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BANK OF CHINA

中國銀行股份有限公司
BANK OF CHINA LIMITED

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

(Stock Code: 3988 and 4601 (Preference Shares))

Announcement on Distribution of Dividends on Offshore Preference Shares

I. The Meeting of the Board of Directors Approving the Dividend Distribution Plan of Offshore Preference Shares

The Proposal regarding the Non-public Issuance of Offshore Preference Shares of Bank of China Limited was considered and approved at the 2013 Annual General Meeting of the Bank, which authorized the Board of Directors of the Bank to decide and handle relevant matters relating to the payment of dividends to the holders of Offshore Preference Shares in accordance with the issuance proposal. The dividend distribution plan of Offshore Preference Shares was considered and approved at the meeting of the Board of Directors of the Bank on 28 August 2018. Please refer to the announcement on resolutions of the Board of Directors of the Bank published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Bank (www.boc.cn).

II. The Dividend Distribution Plan of Offshore Preference Shares

1. Dividend period: From and including 23 October 2017 to but excluding 23 October 2018
2. Record date: 22 October 2018
3. Dividend payment date: 23 October 2018
4. Recipients: Holders of Offshore Preference Shares of the Bank whose names appear on the register of members maintained by The Bank of New York Mellon SA/NV, Luxembourg Branch, at the close of business of the Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on 22 October 2018.

5. Amount to be paid and tax deductions: Under the terms and conditions of the Offshore Preference Shares (the “**Terms**”), the dividend rate for the Offshore Preference Shares prior to the first reset date is 6.75 per cent per annum (after tax). According to the tax laws and regulations of the People’s Republic of China, when the Bank distributes dividends on the Offshore Preference Shares to holders who are overseas non-resident enterprises, the Bank shall withhold the enterprise income tax at a rate of 10%. Under the Terms, the Bank shall bear the tax. The Bank shall distribute dividends of approximately USD487 million in total (before tax), of which approximately USD439 million (after tax) will be distributed to the holders of Offshore Preference Shares.

III. Measures for the Implementation of the Dividend Distribution Plan of Offshore Preference Shares

The Bank shall instruct The Bank of New York Mellon, London Branch as the payment agent to pay dividends on the Offshore Preference Shares to the holders of Offshore Preference Shares whose names appear on the register of members at the close of business on the record date or at their instructions. While the Offshore Preference Shares of the Bank are held through Euroclear and Clearstream, Luxembourg, the only holder of the Offshore Preference Shares whose name would appear on the register of members of the Bank is The Bank of New York Depository (Nominees) Limited in its capacity as the common depository for Euroclear and Clearstream, Luxembourg. The Bank’s dividend payment obligations under the Terms shall be regarded as having discharged once The Bank of New York Mellon, London Branch pays dividends to The Bank of New York Depository (Nominees) Limited or at its instructions. The ultimate investors should consult their respective custodians or intermediaries in relation to any queries on the subsequent transmission of the dividends from the clearing systems to the ultimate investors.

**The Board of Directors of
Bank of China Limited**

Beijing, PRC
15 October 2018

As at the date of this announcement, the directors of the Bank are: Chen Siqing, Liu Liange, Zhao Jie, Li Jucai*, Xiao Lihong*, Wang Xiaoya*, Liao Qiang*, Lu Zhengfei#, Leung Cheuk Yan#, Wang Changyun# and Angela Chao#.*

* *Non-executive Directors*

Independent Non-executive Directors