

The forecast consolidated net profit attributable to shareholders of our Bank for the year ending December 31, 2006 is set out in the section headed “Financial Information — Profit Forecast for the Year Ending December 31, 2006”.

**(A) Bases and assumptions**

Our Directors have prepared the forecast consolidated net profit attributable to shareholders of our Bank for the year ending December 31, 2006 on the basis of the audited consolidated results of the Group for the three months ended March 31, 2006, the unaudited results of the Group for the three months ended June 30, 2006 and a forecast of the consolidated results of the Group for the remaining six months ending December 31, 2006. The forecast has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by our Group as set out in the Accountants’ Report dated September 8, 2006, the text of which is set out in Appendix I to this prospectus, and on the following principal assumptions:

- (a) There will be no material changes in the existing political, legal, fiscal, market or economic conditions in the mainland China, Hong Kong, or any other country or territory in which we currently operate or which are otherwise material to our business.
- (b) There will be no changes in the legislation, regulations or rules in the mainland China, Hong Kong or any other country or territory in which we operate or with which we have arrangements or agreements, which materially adversely affect our business.
- (c) There will be no material changes in inflation rates, interest rates and foreign exchanges rates from those currently prevailing.
- (d) There will be no material change in the bases or applicable rates of income tax, business tax, surcharges and other government levies in the mainland China, Hong Kong or any other country or territory in which we operate, except as otherwise mentioned.
- (e) There will be no tariff reduction that would have a material adverse impact on the Group’s business and operating activities.
- (f) There will be no war, military incident or natural disaster that would have a material impact on the Group’s business and operating activities.
- (g) The Group’s operations will not be adversely affected by occurrences such as labor shortages and disputes, or any other factors outside the control of its management. In addition, the Group will be able to recruit enough employees to meet its operating requirements during the forecast period.
- (h) The PRC Government will continue to adopt a moderate macroeconomic policy similar to that of 2005, in order to maintain steady economic development. The annual GDP growth rate is expected to be consistent with that of 2005.

**(B) Letters**

Set out below is the text of the letters from the independent reporting accountants, KPMG, Certified Public Accountants, Hong Kong and from the Joint Sponsors for the purpose of incorporation in this prospectus in connection with the Group’s profit forecast for the year ending December 31, 2006.



8th Floor  
Prince's Building  
10 Chater Road  
Central  
Hong Kong

September 8, 2006

The Directors  
China Merchants Bank Co., Ltd.  
China Merchants Bank Tower No. 7088  
Shennan Boulevard  
People's Republic of China

China International Capital Corporation (Hong Kong) Limited  
UBS AG

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast consolidated net profit attributable to shareholders of China Merchants Bank Co., Ltd. (the "Bank") for the year ending December 31, 2006 (the "Forecast") as set out in the section headed "Financial Information — Profit Forecast for the Year Ending December 31, 2006" in the prospectus dated September 8, 2006 issued by the Bank (the "Prospectus"). The Directors of the Bank are solely responsible for the preparation of the Forecast.

The Forecast has been prepared by the Directors based on the audited consolidated results of the Bank and its subsidiary (hereinafter collectively referred to as the "Group") for the three months ended March 31, 2006, the unaudited results of the Group for the three months ended June 30, 2006 and a forecast of the consolidated results of the Group for the remaining six months ending December 31, 2006.

In our opinion, so far as the accounting policies and calculations are concerned, the Forecast has been properly compiled on the bases and assumptions made by the Directors as set out in Part A of Appendix V to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies currently adopted by the Group as set out in our Accountants' Report dated September 8, 2006, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,  
**KPMG**  
*Certified Public Accountants*  
Hong Kong, China



CHINA INTERNATIONAL CAPITAL  
CORPORATION (HONG KONG) LIMITED

*CICC*

**Suite 2307, 23<sup>rd</sup> Floor**  
**One International Finance Centre**  
**1 Harbour View Street**  
**Central, Hong Kong**



**UBS** Investment  
Bank

**52<sup>nd</sup> Floor,**  
**Two International Finance Centre**  
**8 Finance Street**  
**Central, Hong Kong**

September 8, 2006

The Directors  
China Merchants Bank Co., Ltd.

Dear Sirs

We refer to the forecast of the consolidated net profit attributable to shareholders of China Merchants Bank Co., Ltd. (the “**Bank**”) for the year ending December 31, 2006 (the “**Profit Forecast**”) as set out in the prospectus issued by the Bank dated September 8, 2006 (the “**Prospectus**”).

We have discussed with you the bases and assumptions made by the directors of the Bank as set out in Appendix V to the Prospectus upon which the Profit Forecast has been made. We have also considered the letter dated September 8, 2006 addressed to yourselves and ourselves from KPMG, Certified Public Accountants, Hong Kong, regarding the accounting policies and calculations upon which the Profit Forecast has been made.

On the basis of the information comprising the Profit Forecast and on the basis of the accounting policies and calculations adopted by you and reviewed by KPMG, Certified Public Accountants, Hong Kong, we are of the opinion that the Profit Forecast, for which you as directors of the Bank are solely responsible, has been made after due and careful enquiry.

Yours faithfully

For and on behalf of  
**China International Capital Corporation**  
**(Hong Kong) Limited**  
YANG Changpo  
Managing Director

For and on behalf of  
**UBS AG**  
Wang Ren  
Director

For and on behalf of  
**UBS AG**  
Tim Cen  
Director