innovations such as securitisation, fund-like products and urbanisation trusts, a series of alternative trusts were also being developed. Alternative trust products refer to new types of products other than traditional investments. Some trust companies have already made some pilot efforts in alternative investments. For example, back in July 2008, ICBC cooperated with Zhonghai Trust and COFCO to issue the first red wine trust product in Beijing.



1、Film investment trusts

In 2014, CITIC Trust, Baidu and Central Pictures Corporation jointly launched a movie-linked consumer finance platform called “Bai Fa You Xi”. The financial product, which was linked with a movie, the Golden Era, was well-received by consumers, with the intended subscription rising to RMB 15 million within just two minutes. The operation model of Bai Fa You Xi can be summarised as the acquisition of consumer rights by group purchase and presale, which were collected and injected into Baidu’s consumer rights trust project managed by CITIC Trust. The minimum subscription amount was set at RMB 10 with return directly linked with the box office of the Golden Era, i.e. the higher box office, the greater the return. The trust offers a duplicable case of cross-boundary cooperation between the internet and the finance and cultural industries, representing a successful attempt in business transformation, and even inspiring the cooperation between the trust sector and the automobile or catering industries.

The annual reports of major trust companies show that film investment trust products were issued in succession in recent years, such as “Yi Yi Movie Phase 1 assembled-fund trust plan” issued by FOTIC, “Film art investing fund structured assembled-fund trust plan” issued by Minmetals International Trust and “National Film Capital single-fund trust plan” issued by Zhonghai Trust.



2、Carbon emission investment trusts

In March 2015, JIC Trust-Yongquan No. 1 assembled-fund trust plan, the first financial product arising from

1. Establish a sound regulatory mechanism. The Trust Law should be amended to clarify the rights and obligations of the trust supervisor so as to enhance the management of trusts and ensure interests of clients and beneficiaries.
2. Establish a consistent tax system for charitable trusts. The tax system for charitable trusts can be designed in accordance to the Administrative Regulations on Foundations, taking into account the tax incentive policies for clients, trustees and beneficiaries, and the increase of the limits of tax credits.

With the increase of people's concern for public welfare, their awareness of laws and regulations increased accordingly. As relevant parties are actively involved in the improvement of laws and regulations, charitable trusts are expected to become a normalised product for trust companies, thereby contributing to China's public welfare.

the cooperation between a trust company and a PE, invested in the carbon market, was issued, representing the first carbon emission investment trust product in China. The trust plan adopted the trading structure of a trust-embedded limited partnership with the trust plan as its the Limited Partner (LP) and CMB International Capital, who specialised in alternative investment, as the General Partner (GP). Karbon Energy, a professional player on the carbon credit trading market, was also involved as an investment advisor. The trust plan mainly invested in China's pilot carbon trading market and profited from the price difference between the carbon emission credits and Chinese Certified Emission Reduction (CCER).

The initiative of carbon trading is designed to address environmental problems with economic and financial means. Carbon credit used in the carbon emissions trading referred to the quota of greenhouse gases emission granted by NDRC to key carbon emission companies such as those in the electricity, metallurgy, non-ferrous metals, building materials and chemical processing industries. As a kind of scarce resource, the carbon credit can be sold by a credit surplus entity to a credit deficit one. CCER can be voluntarily applied by non-key emission companies as a supplement to the carbon credits system and be used to offset the carbon credits to the extent of the 5% of the carbon credits a company owns. Therefore key emission companies can exchange some carbon credit for CCER for the purpose of spread arbitrage.

Currently, the environmental protection market has become a hot investment target and enjoys policy support from the government. As a newly emerged market relating to environmental protection, carbon credit trading market has great potential for development and the demand for CCER in the short term remains robust. An insider commented: "Taking advantage of the expertise of investing advisors and the financial capital that activates the domestic carbon trading market, the product not only facilitates energy saving and emission reduction and optimises the allocation of carbon emission resources, but also offers certain capital returns, thereby combining both the public welfare undertakings and the investment value."



3. Artwork investment trust

A renowned Italian collector once said: "Artworks are the most valuable things in the world as the average appreciation rate of stocks is 40%, while that of artworks 95%."

Among the numerous alternative trust products in China, artwork investment trusts are undoubtedly the most controversial. Artwork trusts works like this: a trustor entrusts his fund to a trustee, who will make investment in the artwork market in his own name but take account of the client's intention. The trustee is responsible for the investment in a portfolio of artworks and shares with investors the gains from artwork appreciation while properly controlling the risks. The artwork trust market peaked in 2011 facilitated by favourable policy support and the rapid development of the artwork market, but entered the downturn period from 2012 and deteriorated further in 2014, when many artwork trusts even facing liquidation, leaving investors under serious pressure.

Inside analysis shows that the decline of the artwork trust market can be attributed to the over-reliance of the market, insufficient expertise of trust companies in artwork investment, as well as the mismatch of the duration of artworks and that of trust products. The duration of an artwork trust is normally two or three years, whereas the artwork can be held for a very long time as the longer it is held, the more stable the returns will be.

On the other hand, does the decline of the artwork market in recent years indicate a de-bubbling process? Though the artwork trust market has been cooling down, it's undeniable that practitioners started to assess the value of artworks in a more prudent manner. With the improvement of supporting services such as authentication, valuation and insurance services, as well as the further integration of collectors, art galleries and auction

firms, the prospect of the artwork trust market remains positive.



4. Diamond investment trusts

In March 2015, CITIC Trust launched the first diamond consumer trust in China, i.e. CITIC jewellery-Belgium Tache spot diamond investment and collection trust project. The biggest attraction of the trust product was the distribution of diamonds to investors as investment return to truly satisfy the consumption need of investors. In addition, the product enabled a more flexible entry and exit for investors. Compared with other diamond-linked WMPs, the CITIC trust product placed more emphasis on the consumption purpose of diamonds. The product enabled sales of jewellery through consumer trusts, thereby providing a more cost-effective channel for the high-end consumers who wanted to purchase large carat raw diamond for collection and investment purpose.

Insiders remarked that the selling point of the product was the cross-boundary integration of the finance and the diamond industry that offered the consumers a good deal. Furthermore, as the trust company knew the clients' financial condition better, it could target sales more precisely.

II. Management and inheritance of wealth

According to the Research on Demand of Ultra-high Net Worth Individuals in China, 2014-2015 jointly published by Minsheng Bank and Hurun Research Institute, ultra-high net worth individuals amounted to about 17,000 with the total assets of RMB 31 trillion and assets per person of RMB 1.82 billion. The number of individuals with a net worth of over RMB 10 billion increased to 176 from 50 in 2008. The Research also showed that the average age of individuals with a net worth of over RMB 500 million was 51.

When people's accumulated wealth has far exceeded what is required to sustain a wealthy life, the management and inheritance of wealth are not only a concern for these rich people, but also a social problem that affects economic development and social stability. Specifically speaking, where the successor of the wealth is not competent enough and a proper management and restrictive mechanism is not in place, the huge wealth would suffer great loss, which may impact the local

or even national economy; or where a proper wealth inheritance mechanism is absent, disputes among successors will arise, leading to property freeze or business stagnation.

China Merchants Bank and Bain & Co. pointed out in the China Private Wealth Report 2015 that wealth inheritance has become the second biggest demand of high net worth individuals next only to wealth security, and that nearly 70 percentage of high net worth individuals are facing inheritance problems. While steadily increasing the value of wealth, more and more high net worth persons are beginning to systematically consider how they can appropriately pass down their wealth to the next generation.

Practices show that the trust, especially family trusts, is the most important financial instrument for wealth inheritance, which offers an effective mechanism for the steady transition of personal wealth. Trust funds can effectively carry out clients' will and lock equity

appropriation, thereby not only avoiding the probate of the will and inheritance tax, but also ensuring adherence to the clients' intentions with regard to wealth management and distribution after the client passes away. With this wealth inheritance mechanism, wealthy families in the West such as the Rockefeller family and the Rothschild family have succeeded in maintaining their family wealth over the years. Currently, trust companies such as CITIC Trust, FOTIC and BITIC have all started to engage in family trust services.

To put it simply, a family trust means that the client makes a will to entrust his wealth to a trustee, who would be responsible for the establishment, management and disposal of a specialised fund, for property segregation and wealth inheritance purpose. The income generated by the family trust would be bestowed to the beneficiaries, who may be the successor of the wealth, or a charity organisation or any person or organisation. The duration of family trust is normally above 30 years. Different from the assembled-fund trust in China, the family trust is a customised product for high net worth clients. Without any expected annual returns or specified investing targets, the

investment will be made in accordance with the risk appetite of the client.

Insiders explain that as a flexible and effective asset management instrument, the family trust facilitates wealth heritage and tax exemption, safety isolation and wealth inheritance, and helps addressing family disputes regarding wealth distribution and inheritance. In addition, clients who are hesitant about the direct transfer of heritage to successors are inclined to entrust a third party or agency to manage assets or distribute expenses, thereby separating the roles of family member as shareholder and business operator, and allowing competent managers to run the business. Therefore, the family trust not only secures the successor's wealth but also maximizes the interests of the business, undertaking both the role of wealth management and wealth inheritance.

However, compared with the developed tax and regulatory system of developed countries, the mechanism for family trusts in China needs to be further improved, especially in terms of the four obstacles below:

1. Defects in laws and regulations. Deficient supporting systems regarding the register and transfer of trust property hinder the development of family trusts. The absence of a register system seriously limits the categories of assets that can be entrusted to the family trust. Currently, the assets managed by a family trust are mainly capital, since equities and real estate are forbidden to be transferred to the trust and can't be taken as trust assets for the family trust, greatly hindering the business development of the family trust;
2. Moral hazard of the trustee. Some clients establish family trusts mainly for the purpose of property separation, preventing the assets from being affected by marital status of family members and the debt incurred. In such cases, a client loses the ownership of the assets, hence exposing themselves to potential moral hazards of trustees. It remains a tough problem as how
3. Low awareness. The concept of a family trust is only popular among high net worth persons in tier-one cities and is seldom known in tier-two and tier-three cities where the people prefer traditional approaches to manage their wealth. Even if some clients are aware of the significance of family trusts, they are inclined to engage a more professional overseas organization.
4. Lack of expertise. The client's reluctance to entrust his business to a financial institution mostly arises from the distrust of its operating capability. Currently, the financial institutions still need to be staffed with enough experts with sufficient expertise for the operation of family trusts.

In addition, the absence of inheritance tax as well as the deficient tax framework further hinder the rollout of family trusts in China.

Nevertheless, regulators are still positive about the development of family trust business. Back in April 2014, CBRC issued the *Guiding Opinions on Risk Regulation of Trust Companies*, and mentioned in the sections concerning business transformation that business

transformation of trust companies should be facilitated to explore family wealth management and enable customization of asset management plan for clients.

In conclusion, we believe that, with all the policy support, the family trust will eventually tap into its full potential in wealth management and inheritance and enter into a new era, once the above-mentioned problems are resolved.

III. Transformation of the trust sector: Customisation, diversification and globalization

The scale and growth of trust assets have been declining since 2014 with an increase in redemption cases. With the increase of newcomers in the business, the competition has been intensifying. Subsidiaries of mutual funds, asset management companies of securities brokers and insurance companies have all issued their own trust products, eroding the market share exclusively-owned by trust companies previously. On the other hand, the lower barrier and higher liberalisation of the financial market, the increasingly diversified and customised asset allocation also provide a great opportunity for the development of trust business.

The word “Transformation” can be frequently seen in the 2014 annual reports of major trust companies. Customisation, diversification and globalization constitute the direction of transformation of the trust sector. As trust diversification and customisation has been sufficiently illustrated in the sections about innovative trust products and family trusts, this section will switch to the globalisation trend.

With the wealth accumulation of China households and the liberalisation of the overseas and domestic markets in recent years, high net worth clients’ need for overseas wealth management and global asset allocation grows increasingly stronger. More and more trust companies will expand their overseas wealth management business by applying for QDII and QDIE qualifications, establishing overseas trust subsidiaries and cooperating with overseas wealth management agencies to provide quality cross-border asset management services to clients.

Statistics from SAFE show that, as at 29 October 2015, 14 trust companies had been granted with a total QDII investment quota of USD 7.75 billion, accounting for 8.6% of the total quota of USD 89.993 billion.

Specifically speaking, the QDII quotas for China Credit Trust and Huabao Trust exceeded USD 1 billion, those for Shanghai Trust and CITIC Trust close to USD 1 billion, while the quotas for other trust companies were below USD 500 million, 3 of which were only USD 100 million for each, indicating an obvious concentration of overseas wealth management business in trust companies that started out early and had stronger business strength. Most trust companies were granted with quotas in 2014 and 2015, among which USD 6.6 billion were granted in 2014, accounting for 85% of total quota granted. Trust companies’ expansion in the overseas wealth management business in recent two years not only resulted from the high net worth clients’ increasing demand for global asset allocation, but also was essential for the development of the trust sector itself. Under the impact of the economic decline, tightening regulations and the erosion of market shares, the scale and growth of trust assets have been declining, making transformation and innovation of the sector ever more imperative than before, overseas wealth management and global asset allocation have thus become the direction for transformation.

One of the approaches for overseas wealth management is to set up overseas subsidiaries, which represents a globalisation trend that complies with regulatory requirements, an effective approach and a high-level goal for overseas wealth management business. CITIC Trust founded CITIC Xinhui International Capital Co., Ltd. in Hong Kong in 2014 as an overseas business expansion platform, specialising in providing overseas asset allocation and financing services. In the current stage, the overseas subsidiary focuses on guiding overseas capital to invest in China, and is expected provide comprehensive global asset allocation and financial services to high net worth clients in the future.



Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Registered Capital		Total Asset		Net Asset		Operating Income	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	1,000,000.00	120,000.00	2,087,975.66	1,488,655.63	1,825,422.91	1,302,874.97	565,950.90	548,683.73
2	Zhongrong International Trust Co., Ltd.	600,000.00	160,000.00	1,220,031.21	968,750.65	980,538.51	764,548.46	553,149.17	489,811.57
3	CCB Trust Co., Ltd.	152,727.00	152,727.00	809,523.58	661,958.12	730,490.58	630,850.09	154,624.75	113,500.31
4	China Industrial International Trust Limited	500,000.00	257,600.00	1,238,306.03	625,275.85	1,109,686.08	500,403.32	249,256.79	205,376.48
5	China Foreign Economy And Trade Trust Co., Ltd.	220,000.00	220,000.00	672,169.75	558,367.42	651,809.56	531,394.19	200,005.03	202,813.54
6	Hwabao Trust Co., Ltd.	374,400.00	200,000.00	765,177.44	592,268.87	659,615.70	506,825.82	165,315.60	160,572.79
7	China Resources SZITIC Trust Co., Ltd.	263,000.00	263,000.00	1,521,524.85	1,336,671.26	1,382,774.69	1,231,165.04	398,731.74	278,261.15
8	Huaneng Guicheng Trust Co., Ltd.	300,000.00	300,000.00	733,832.90	602,561.10	626,973.31	538,733.37	226,964.57	145,120.03
9	Ping An Trust Co., Ltd.	698,800.00	698,800.00	13,000,329.04	10,147,554.81	3,752,890.48	3,294,131.32	2,372,769.84	1,742,292.33
10	Bank of Communications International Trust Co., Ltd.	376,470.59	376,470.59	581,892.30	515,394.49	555,807.66	494,351.96	120,395.79	100,552.13
11	Shanghai International Trust Corp., Ltd.	250,000.00	250,000.00	1,021,471.84	862,928.55	924,450.96	785,933.47	344,589.57	298,171.80
12	Shangdong International Trust Corporation	200,000.00	128,000.00	484,557.10	472,324.46	460,958.44	336,766.09	152,220.85	129,278.57
13	Zhonghai Trust Co., Ltd.	250,000.00	250,000.00	524,875.06	491,393.48	383,861.88	380,800.67	140,889.48	120,662.94
14	China Credit Trust Co., Ltd.	245,666.67	245,666.67	1,453,926.95	1,290,487.81	1,297,390.27	1,115,736.01	331,478.29	324,986.65
15	Chang'an International Trust Co., Ltd.	134,602.29	125,888.00	542,809.63	401,672.75	421,849.92	299,525.29	188,671.80	219,102.08
16	AVIC Trust Co., Ltd.	168,648.52	168,648.52	548,864.20	431,457.39	474,838.94	383,871.97	170,044.84	153,722.09
17	Northern International Co., Ltd.	100,099.89	100,099.89	374,099.35	321,467.17	320,609.74	274,109.11	121,907.73	113,806.46
18	Yunnan International Trust Co., Ltd.	100,000.00	100,000.00	186,424.66	161,369.43	161,694.40	140,032.65	56,514.33	52,996.26
19	Sichuan Trust Co., Ltd.	250,000.00	200,000.00	1,458,883.27	736,935.07	500,311.17	408,843.11	297,945.77	247,845.83
20	Minmetals International Trust Co., Ltd.	200,000.00	200,000.00	521,892.98	452,640.66	486,899.91	422,237.08	154,597.63	131,031.18
21	Tebet Trust Co., Ltd.	50,000.00	40,000.00	178,558.08	105,061.19	125,747.27	75,587.29	28,584.09	28,505.18
22	Jiangxi International Trust Co., Ltd.	115,578.91	115,578.91	1,306,636.42	865,600.13	622,561.66	513,484.40	208,589.99	171,408.75
23	Bohai International Trust Co., Ltd.	200,000.00	200,000.00	376,980.72	326,763.53	368,437.80	318,792.59	114,887.95	100,598.50
24	China Railway Trust Co., Ltd.	200,000.00	200,000.00	991,609.41	918,377.58	468,366.65	405,603.98	184,248.24	175,385.63
25	Yingda International Trust Co., Ltd.	182,175.45	182,175.45	461,799.17	411,189.67	444,994.51	389,077.36	101,420.92	97,399.21
26	Guangdong Finance Trust Co., Ltd.	150,000.00	150,000.00	387,567.11	332,248.95	370,243.40	319,302.58	83,406.98	79,267.09
27	New China Trust Co., Ltd.	120,000.00	120,000.00	422,325.13	397,624.53	277,439.94	263,749.37	105,134.52	186,644.64
28	Jiangsu International Trust Co., Ltd.	268,389.90	268,389.90	828,660.54	728,806.74	815,441.06	709,466.06	138,958.59	135,618.74
29	New Times Trust Co., Ltd.	120,000.00	120,000.00	341,279.54	329,924.35	331,684.69	320,155.63	70,041.21	67,654.03
30	Anhui Guoyuan Trust Co., Ltd.	200,000.00	200,000.00	501,509.49	434,165.82	483,390.27	414,409.75	102,536.22	86,955.82
31	Beijing International Trust Co., Ltd.	140,000.00	140,000.00	517,420.15	421,777.12	465,145.75	389,499.84	147,703.27	141,853.75
32	China Fortune International Trust Co., Ltd.	220,000.00	220,000.00	328,856.28	344,606.40	313,116.94	310,331.41	94,636.77	90,657.49
33	Tianjin Trust Co., Ltd.	170,000.00	150,000.00	358,157.75	274,690.27	339,199.18	258,883.11	148,631.34	113,601.97
34	Anxin Trust & Investment Co., Ltd.	45,410.98	45,410.98	295,394.41	160,046.15	180,463.73	86,476.43	180,937.98	83,762.63
35	Chongqing International Trust Co., Ltd.	243,873.00	243,873.00	1,714,706.23	1,247,945.58	1,340,077.65	936,444.43	350,871.55	213,822.16
36	Huarong International Trust Co., Ltd.	198,288.63	151,777.00	544,327.12	363,702.09	496,216.07	325,845.66	183,182.98	195,591.22
37	SDIC Trust Co., Ltd.	219,054.55	120,480.00	722,359.23	337,306.60	610,667.44	316,227.79	121,564.26	106,882.67
38	Kunlun Trust Co., Ltd.	300,000.00	300,000.00	601,991.02	564,343.87	584,270.76	544,827.25	138,976.94	135,037.77
39	Bridge Trust Co., Ltd.	220,000.00	120,000.00	425,148.89	339,415.44	372,056.03	306,519.88	135,737.94	116,453.93

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net Interest Income		Net Fee and Commission Income		Net Profit		Net fee and commission income/Operating Income	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	59,551.44	43,712.33	438,494.61	462,460.46	281,230.27	314,359.25	77.48%	84.29%
2	Zhongrong International Trust Co., Ltd.	42,836.84	34,074.22	444,697.18	454,205.01	243,279.39	201,760.48	80.39%	92.73%
3	CCB Trust Co., Ltd.	2,836.51	5,444.43	99,244.39	77,436.36	86,888.88	64,970.83	64.18%	68.23%
4	China Industrial International Trust Limited	5,054.18	2,159.33	141,841.62	164,733.27	140,534.31	110,579.72	56.91%	80.21%
5	China Foreign Economy And Trade Trust Co., Ltd.	1,435.07	1,652.67	139,709.10	120,547.44	121,656.14	129,621.39	69.85%	59.44%
6	Hwabao Trust Co., Ltd.	3,919.48	6,064.23	160,273.86	153,432.09	80,637.27	82,197.86	96.95%	95.55%
7	China Resources SZITIC Trust Co., Ltd.	1,605.56	2,864.65	173,362.45	173,396.77	232,863.77	176,245.78	43.48%	62.31%
8	Huaneng Guicheng Trust Co., Ltd.	6,398.57	5,492.49	118,005.51	115,076.09	128,239.93	83,577.27	51.99%	79.30%
9	Ping An Trust Co., Ltd.	(130,195.99)	(45,260.04)	779,878.07	503,552.24	391,046.53	264,561.89	32.87%	28.90%
10	Bank of Communications International Trust Co., Ltd.	18,757.89	10,562.09	81,985.62	69,144.37	60,303.56	50,730.86	68.10%	68.76%
11	Shanghai International Trust Corp., Ltd.	9,085.35	6,623.54	229,843.92	201,651.82	187,412.95	159,520.80	66.70%	67.63%
12	Shangdong International Trust Corporation	237.54	107.83	115,234.01	106,986.40	76,569.25	73,231.47	75.70%	82.76%
13	Zhonghai Trust Co., Ltd.	11,495.20	14,314.04	79,239.92	61,442.45	97,254.36	85,793.88	56.24%	50.92%
14	China Credit Trust Co., Ltd.	61,280.67	58,480.47	183,975.18	187,588.57	218,175.38	190,499.75	55.50%	57.72%
15	Chang'an International Trust Co., Ltd.	1,876.40	4,836.55	172,328.46	199,873.82	95,959.48	94,081.73	91.34%	91.22%
16	AVIC Trust Co., Ltd.	9,216.31	7,085.00	136,916.79	134,099.93	90,966.97	73,941.78	80.52%	87.24%
17	Northern International Co., Ltd.	29,090.58	17,797.01	90,028.71	93,937.31	56,401.82	52,181.24	73.85%	82.54%
18	Yunnan International Trust Co., Ltd.	712.40	3,155.82	47,813.60	46,882.48	25,661.75	23,934.06	84.60%	88.46%
19	Sichuan Trust Co., Ltd.	7,327.93	7,051.72	235,279.04	219,570.99	128,335.60	116,447.85	78.97%	88.59%
20	Minmetals International Trust Co., Ltd.	12,971.80	8,760.94	125,524.87	113,268.65	87,980.23	74,561.60	81.19%	86.44%
21	Tebet Trust Co., Ltd.	1,542.37	1,032.09	25,090.90	22,594.56	37,316.45	15,973.86	87.78%	79.26%
22	Jiangxi International Trust Co., Ltd.	14,805.73	10,305.72	167,462.04	154,508.36	88,878.44	69,933.82	80.28%	90.14%
23	Bohai International Trust Co., Ltd.	12,050.61	9,237.37	96,322.93	87,001.76	59,146.79	50,868.38	83.84%	86.48%
24	China Railway Trust Co., Ltd.	19,053.88	32,705.60	162,745.31	131,547.94	102,689.81	109,215.71	88.33%	75.00%
25	Yingda International Trust Co., Ltd.	8,993.72	10,707.69	78,488.77	78,031.25	56,311.32	55,321.08	77.39%	80.11%
26	Guangdong Finance Trust Co., Ltd.	8,128.43	7,451.50	63,719.55	62,038.89	55,202.44	52,664.53	76.40%	78.27%
27	New China Trust Co., Ltd.	1,490.17	3,612.64	137,879.90	175,931.91	10,584.49	54,021.09	131.15%	94.26%
28	Jiangsu International Trust Co., Ltd.	10.06	421.06	47,439.91	46,168.97	115,225.17	112,480.81	34.14%	34.04%
29	New Times Trust Co., Ltd.	959.06	884.03	51,956.91	52,326.22	29,484.07	30,443.52	74.18%	77.34%
30	Anhui Guoyuan Trust Co., Ltd.	11,171.27	9,162.62	66,616.16	63,879.51	66,803.96	54,140.76	64.97%	73.46%
31	Beijing International Trust Co., Ltd.	12,660.69	17,967.06	130,522.23	119,470.65	89,459.51	81,947.59	88.37%	84.22%
32	China Fortune International Trust Co., Ltd.	5,647.07	8,241.42	60,569.31	63,117.68	52,298.99	50,875.73	64.00%	69.62%
33	Tianjin Trust Co., Ltd.	18,823.30	11,145.08	89,479.85	96,411.01	77,734.30	51,467.84	60.20%	84.87%
34	Anxin Trust & Investment Co., Ltd.	15,864.70	8,809.37	163,624.66	74,227.45	102,352.79	27,960.18	90.43%	88.62%
35	Chongqing International Trust Co., Ltd.	34,706.98	33,517.24	181,558.48	86,241.43	244,229.29	128,509.36	51.74%	40.33%
36	Huarong International Trust Co., Ltd.	10,446.03	1,487.13	154,885.84	176,940.88	70,162.59	80,114.86	84.55%	90.46%
37	SDIC Trust Co., Ltd.	3,971.22	5,541.21	88,076.10	80,984.80	63,370.32	54,110.09	72.45%	75.77%
38	Kunlun Trust Co., Ltd.	7,508.32	10,765.47	90,120.49	95,115.48	79,060.80	82,745.99	64.85%	70.44%
39	Bridge Trust Co., Ltd.	18,661.98	18,401.31	103,846.04	92,686.69	74,795.12	64,216.88	76.50%	79.59%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Registered Capital		Total Asset		Net Asset		Operating Income	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	120,000.00	120,000.00	351,336.22	252,284.89	304,537.90	217,893.19	158,731.98	127,888.87
41	Zhongyuan Trust Co., Ltd.	250,000.00	150,000.00	347,221.01	251,486.02	317,775.75	236,394.03	138,658.84	96,117.94
42	Shaanxi International Trust Co., Ltd.	121,466.74	121,466.74	425,724.50	392,918.84	381,387.39	350,943.22	83,547.90	83,277.51
43	Xiamen International Trust Co., Ltd.	230,000.00	160,000.00	380,647.00	286,036.00	353,133.00	259,892.00	79,076.00	79,787.00
44	China Zhongtuo Trust Co., Ltd.	166,574.00	166,574.00	472,235.02	410,494.31	428,862.65	354,380.57	115,821.39	102,373.13
45	Lujiazui International Trust Corporation Limited	300,000.00	106,834.62	377,903.64	152,983.51	343,101.01	135,903.14	84,546.96	56,596.35
46	Suzhou Trust Co., Ltd.	120,000.00	120,000.00	380,175.07	255,607.47	330,292.29	228,839.94	97,628.67	67,039.72
47	China Jingu International Trust Co., Ltd.	220,000.00	220,000.00	361,596.98	351,656.23	330,258.23	323,345.97	75,940.10	109,702.05
48	Daye Trust Co., Ltd.	30,000.00	30,000.00	126,466.29	132,705.91	107,205.16	82,889.01	60,259.76	53,919.20
49	Dalian Huaxin Trust Co., Ltd.	330,000.00	330,000.00	755,570.67	609,088.22	717,999.27	589,539.70	229,724.23	170,843.22
50	Zhongtai Trust Co., Ltd.	51,660.00	51,660.00	379,176.17	302,982.15	344,316.83	280,437.86	73,906.96	73,690.74
51	COFCO Trust Co., Ltd.	230,000.00	230,000.00	368,876.21	338,938.48	347,235.46	327,851.35	57,564.34	46,472.60
52	The National Trust Ltd.	100,000.00	100,000.00	209,666.11	200,132.89	179,223.90	169,246.28	46,224.29	41,062.30
53	Hunan Trust Co., Ltd.	120,000.00	120,000.00	308,020.00	244,151.00	251,133.00	200,176.00	92,902.00	87,432.00
54	Western Trust Co., Ltd.	62,000.00	62,000.00	199,321.35	178,754.38	166,619.67	150,769.34	39,977.22	36,884.03
55	China Minsheng Trust Co., Ltd.	200,000.00	100,000.00	344,930.08	115,488.73	325,248.57	106,504.59	46,841.11	16,619.49
56	Shanghai AJ Trust&Investment Co., Ltd.	300,000.00	300,000.00	374,597.24	324,303.38	360,924.13	315,450.45	85,324.63	65,774.95
57	Everbright Xinglong Trust Co., Ltd.	101,819.05	101,819.05	173,420.40	158,228.55	165,770.00	148,663.14	29,313.92	38,227.01
58	Wanxiang Trust Co., Ltd.	133,900.00	65,000.00	157,389.96	140,888.19	150,109.70	137,196.87	31,406.64	16,806.74
59	Zijin Trust Co., Ltd.	120,000.00	120,000.00	176,520.85	150,790.96	163,411.36	141,312.73	50,794.76	37,597.66
60	Shanxi Trust Corporation Ltd.	135,700.00	135,700.00	340,635.02	250,101.89	216,430.57	178,689.04	86,931.41	66,870.39
61	Dongguan Trust Co., Ltd.	120,000.00	120,000.00	338,949.76	291,277.11	319,889.75	278,187.17	75,805.32	69,903.11
62	Sino-Australian International Trust Co. Ltd.	60,000.00	60,000.00	160,826.82	155,279.82	101,852.84	86,512.88	43,588.47	57,254.38
63	Guolian Trust Co., Ltd.	123,000.00	123,000.00	330,615.00	270,263.00	323,154.00	265,863.00	59,801.00	46,635.00
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	75,000.00	50,000.00	203,753.00	144,086.00	168,131.00	121,281.00	93,378.00	69,063.00
65	Zheshangjinhui Trust Corporation Limited	50,000.00	50,000.00	84,506.93	68,378.43	68,179.29	60,389.34	27,463.28	19,906.42
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	30,000.00	30,000.00	44,523.46	45,158.87	39,086.60	36,446.72	14,609.06	15,449.08
67	Huachen Trust Co., Ltd.	57,200.00	57,200.00	103,922.91	98,163.70	92,640.18	86,061.07	19,239.88	21,550.02
68	Jilin Province Trust Co., Ltd.	159,659.75	159,659.75	640,728.28	420,648.41	471,276.46	338,706.65	N/A	85,404.99

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net Interest Income		Net Fee and Commission Income		Net Profit		Net fee and commission income/Operating Income	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	7,347.68	5,514.65	131,671.11	111,255.78	85,908.53	70,191.26	82.95%	86.99%
41	Zhongyuan Trust Co., Ltd.	7,973.49	7,718.32	114,351.56	81,207.02	80,696.69	55,773.92	82.47%	84.49%
42	Shaanxi International Trust Co., Ltd.	27,385.13	20,609.93	44,743.74	46,378.44	35,063.18	31,307.61	53.55%	55.69%
43	Xiamen International Trust Co., Ltd.	4,435.00	6,561.00	46,641.00	55,486.00	42,704.00	45,781.00	58.98%	69.54%
44	China Zhongtuo Trust Co., Ltd.	16,158.32	18,514.47	76,878.57	73,769.06	58,910.06	53,227.67	66.38%	72.06%
45	Lujiazui International Trust Corporation Limited	685.71	627.57	70,003.49	50,287.25	35,795.30	26,982.95	82.80%	88.85%
46	Suzhou Trust Co., Ltd.	5,838.86	7,820.09	71,929.28	48,905.54	49,549.98	36,015.92	73.68%	72.95%
47	China Jingu International Trust Co., Ltd.	7,644.45	17,464.97	60,141.94	88,401.10	10,256.99	27,228.17	79.20%	80.58%
48	Daye Trust Co., Ltd.	8,203.48	5,212.90	52,056.28	48,706.30	29,316.15	25,426.15	86.39%	90.33%
49	Dalian Huaxin Trust Co., Ltd.	2,339.53	3,485.91	101,286.40	94,046.92	168,040.05	119,583.22	44.09%	55.05%
50	Zhongtai Trust Co., Ltd.	496.02	1,654.71	38,679.62	33,088.99	40,506.35	41,913.54	52.34%	44.90%
51	COFCO Trust Co., Ltd.	11,405.72	10,059.42	19,259.11	25,256.57	31,640.72	22,398.94	33.46%	54.35%
52	The National Trust Ltd.	194.59	476.34	38,724.66	26,990.53	17,784.99	19,463.57	83.78%	65.73%
53	Hunan Trust Co., Ltd.	3,881.00	4,531.00	70,292.00	71,080.00	53,868.00	49,275.00	75.66%	81.30%
54	Western Trust Co., Ltd.	2,022.21	4,206.60	29,069.92	27,546.30	18,695.54	18,961.60	72.72%	74.68%
55	China Minsheng Trust Co., Ltd.	5,963.83	3,438.62	33,763.54	10,850.94	18,743.97	5,644.62	72.08%	65.29%
56	Shanghai AJ Trust & Investment Co., Ltd.	22,851.63	21,124.71	51,970.35	41,293.89	45,496.70	36,508.56	60.91%	62.78%
57	Everbright Xinglong Trust Co., Ltd.	4,808.00	3,886.02	24,634.62	26,764.30	14,509.79	20,646.36	84.04%	70.01%
58	Wanxiang Trust Co., Ltd.	402.91	1,778.32	18,562.32	6,697.97	12,912.83	7,020.36	59.10%	39.85%
59	Zijin Trust Co., Ltd.	3,820.89	3,021.49	35,493.04	32,177.21	26,510.62	18,692.60	69.88%	85.58%
60	Shanxi Trust Corporation Ltd.	11,567.22	2,336.91	34,322.10	50,365.24	42,126.80	27,648.08	39.48%	75.32%
61	Dongguan Trust Co., Ltd.	6,931.68	6,264.74	56,818.49	50,960.56	42,205.42	39,654.22	74.95%	72.90%
62	Sino-Australian International Trust Co. Ltd.	4,526.34	6,000.96	35,297.12	50,164.91	15,200.99	22,701.45	80.98%	87.62%
63	Guolian Trust Co., Ltd.	4,600.00	2,538.00	30,034.00	29,496.00	42,653.00	32,883.00	50.22%	63.25%
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	1,416.00	2,377.00	74,455.00	46,680.00	46,525.00	33,936.00	79.74%	67.59%
65	Zheshangjinhui Trust Corporation Limited	759.51	(1,116.43)	22,501.64	18,508.41	7,789.95	5,990.65	81.93%	92.98%
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	589.29	1,022.42	11,963.77	13,490.46	5,051.41	5,704.73	81.89%	87.32%
67	Huachen Trust Co., Ltd.	1,034.05	1,597.80	11,985.55	18,947.63	2,938.98	1,076.94	62.30%	87.92%
68	Jilin Province Trust Co., Ltd.	N/A	4,218.23	N/A	54,079.48	N/A	44,498.87	N/A	63.32%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net interest income/Operating Income		Net Profit Margin on Net Assets		Profit per Capita		Trust Assets	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	10.52%	7.97%	17.98%	27.37%	545.04	680.43	90,207,415.56	72,966,079.78
2	Zhongrong International Trust Co., Ltd.	7.74%	6.96%	27.88%	32.31%	136.57	142.16	71,059,273.05	47,853,490.39
3	CCB Trust Co., Ltd.	1.83%	4.80%	12.77%	11.18%	266.12	384.44	66,583,532.90	32,581,638.82
4	China Industrial International Trust Limited	2.03%	1.05%	17.46%	24.80%	320.33	381.97	65,115,171.72	56,500,216.70
5	China Foreign Economy And Trade Trust Co., Ltd.	0.72%	0.81%	20.56%	24.76%	435.91	611.91	54,345,654.39	31,737,693.65
6	Hwabao Trust Co., Ltd.	2.37%	3.78%	13.83%	17.60%	273.81	317.47	49,146,270.91	27,151,685.52
7	China Resources SZITIC Trust Co., Ltd.	0.40%	1.03%	17.82%	15.68%	773.06	615.80	47,197,866.96	36,430,423.90
8	Huaneng Guicheng Trust Co., Ltd.	2.82%	3.78%	22.00%	19.35%	502.41	407.94	42,155,687.70	29,856,830.62
9	Ping An Trust Co., Ltd.	-5.49%	-2.60%	11.10%	8.21%	399.23	306.20	39,984,860.55	29,031,953.90
10	Bank of Communications International Trust Co., Ltd.	15.58%	10.50%	11.48%	13.34%	356.82	319.06	39,799,220.09	27,991,658.90
11	Shanghai International Trust Corp., Ltd.	2.64%	2.22%	21.91%	21.77%	674.03	707.90	38,636,864.03	19,229,031.31
12	Shandong International Trust Corporation	0.16%	0.08%	19.20%	23.83%	283.59	270.23	33,018,995.47	29,942,135.15
13	Zhonghai Trust Co., Ltd.	8.16%	11.86%	25.44%	22.55%	725.78	659.95	31,425,074.24	17,744,365.55
14	China Credit Trust Co., Ltd.	18.49%	17.99%	18.08%	17.93%	931.80	932.91	31,230,786.54	35,721,118.26
15	Chang'an International Trust Co., Ltd.	0.99%	2.21%	26.60%	36.19%	194.30	254.14	28,166,302.65	21,682,939.57
16	AVIC Trust Co., Ltd.	5.42%	4.61%	21.19%	23.52%	506.84	486.70	27,806,914.78	22,117,395.75
17	Northern International Co., Ltd.	23.86%	15.64%	18.97%	21.04%	378.54	395.31	27,373,852.02	29,423,228.00
18	Yunnan International Trust Co., Ltd.	1.26%	5.95%	17.01%	18.69%	184.62	234.65	27,011,227.95	22,514,869.56
19	Sichuan Trust Co., Ltd.	2.46%	2.85%	28.23%	34.09%	171.12	262.95	26,980,502.33	21,867,572.16
20	Minmetals International Trust Co., Ltd.	8.39%	6.69%	19.35%	24.21%	355.66	354.86	26,640,712.05	19,606,736.70
21	Tebet Trust Co., Ltd.	5.40%	3.62%	37.07%	23.63%	910.16	558.04	25,628,415.20	12,911,412.50
22	Jiangxi International Trust Co., Ltd.	7.10%	6.01%	15.65%	15.43%	327.00	308.19	21,976,295.37	16,747,288.18
23	Bohai International Trust Co., Ltd.	10.49%	9.18%	17.21%	17.16%	403.73	442.33	21,661,733.45	18,817,904.08
24	China Railway Trust Co., Ltd.	10.34%	18.65%	23.50%	31.25%	439.00	932.00	21,090,823.00	15,053,089.00
25	Yingda International Trust Co., Ltd.	8.87%	10.99%	13.50%	15.18%	285.84	310.79	21,048,988.89	21,026,829.31
26	Guangdong Finance Trust Co., Ltd.	9.75%	9.40%	16.01%	17.85%	530.79	548.59	19,780,661.77	22,945,876.95
27	New China Trust Co., Ltd.	1.42%	1.94%	3.91%	22.93%	18.06	88.27	18,278,321.92	16,594,457.60
28	Jiangsu International Trust Co., Ltd.	0.01%	0.31%	15.11%	16.93%	1,458.55	1,520.01	17,434,667.98	10,334,611.77
29	New Times Trust Co., Ltd.	1.37%	1.31%	9.05%	12.43%	117.47	125.80	16,734,888.95	15,842,342.20
30	Anhui Guoyuan Trust Co., Ltd.	10.89%	10.54%	14.88%	13.82%	417.52	363.23	16,419,585.38	19,053,303.15
31	Beijing International Trust Co., Ltd.	8.57%	12.67%	20.93%	22.84%	394.00	445.00	16,162,672.31	12,434,795.38
32	China Fortune International Trust Co., Ltd.	5.97%	9.09%	16.78%	17.86%	358.21	387.00	16,081,516.53	14,837,344.01
33	Tianjin Trust Co., Ltd.	12.66%	9.81%	25.99%	22.10%	551.31	345.42	15,438,501.33	9,949,583.52
34	Anxin Trust & Investment Co., Ltd.	8.77%	10.52%	76.69%	37.40%	N/A	210.23	15,115,116.24	11,581,461.69
35	Chongqing International Trust Co., Ltd.	9.89%	15.68%	21.46%	14.57%	2,620.50	1,472.09	15,071,664.11	12,631,179.09
36	Huarong International Trust Co., Ltd.	5.70%	0.76%	17.07%	26.17%	287.55	419.01	14,974,039.91	9,766,219.87
37	SDIC Trust Co., Ltd.	3.27%	5.18%	13.67%	18.41%	232.13	198.47	14,663,403.23	18,462,290.12
38	Kunlun Trust Co., Ltd.	5.40%	7.97%	14.00%	15.75%	318.79	350.62	14,164,489.13	16,848,427.09
39	Bridge Trust Co., Ltd.	13.75%	15.80%	22.04%	23.58%	436.12	396.40	13,853,262.47	11,424,669.83

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Assembled-fund Trust		Single-fund Trust		Trust under Active Management		Trust under Passive Management	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	18,048,749.16	11,983,326.16	49,528,487.17	51,175,733.49	48,738,556.64	37,543,918.86	41,468,858.92	35,422,160.92
2	Zhongrong International Trust Co., Ltd.	37,103,376.37	20,402,146.56	22,771,831.32	19,111,560.67	41,378,715.49	39,687,216.54	29,680,557.56	8,166,273.85
3	CCB Trust Co., Ltd.	17,838,568.58	7,147,777.42	48,740,316.82	25,419,314.30	17,801,680.09	8,808,272.95	48,781,852.81	23,773,365.87
4	China Industrial International Trust Limited	13,931,439.00	2,680,572.00	48,348,168.00	52,241,806.00	15,215,329.00	17,830,165.00	49,899,843.00	38,670,052.00
5	China Foreign Economy And Trade Trust Co., Ltd.	24,646,031.07	16,571,824.25	28,449,041.68	14,332,591.50	19,792,906.28	18,798,214.01	34,552,748.11	12,939,479.64
6	Hwabao Trust Co., Ltd.	9,222,440.62	7,074,907.46	39,010,342.63	19,676,883.13	21,839,502.71	11,854,212.97	27,306,768.20	15,297,472.55
7	China Resources SZITIC Trust Co., Ltd.	17,738,718.82	12,778,870.20	27,460,374.93	23,541,542.69	23,327,825.52	24,849,402.52	23,870,041.44	11,581,021.38
8	Huaneng Guicheng Trust Co., Ltd.	14,044,314.57	6,335,264.30	25,345,883.80	20,365,702.28	42,155,687.70	29,856,830.62	-	-
9	Ping An Trust Co., Ltd.	27,996,923.30	19,005,515.68	10,407,159.18	9,653,645.31	39,228,490.25	25,853,741.87	756,370.30	3,178,212.03
10	Bank of Communications International Trust Co., Ltd.	4,795,038.65	1,555,490.59	34,810,299.86	26,337,671.35	2,395,127.42	2,998,729.27	37,404,092.67	24,992,929.63
11	Shanghai International Trust Corp., Ltd.	18,098,033.23	7,408,568.84	18,730,015.92	11,595,755.21	24,961,882.41	16,956,714.81	13,674,981.62	2,272,316.50
12	Shandong International Trust Corporation	6,125,499.08	5,110,653.78	25,225,035.31	23,029,698.54	5,383,700.00	5,006,336.00	27,635,295.00	24,935,799.15
13	Zhonghai Trust Co., Ltd.	14,847,265.00	5,423,207.00	14,926,576.00	11,946,221.00	10,982,466.00	6,386,746.00	20,442,608.00	11,357,620.00
14	China Credit Trust Co., Ltd.	4,131,803.30	5,145,954.93	21,126,257.59	26,806,920.45	11,081,872.33	14,858,687.07	20,148,914.21	20,862,431.19
15	Chang'an International Trust Co., Ltd.	10,314,973.12	5,758,195.27	16,094,524.39	12,303,639.68	25,892,144.89	20,005,194.57	2,274,157.76	1,677,745.00
16	AVIC Trust Co., Ltd.	7,670,801.89	5,326,972.79	19,659,535.02	16,358,560.72	8,448,732.39	6,227,782.07	19,358,182.39	15,889,613.68
17	Northern International Co., Ltd.	2,261,850.48	1,834,454.00	23,582,927.59	26,049,987.00	5,010,569.93	4,259,411.00	22,363,282.09	25,163,817.00
18	Yunnan International Trust Co., Ltd.	4,029,350.98	1,704,619.85	22,493,799.58	20,285,276.24	6,815,836.78	3,622,904.73	20,195,391.17	18,891,964.83
19	Sichuan Trust Co., Ltd.	8,841,786.78	4,960,930.21	18,138,715.55	16,666,789.41	6,132,627.83	4,640,005.36	20,847,874.50	17,227,566.80
20	Minmetals International Trust Co., Ltd.	13,928,064.84	8,744,595.75	12,303,749.36	10,437,928.71	9,674,437.36	12,694,195.85	16,966,274.69	6,912,540.85
21	Tebet Trust Co., Ltd.	2,141,587.37	1,082,158.50	23,486,827.83	11,829,254.00	2,141,587.37	1,082,158.50	23,486,827.83	11,829,254.00
22	Jiangxi International Trust Co., Ltd.	7,320,728.04	4,631,808.04	14,383,517.16	11,719,564.22	8,546,646.88	6,549,028.67	13,429,648.49	10,198,259.51
23	Bohai International Trust Co., Ltd.	1,318,591.40	984,457.20	19,387,551.80	16,965,579.08	7,556,346.80	17,678,343.28	14,105,386.65	1,139,560.80
24	China Railway Trust Co., Ltd.	7,191,009.00	6,433,326.00	10,774,017.00	7,962,786.00	5,611,126.00	13,725,764.00	15,479,697.00	1,327,325.00
25	Yingda International Trust Co., Ltd.	1,390,544.25	895,038.02	14,660,686.84	17,168,395.77	3,457,601.98	2,046,201.27	17,586,155.82	18,977,049.09
26	Guangdong Finance Trust Co., Ltd.	6,047,378.17	9,252,878.74	13,086,773.93	12,796,648.93	10,263,064.16	12,451,528.74	9,517,597.61	10,494,348.21
27	New China Trust Co., Ltd.	5,046,110.86	6,207,457.67	12,495,316.72	9,653,154.00	14,168,899.46	15,063,380.25	4,109,422.46	1,531,077.35
28	Jiangsu International Trust Co., Ltd.	2,553,145.59	1,383,721.41	14,881,522.39	8,930,994.73	16,784,258.93	10,235,042.20	650,409.05	99,569.57
29	New Times Trust Co., Ltd.	3,212,373.53	3,484,411.11	13,470,543.39	12,305,975.29	3,214,345.45	8,723,219.61	13,520,543.50	7,119,122.59
30	Anhui Guoyuan Trust Co., Ltd.	2,228,756.63	2,066,182.41	13,754,081.77	16,664,464.27	4,311,547.69	7,342,863.55	12,108,037.69	11,710,439.60
31	Beijing International Trust Co., Ltd.	7,680,946.31	5,094,029.34	5,565,663.23	5,655,958.91	11,698,914.90	10,887,907.67	4,463,757.41	1,546,887.71
32	China Fortune International Trust Co., Ltd.	5,386,318.53	3,143,976.87	9,685,195.45	10,683,367.12	5,609,284.60	7,273,864.74	10,472,231.93	7,563,479.27
33	Tianjin Trust Co., Ltd.	3,211,084.71	3,006,527.13	10,453,356.74	4,481,508.61	4,550,003.52	5,288,320.40	10,888,497.81	4,661,263.12
34	Anxin Trust & Investment Co., Ltd.	3,134,730.73	2,370,692.72	11,756,419.47	9,119,703.80	4,010,662.13	3,586,303.51	11,104,454.11	7,995,158.18
35	Chongqing International Trust Co., Ltd.	8,418,688.15	4,857,217.41	6,432,504.01	7,242,804.36	12,314,567.00	10,146,924.01	2,757,097.11	2,484,255.08
36	Huarong International Trust Co., Ltd.	6,497,171.33	4,637,146.32	7,226,941.76	4,511,926.28	6,854,367.96	6,987,868.47	7,645,780.34	2,717,159.97
37	SDIC Trust Co., Ltd.	993,646.45	1,264,413.97	12,478,188.29	15,787,250.71	10,201,823.56	16,928,497.14	4,461,579.67	1,533,792.98
38	Kunlun Trust Co., Ltd.	4,959,360.16	5,763,358.00	9,071,041.06	11,018,564.55	13,759,401.22	16,738,103.01	271,000.00	43,819.54
39	Bridge Trust Co., Ltd.	5,265,044.31	3,668,448.22	8,175,916.04	7,375,321.21	6,510,254.41	5,109,816.75	7,343,008.06	6,314,853.08

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net interest income/Operating Income		Net Profit Margin on Net Assets		Profit per Capita		Trust Assets	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	4.63%	4.31%	32.89%	38.32%	440.56	438.70	13,814,039.04	11,181,569.47
41	Zhongyuan Trust Co., Ltd.	5.75%	8.03%	29.12%	25.69%	464.44	369.98	12,966,217.03	11,914,242.36
42	Shaanxi International Trust Co., Ltd.	32.78%	24.75%	9.58%	9.25%	N/A	N/A	12,428,737.29	9,068,741.18
43	Xiamen International Trust Co., Ltd.	5.61%	8.22%	13.93%	21.43%	321.00	369.00	11,539,444.00	13,244,024.00
44	China Zhongtou Trust Co., Ltd.	13.95%	18.09%	15.04%	17.00%	334.72	425.82	10,060,290.13	9,819,195.10
45	Lujiazui International Trust Corporation Limited	0.81%	1.11%	14.95%	21.54%	173.76	201.37	9,556,429.82	6,755,671.60
46	Suzhou Trust Co., Ltd.	5.98%	11.66%	17.72%	16.05%	458.80	400.18	8,937,666.51	6,386,451.42
47	China Jingu International Trust Co., Ltd.	10.07%	15.92%	3.14%	10.36%	55.00	166.02	8,852,316.12	9,381,081.50
48	Daye Trust Co., Ltd.	13.61%	9.67%	30.84%	36.23%	308.59	256.83	8,673,298.11	5,228,599.72
49	Dalian Huaxin Trust Co., Ltd.	1.02%	2.04%	25.70%	21.04%	965.75	723.11	8,114,147.36	7,638,487.05
50	Zhongtai Trust Co., Ltd.	0.67%	2.25%	12.97%	13.58%	216.03	200.54	7,606,244.72	6,217,769.34
51	COFCO Trust Co., Ltd.	19.81%	21.65%	9.37%	8.10%	222.41	182.61	7,214,009.98	5,309,187.41
52	The National Trust Ltd.	0.42%	1.16%	10.21%	12.21%	115.49	202.75	7,144,293.84	4,251,543.51
53	Hunan Trust Co., Ltd.	4.18%	5.18%	23.87%	29.61%	414.00	463.00	6,751,447.00	6,643,824.00
54	Western Trust Co., Ltd.	5.06%	11.40%	11.78%	13.29%	125.90	136.41	6,519,083.37	5,113,744.90
55	China Minsheng Trust Co., Ltd.	12.73%	20.69%	8.68%	8.66%	116.06	62.72	6,376,692.77	3,902,603.65
56	Shanghai AJ Trust & Investment Co., Ltd.	26.78%	32.12%	13.45%	12.29%	282.59	270.43	6,030,599.49	3,887,838.89
57	Everbright Xinglong Trust Co., Ltd.	16.40%	10.17%	9.23%	15.03%	93.01	214.77	5,771,523.59	7,786,289.59
58	Wanxiang Trust Co., Ltd.	1.28%	10.58%	8.99%	5.25%	110.37	106.36	5,714,760.80	1,601,689.50
59	Zijin Trust Co., Ltd.	7.52%	8.04%	17.40%	18.08%	243.22	198.86	5,205,298.47	3,908,703.33
60	Shanxi Trust Corporation Ltd.	13.31%	3.49%	21.32%	16.58%	85.11	125.39	5,205,007.00	6,765,471.70
61	Dongguan Trust Co., Ltd.	9.14%	8.96%	14.11%	21.19%	271.22	321.08	4,382,573.17	4,132,508.62
62	Sino-Australian International Trust Co. Ltd.	10.38%	10.48%	16.14%	25.33%	84.00	160.00	4,375,830.49	5,117,844.45
63	Guolian Trust Co., Ltd.	7.69%	5.44%	14.48%	12.98%	498.87	429.84	4,351,445.00	4,485,387.00
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	1.52%	3.44%	32.15%	30.99%	285.00	259.05	2,840,661.00	2,263,260.00
65	Zheshangjinhui Trust Corporation Limited	2.77%	-5.61%	12.12%	10.43%	N/A	N/A	2,479,791.53	2,190,092.25
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	4.03%	6.62%	13.38%	16.86%	77.71	140.86	1,708,970.25	1,449,383.63
67	Huachen Trust Co., Ltd.	5.37%	7.41%	3.29%	1.27%	27.73	11.36	695,794.64	1,271,354.91
68	Jilin Province Trust Co., Ltd.	N/A	4.94%	N/A	13.11%	N/A	102.53	N/A	4,216,962.06

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Assembled-fund Trust		Single-fund Trust		Trust under Active Management		Trust under Passive Management	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	7,960,345.28	3,748,864.71	5,656,050.70	6,675,545.59	9,726,029.17	8,173,305.78	4,088,009.87	3,008,263.69
41	Zhongyuan Trust Co., Ltd.	4,334,615.06	2,276,519.67	8,223,080.59	9,227,253.61	7,956,897.17	9,614,885.84	5,009,319.86	2,299,356.52
42	Shaanxi International Trust Co., Ltd.	3,019,816.75	1,715,454.22	9,374,459.02	7,324,139.47	8,590,585.44	8,115,339.01	3,838,151.85	953,402.17
43	Xiamen International Trust Co., Ltd.	3,210,654.00	1,299,776.00	8,013,641.00	11,452,155.00	5,994,341.00	5,822,843.00	5,545,103.00	7,421,181.00
44	China Zhongtou Trust Co., Ltd.	3,684,972.57	2,640,472.06	4,358,228.26	5,885,247.05	5,070,042.46	4,502,507.26	4,990,247.67	5,316,687.81
45	Lujiazui International Trust Corporation Limited	3,674,338.02	1,926,105.48	5,882,091.80	4,829,566.12	6,045,254.52	3,370,978.79	3,511,175.30	3,384,692.81
46	Suzhou Trust Co., Ltd.	4,897,793.05	3,500,855.59	3,630,974.65	2,834,125.01	7,758,415.14	6,386,451.42	1,179,251.37	-
47	China Jingu International Trust Co., Ltd.	1,341,563.81	2,223,941.04	5,052,913.01	6,580,161.39	6,914,445.99	6,114,343.33	1,937,870.13	3,266,738.17
48	Daye Trust Co., Ltd.	4,815,029.05	2,856,096.21	3,484,867.44	1,750,867.73	2,711,030.45	2,755,345.58	5,962,267.67	2,473,254.13
49	Dalian Huaxin Trust Co., Ltd.	4,433,510.14	3,647,854.38	3,539,689.12	3,788,527.62	6,151,903.88	6,302,200.16	1,962,243.48	1,314,863.26
50	Zhongtai Trust Co., Ltd.	2,859,247.15	2,470,107.49	4,557,371.54	3,540,037.89	7,422,984.48	6,178,742.63	183,260.24	39,026.71
51	COFCO Trust Co., Ltd.	662,181.96	705,499.45	4,753,867.07	4,454,265.86	1,511,237.10	1,770,736.23	5,702,772.87	3,538,451.18
52	The National Trust Ltd.	1,333,787.55	1,004,278.28	5,810,506.29	3,247,165.23	1,423,747.03	1,164,217.99	5,720,546.81	3,087,325.52
53	Hunan Trust Co., Ltd.	2,288,518.00	1,828,966.00	4,447,789.00	4,798,473.00	5,097,418.00	5,538,235.00	1,654,029.00	1,105,589.00
54	Western Trust Co., Ltd.	994,322.42	898,909.26	5,523,636.78	4,213,711.54	3,071,351.36	4,327,644.90	3,447,732.01	786,100.00
55	China Minsheng Trust Co., Ltd.	2,016,607.81	951,084.43	3,845,867.53	2,806,723.34	2,876,672.75	933,378.41	3,500,020.02	2,969,225.24
56	Shanghai AJ Trust & Investment Co., Ltd.	2,540,320.17	1,574,221.43	3,153,831.75	1,891,637.64	2,387,627.18	2,273,851.20	3,642,972.31	1,613,987.69
57	Everbright Xinglong Trust Co., Ltd.	300,377.55	235,841.55	5,316,434.47	7,330,757.44	300,377.55	235,841.55	5,438,228.38	7,521,318.39
58	Wanxiang Trust Co., Ltd.	1,703,804.08	449,090.79	3,427,522.17	880,997.07	3,043,424.29	1,601,339.50	2,671,336.53	350.00
59	Zijin Trust Co., Ltd.	2,485,459.00	1,454,645.18	2,632,464.72	2,158,957.62	2,853,809.73	2,539,291.36	2,351,488.74	1,369,411.97
60	Shanxi Trust Corporation Ltd.	2,251,454.00	2,031,446.00	2,948,462.00	4,658,936.00	1,752,264.00	1,922,754.00	3,452,743.00	4,842,718.00
61	Dongguan Trust Co., Ltd.	3,001,061.96	2,737,888.83	1,326,122.33	1,349,476.17	3,405,872.81	3,635,990.45	-	-
62	Sino-Australian International Trust Co. Ltd.	1,473,696.00	1,570,940.00	2,902,135.00	3,499,121.00	1,699,260.00	1,923,490.00	2,676,571.00	3,194,354.00
63	Guolian Trust Co., Ltd.	1,456,007.00	2,290,234.00	2,890,821.00	2,190,536.00	2,686,959.00	3,241,846.00	1,664,486.00	1,243,541.00
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	2,668,077.00	1,993,929.00	172,584.00	269,331.00	2,742,142.00	2,050,313.00	98,519	212,947.00
65	Zheshangjinhui Trust Corporation Limited	863,709.00	724,734.63	1,570,582.19	1,375,857.41	1,756,186.31	1,776,440.97	723,605.22	413,651.28
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	291,303.43	354,485.32	1,084,065.95	1,094,898.31	410,804.82	474,485.94	1,298,165.43	974,897.69
67	Huachen Trust Co., Ltd.	373,403.06	553,091.31	322,391.58	718,263.60	661,268.86	971,449.77	34,525.78	299,905.14
68	Jilin Province Trust Co., Ltd.	N/A	809,350.00	N/A	2,873,783.00	N/A	3,148,568.00	N/A	1,068,394.00

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Trust for Wealth Management		Interest Income from Trust Assets		Non-interest Income from Trust Assets		Total Income from Trust Assets	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	22,630,179.23	9,807,020.13	2,518,383.14	2,172,580.38	3,160,949.46	1,146,249.01	5,679,332.60	3,318,829.39
2	Zhongrong International Trust Co., Ltd.	11,184,065.36	8,339,783.16	1,936,800.01	1,224,283.79	3,823,692.58	2,462,243.88	5,760,492.59	3,686,527.67
3	CCB Trust Co., Ltd.	4,647.50	14,547.10	2,449,519.67	994,567.13	1,876,558.67	634,685.34	4,326,078.34	1,629,252.47
4	China Industrial International Trust Limited	2,835,565.00	1,577,839.00	3,087,001.36	3,009,497.32	1,308,522.01	815,229.42	4,395,523.37	3,824,726.74
5	China Foreign Economy And Trade Trust Co., Ltd.	1,250,581.64	833,277.90	1,363,025.16	1,017,773.05	2,696,146.53	1,335,799.02	4,059,171.69	2,353,572.07
6	Hwabao Trust Co., Ltd.	913,487.66	399,894.93	1,372,861.51	965,515.26	1,855,590.23	491,558.15	3,228,451.74	1,457,073.41
7	China Resources SZITIC Trust Co., Ltd.	1,998,773.21	110,011.01	2,210,572.83	1,659,407.64	2,249,753.94	550,395.29	4,460,326.77	2,209,802.93
8	Huaneng Guicheng Trust Co., Ltd.	2,765,489.33	3,155,864.04	999,027.05	920,937.88	1,963,509.14	1,142,056.87	2,962,536.19	2,062,994.75
9	Ping An Trust Co., Ltd.	1,580,778.07	372,792.91	1,761,221.73	1,189,298.54	2,997,521.95	1,655,796.93	4,758,743.68	2,845,095.47
10	Bank of Communications International Trust Co., Ltd.	193,881.58	98,496.96	2,059,326.45	1,142,129.62	425,019.46	249,278.08	2,484,345.91	1,391,407.70
11	Shanghai International Trust Corp., Ltd.	1,808,814.88	224,707.26	1,317,134.85	844,263.61	810,836.84	387,287.97	2,127,971.69	1,231,551.58
12	Shangdong International Trust Corporation	1,668,461.08	1,801,782.83	1,573,894.50	1,336,403.33	1,153,726.60	679,160.35	2,727,621.10	2,015,563.68
13	Zhonghai Trust Co., Ltd.	1,651,233.00	374,938.00	715,480.48	563,580.25	1,272,833.03	485,599.03	1,988,313.51	1,049,179.28
14	China Credit Trust Co., Ltd.	5,972,725.65	3,768,242.88	894,973.12	899,890.78	2,033,021.27	849,040.74	2,927,994.39	1,748,931.52
15	Chang'an International Trust Co., Ltd.	1,756,805.14	3,621,104.62	1,744,389.09	1,222,188.43	828,510.59	1,010,226.52	2,572,899.68	2,232,414.95
16	AVIC Trust Co., Ltd.	476,577.87	431,862.24	1,729,658.59	1,163,699.79	544,176.58	370,020.26	2,273,835.17	1,533,720.05
17	Northern International Co., Ltd.	1,529,073.95	1,538,787.00	1,685,065.29	1,345,387.00	776,898.96	338,282.00	2,461,964.25	1,683,669.00
18	Yunnan International Trust Co., Ltd.	488,077.39	524,973.48	1,378,246.39	1,003,349.98	1,054,770.06	234,703.10	2,433,016.45	1,238,053.08
19	Sichuan Trust Co., Ltd.	-	239,852.53	1,026,700.25	836,155.56	1,553,570.78	1,070,552.35	2,580,271.03	1,906,707.91
20	Minmetals International Trust Co., Ltd.	408,897.85	424,212.24	801,288.24	509,009.51	1,293,990.70	903,341.44	2,095,278.94	1,412,350.95
21	Tebet Trust Co., Ltd.	-	-	712,253.74	473,692.20	777,860.04	359,271.58	1,490,113.78	832,963.78
22	Jiangxi International Trust Co., Ltd.	272,050.17	395,915.92	816,107.43	618,610.53	1,058,309.47	667,873.26	1,874,416.90	1,286,483.79
23	Bohai International Trust Co., Ltd.	955,590.25	867,867.80	1,416,108.98	1,092,287.09	351,930.60	388,085.04	1,768,039.58	1,480,372.13
24	China Railway Trust Co., Ltd.	3,125,797.00	656,977.00	755,869.00	607,247.00	1,095,870.00	738,274.00	1,851,739.00	1,345,521.00
25	Yingda International Trust Co., Ltd.	4,997,757.80	2,963,395.53	1,043,109.80	1,084,931.74	238,434.96	157,876.94	1,281,544.76	1,242,808.68
26	Guangdong Finance Trust Co., Ltd.	646,509.67	896,349.28	605,156.44	546,106.40	1,172,128.35	848,822.33	1,777,284.79	1,394,928.73
27	New China Trust Co., Ltd.	736,894.34	733,845.93	587,753.08	434,719.06	1,252,124.84	794,048.22	1,839,877.92	1,228,767.28
28	Jiangsu International Trust Co., Ltd.	-	19,895.62	605,055.94	439,486.23	376,034.97	166,132.81	981,090.91	605,619.04
29	New Times Trust Co., Ltd.	51,972.03	51,955.80	913,320.69	626,587.70	759,862.63	669,346.23	1,673,183.32	1,295,933.93
30	Anhui Guoyuan Trust Co., Ltd.	436,746.98	322,656.46	656,975.81	737,415.09	901,999.93	643,228.22	1,558,975.74	1,380,643.31
31	Beijing International Trust Co., Ltd.	2,916,062.77	1,684,807.13	501,068.54	373,745.08	1,135,218.13	434,432.98	1,636,286.67	808,178.06
32	China Fortune International Trust Co., Ltd.	1,010,002.55	1,010,000.02	659,092.75	519,610.06	931,788.28	594,928.61	1,590,881.03	1,114,538.67
33	Tianjin Trust Co., Ltd.	1,774,059.88	2,461,547.78	507,114.75	519,481.18	249,998.55	137,122.45	757,113.30	656,603.63
34	Anxin Trust & Investment Co., Ltd.	223,966.04	91,065.17	776,952.84	353,483.86	514,296.87	413,849.07	1,291,249.71	767,332.93
35	Chongqing International Trust Co., Ltd.	220,471.95	513,157.32	407,601.05	243,456.04	913,970.99	413,471.02	1,321,572.04	656,927.06
36	Huarong International Trust Co., Ltd.	776,035.21	555,955.84	709,384.15	502,207.36	743,676.70	270,408.07	1,453,060.85	772,615.43
37	SDIC Trust Co., Ltd.	1,191,568.49	1,410,625.44	1,102,826.17	980,996.21	366,093.32	256,682.03	1,468,919.49	1,237,678.24
38	Kunlun Trust Co., Ltd.	-	-	307,761.23	278,415.40	797,337.12	618,380.07	1,105,098.35	896,795.47
39	Bridge Trust Co., Ltd.	412,302.12	380,900.40	557,320.42	469,424.10	501,464.63	277,873.71	1,058,785.05	747,297.81

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net Profit of Trust Assets		Interest income /Total income		Non-interest income /Total income		Average Return of Trust	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	4,959,317.67	2,495,920.25	44.34%	65.46%	55.66%	34.54%	N/A	N/A
2	Zhongrong International Trust Co., Ltd.	4,769,348.87	2,895,175.54	33.62%	33.21%	66.38%	66.79%	0.80%	1.19%
3	CCB Trust Co., Ltd.	4,140,234.38	1,518,962.46	56.62%	61.04%	43.38%	38.96%	0.21%	0.25%
4	China Industrial International Trust Limited	3,910,478.24	3,278,829.76	70.23%	78.69%	29.77%	21.31%	N/A	N/A
5	China Foreign Economy And Trade Trust Co., Ltd.	3,741,000.75	2,081,460.78	33.58%	43.24%	66.42%	56.76%	0.44%	0.48%
6	Hwabao Trust Co., Ltd.	3,106,101.30	1,343,976.02	42.52%	66.26%	57.48%	33.74%	N/A	N/A
7	China Resources SZITIC Trust Co., Ltd.	4,172,637.89	1,931,926.00	49.56%	75.09%	50.44%	24.91%	N/A	0.80%
8	Huaneng Guicheng Trust Co., Ltd.	2,672,638.45	1,798,410.94	33.72%	44.64%	66.28%	55.36%	N/A	0.76%
9	Ping An Trust Co., Ltd.	4,135,616.29	2,495,270.05	37.01%	41.80%	62.99%	58.20%	0.84%	N/A
10	Bank of Communications International Trust Co., Ltd.	2,211,102.30	1,196,664.63	82.89%	82.08%	17.11%	17.92%	0.30%	0.41%
11	Shanghai International Trust Corp., Ltd.	1,930,533.24	1,068,385.30	61.90%	68.55%	38.10%	31.45%	0.62%	0.95%
12	Shandong International Trust Corporation	2,438,133.52	1,737,146.75	57.70%	66.30%	42.30%	33.70%	0.32%	0.38%
13	Zhonghai Trust Co., Ltd.	1,801,903.78	921,194.84	35.98%	53.72%	64.02%	46.28%	N/A	N/A
14	China Credit Trust Co., Ltd.	2,683,921.84	1,461,063.58	30.57%	51.45%	69.43%	48.55%	N/A	N/A
15	Chang'an International Trust Co., Ltd.	2,252,513.75	1,865,221.94	67.80%	54.75%	32.20%	45.25%	0.75%	1.00%
16	AVIC Trust Co., Ltd.	1,959,260.19	1,281,649.20	76.07%	75.87%	23.93%	24.13%	0.80%	0.92%
17	Northern International Co., Ltd.	2,230,334.82	1,422,405.00	68.44%	79.91%	31.56%	20.09%	0.37%	0.44%
18	Yunnan International Trust Co., Ltd.	2,191,217.87	1,055,386.16	56.65%	81.04%	43.35%	18.96%	0.21%	0.25%
19	Sichuan Trust Co., Ltd.	2,209,690.40	1,541,340.14	39.79%	43.85%	60.21%	56.15%	N/A	0.86%
20	Minmetals International Trust Co., Ltd.	1,787,068.41	1,132,019.52	38.24%	36.04%	61.76%	63.96%	0.72%	0.72%
21	Tebet Trust Co., Ltd.	1,360,331.34	735,304.92	47.80%	56.87%	52.20%	43.13%	0.14%	0.37%
22	Jiangxi International Trust Co., Ltd.	1,680,317.53	1,136,797.13	43.54%	48.09%	56.46%	51.91%	0.59%	0.80%
23	Bohai International Trust Co., Ltd.	1,556,684.96	1,217,935.84	80.09%	73.78%	19.91%	26.22%	0.50%	0.60%
24	China Railway Trust Co., Ltd.	1,676,873.00	1,166,834.00	40.82%	45.13%	59.18%	54.87%	0.80%	0.65%
25	Yingda International Trust Co., Ltd.	1,160,626.99	1,116,737.97	81.39%	87.30%	18.61%	12.70%	0.27%	0.43%
26	Guangdong Finance Trust Co., Ltd.	1,616,444.77	1,236,620.10	34.05%	39.15%	65.95%	60.85%	N/A	N/A
27	New China Trust Co., Ltd.	1,633,251.68	1,026,938.32	31.95%	35.38%	68.05%	64.62%	1.31%	2.19%
28	Jiangsu International Trust Co., Ltd.	893,816.54	531,241.60	61.67%	72.57%	38.33%	27.43%	0.52%	0.52%
29	New Times Trust Co., Ltd.	1,530,818.66	1,122,416.00	54.59%	48.35%	45.41%	51.65%	0.33%	0.34%
30	Anhui Guoyuan Trust Co., Ltd.	1,391,244.75	1,209,697.00	42.14%	53.41%	57.86%	46.59%	0.37%	0.57%
31	Beijing International Trust Co., Ltd.	1,428,582.90	596,392.13	30.62%	46.25%	69.38%	53.75%	N/A	N/A
32	China Fortune International Trust Co., Ltd.	1,430,892.04	1,008,273.08	41.43%	46.62%	58.57%	53.38%	0.41%	0.54%
33	Tianjin Trust Co., Ltd.	652,095.41	535,236.32	66.98%	79.12%	33.02%	20.88%	0.68%	1.24%
34	Anxin Trust & Investment Co., Ltd.	1,002,676.48	581,253.05	60.17%	46.07%	39.83%	53.93%	1.02%	1.10%
35	Chongqing International Trust Co., Ltd.	1,162,968.95	544,503.90	30.84%	37.06%	69.16%	62.94%	1.32%	0.81%
36	Huarong International Trust Co., Ltd.	1,270,606.74	631,323.99	48.82%	65.00%	51.18%	35.00%	N/A	N/A
37	SDIC Trust Co., Ltd.	1,343,324.90	1,086,244.49	75.08%	79.26%	24.92%	20.74%	0.25%	0.25%
38	Kunlun Trust Co., Ltd.	1,001,962.57	779,770.27	27.85%	31.05%	72.15%	68.95%	0.52%	0.63%
39	Bridge Trust Co., Ltd.	922,074.49	642,830.06	52.64%	62.82%	47.36%	37.18%	0.94%	0.91%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Trust for Wealth Management		Interest Income from Trust Assets		Non-interest Income from Trust Assets		Total Income from Trust Assets	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	197,643.06	757,159.17	556,961.48	349,268.19	750,978.95	538,067.77	1,307,940.43	887,335.96
41	Zhongyuan Trust Co., Ltd.	408,521.38	410,469.08	677,284.85	607,596.26	565,558.81	407,936.93	1,242,843.66	1,015,533.19
42	Shaanxi International Trust Co., Ltd.	34,461.52	29,147.49	321,566.29	262,176.06	667,362.36	513,590.14	988,928.65	775,766.20
43	Xiamen International Trust Co., Ltd.	315,149.00	492,093.00	700,053.00	749,937.00	638,148.00	374,396.00	1,338,201.00	1,124,333.00
44	China Zhongtuo Trust Co., Ltd.	2,017,089.30	1,293,475.99	564,759.81	350,104.02	207,974.23	198,196.07	772,734.04	548,300.09
45	Lujiazui International Trust Corporation Limited	-	-	402,466.15	272,496.12	302,266.23	232,713.31	704,732.38	505,209.43
46	Suzhou Trust Co., Ltd.	408,898.81	51,470.82	235,597.50	131,507.64	488,200.40	300,157.14	723,797.90	431,664.78
47	China Jingu International Trust Co., Ltd.	2,457,839.30	576,979.07	568,056.70	599,841.41	224,965.48	337,209.15	793,022.18	937,050.56
48	Daye Trust Co., Ltd.	373,401.62	621,635.78	297,014.84	158,149.53	428,279.56	251,612.12	725,294.40	409,761.65
49	Dalian Huaxin Trust Co., Ltd.	140,948.10	180,681.42	245,158.99	309,639.57	599,790.27	329,778.49	844,949.26	639,418.06
50	Zhongtai Trust Co., Ltd.	189,626.03	207,623.96	273,411.12	178,281.76	473,850.57	277,656.35	747,261.69	455,938.11
51	COFCO Trust Co., Ltd.	1,797,960.95	149,422.10	376,595.60	410,886.12	86,005.31	118,528.94	462,600.91	529,415.06
52	The National Trust Ltd.	-	100.00	363,810.89	74,213.84	216,935.20	81,170.02	580,746.09	155,383.86
53	Hunan Trust Co., Ltd.	15,140.00	16,385.00	560,648.00	468,361.00	149,816.00	185,260.00	710,464.00	653,621.00
54	Western Trust Co., Ltd.	1,124.17	1,124.10	206,925.61	186,042.18	264,903.89	246,437.64	471,829.50	432,479.82
55	China Minsheng Trust Co., Ltd.	514,217.63	144,795.88	336,388.75	58,405.68	244,378.39	22,591.00	580,767.14	80,996.68
56	Shanghai AJ Trust & Investment Co., Ltd.	336,447.57	421,979.82	224,314.41	129,278.32	263,912.14	143,490.90	488,226.55	272,769.22
57	Everbright Xinglong Trust Co., Ltd.	121,793.91	190,560.95	526,173.16	515,383.10	237,564.70	82,103.65	763,737.86	597,486.75
58	Wanxiang Trust Co., Ltd.	583,434.57	271,601.64	197,596.66	45,405.89	132,846.67	37,758.80	330,443.33	83,164.69
59	Zijin Trust Co., Ltd.	87,374.75	295,100.53	159,884.34	104,683.92	232,369.50	184,165.88	392,253.84	288,849.80
60	Shanxi Trust Corporation Ltd.	5,091.00	75,090.00	321,408.63	386,847.96	674,233.41	182,751.08	995,642.04	569,599.04
61	Dongguan Trust Co., Ltd.	55,388.88	45,143.62	141,057.52	150,072.01	268,307.84	187,612.43	409,365.36	337,684.44
62	Sino-Australian International Trust Co. Ltd.	-	47,783.00	439,836.05	210,582.32	44,715.53	135,103.12	484,551.58	345,685.44
63	Guolian Trust Co., Ltd.	4,617.00	4,617.00	195,926.00	220,519.00	227,602.00	182,373.00	423,528.00	402,892.00
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	-	-	62,375.00	68,746.00	241,285.00	144,082.00	303,660.00	212,828.00
65	Zheshangjinhui Trust Corporation Limited	45,500.34	89,500.21	213,348.78	138,079.83	41,953.39	40,851.17	255,302.17	178,931.00
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	333,600.87	-	117,390.86	47,225.77	9,226.82	5,788.37	126,617.68	53,014.14
67	Huachen Trust Co., Ltd.	-	-	101,425.84	146,185.70	5,783.33	20,435.32	107,209.17	166,621.02
68	Jilin Province Trust Co., Ltd.	N/A	480,615.00	N/A	83,267.86	N/A	359,706.59	N/A	442,974.45

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Net Profit of Trust Assets		Interest income /Total income		Non-interest income /Total income		Average Return of Trust	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	1,101,720.54	684,556.21	42.58%	39.36%	57.42%	60.64%	0.81%	0.91%
41	Zhongyuan Trust Co., Ltd.	1,071,480.34	877,095.44	54.49%	59.83%	45.51%	40.17%	0.93%	0.78%
42	Shaanxi International Trust Co., Ltd.	857,531.70	655,082.75	32.52%	33.80%	67.48%	66.20%	0.43%	0.48%
43	Xiamen International Trust Co., Ltd.	1,204,487.00	980,258.00	52.31%	66.70%	47.69%	33.30%	0.45%	0.50%
44	China Zhongtou Trust Co., Ltd.	654,372.23	468,498.23	73.09%	63.85%	26.91%	36.15%	N/A	N/A
45	Lujiazui International Trust Corporation Limited	564,187.16	392,827.47	57.11%	53.94%	42.89%	46.06%	0.79%	1.61%
46	Suzhou Trust Co., Ltd.	608,851.57	354,232.91	32.55%	30.47%	67.45%	69.53%	0.99%	1.70%
47	China Jingu International Trust Co., Ltd.	680,771.42	782,846.40	71.63%	64.01%	28.37%	35.99%	0.60%	0.86%
48	Daye Trust Co., Ltd.	618,847.88	330,158.82	40.95%	38.60%	59.05%	61.40%	0.76%	0.96%
49	Dalian Huaxin Trust Co., Ltd.	685,249.51	505,631.22	29.01%	48.43%	70.99%	51.57%	1.88%	1.47%
50	Zhongtai Trust Co., Ltd.	652,757.36	365,837.85	36.59%	39.10%	63.41%	60.90%	0.47%	0.60%
51	COFCO Trust Co., Ltd.	422,088.97	483,566.34	81.41%	77.61%	18.59%	22.39%	N/A	N/A
52	The National Trust Ltd.	494,021.71	102,643.52	62.65%	47.76%	37.35%	52.24%	0.53%	0.72%
53	Hunan Trust Co., Ltd.	604,430.00	548,828.00	78.91%	71.66%	21.09%	28.34%	1.00%	1.26%
54	Western Trust Co., Ltd.	419,459.96	373,125.72	43.86%	43.02%	56.14%	56.98%	0.69%	0.72%
55	China Minsheng Trust Co., Ltd.	527,150.05	64,980.44	57.92%	72.11%	42.08%	27.89%	0.63%	N/A
56	Shanghai AJ Trust&Investment Co., Ltd.	413,147.96	212,150.57	45.94%	47.39%	54.06%	52.61%	1.87%	1.85%
57	Everbright Xinglong Trust Co., Ltd.	719,220.04	551,976.46	68.89%	86.26%	31.11%	13.74%	0.36%	0.42%
58	Wanxiang Trust Co., Ltd.	286,933.46	71,509.25	59.80%	54.60%	40.20%	45.40%	N/A	N/A
59	Zijin Trust Co., Ltd.	334,411.58	248,786.30	40.76%	36.24%	59.24%	63.76%	0.59%	1.55%
60	Shanxi Trust Corporation Ltd.	934,009.42	476,116.73	32.28%	67.92%	67.72%	32.08%	0.63%	0.77%
61	Dongguan Trust Co., Ltd.	333,631.45	264,958.68	34.46%	44.44%	65.54%	55.56%	1.82%	1.70%
62	Sino-Australian International Trust Co. Ltd.	421,719.03	275,719.52	90.77%	60.92%	9.23%	39.08%	0.76%	0.75%
63	Guolian Trust Co., Ltd.	374,164.00	350,945.00	46.26%	54.73%	53.74%	45.27%	1.22%	1.04%
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	233,500.00	158,796.00	20.54%	32.30%	79.46%	67.70%	2.66%	3.44%
65	Zheshangjinhui Trust Corporation Limited	224,966.13	155,606.08	83.57%	77.17%	16.43%	22.83%	0.92%	0.94%
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	110,951.35	33,627.18	92.71%	89.08%	7.29%	10.92%	0.42%	0.53%
67	Huachen Trust Co., Ltd.	94,200.36	143,018.50	94.61%	87.74%	5.39%	12.26%	1.31%	1.08%
68	Jilin Province Trust Co., Ltd.	N/A	394,504.28	N/A	18.80%	N/A	81.20%	N/A	N/A

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Paid-in Trust		Net Trust Asset		Return on Principal of Trust		Return on Trust Asset	
		2014	2013	2014	2013	2014	2013	2014	2013
1	CITIC Trust Co., Ltd.	83,326,694.55	70,439,706.36	88,482,103.82	72,040,011.71	6.45%	3.90%	6.08%	3.78%
2	Zhongrong International Trust Co., Ltd.	66,662,287.14	45,496,660.72	70,077,622.58	47,496,000.99	8.50%	7.87%	8.02%	7.44%
3	CCB Trust Co., Ltd.	62,123,699.40	30,197,951.58	65,461,825.71	32,068,326.52	8.97%	4.79%	8.35%	4.49%
4	China Industrial International Trust Limited	64,470,189.97	56,328,644.46	65,012,721.98	56,448,243.09	6.47%	7.30%	6.43%	7.28%
5	China Foreign Economy And Trade Trust Co., Ltd.	52,092,594.52	30,928,562.07	53,966,217.72	31,527,195.91	9.01%	7.97%	8.69%	7.82%
6	Hwabao Trust Co., Ltd.	46,123,315.79	26,604,958.36	48,775,455.17	27,039,067.34	8.54%	5.65%	8.14%	5.55%
7	China Resources SZITC Trust Co., Ltd.	44,408,802.55	35,852,109.85	46,218,136.83	36,143,354.51	10.40%	7.13%	9.98%	7.01%
8	Huaneng Guicheng Trust Co., Ltd.	41,733,967.49	29,610,344.98	42,146,025.95	29,837,497.29	7.49%	7.68%	7.42%	7.62%
9	Ping An Trust Co., Ltd.	36,856,820.63	27,636,367.30	39,471,611.47	28,565,146.41	12.82%	10.44%	11.98%	9.93%
10	Bank of Communications International Trust Co., Ltd.	39,320,310.28	27,854,722.02	39,729,344.28	27,960,115.39	6.58%	5.50%	6.52%	5.47%
11	Shanghai International Trust Corp., Ltd.	38,362,854.25	19,091,960.63	38,547,058.98	19,172,637.36	6.72%	6.91%	6.67%	6.84%
12	Shandong International Trust Corporation	32,769,065.92	29,782,567.24	32,952,279.98	29,915,890.12	7.80%	7.16%	7.74%	7.10%
13	Zhonghai Trust Co., Ltd.	30,283,355.78	17,414,692.39	31,384,235.59	17,723,895.67	7.56%	6.16%	7.33%	6.07%
14	China Credit Trust Co., Ltd.	30,624,796.97	35,681,506.55	31,045,393.24	35,596,558.23	8.10%	4.68%	8.02%	4.65%
15	Chang'an International Trust Co., Ltd.	27,589,728.64	21,339,393.26	28,097,093.61	21,620,420.48	9.21%	8.68%	9.04%	8.57%
16	AVIC Trust Co., Ltd.	27,701,187.71	21,998,784.34	27,761,293.58	22,031,147.67	7.88%	7.15%	7.85%	7.11%
17	Northern International Co., Ltd.	26,771,156.06	29,026,921.00	27,306,754.72	29,387,942.00	7.99%	6.34%	7.85%	6.25%
18	Yunnan International Trust Co., Ltd.	26,442,266.77	22,401,782.01	26,963,154.05	22,464,766.27	8.97%	7.02%	8.85%	6.96%
19	Sichuan Trust Co., Ltd.	26,661,735.19	21,639,303.50	26,881,232.27	21,709,440.94	9.15%	8.76%	9.05%	8.67%
20	Minmetals International Trust Co., Ltd.	26,321,906.99	19,419,281.29	26,447,096.40	19,556,176.82	7.81%	7.24%	7.73%	7.16%
21	Tebet Trust Co., Ltd.	25,477,233.91	12,895,644.27	25,549,715.41	12,904,872.31	7.09%	7.85%	7.06%	7.84%
22	Jiangxi International Trust Co., Ltd.	21,258,590.33	16,685,512.83	21,929,473.84	16,739,773.65	8.86%	7.51%	8.68%	7.49%
23	Bohai International Trust Co., Ltd.	21,614,172.31	18,782,834.90	21,661,245.03	18,816,446.01	7.71%	8.46%	7.69%	8.44%
24	China Railway Trust Co., Ltd.	20,485,265.00	14,682,966.00	21,071,296.00	14,954,959.00	9.54%	9.35%	9.28%	9.11%
25	Yingda International Trust Co., Ltd.	21,043,757.80	21,023,250.35	21,046,622.51	21,026,163.11	5.52%	5.41%	5.52%	5.41%
26	Guangdong Finance Trust Co., Ltd.	19,121,871.46	22,270,174.78	19,766,790.77	22,929,232.89	7.81%	6.46%	7.57%	6.26%
27	New China Trust Co., Ltd.	17,694,800.21	16,229,653.70	17,745,786.64	16,213,742.01	9.63%	8.05%	9.37%	7.89%
28	Jiangsu International Trust Co., Ltd.	17,351,542.77	10,289,093.54	17,431,107.69	10,294,706.03	6.47%	5.95%	6.44%	5.92%
29	New Times Trust Co., Ltd.	16,521,857.09	15,787,531.42	16,708,109.82	15,829,725.92	9.48%	7.92%	9.40%	7.88%
30	Anhui Guoyuan Trust Co., Ltd.	16,328,240.70	18,986,983.49	16,400,546.23	19,053,265.50	7.88%	7.98%	7.84%	7.94%
31	Beijing International Trust Co., Ltd.	15,337,037.62	12,052,417.60	16,095,177.70	12,393,360.11	10.43%	5.10%	9.99%	4.81%
32	China Fortune International Trust Co., Ltd.	15,720,446.62	14,698,472.98	16,058,284.61	14,829,289.24	9.41%	8.69%	9.26%	8.62%
33	Tianjin Trust Co., Ltd.	15,227,034.70	9,820,723.98	15,425,824.64	9,933,229.63	5.21%	6.47%	5.14%	6.36%
34	Anxin Trust & Investment Co., Ltd.	15,045,104.09	11,550,570.76	15,100,649.20	11,577,726.79	7.54%	7.23%	7.51%	7.18%
35	Chongqing International Trust Co., Ltd.	14,745,895.77	12,512,201.55	14,933,626.08	12,426,892.75	8.53%	5.78%	8.40%	5.73%
36	Huarong International Trust Co., Ltd.	14,500,148.30	9,705,028.44	14,853,366.52	9,731,534.16	10.50%	7.56%	10.27%	7.49%
37	SDIC Trust Co., Ltd.	14,629,084.47	18,378,810.27	14,659,485.76	18,458,297.85	8.14%	7.20%	8.11%	7.17%
38	Kunlun Trust Co., Ltd.	14,030,401.22	16,781,922.55	14,113,919.09	16,821,089.49	6.50%	5.98%	6.46%	5.95%
39	Bridge Trust Co., Ltd.	13,553,837.44	11,230,338.04	13,513,042.37	11,218,961.95	7.44%	6.97%	7.30%	6.86%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Return on Net Trust Asset	
		2014	2013
1	CITIC Trust Co., Ltd.	6.18%	3.82%
2	Zhongrong International Trust Co., Ltd.	8.11%	7.49%
3	CCB Trust Co., Ltd.	8.49%	4.55%
4	China Industrial International Trust Limited	6.44%	7.29%
5	China Foreign Economy And Trade Trust Co., Ltd.	8.75%	7.86%
6	Hwabao Trust Co., Ltd.	8.19%	5.57%
7	China Resources SZITC Trust Co., Ltd.	10.13%	7.07%
8	Huaneng Guicheng Trust Co., Ltd.	7.43%	7.63%
9	Ping An Trust Co., Ltd.	12.16%	10.14%
10	Bank of Communications International Trust Co., Ltd.	6.53%	5.47%
11	Shanghai International Trust Corp., Ltd.	6.69%	6.87%
12	Shandong International Trust Corporation	7.76%	7.11%
13	Zhonghai Trust Co., Ltd.	7.34%	6.09%
14	China Credit Trust Co., Ltd.	8.05%	4.67%
15	Chang'an International Trust Co., Ltd.	9.06%	8.59%
16	AVIC Trust Co., Ltd.	7.87%	7.13%
17	Northern International Co., Ltd.	7.87%	6.26%
18	Yunnan International Trust Co., Ltd.	8.87%	6.98%
19	Sichuan Trust Co., Ltd.	9.10%	8.72%
20	Minmetals International Trust Co., Ltd.	7.77%	7.18%
21	Tebet Trust Co., Ltd.	7.08%	7.84%
22	Jiangxi International Trust Co., Ltd.	8.69%	7.49%
23	Bohai International Trust Co., Ltd.	7.69%	8.44%
24	China Railway Trust Co., Ltd.	9.31%	9.19%
25	Yingda International Trust Co., Ltd.	5.52%	5.41%
26	Guangdong Finance Trust Co., Ltd.	7.57%	6.27%
27	New China Trust Co., Ltd.	9.62%	8.05%
28	Jiangsu International Trust Co., Ltd.	6.45%	5.96%
29	New Times Trust Co., Ltd.	9.41%	7.88%
30	Anhui Guoyuan Trust Co., Ltd.	7.85%	7.95%
31	Beijing International Trust Co., Ltd.	10.03%	4.83%
32	China Fortune International Trust Co., Ltd.	9.27%	8.63%
33	Tianjin Trust Co., Ltd.	5.14%	6.37%
34	Anxin Trust & Investment Co., Ltd.	7.52%	7.20%
35	Chongqing International Trust Co., Ltd.	8.50%	5.82%
36	Huarong International Trust Co., Ltd.	10.34%	7.54%
37	SDIC Trust Co., Ltd.	8.11%	7.17%
38	Kunlun Trust Co., Ltd.	6.48%	5.96%
39	Bridge Trust Co., Ltd.	7.46%	6.96%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Paid-in Trust		Net Trust Asset		Return on Principal of Trust		Return on Trust Asset	
		2014	2013	2014	2013	2014	2013	2014	2013
40	Founder BEA Trust Co., Ltd.	13,328,657.48	11,062,734.02	13,397,539.68	11,126,565.49	9.03%	7.52%	8.82%	7.40%
41	Zhongyuan Trust Co., Ltd.	12,845,461.84	11,753,829.76	12,925,632.71	11,887,985.18	8.71%	8.91%	8.61%	8.79%
42	Shaanxi International Trust Co., Ltd.	12,162,800.66	8,960,317.55	12,414,898.13	9,055,082.43	8.12%	6.89%	7.98%	6.83%
43	Xiamen International Trust Co., Ltd.	11,304,349.00	13,189,264.00	11,518,024.00	13,224,642.00	9.84%	8.02%	9.72%	7.99%
44	China Zhongtou Trust Co., Ltd.	9,977,949.22	9,768,533.58	10,048,763.64	9,802,086.41	6.63%	6.63%	6.58%	6.60%
45	Lujiazui International Trust Corporation Limited	9,468,760.54	6,725,634.00	9,550,656.57	6,751,965.34	6.97%	8.29%	6.92%	8.25%
46	Suzhou Trust Co., Ltd.	8,849,793.48	6,264,007.46	8,921,043.73	6,307,553.53	8.06%	7.58%	7.95%	7.45%
47	China Jingu International Trust Co., Ltd.	8,767,211.38	9,311,356.21	8,842,294.30	9,362,435.86	7.53%	8.05%	7.47%	8.00%
48	Daye Trust Co., Ltd.	8,507,717.43	5,174,704.93	8,616,139.07	5,219,955.81	9.05%	8.13%	8.90%	8.03%
49	Dalian Huaxin Trust Co., Ltd.	7,853,718.46	7,479,022.60	8,092,922.75	7,597,321.70	8.94%	7.77%	8.70%	7.61%
50	Zhongtai Trust Co., Ltd.	7,568,927.56	6,169,000.64	7,592,056.62	6,188,731.34	9.50%	7.87%	9.44%	7.80%
51	COFCO Trust Co., Ltd.	7,192,925.40	5,279,396.99	7,211,083.51	5,296,655.17	6.77%	5.48%	6.74%	5.46%
52	The National Trust Ltd.	7,106,130.17	4,173,531.63	7,135,497.99	4,242,423.24	8.76%	3.64%	8.67%	3.59%
53	Hunan Trust Co., Ltd.	6,624,492.00	6,567,178.00	6,694,291.00	6,621,688.00	9.16%	9.44%	9.02%	9.31%
54	Western Trust Co., Ltd.	6,417,827.46	5,013,032.28	6,490,259.57	5,082,103.56	7.34%	9.24%	7.21%	9.07%
55	China Minsheng Trust Co., Ltd.	6,173,110.15	3,890,847.83	6,367,915.05	3,902,415.52	10.48%	3.34%	10.26%	3.33%
56	Shanghai AJ Trust & Investment Co., Ltd.	5,846,067.51	3,789,265.94	5,912,561.97	3,775,617.23	8.58%	7.05%	8.33%	6.88%
57	Everbright Xinglong Trust Co., Ltd.	5,738,605.93	7,757,159.94	5,747,486.71	7,771,426.50	10.66%	7.03%	10.61%	7.01%
58	Wanxiang Trust Co., Ltd.	5,688,813.51	1,589,257.10	5,711,754.38	1,601,550.44	7.88%	7.69%	7.84%	7.63%
59	Zijin Trust Co., Ltd.	5,165,027.70	3,870,364.97	5,200,134.73	3,899,817.68	7.40%	8.12%	7.34%	8.02%
60	Shanxi Trust Corporation Ltd.	4,729,270.68	6,724,815.07	5,177,359.06	6,759,424.23	16.31%	8.30%	15.61%	8.24%
61	Dongguan Trust Co., Ltd.	4,283,665.09	4,082,382.57	4,375,496.11	4,121,677.95	7.98%	7.26%	7.84%	7.19%
62	Sino-Australian International Trust Co. Ltd.	4,350,580.29	5,064,215.50	4,363,944.07	5,085,756.04	8.96%	7.96%	8.88%	7.89%
63	Guolian Trust Co., Ltd.	4,173,397.00	4,375,463.00	4,280,384.00	4,467,216.00	8.75%	9.47%	8.47%	9.26%
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	2,807,066.00	2,222,251.00	2,811,814.00	2,241,849.00	9.29%	8.69%	9.15%	8.48%
65	Zheshangjinhui Trust Corporation Limited	2,435,078.11	2,161,274.47	2,471,360.63	2,187,567.56	9.79%	9.78%	9.63%	9.64%
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	1,694,300.56	1,446,988.56	1,691,937.13	1,449,300.31	7.06%	3.94%	7.03%	3.93%
67	Huachen Trust Co., Ltd.	660,780.00	1,232,930.00	677,595.86	1,253,549.58	9.95%	10.01%	9.58%	9.79%
68	Jilin Province Trust Co., Ltd.	N/A	4,163,748.00	N/A	4,164,900.11	N/A	9.17%	N/A	9.05%

Appendix I : Financial data on trust sector for the year of 2014

(Prepared based on 2014 annual reports of trust companies)

expressed in RMB 10,000

Ranking	Company Name (ranked by scale of trust asset)	Return on Net Trust Asset	
		2014	2013
40	Founder BEA Trust Co., Ltd.	8.98%	7.45%
41	Zhongyuan Trust Co., Ltd.	8.64%	8.84%
42	Shaanxi International Trust Co., Ltd.	7.99%	6.84%
43	Xiamen International Trust Co., Ltd.	9.74%	8.01%
44	China Zhongtou Trust Co., Ltd.	6.59%	6.61%
45	Lujiazui International Trust Corporation Limited	6.92%	8.25%
46	Suzhou Trust Co., Ltd.	8.00%	7.54%
47	China Jingu International Trust Co., Ltd.	7.48%	8.02%
48	Daye Trust Co., Ltd.	8.95%	8.06%
49	Dalian Huaxin Trust Co., Ltd.	8.73%	7.66%
50	Zhongtai Trust Co., Ltd.	9.47%	7.85%
51	COFCO Trust Co., Ltd.	6.75%	5.47%
52	The National Trust Ltd.	8.68%	3.59%
53	Hunan Trust Co., Ltd.	9.08%	9.36%
54	Western Trust Co., Ltd.	7.25%	9.10%
55	China Minsheng Trust Co., Ltd.	10.27%	3.33%
56	Shanghai AJ Trust & Investment Co., Ltd.	8.53%	7.11%
57	Everbright Xinglong Trust Co., Ltd.	10.64%	7.02%
58	Wanxiang Trust Co., Ltd.	7.85%	7.63%
59	Zijin Trust Co., Ltd.	7.35%	8.07%
60	Shanxi Trust Corporation Ltd.	15.65%	8.25%
61	Dongguan Trust Co., Ltd.	7.85%	7.20%
62	Sino-Australian International Trust Co. Ltd.	8.93%	7.94%
63	Guolian Trust Co., Ltd.	8.55%	9.29%
64	Hangzhou Industrial & Commercial Trust Co., Ltd.	9.24%	8.55%
65	Zheshangjinhui Trust Corporation Limited	9.66%	9.66%
66	Xin Jiang Great Wall Xin Sheng Trust Co., LTD	7.06%	3.93%
67	Huachen Trust Co., Ltd.	9.76%	20.17%
68	Jilin Province Trust Co., Ltd.	N/A	9.16%

Term	Definition
Operating income	Including net interest income, net commission income, net investment income and other incomes
Net interest income	The interest income net of interest expense
Net fee and commission income	It's the fee and commission income less related expenses which includes all expenses related to the trust company in the financial statements, and which would be presented under general and administrative expenses in the financial statements of some trust companies.
Net profit	Total profits less income tax (exclusive of the net profit of the parent company)
Net fee and commission income/ operating income	The proportion of net fee and commisssion income in operating income
Net interest income/operating income	The proportion of net interest income in operating income
Net profit margin on net assets	Net profit divided by the average of the beginning and the ending net assets in a period
Net interest income from trust assets	Interst income from trust assets less interest expense of trust assets
Income per capita	Net profit divided by the number of employee at the end of a period
Non-interest income from trust assets	Total income from trust assets less net interest income
Income from trust assets	Including interest income, non-interest income and other incomes generated by trust assets
Net profit from trust assets	Total income from trust assets less total expenses (i.e. profit from trusts net of asset loss)
Interest income from trust assets / total income from trust assets	The proportion of interest income in total income from trust assets
Non-interest income from trust assets /total income from trust assets	The proportion of non-interest income in total income from trust assets
Paid-in trust	The initial principal invested by clients of trust assets
Return on trust asset	Net profit of trust assets divided by the average of total trust assets at the beginning and the end of a period
Return on principal of trusts	Net profit of trust assets divided by the average of paid-in trust at the beginning and the end of a period
Net trust asset	Total trust asset less trust liabilities
Return on net trust asset	Net profit of trust assets divided by net trust asset at the end of a priod

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