

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中國工商銀行股份有限公司

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

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

(Stock Code: 1398)

ANNOUNCEMENT OF THE RESOLUTIONS OF THE BOARD OF DIRECTORS

AND

ANNOUNCEMENT REGARDING POSSIBLE PRIVATISATION OF INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

A meeting of the board of directors (the “**Meeting**”) of Industrial and Commercial Bank of China Limited (the “**Bank**”) was held at the Bank’s head office in Beijing and Industrial and Commercial Bank of China (Asia) Limited in Hong Kong concurrently by way of video conference on 28 July 2010. There were 15 directors eligible for attending the Meeting and all of the 15 directors attended the Meeting in person. Mr. Leung Kam Chung, Antony and Mr. Xu Shanda attended the Meeting via teleconference. Mr. Qian Yingyi appointed Mr. Xu Shanda to attend the Meeting and exercise the voting right on his behalf. Sir Malcolm Christopher McCarthy appointed Mr. Wong Kwong Shing, Frank to attend the Meeting and exercise the voting right on his behalf. The Meeting was convened in compliance with the provisions of the laws, administrative rules and regulations and the Articles of Association of Industrial and Commercial Bank of China Limited (the “**Articles**”).

Mr. Yang Kaisheng, Vice Chairman, presided over the Meeting as proxy for Mr. Jiang Jianqing, Chairman. The attending directors considered and passed the following proposals:

1. Proposed Rights Issue of A Shares and H Shares by Industrial and Commercial Bank of China Limited

Voting result of this proposal: 15 valid votes, 15 voted in favour of this proposal, 0 voted against and 0 abstained from voting.

In order to ensure its continuous business development, to enhance its overall competitiveness and its capability to combat risks and to promote sustainable profitability, the Bank proposes to allot and issue both new A shares (“**A Rights Shares**”) and new H shares (“**H Rights Shares**”) to existing shareholders (the “**Rights Issue**”), and apply for the listing of such shares, in order to strengthen the capital base of the Bank.

In accordance with the relevant requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance of Securities by Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulations, the Bank satisfies the requirements for the issue of new rights shares to its existing shareholders. Details of the proposal in respect of the Rights Issue by the Bank are as follows:

(1) Types and nominal value of securities to be issued

The types of securities to be issued by the Bank pursuant to the Rights Issue are A Shares and H Shares, which have a nominal value of RMB1.00 each.

(2) Proportion and number of shares to be issued

The proportion of shares to be issued pursuant to the Rights Issue will be up to 0.6 rights shares (the “**Rights Shares**”) for every ten (10) existing shares of the Bank in issue. The ratio of Rights Issue for the A Shares and the H Shares shall be the same. The final ratio of the Rights Issue shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders' meetings. The Rights Issue of A Shares (the “**A Share Rights Issue**”) will be sold by selling agents on behalf of the Bank and the Rights Issue of H Shares (the “**H Share Rights Issue**”) will proceed on a fully underwritten basis.

The number of shares to be issued pursuant to the A Share Rights Issue and H Share Rights Issue shall be determined based on the total number of A Shares in issue after market closes on the record date set for determining entitlements to the A Share Rights Issue (the “**A Share Record Date**”) and the total number of H Shares in issue on the record date set for determining entitlements to the H Share Rights Issue (the “**H Share Record Date**”), respectively. On the basis of 334,018,850,026 shares of the Bank in issue as at 28 July 2010, it is expected to allot and issue no more than 20,041,131,000 shares (comprising no more than 15,057,740,883 A Shares and no more than 4,983,390,117 H Shares) in total. The final number of shares to be issued pursuant to the Rights Issue shall be determined by the Board prior to the Rights Issue in accordance with the proportion of shares to be issued and the share capital structure of the Bank after market closes on the record date and pursuant to the authorisation of the shareholders' meetings.

(3) Subscription price and the basis for price determination

The subscription price for the Rights Shares to be offered pursuant to the Rights Issue (the “**Subscription Price**”) is to be determined based on a discount to market price having regard to market conditions and the trading prices of the A Shares and the H Shares on the secondary markets before the publication of the issue announcement, provided that the Subscription Price will not be lower than the most recent audited net asset value per share of the Bank before the Rights Issue as determined by a domestic auditor in accordance with the Accounting Standards for Business Enterprises of the People's Republic of China. The final Subscription Price shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders' meetings.

The Subscription Prices of the A Rights Shares and H Rights Shares shall be the same after exchange rate adjustment.

(4) Target subscribers for the Rights Issue

The target subscribers of A Shares to be offered in the A Share Rights Issue shall be all the holders of A Shares of the Bank as set out in the register of members after market closes on the A Share Record Date, and the target subscribers of H Shares to be offered in the H Share Rights Issue shall be all the qualified holders of H Shares as determined on the H Share Record Date.

(5) Amount and use of proceeds

It is expected that the gross proceeds of the Rights Issue will be no more than RMB45.0 billion. The final amount of gross proceeds shall be determined by the Board based on the Subscription Price and number of Rights Shares to be issued at the time of the Rights Issue and pursuant to the authorisation of the shareholders' meetings. All the proceeds raised from the Rights Issue, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank.

(6) Effective period of the resolutions

The effective period of the resolutions on the proposed Rights Issue shall be 12 months starting from the date on which the resolutions are approved by the shareholders' general meeting, the class meeting of the holders of A Shares (the "**A Shareholders Class Meeting**") and the class meeting of the holders of H Shares (the "**H Shareholders Class Meeting**") of the Bank.

(7) Authorisation for the Rights Issue

To ensure smooth implementation of the Rights Issue, it will be proposed at the shareholders' meetings to authorise the Board, and the Board will then delegate the authority to the Chairman, the Vice Chairman and the President of the Bank, to jointly exercise the full power to handle matters relating to the Rights Issue under the framework and principles as deliberated and adopted by the shareholders at the shareholders' meetings and within the effective period of the resolutions in respect of the Rights Issue. The contents and scope of such authorisation shall include but not be limited to the following:

1. to complete such procedures as application, examination and approval, registration, filing, obtaining clearance and consents with or from relevant domestic or overseas regulatory authorities, agencies and exchanges in connection with the Rights Issue;

2. to formulate and implement the final plan for the Rights Issue, including but not limited to, determining the timing of the issue, the proportion and the number of Rights Shares to be issued, the Subscription Price, the amount of proceeds and all other relevant matters relating to the Rights Issue and, based on actual circumstances, market conditions, changes in policies and opinions of the regulatory authorities and exchanges, to adjust the proposal in respect of the Rights Issue accordingly;
3. to execute, amend, deliver and implement all relevant agreements, contracts and documents relating to the Rights Issue (including but not limited to sponsorship and underwriting agreements, agreements relating to the proceeds from the issuance, announcement or circulars);
4. upon completion of the Rights Issue, to handle matters related to the listing of the relevant shares on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited;
5. upon completion of the Rights Issue, to amend the relevant provisions of the Articles relating to the Rights Issue and the registered capital of the Bank based on the status of implementation of the Rights Issue, and to deal with matters in relation to the approval of and the filing with approval authorities or the administration for industry and commerce of such amendments, the approval by and the registration with approval authorities or the administration for industry and commerce of the change in the registered capital; and
6. to deal with other matters relating to the Rights Issue.

All members of the board of directors shall be informed promptly upon completion of the above items.

This proposal shall be submitted to the shareholders' general meeting, the A Shareholders Class Meeting and the H Shareholders Class Meeting of the Bank for consideration. The implementation of the Rights Issue is subject to the consideration of and approval from relevant regulatory authority(ies).

2. Proposal in respect of the Arrangements for the Accumulated Undistributed Profits of the Bank prior to the Completion of the Rights Issue Rights Issue of A Shares and H Shares

Voting result of this proposal: 15 valid votes, 15 voted in favour of this proposal, 0 voted against and 0 abstained from voting.

Upon completion of the A Share Rights Issue and the H Share Rights Issue, the accumulated undistributed profits of the Bank prior to the completion of the Rights Issue shall be shared by all shareholders of the Bank on a pro-rata basis based on their respective shareholding after completion of the Rights Issue.

This proposal shall be submitted to the shareholders' general meeting of the Bank for consideration.

3. Proposal in respect of the Feasibility Analysis Report of Industrial and Commercial Bank of China Limited on Use of Proceeds from the Rights Issue of A Shares and H Shares

Voting result of this proposal: 15 valid votes, 15 voted in favour of this proposal, 0 voted against and 0 abstained from voting.

All the proceeds raised from the Rights Issue, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank in order to strengthen the Bank's capability to combat risks and promote sustainable development, support the continuous and rapid development of the Bank's businesses and promote the steady growth of its profitability and return to its shareholders.

This proposal shall be submitted to the shareholders' general meeting of the Bank for consideration.

4. Proposal in respect of the Report of Industrial and Commercial Bank of China Limited on Utilisation of Proceeds from Previous Issuances

Voting result of this proposal: 15 valid votes, 15 voted in favour of this proposal, 0 voted against and 0 abstained from voting.

This proposal shall be submitted to the shareholders' general meeting of the Bank for consideration.

5. Proposal on Convening the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010

Voting result of this proposal: 15 valid votes, 15 voted in favour of this proposal, 0 voted against and 0 abstained from voting.

The second extraordinary general meeting of 2010, the first A Shareholders Class Meeting of 2010 and the first H Shareholders Class Meeting of 2010 are proposed to be held on 15 September 2010 in Beijing. Details will be set out in the notices of the second extraordinary general meeting of 2010, the first A Shareholders Class Meeting of 2010 and the first H Shareholders Class Meeting of 2010 to be published separately by the Bank.

A privatisation proposal (which comprises an offer solely in cash) in respect of Industrial and Commercial Bank of China (Asia) Limited was also considered and passed at the Meeting. Relevant details of this proposal is subject to the review by relevant authorities and a further announcement will be made after being approved by relevant authorities. In accordance with Rule 3.8 of The Codes on Takeovers and Mergers and Share Repurchases (the "**Takeovers Code**"), associates of the Bank are hereby reminded to disclose their dealings in the securities of Industrial and Commercial Bank of China (Asia) Limited pursuant to the requirements of the Takeovers Code.

**The Board of Directors of
Industrial and Commercial Bank of China Limited**

Beijing, PRC
28 July 2010

As at the date of this announcement, the board of directors comprises Mr. JIANG Jianqing, Mr. YANG Kaisheng and Ms. WANG Lili as executive directors, Mr. HUAN Huiwu, Mr. GAO Jianhong, Ms. LI Chunxiang, Mr. LI Jun, Mr. LI Xiwen and Mr. WEI Fusheng as non-executive directors, Mr. LEUNG Kam Chung, Antony, Mr. QIAN Yingyi, Mr. XU Shanda, Mr. WONG Kwong Shing, Frank, Sir Malcolm Christopher McCARTHY and Mr. Kenneth Patrick CHUNG as independent non-executive directors.

The directors of the Bank jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and that there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”