

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following words and expressions have the following meanings.

“10 Key Regions”	Beijing Municipality, Fujian Province, Guangdong Province, Jiangsu Province, Liaoning Province, Shandong Province, Shanghai Municipality, City of Shenzhen, Tianjin Municipality and Zhejiang Province
“40 Key Cities”	Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Dongguan, Foshan, Fuzhou, Guangzhou, Hangzhou, Harbin, Hefei, Jinan, Kunming, Lanzhou, Nanchang, Nanjing, Nantong, Ningbo, Qingdao, Quanzhou, Shanghai, Shaoxing, Shenyang, Shenzhen, Shijiazhuang, Suzhou, Taiyuan, Tianjin, Urumqi, Wenzhou, Wuhan, Wuxi, Xi’an, Xiamen, Yantai, Zhengzhou, Zhongshan and Zhuhai
“A Share Offering”	the proposed offering of not more than 10,000,000,000 A Shares and raising not more than RMB20,000 million by the Company to the public in the PRC
“A Share(s)”	Domestic Share(s) listed on a PRC stock exchange and denominated in Renminbi
“ABC”	Agricultural Bank of China (中國農業銀行)
“ADB”	Asian Development Bank
“AFH”	Asia Financial Holdings Pte. Ltd.
“ATM”	automated teller machine
“Application Form(s)”	white application form(s) and yellow application form(s) or, where the context requires, any of them
“Articles of Association”	the articles of association of our bank, adopted on March 28, 2006
“Authoritative Interpretative Bodies”	the International Financial Reporting Interpretations Committee and other relevant accounting standards interpretative bodies
“B Share(s)”	share(s) listed on a PRC stock exchange and denominated in foreign currencies
“Banking Ordinance”	the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Bank Secrecy Act”	the United States Bank Secrecy Act of 1970, as amended
“Big Four”	ABC, CCB, ICBC and our bank

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“BOCHK”	Bank of China (Hong Kong) Limited (中國銀行(香港)有限公司), a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of BOCHK Holdings
“BOCHK (BVI)”	BOC Hong Kong (BVI) Limited
“BOCHK Group”	BOC Hong Kong (Group) Limited (中銀香港(集團)有限公司)
“BOCHK Holdings”	BOC Hong Kong (Holdings) Limited (中銀香港(控股)有限公司), a company incorporated under the laws of Hong Kong, in which we hold a 65.88% interest and the ordinary shares of which are listed on the Hong Kong Stock Exchange
“BOC Hong Kong Group”	BOCHK Holdings and its intermediate holding companies, BOCHK Group and BOCHK (BVI)
“BOCG Insurance”	Bank of China Group Insurance Company Limited (中銀集團保險有限公司)
“BOCG Investment”	Bank of China Group Investment Limited (中銀集團投資有限公司)
“BOCG Life”	BOC Group Life Assurance Company Limited (中銀集團人壽保險有限公司)
“BOCI”	BOC International Holdings Limited (中銀國際控股有限公司)
“BOCI Asia”	BOCI Asia Limited (中銀國際亞洲有限公司)
“BOCI China”	BOC International (China) Limited (中銀國際證券有限責任公司)
“BOCI Group”	BOCI and its subsidiaries and associated companies
“BOCI-Prudential”	BOCI-Prudential Asset Management Limited (中銀國際英國保誠資產管理有限公司)
“Board” or “Board of Directors”	the board of directors of our bank
“Board of BOCHK”	the board of directors of BOCHK
“Board of Supervisors”	the supervisory committee of our bank established pursuant to the PRC Company Law, as described in “Directors, Supervisors, Senior Management and Employees”
“Bohai Rim Economic Zone”	the area including, for the purpose of this prospectus, Beijing Municipality, Tianjin Municipality, Hebei Province, Shandong Province and our head office
“CBRC”	China Banking Regulatory Commission (中國銀行業監督管理委員會)

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“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Broker Participant”	a person admitted to participate in CCASS as a broker participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person or persons admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Broker Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“CCB”	China Construction Bank Corporation (中國建設銀行股份有限公司) and its predecessors
“CDM”	cash deposit machine
“CEPA”	the Mainland and Hong Kong Closer Economic Partnership Arrangement
“CIRC”	China Insurance Regulatory Commission (中國保險監督管理委員會)
“CNAO”	National Audit Office of the PRC (中華人民共和國審計署)
“CRS”	customer recycle system, which combines the functions of ATM and CDM
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Central and Southern China”	the area including, for the purpose of this prospectus, Henan Province, Hubei Province, Hunan Province, Guangdong Province, Guangxi Autonomous Region and Hainan Province
“China Orient”	China Orient Asset Management Corporation (中國東方資產管理公司), an asset management company established by the PRC Government for management and disposal of non-performing loans acquired from PRC commercial banks
“Cinda”	China Cinda Asset Management Corporation (中國信達資產管理公司), an asset management company established by the PRC Government for management and disposal of non-performing loans acquired from PRC commercial banks

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“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Connected Transactions”	as defined under Chapter 14A of the Hong Kong Listing Rules
“Corporate Governance Guidelines”	the Corporate Governance Guidelines for Joint Stock Commercial Banks (《股份制商業銀行公司治理指引》), as enacted by the PBOC on June 4, 2002 and effective on the same date
“Corporate Investors”	means the persons named in the section headed “Our Strategic and Other Investors — Our Corporate Investors” who have agreed to subscribe for an aggregate of approximately HK\$17,521 million of H Shares at the Offer Price
“Derivative Business Measures”	the Provisional Administrative Measures on Derivative Business of Financial Institutions (《金融機構衍生產品交易業務管理暫行辦法》), as enacted by the CBRC on February 4, 2004 and effective on March 1, 2004
“Director(s)”	the director(s) of our bank
“domestic operations”	unless otherwise indicated, the operations of our head office (including the treasury operations conducted in Hong Kong by our global markets department) and its branches and outlets in the PRC
“Domestic Shares”	ordinary shares issued by our bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid in Renminbi
“Eastern China”	the area including, for the purpose of this prospectus, Shanghai Municipality, Jiangsu Province, Zhejiang Province, Anhui Province, Fujian Province, Jiangxi Province and Shandong Province
“Euros” or “EUR”	the lawful currency of the member states of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992)
“FSMA”	Financial Services and Markets Act 2000
“Foreign Shares”	ordinary shares issued by our bank, with a nominal value denominated in Renminbi, which are subscribed for in a currency other than Renminbi
“Foreign-Invested Financial Institutions Regulations”	the PRC Administrative Regulations on Foreign-Invested Financial Institutions (《中華人民共和國外資金融機構管理條例》)

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	and the Implementing Rules of the PRC Administrative Regulations on Foreign-Invested Financial Institutions (《中華人民共和國外資金融機構管理條例實施細則》), as enacted by the State Council on December 20, 2001 and by the CBRC on July 26, 2004, respectively, and effective on February 1, 2002 and September 1, 2004, respectively, as amended, supplemented or otherwise modified from time to time
“GDP”	gross domestic product (all references to GDP growth rates are real as opposed to nominal rates of GDP growth)
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.
“Guidelines on Bank of China and China Construction Bank”	the Guidelines on the Corporate Governance Reforms and Supervision of Bank of China and China Construction Bank (《關於中國銀行、中國建設銀行治理改革與監管指引》), as promulgated by the CBRC on March 11, 2004, as superceded by the Guidelines on the Corporate Governance and Supervision of State-owned Commercial Banks, as promulgated by the CBRC, effective April 24, 2006
“H Shares”	ordinary shares of our bank, with a nominal value of RMB1.00 each, which are to be listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards promulgated by the HKICPA which include Hong Kong Accounting Standards and their interpretations
“HKGAAP”	generally accepted accounting principles in Hong Kong
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKMA Guidelines”	the Financial Disclosure by Locally Incorporated Authorized Institutions guideline and New Hong Kong Accounting Standards: Impact on Interim Financial Disclosure guideline issued by the HKMA
“HKSCC”	Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)
“HKSCC Nominees”	HKSCC Nominees Limited (香港中央結算(代理人)有限公司)
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC

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“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Monetary Authority” or “HKMA”	The Hong Kong Monetary Authority (香港金融管理局)
“Hong Kong Offer Shares”	the 1,278,430,000 Offer Shares initially being offered for subscription in the Hong Kong Public Offering (subject to adjustment as described in “Structure of the Global Offering”)
“Hong Kong Public Offering”	the offer for subscription of Offer Shares in Hong Kong (subject to adjustment as described in “Structure of the Global Offering”) at the Offer Price (plus brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee) and on and subject to the terms and conditions described in this prospectus and the Application Forms, as further described in “Structure of the Global Offering — The Hong Kong Public Offering”
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited (香港聯合交易所有限公司)
“Hong Kong Underwriters”	the Underwriters listed in “Hong Kong Underwriters” under “Underwriting”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated on or about May 17, 2006 relating to the Hong Kong Public Offering entered into among us, the Joint Global Coordinators and the Hong Kong Underwriters
“Huijin”	Central SAFE Investments Limited (中央匯金投資有限責任公司)
“IAS 39”	International Accounting Standard 39 “Financial Instruments: Recognition and Measurement” and its interpretations by the IASB
“IASB”	the International Accounting Standards Board
“ICBC”	Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司) and its predecessors
“IFRS”	International Financial Reporting Standards promulgated by the IASB, which include International Accounting Standards and their interpretations
“Information Disclosure Measures”	the Provisional Measures on the Information Disclosure of Commercial Banks (《商業銀行信息披露暫行辦法》), as enacted by the PBOC on May 21, 2002 and effective on the same date

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“Internal Control Guidelines”	the Internal Control Guidelines for Commercial Banks (《商業銀行內部控制指引》), as enacted by the PBOC on September 18, 2002 and effective on the same date
“International Offering”	the offer of certain Offer Shares outside the United States (including to institutional and professional investors in Hong Kong (other than to retail investors in Hong Kong) and a public offering without listing to investors, including retail investors, in Japan), and in the United States to QIBs as defined in Rule 144A, as further described in “Structure of the Global Offering — The International Offering”
“International Offering Shares”	a total of 24,290,160,000 H Shares initially being offered under the International Offering, subject to adjustment and the Over-Allotment Option
“International Purchase Agreement”	the international purchase agreement relating to the International Offering, expected to be entered into between our bank and the Joint Global Coordinators as the representatives of the International Purchasers on or about May 24, 2006
“International Purchasers”	the group of initial purchasers led by BOCI Asia, Goldman Sachs and UBS (in alphabetical order) that is expected to enter into the International Purchase Agreement to underwrite the International Offering
“Japanese yen”	the lawful currency of Japan
“Joint Bookrunners”	BOCI Asia, Goldman Sachs and UBS (in alphabetical order)
“Joint Global Coordinators”	BOCI Asia, Goldman Sachs and UBS (in alphabetical order)
“Joint Sponsors”	BOCI Asia, Goldman Sachs and UBS (in alphabetical order)
“Joint Stock Reform Plan”	Master Implementation Plan for the Joint Stock Reform approved by the State Council on December 30, 2003
“Latest Practicable Date”	May 2, 2006, being the latest practicable date for the purposes of ascertaining certain information contained in this prospectus
“LIBOR”	London Inter-Bank Offered Rate
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange
“Listing Date”	the date, expected to be on or about June 1, 2006, on which our H Shares are first listed and from which dealings therein are permitted to take place on the Hong Kong Stock Exchange

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“Loan Classification Principles”	the Guiding Principles on the Classification of Loan Risk Management (《貸款風險分類指導原則》) as promulgated by the PBOC on December 24, 2001 and effective on January 1, 2002
“MPF”	Hong Kong Mandatory Provident Fund Schemes
“Macau”	the Macau Special Administrative Region of the PRC
“Mandatory Provisions”	the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》), for inclusion in the articles of association of companies incorporated in the PRC to be listed overseas, which were promulgated by the PRC Securities Commission and the State Restructuring Commission on August 27, 1994, as amended and supplemented from time to time
“Market Risk Management Guidelines”	the Guidelines on Market Risk Management of Commercial Banks (《商業銀行市場風險管理指引》), as promulgated by the CBRC on December 29, 2004 and effective on March 1, 2005
“Ministry of Finance” or “MOF”	the PRC Ministry of Finance (中華人民共和國財政部), which is responsible for the administration of state revenues and expenditures, financial and taxation policies and overall supervision of financial institutions
“NDRC”	National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“Net Regulatory Capital”	both core capital and supplementary capital, less certain deductions (including equity investments in other banks and enterprises, and investments in real estate not for self-use)
“New Capital Adequacy Regulations”	the Administrative Measures on the Capital Adequacy Ratio of Commercial Banks (《商業銀行資本充足率管理辦法》), as promulgated by the CBRC on February 23, 2004 and effective on March 1, 2004
“Northeastern China”	the area including, for the purpose of this prospectus, Heilongjiang Province, Jilin Province and Liaoning Province
“Northern China”	the area including, for the purpose of this prospectus, Beijing Municipality, Tianjin Municipality, Hebei Province, Shanxi Province, Inner Mongolia Autonomous Region and our head office
“NPC” or “National People’s Congress”	the PRC National People’s Congress (全國人民代表大會)
“OCC”	the Office of the Comptroller of the Currency of the United States Department of the Treasury

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“OFAC”	the Office of Foreign Assets Control of the United States Department of the Treasury
“Offer Price”	the final Hong Kong dollar price per Hong Kong Offer Share (exclusive of brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee) at which Hong Kong Offer Shares are to be subscribed, to be determined in the manner described in “Structure of the Global Offering”
“Offer Shares”	the H Shares offered in the Global Offering, including any H Shares to be sold pursuant to the exercise of the Over-Allotment Option
“Operational Risk Control Circular”	the Circular on Strengthening Control of Operational Risk (《關於加大防範操作風險工作力度的通知》) as issued by the CBRC on March 22, 2005 and effective on the same date
“Our bank”, the “Company”, the “Group”, “we”, and “us”	Bank of China Limited (中國銀行股份有限公司) or its predecessors and, except where the context otherwise requires, all of the subsidiaries of Bank of China Limited
“Over-Allotment Option”	the option to be granted by us to the International Purchasers, exercisable by the Joint Global Coordinators on behalf of the International Purchasers for up to 30 days from the last day for lodging of applications under the Hong Kong Public Offering, to require us to issue and sell up to an aggregate of 3,835,288,000 additional H Shares as described in “Underwriting”
“overseas operations”	unless otherwise indicated, the operations of our branches and subsidiaries in Hong Kong, Macau and other overseas locations and their branches and subsidiaries, some of which are located in the PRC
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“Pearl River Delta”	the area including, for purposes of this prospectus only, Guangdong Province, Fujian Province and City of Shenzhen
“PRC”, “China” or “Chinese Mainland”	the People’s Republic of China, excluding, for purposes of this prospectus only, Hong Kong, Macau and Taiwan
“PRC Banking Regulatory Law”	the PRC Banking Regulatory Law (《中華人民共和國銀行業監督管理法》), which was enacted by the Standing Committee of the Eleventh NPC on December 27, 2003 and effective on February 1, 2004
“PRC Commercial Banking Law”	the Commercial Banking Law of the PRC (《中華人民共和國商業銀行法》), as enacted by the Standing Committee of the

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	Eighth NPC on May 10, 1995 and effective on July 1, 1995, as amended, supplemented or otherwise modified from time to time
“PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as enacted by the Standing Committee of the Eighth NPC on December 29, 1993 and effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time
“PRC GAAP”	Accounting Standards for Business Enterprises and the Accounting System for Financial Institutions of the PRC
“PRC Government” or “State”	the central government of the PRC including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
“PRC People’s Bank of China Law”	the Law of the People’s Bank of China (《中華人民共和國中國人民銀行法》), as enacted by the Eighth NPC on March 18, 1995 and effective on the same date, as amended, supplemented or otherwise modified from time to time
“PRC Securities Law”	the Securities Law of the PRC (《中華人民共和國証券法》), as enacted by the Ninth NPC on December 29, 1998 and effective on July 1, 1999, as amended, supplemented or otherwise modified from time to time
“Pre-Global Offering Share Capital”	our outstanding share capital before the completion of the Global Offering
“Price Determination Date”	the date, expected to be on or around May 24, 2006 but, in any event, not later than May 29, 2006 on which the Offer Price will be fixed
“Provision Guidelines”	the Guidelines regarding the Loan Loss Provisions of Banks (《銀行貸款損失準備計提指引》), as promulgated by the PBOC on April 2, 2002 and effective on January 1, 2002
“QIBs”	qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act
“RBS Bank”	The Royal Bank of Scotland plc
“RBS China”	RBS China Investments S.à r.l.
“RBS Group”	The Royal Bank of Scotland Group plc
“Regulation S”	Regulation S under the U.S. Securities Act
“Related Party Transactions Measures”	the Administrative Measures on Transactions with Insiders and Shareholders of Commercial Banks

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(《商業銀行與內部人和股東關聯交易管理辦法》), as promulgated by the CBRC on April 2, 2004 and effective on May 1, 2004

“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAIC”	State Administration for Industry and Commerce (中華人民共和國國家工商行政管理總局)
“SARS”	Severe Acute Respiratory Syndrome
“SCMP”	South China Morning Post
“SFC”	the Securities and Futures Commission of Hong Kong (香港證券及期貨事務監察委員會)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SSF”	National Council for Social Security Fund (全國社會保障基金理事會)
“Securities and Futures (Stock Market Listing) Rules”	the rules governing listings and listed companies under the Securities and Futures Ordinance, as promulgated by the SFC on April 1, 2003 and effective on the same date
“Shares”	ordinary shares in the capital of our bank with a nominal value of RMB1.00 each, comprising Domestic Shares, Unlisted Foreign Shares and H Shares
“Special Regulations”	the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) issued by the State Council of the PRC on August 4, 1994, as amended, supplemented or otherwise modified from time to time
“Stabilizing Manager”	Goldman Sachs (Asia) L.L.C.
“State Administration of Foreign Exchange” or “SAFE”	the PRC State Administration of Foreign Exchange (中華人民共和國國家外匯管理局)
“State Council”	the PRC State Council (中華人民共和國國務院)
“Strategic Placement”	see “Our Strategic and Other Investors”
“Supervisors”	the members of the Board of Supervisors of our bank
“Temasek”	Temasek Holdings (Pte.) Ltd.

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“Trial Regulations on Core Regulatory Ratios”	the Trial Regulations on Core Regulatory Ratios with respect to Risk Supervision for the PRC Commercial Banks (《商業銀行風險監管核心指標（試行）》), as promulgated by the CBRC, effective on January 1, 2006
“UBS”	UBS AG acting through its business group, UBS Investment Bank
“Underwriters”	the Hong Kong Underwriters and the International Purchasers
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Purchase Agreement
“Unlisted Foreign Shares”	ordinary shares issued by our bank, with a nominal value of RMB1.00 each, which are subscribed for in a currency other than Renminbi, or the consideration for which is the injection of assets, and are held by persons other than PRC nationals or PRC corporate entities and are not listed on any stock exchange
“United States”	the United States of America
“U.S. Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$”, or “U.S. dollars”	United States dollars, the lawful currency of the United States
“Western China”	the area including, for the purpose of this prospectus, Chongqing Municipality, Sichuan Province, Guizhou Province, Yunnan Province, Shaanxi Province, Gansu Province, Ningxia Autonomous Region, Qinghai Province, Tibet Autonomous Region and Xinjiang Autonomous Region
“WTO”	the World Trade Organization
“Yangtze River Delta”	the area including, for purposes of this prospectus, Shanghai Municipality, Jiangsu Province and Zhejiang Province