



中國工商銀行(亞洲)

ICBC (Asia)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

中國工商銀行(亞洲)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 349)

ANNOUNCEMENT

This announcement is made by the Board of Directors (the “**Board**”) of Industrial and Commercial Bank of China (Asia) Limited (the “**Bank**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Bank has exposure on bonds issued by three major banks in Iceland (the “**Bonds**”), with total nominal value of approximately HK\$600,000,000 based on exchange rates as at the date of this announcement. The Bonds are floating rate notes denominated in US Dollar and Euro, with Moody’s credit rating at A2 or above at the time of acquisition of the Bonds. As a result of the recent global financial turmoil, the carrying value of the Bonds has been substantially impaired. Accordingly, the Bank has decided to make a full provision for diminution in value of the Bonds in a prudent manner, and an impairment loss of approximately HK\$600,000,000 (based on current exchange rates) will be charged in the income statement of the Bank for the financial year ending 31 December 2008.

The Board, however, wishes to state that the above-mentioned impairment loss will not have any significant impact on the Bank’s business. Such loss is expected to account for not more than 0.30% of the total assets of the Bank and its subsidiaries as at 30 June 2008, which is considered to be immaterial. The Bank’s financial position is sound with all statutory ratios well above the levels required by the Hong Kong Monetary Authority.

Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the shares of the Bank.

By Order of the Board
Candace Tsang
Company Secretary

Hong Kong, 12 November 2008

As at the date of this announcement, the Board comprises Mr. Chen Aiping, Mr. Wong Yuen Fai and Mr. Zhang Yi as executive directors, Dr. Jiang Jianqing, Ms. Wang Lili and Mr. Hu Hao as non-executive directors and Professor Wong Yue Chim, Richard, S.B.S., J.P., Mr. Tsui Yiu Wa, Alec and Mr. Yuen Kam Ho, George as independent non-executive directors.