

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated October 16, 2006 (the “**Prospectus**”) issued by Industrial and Commercial Bank of China Limited.*



中国工商银行

INDUSTRIAL AND COMMERCIAL BANK OF CHINA

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)

EXERCISE OF OVER-ALLOTMENT OPTION IN THE A SHARE OFFERING

The Company announces that the over-allotment option in connection with the A Share Offering has been exercised in full on 16 November 2006 by the joint sponsors (lead underwriters) of the A Share Offering in respect of an aggregate of 1,950,000,000 A shares, representing approximately 15% of the A shares initially available under the A Share Offering.

The over-allotment option (or the **Greenshoe**) in respect of the initial public offering of A shares (the **A Share Offering**) of Industrial and Commercial Bank of China Limited (the **Issuer**) was exercised on 16 November 2006. Implementation of the Greenshoe in the A Share Offering was as follows:

1. Over-allocation in the A Share Offering

On 24 October 2006, the joint sponsors (lead underwriters) over-allocated 1.95 billion shares, representing 15% of the initial size of the A Share Offering, to investors at the offering price of the A Share Offering. The aggregate offering size after over-allocation is 14.95 billion shares. All of the over-allocated shares were placed to investors in the public offering of A shares.

2. Exercise of the over-allotment option

During the period between commencement of trading of the A Share Offering (27 October 2006) to 16 November 2006, China International Capital Corporation Limited, the lead underwriter responsible for exercising the Greenshoe, did not purchase any shares in respect of the A Share Offering from the centralised trading market. From 16 November 2006, China International Capital Corporation Limited will not use the proceeds from sale of the over-allocated shares for the purchase of shares in the A Share Offering from the centralised trading market.

On 16 November 2006, the joint sponsors (lead underwriters) exercised the over-allotment option in full, pursuant to which the Issuer allotted 1.95 billion shares at the offering price of the A Share Offering of RMB3.12, representing 15% of the initial size of the A Share Offering. As a result, the Issuer's proceeds from the A Share Offering have been increased by RMB6.084 billion and, together with the amount of RMB40.56 billion raised for the initial issue of 13 billion A shares, the aggregate amount of proceeds raised amounted to RMB46.644 billion. After deducting relevant expenses, the aggregate net proceeds to the Issuer from the A Share Offering is RMB45.579 billion.

The over-allotted shares were registered under the share accounts of the strategic investors who are subject to deferred settlement on 16 November 2006. 50% of the shares issued to the strategic investors (including those subject to deferred settlement) will be subject to a lock-up commencing from the date of listing (27 October 2006) for 12 months and the remaining 50% will be subject to a lock-up for 18 months.

After the exercise of the over-allotment option in the A Share Offering, the final offering size of the A Share Offering is 14.95 billion shares, and the offering structure is as follows: the placement of 5.76922 billion shares to strategic investors of A shares, representing 38.59% of the A Share Offering; the placement of 2.35 billion shares to institutional investors who have participated in the price consultation process, representing 15.72% of the A Share Offering; and the public offering of 6.83078 billion shares, representing 45.69% of the A Share Offering.

3. Changes to the share capital structure before and after the exercise of the over-allotment option in the A Share Offering

The shareholding structure of the Issuer before and after the exercise of the A share over-allotment option is as follows:

Name of Shareholder	Nature of Shares	No. of Shares Before the Exercise	Ratio (%)	No. of Shares After the Exercise	Ratio (%)
Ministry of Finance of the PRC	A shares	118,006,174,032	35.5367	118,006,174,032	35.3292
Central SAFE Investments Limited	A shares	118,006,174,032	35.5367	118,006,174,032	35.3292
Other A share shareholders	A shares	13,000,000,000	3.9148	14,950,000,000	4.4758
National Council for Social Security Fund of the PRC	H shares	18,172,114,559	5.4724	18,172,114,559	5.4404
Other H share shareholders	H shares	64,884,387,403	19.5394	64,884,387,403	19.4254
Total		332,068,850,026	100	334,018,850,026	100

Note: Shares held by the Ministry of Finance of the PRC and Central SAFE Investments Limited can be converted into H shares with the approval of the China Securities Regulatory Commission or the securities approval authorities authorized by the State Council.

4. Use of proceeds from the issue of the over-allotment shares

The net proceeds of approximately RMB5.944 billion from the issue of the over-allotment shares will be used by the Issuer to strengthen its capital base.

By order of the board of
Industrial and Commercial Bank of China Limited
Dr. Pan Gongsheng
Company Secretary

Hong Kong, November 17, 2006

Our directors are Mr. JIANG Jianqing, Mr. YANG Kaisheng, Mr. ZHANG Furong, and Mr. NIU Ximing as executive directors, Mr. FU Zhongjun, Mr. KANG Xuejun, Mr. SONG Zhigang, Mr. WANG Wenyan, Ms. ZHAO Haiying, Mr. ZHONG Jian'an, and Mr. Christopher A. COLE as non-executive directors, Mr. LEUNG Kam Chung, Antony, Mr. John L. THORNTON, and Mr. QIAN Yingyi as independent non-executive Directors.

Please also refer to the published version of this announcement in South China Morning Post.