
DEFINITIONS AND CONVENTIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.

“CBRC”	China Banking Regulatory Commission
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“CEPA”	The Mainland and Hong Kong Closer Economic Partnership Arrangement, and the Mainland and Macau Closer Economic Partnership Arrangement
“China,” “PRC” and “Mainland China”	The People’s Republic of China, excluding, for purposes of this prospectus, the Hong Kong Special Administrative Region of the PRC, or Hong Kong, the Macau Special Administrative Region of the PRC, or Macau, and Taiwan
“CIRC”	China Insurance Regulatory Commission
“COSO”	The Committee of Sponsoring Organizations of the Treadway Commission
“CSRC”	China Securities Regulatory Commission
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Huarong”	China Huarong Asset Management Corporation
“Huijin”	Central SAFE Investments Limited, previously known as China SAFE Investments Limited
“IAS”	International Accounting Standards and their interpretations
“IFRS”	International Financial Reporting Standards promulgated by the International Accounting Standards Board (“IASB”), which include IAS
“MOF”	Ministry of Finance of the PRC
“NAO”	National Audit Office of the PRC
“NDRC”	National Development and Reform Commission of the PRC

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“Net Capital Base”	Core capital and supplementary capital of a bank less deductions, in each case, as specified in the relevant CBRC regulations
“PBOC”	People’s Bank of China
“PRC GAAP”	The accounting rules and regulations in the PRC, currently consisting of the Accounting Standards for Business Enterprises, the Accounting System for Financial Institutions (2001) and other related regulations, including Caikui (2005) No. 14 “Provisional Guidelines on Recognition and Measurement of Financial Instruments”
“SAFE”	State Administration of Foreign Exchange of the PRC
“SAIC”	State Administration of Industry and Commerce of the PRC
“SAT”	State Administration of Taxation of the PRC
“SSF”	National Council for Social Security Fund of the PRC
“State Council”	The PRC State Council

In this prospectus, the “Company,” “we,” “us,” “our,” “our bank” and “our company” refer to either or both of Industrial and Commercial Bank of China Limited and our predecessor, Industrial and Commercial Bank of China, as applicable, and, except as the context may otherwise require, the subsidiaries of Industrial and Commercial Bank of China Limited and of our predecessor, Industrial and Commercial Bank of China.

References to “controlling shareholder” mean any shareholder or other person or group of persons together entitled to exercise, or control the exercise of, 30% (or such other amount as may from time to time be specified in applicable PRC law as being the level for triggering a mandatory general offer or for otherwise establishing legal or management control over a business enterprise) or more of the voting power at our general meetings or who is in a position to control the composition of a majority of our board of directors.

For the purposes of this prospectus, we use the terms “impaired loans,” “non-performing loans” or “NPLs” synonymously to refer to the loans identified as “identified impaired loans and advances” in Note 16 to our financial information included in the Accountants’ Report in Appendix I to this prospectus.

References to the “Selling Shareholders” mean (i) the MOF and (ii) Huijin.

References to the “Latest Practicable Date” mean October 3, 2006, which is the latest practicable date for the purposes of ascertaining certain information for inclusion in this prospectus.

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In this prospectus, we define the geographical regions of China to which we refer for the purpose of describing our branch network and presenting certain results of operations and financial condition as follows:

<u>Geographical regions</u>	<u>Tier-1 branches</u>	
“Yangtze River Delta”	<ul style="list-style-type: none"> ● Shanghai Municipality ● Zhejiang Province 	<ul style="list-style-type: none"> ● Jiangsu Province ● City of Ningbo
“Pearl River Delta”	<ul style="list-style-type: none"> ● Guangdong Province ● Fujian Province 	<ul style="list-style-type: none"> ● City of Shenzhen ● City of Xiamen
“Bohai Rim”	<ul style="list-style-type: none"> ● Beijing Municipality ● Hebei Province ● City of Qingdao 	<ul style="list-style-type: none"> ● Tianjin Municipality ● Shandong Province
“Central China”	<ul style="list-style-type: none"> ● Shanxi Province ● Hubei Province ● Jiangxi Province ● Hunan Province 	<ul style="list-style-type: none"> ● Henan Province ● Anhui Province ● Hainan Province
“Northeastern China”	<ul style="list-style-type: none"> ● Liaoning Province ● Jilin Province 	<ul style="list-style-type: none"> ● Heilongjiang Province ● City of Dalian
“Western China”	<ul style="list-style-type: none"> ● Sichuan Province ● Guizhou Province ● Yunnan Province ● Ningxia Autonomous Region ● Inner Mongolia Autonomous Region ● Guangxi Autonomous Region 	<ul style="list-style-type: none"> ● Gansu Province ● Qinghai Province ● Chongqing Municipality ● Xinjiang Autonomous Region ● Shaanxi Province

Solely for your convenience, this prospectus contains translations of certain Renminbi amounts into Hong Kong dollars, Renminbi amounts into U.S. dollars, and Hong Kong dollars into U.S. dollars at specific rates. You should not construe these translations as representations that the Renminbi amounts could actually be converted into any Hong Kong dollar or U.S. dollar amounts (as the case may be) at the rates indicated or at all. Unless we indicate otherwise, the translations of Renminbi into Hong Kong dollars, Renminbi into U.S. dollars and Hong Kong dollars into U.S. dollars have been made at the rates of RMB1.0154 to HK\$1.00, the exchange rate set by the PBOC for foreign exchange transactions prevailing on September 29, 2006, and RMB7.9040 to US\$1.00 and HK\$7.7907 to US\$1.00, the noon buying rates in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on October 3, 2006. Further information on exchange rates is set forth in “Appendix VI—Taxation and Foreign Exchange.”

Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.