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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Industrial and Commercial Bank of China Limited, you should at once hand this circular together with the accompanying proxy form and the reply slip to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

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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)

- (1) PROPOSED RIGHTS ISSUE OF A SHARES AND H SHARES  
(2) PROPOSAL IN RESPECT OF THE ARRANGEMENTS FOR THE ACCUMULATED UNDISTRIBUTED PROFITS OF THE BANK PRIOR TO THE COMPLETION OF THE RIGHTS ISSUE OF A SHARES AND H SHARES  
(3) PROPOSAL IN RESPECT OF THE FEASIBILITY ANALYSIS REPORT ON USE OF PROCEEDS FROM THE RIGHTS ISSUE OF A SHARES AND H SHARES  
(4) PROPOSAL IN RESPECT OF THE REPORT ON UTILISATION OF PROCEEDS FROM PREVIOUS ISSUANCES  
(5) PROPOSAL ON THE PAYMENT OF REMUNERATION TO DIRECTORS AND SUPERVISORS FOR 2009  
(6) PROPOSED ELECTION OF MR. XU SHANDA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR
- AND
- NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010
- AND
- NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010

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The Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 of the Bank will be successively held at B3 Academic Exchange, Industrial and Commercial Bank of China Limited, No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, PRC on Wednesday, 15 September 2010 at 2:30 p.m. The notice of the Second Extraordinary General Meeting of 2010 is set out on pages 24 to 27 of this circular and the notice of the First H Shareholders Class Meeting of 2010 is set out on pages 28 to 31 of this circular. Please refer to relevant documents published on the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) for meeting materials of the First A Shareholders Class Meeting of 2010.

If you intend to appoint a proxy to attend the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010, you are required to complete and return the relevant accompanying proxy form(s), in accordance with the instructions printed thereon. For H Shareholders, the proxy form(s) should be returned to Computershare Hong Kong Investor Services Limited by hand or by post not less than 24 hours before the time appointed for holding the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 or any adjourned meeting thereof. Completion and return of the proxy form(s) will not preclude you from attending and voting in person at the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 or at any adjourned meeting thereof should you so wish, but in such event, the instrument appointing a proxy shall be deemed to be revoked.

If you intend to attend the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited or the Bank's Board of Directors' office on or before Thursday, 26 August 2010.

The English and Chinese versions of this circular and the accompanying proxy form and reply slip are available on the Bank's website at [www.icbc-ltd.com](http://www.icbc-ltd.com) and the HKExnews' website at [www.hkexnews.hk](http://www.hkexnews.hk). You may access the aforesaid documents by clicking "Investor Relations" on the homepage of the Bank's website or browsing through the HKExnews' website.

29 July 2010

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“A Rights Shares”	the new A Shares proposed to be allotted and issued to A Shareholders pursuant to the A Share Rights Issue
“A Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Bank, which are listed on the Shanghai Stock Exchange and traded in RMB
“A Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the A Share Rights Issue are to be determined
“A Share Rights Issue”	the proposed issue of up to 0.6 A Rights Shares for every ten (10) existing A Shares held by the A Shareholders as set out in the register of members after market closes on the A Share Record Date at the Subscription Price
“A Shareholder(s)”	holder(s) of the A Shares
“Articles”	the articles of association of the Bank (as amended from time to time)
“Bank”	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 PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 1398) and the Shanghai Stock Exchange (stock code: 601398), respectively
“Board”	the board of directors of the Bank
“CBRC”	China Banking Regulatory Commission
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Bank
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the Board, based on advice received from relevant legal advisers, considers it necessary or expedient to exclude any such Overseas Shareholder(s) on account either of the legal restrictions under the laws of the place of his/her/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in such jurisdiction
“First A Shareholders Class Meeting of 2010”	the class meeting of the A Shareholders of the Bank to be held on 15 September 2010
“First H Shareholders Class Meeting of 2010”	the class meeting of the H Shareholders of the Bank to be held on 15 September 2010
“H Rights Shares”	the new H Shares proposed to be allotted and issued to the Qualified H Shareholders pursuant to the H Share Rights Issue

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## DEFINITIONS

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“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Bank, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Share Record Date”	a date to be determined by the Board or its authorised person(s) by reference to which entitlements to the H Share Rights Issue are to be determined
“H Share Rights Issue”	the proposed issue of up to 0.6 H Rights Shares for every ten (10) existing H Shares held on the H Share Record Date at the Subscription Price
“H Share Rights Issue Prospectus”	the prospectus to be issued by the Bank in respect of the H Share Rights Issue containing further details of the H Share Rights Issue
“H Shareholder(s)”	holder(s) of the H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Latest Practicable Date”	28 July 2010, being the latest practicable date to determine certain information as set forth herein prior to the publication of this circular
“Overseas Shareholder(s)”	H Shareholder(s) whose name(s) appear(s) on the register of members of the Bank on the H Share Record Date and whose registered address(es) is/are in a place outside Hong Kong
“PRC”	the People’s Republic of China but excluding, for the purposes of this circular, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“PRC GAAP”	Accounting Standards for Business Enterprises and the Application Guidance thereof promulgated by the Ministry of Finance in 2006, as well as other relevant regulations
“Qualified H Shareholder(s)”	H Shareholder(s) whose name(s) appear(s) on the register of members of the Bank on the H Share Record Date and who are not Excluded Shareholder(s)
“Record Date”	the A Share Record Date and/or the H Share Record Date
“Rights Issue”	the A Share Rights Issue and the H Share Rights Issue
“Rights Share(s)”	the A Rights Share(s) and the H Rights Share(s)
“RMB”	Renminbi, the lawful currency of the PRC

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## DEFINITIONS

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“Second Extraordinary General Meeting of 2010”	the extraordinary general meeting of Shareholders of the Bank to be held on 15 September 2010
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of the A and/or H Shares of the Bank
“Subscription Price”	the final subscription price for the A Rights Shares and the H Rights Shares to be offered pursuant to the Rights Issue
“Supervisors”	the supervisors of the Bank



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)

**Executive Directors:**

Mr. Jiang Jianqing  
Mr. Yang Kaisheng  
Ms. Wang Lili

**Non-executive Directors:**

Mr. Huan Huiwu  
Mr. Gao Jianhong  
Ms. Li Chunxiang  
Mr. Li Jun  
Mr. Li Xiwen  
Mr. Wei Fusheng

**Independent non-executive Directors:**

Mr. Leung Kam Chung, Antony  
Mr. Qian Yingyi  
Mr. Xu Shanda  
Mr. Wong Kwong Shing, Frank  
Sir Malcolm Christopher McCarthy  
Mr. Kenneth Patrick Chung

**Registered Office:**

No. 55 Fuxingmennei Avenue  
Xicheng District, Beijing 100140  
PRC

**Place of Business in Hong Kong:**

33/F, ICBC Tower  
3 Garden Road  
Central, Hong Kong

29 July 2010

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED RIGHTS ISSUE OF A SHARES AND H SHARES  
(2) PROPOSAL IN RESPECT OF THE ARRANGEMENTS FOR THE ACCUMULATED  
UNDISTRIBUTED PROFITS OF THE BANK PRIOR TO THE COMPLETION OF THE  
RIGHTS ISSUE OF A SHARES AND H SHARES  
(3) PROPOSAL IN RESPECT OF THE FEASIBILITY ANALYSIS REPORT ON USE OF PROCEEDS  
FROM THE RIGHTS ISSUE OF A SHARES AND H SHARES  
(4) PROPOSAL IN RESPECT OF THE REPORT ON UTILISATION OF PROCEEDS FROM  
PREVIOUS ISSUANCES  
(5) PROPOSAL ON THE PAYMENT OF REMUNERATION TO DIRECTORS AND  
SUPERVISORS FOR 2009  
(6) PROPOSED ELECTION OF MR. XU SHANDA AS AN INDEPENDENT  
NON-EXECUTIVE DIRECTOR  
AND  
NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010  
AND  
NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010

**1. INTRODUCTION**

At the Second Extraordinary General Meeting of 2010, among other things, special resolutions will be proposed to approve the proposed Rights Issue of A Shares and H Shares, and ordinary resolutions

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## LETTER FROM THE BOARD

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will be proposed to approve the proposals in relation to: (1) the arrangements for the accumulated undistributed profits of the Bank prior to the completion of the A Share Rights Issue and H Share Rights Issue; (2) the Feasibility Analysis Report on Use of Proceeds from the A Share Rights Issue and H Share Rights Issue; (3) the Report on Utilisation of Proceeds from Previous Issuances, (4) the payment of remuneration to Directors and Supervisors for 2009, and (5) the election of Mr. Xu Shanda as an independent non-executive Director. At the First H Shareholders Class Meeting of 2010, special resolutions will be proposed to approve the proposed Rights Issue of A Shares and H Shares.

The purpose of this circular is to provide you with information regarding certain proposals to be considered at the Second Extraordinary General Meeting of 2010 and the First H Shareholders Class Meeting of 2010 and to set out the notice of the Second Extraordinary General Meeting of 2010 and notice of the First H Shareholders Class Meeting of 2010.

### 2. PROPOSED RIGHTS ISSUE OF A SHARES AND H SHARES

The Board resolved on 28 July 2010 to seek the approval of the Shareholders for the Rights Issue and the relevant authorisations to implement the Rights Issue. In order to ensure its continuous business development, to enhance its overall competitiveness and its capability to combat risks and to promote sustainable profitability, the Bank proposes to allot and issue both new A Shares and new H Shares to existing Shareholders pursuant to the Rights Issue, and apply for the listing of such Shares, in order to strengthen the capital base of the Bank. In accordance with the relevant requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance of Securities by Listed Companies, the Hong Kong Listing Rules and other laws and regulations, the Bank satisfies the requirements for the Rights Issue to existing Shareholders. The implementation of the Rights Issue is subject to the consideration of and approval from relevant regulatory authority(ies). The Rights Issue will comprise an offer of A Rights Shares and an offer of H Rights Shares to A Shareholders and Qualified H Shareholders, respectively, on the terms set out below.

#### H Share Rights Issue

<b>Basis of the H Share Rights Issue:</b>	Up to 0.6 H Rights Shares for every ten (10) existing H Shares held by the Qualified H Shareholders as determined on the H Share Record Date, subject to final determination by the Board having regard to market conditions and pursuant to the authorisation of the shareholders' meetings.
<b>Number of Shares in issue as at the Latest Practicable Date:</b>	334,018,850,026
<b>Number of H Shares in issue as at the Latest Practicable Date:</b>	83,056,501,962
<b>Total number of H Rights Shares proposed to be issued on the basis of: (i) up to 0.6 H Rights Shares for every ten (10) existing H Shares; and (ii) the number of H Shares in issue as at the Latest Practicable Date:</b>	Up to 4,983,390,117

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## LETTER FROM THE BOARD

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**Subscription Price for the H Rights Shares:** The Subscription Price is to be determined based on a discount to market price having regard to market conditions and the trading prices of the A Shares and the H Shares on the secondary markets before the publication of the Rights Issue announcement, provided that the Subscription Price will not be lower than the most recent audited net asset value per Share of the Bank before the Rights Issue as determined by a domestic auditor in accordance with PRC GAAP. The final Subscription Price shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders' meetings. The closing prices of the A Shares and H Shares as at 28 July 2010 were RMB4.36 and HK\$5.88, respectively.

The Bank intends to proceed with the H Share Rights Issue on a fully underwritten basis in accordance with Rule 7.19(1) of the Hong Kong Listing Rules.

### A Share Rights Issue

**Basis of the A Share Rights Issue:** Up to 0.6 A Rights Shares for every ten (10) existing A Shares held by the A Shareholders as set out in the register of members after market closes on the A Share Record Date, subject to final determination by the Board having regard to market conditions and pursuant to the authorisation of the shareholders' meetings.

**Number of Shares in issue as at the Latest Practicable Date:** 334,018,850,026

**Number of A Shares in issue as at the Latest Practicable Date:** 250,962,348,064

**Total number of A Rights Shares proposed to be issued on the basis of: (i) up to 0.6 A Rights Shares for every ten (10) existing A Shares; and (ii) the number of A Shares in issue as at the Latest Practicable Date:** Up to 15,057,740,883

**Subscription Price for the A Rights Shares:** Same as the subscription price for the H Rights Shares (after exchange rate adjustment).

The A Share Rights Issue will be sold by selling agents on behalf of the Bank as required under applicable PRC laws and regulations.



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## LETTER FROM THE BOARD

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### **Rights Issue**

**Target subscribers for the Rights Issue:** The target subscribers of A Shares to be offered in the A Share Rights Issue shall be all the A Shareholders of the Bank as set out in the register of members after market closes on the A Share Record Date, and the target subscribers of H Shares to be offered in the H Share Rights Issue shall be all the Qualified H Shareholders as determined on the H Share Record Date.

**Use of proceeds:** It is expected that the gross proceeds of the Rights Issue will be no more than RMB45.0 billion. The final amount of gross proceeds shall be determined by the Board based on the Subscription Price and number of Rights Shares to be issued at the time of the Rights Issue and pursuant to the authorisation of the shareholders' meetings. All the proceeds raised from the Rights Issue, after deduction of expenses relating to the issuance, shall be used to strengthen the capital base of the Bank.

**Effective period of the resolutions:** The resolutions on the proposed Rights Issue shall remain valid for a period of 12 months from the date on which the resolutions are approved by the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010.

### **Qualified H Shareholders**

The Bank will send the H Share Rights Issue Prospectus to the Qualified H Shareholders (and to the extent permitted by relevant laws, to the Excluded Shareholders for information purposes only). To qualify for the H Share Rights Issue, a Shareholder must:

- (i) be registered as an H Shareholder of the Bank on the H Share Record Date; and
- (ii) not be an Excluded Shareholder.

The Bank will announce before the commencement of the H Share Rights Issue, the date by which the H Shareholders must lodge any transfers of existing H Shares (together with the relevant H Share certificates) with the Bank's H Share registrar in Hong Kong, in order for the transferee to be registered as an H Shareholder of the Bank on or before the H Share Record Date.

### **H Share Record Date**

The H Share Record Date and the trading arrangements for the nil-paid H Rights Shares will be fixed by the Board and once so fixed, a further announcement will be made by the Bank. The H Share Rights Issue is conditional upon the fulfilment of the conditions set out under the section headed "Conditions of the H Share Rights Issue" in this circular. The H Share Record Date will not precede the date of the

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## LETTER FROM THE BOARD

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Second Extraordinary General Meeting of 2010, the date of the First A Shareholders Class Meeting of 2010 and the date of the First H Shareholders Class Meeting of 2010 or the date on which all relevant PRC governmental and regulatory approvals have been granted to the Bank in relation to the Rights Issue.

### **Trading of the H Rights Shares**

Dealings in the H Rights Shares in both their nil-paid and fully-paid forms registered with the H Share register of members of the Bank in Hong Kong will be subject to the payment of stamp duty in Hong Kong. A further announcement will be made by the Bank regarding the trading arrangements for the H Rights Shares (in both forms) after such arrangements have been finalised by the Board.

### **Status of the H Rights Shares**

The H Rights Shares, when allotted and fully paid, will rank *pari passu* in all respects with the H Shares then in issue. Holders of fully-paid H Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment and issue of the H Rights Shares.

### **Rights of Overseas Shareholders**

The H Share Rights Issue Prospectus will not be registered under applicable securities legislation of any jurisdiction other than Hong Kong. The Bank will make enquiries regarding the feasibility of extending the H Share Rights Issue to the Overseas Shareholders. If, based on advice received from relevant legal advisers, the Board considers that it is necessary or expedient not to offer the H Rights Shares to certain Overseas Shareholders (that is, those Overseas Shareholders who are the Excluded Shareholders) on account either of the legal restrictions under the laws of the place of his/her/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in such jurisdiction, the H Share Rights Issue will not be made available to the Excluded Shareholders.

The Bank will, to the extent permitted by relevant laws, send copies of the H Share Rights Issue Prospectus to the Excluded Shareholders for their information only, but the Bank will not send any provisional allotment letters or excess application forms to the Excluded Shareholders.

Arrangements will be made for the H Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in the market in their nil-paid form as soon as practicable after the commencement of the dealings in the nil-paid H Rights Shares, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid on a pro rata basis to the Excluded Shareholders, provided that the Bank will pay individual amounts of more than HK\$100 to the relevant Excluded Shareholders in Hong Kong dollars and will retain individual amounts of HK\$100 or less for its own benefit.

### **Application for Excess H Rights Shares**

Qualified H Shareholders of the Bank may apply, by way of excess application, for any H Rights Shares to which unsold entitlements of the Excluded Shareholders relate and for any H Rights Shares provisionally allotted to the Qualified H Shareholders but not accepted.

Application for excess H Rights Shares may be made by completing the excess application form to be despatched to the Qualified H Shareholders together with the H Share Rights Issue Prospectus and

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## LETTER FROM THE BOARD

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lodging the same with a separate remittance for such excess H Rights Shares. The Board will allocate the excess H Rights Shares at its discretion on a fair and equitable basis but will give preference to topping-up odd lots to whole board lots.

### **Conditions of the H Share Rights Issue**

It is expected that the H Share Rights Issue will be conditional upon the fulfilment of the following matters:

- (i) the approval of the Rights Issue by the Shareholders at the Second Extraordinary General Meeting of 2010;
- (ii) the approval of the Rights Issue at the First H Shareholders Class Meeting of 2010 and the First A Shareholders Class Meeting of 2010, respectively;
- (iii) the approval of the Rights Issue by the CBRC;
- (iv) the approval of the Rights Issue by the CSRC;
- (v) the Listing Committee of the Hong Kong Stock Exchange agreeing to grant the listing of, and permission to deal in, the H Rights Shares in their nil-paid and fully-paid forms, either unconditionally or subject to such conditions which the Bank accepts; and
- (vi) the delivery to the Hong Kong Stock Exchange and filing and registration of all documents in relation to the H Share Rights Issue as required by law to be filed by and registered with the Registrar of Companies in Hong Kong.

None of the above conditions for completion of the H Share Rights Issue may be waived by the Bank or has been satisfied as at the date of this circular. If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed.

### **Conditions of the A Share Rights Issue**

It is expected that the A Share Rights Issue will be conditional upon the fulfilment of the following matters:

- (i) the approval of the Rights Issue by the Shareholders at the Second Extraordinary General Meeting of 2010;
- (ii) the approval of the Rights Issue at the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010, respectively;
- (iii) the approval of the Rights Issue by the CBRC;
- (iv) the approval of the Rights Issue by the CSRC;
- (v) the subscription level of the A Rights Shares by the A Shareholders being at least 70% of the A Share Rights Issue; and

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## LETTER FROM THE BOARD

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- (vi) the fulfillment by the controlling shareholders of the Bank of their public undertaking to be made prior to the convening of the Second Extraordinary General Meeting of 2010 with respect to the number of Rights Shares they will subscribe.

None of the above conditions for the completion of the A Share Rights Issue may be waived by the Bank or has been satisfied as at the date of this circular. If any of the conditions is not fulfilled, the A Share Rights Issue will not proceed.

### **Shareholders' Approvals for the Rights Issue**

Under applicable PRC laws and regulations and the Articles, the following Shareholders' approvals are required for the Rights Issue:

- (i) approval of the Rights Issue (both the A Share Rights Issue and the H Share Rights Issue) by special resolutions passed at the Second Extraordinary General Meeting of 2010 by Shareholders (or their proxies) holding at least two-thirds of the Shares with voting rights represented by the Shareholders (or their proxies) attending the Second Extraordinary General Meeting of 2010;
- (ii) approval of the Rights Issue (both the A Share Rights Issue and the H Share Rights Issue) by special resolutions passed at the First A Shareholders Class Meeting of 2010 by Shareholders (or their proxies) holding at least two-thirds of the Shares with voting rights represented by the A Shareholders (or their proxies) attending the First A Shareholders Class Meeting of 2010; and
- (iii) approval of the Rights Issue (both the A Share Rights Issue and the H Share Rights Issue) by special resolutions passed at the First H Shareholders Class Meeting of 2010 by Shareholders (or their proxies) holding at least two-thirds of the Shares with voting rights represented by the H Shareholders (or their proxies) attending the First H Shareholders Class Meeting of 2010.

Appropriate resolutions will be proposed at the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 to obtain such approvals.

### **Registered Capital and Amendments to the Articles**

As a result of the completion of the Rights Issue, the registered capital of the Bank will be increased and certain amendments will be made to the Articles in relation to such increase in the registered capital of the Bank. The Bank will duly comply with relevant PRC laws and regulations and the requirements as set out under the Hong Kong Listing Rules in respect of such amendments to the Articles. Details of such amendments will be provided to the Shareholders in a further announcement to be issued by the Bank in due course.

### **Underwriting**

The Bank intends to proceed with the H Share Rights Issue on a fully underwritten basis in accordance with Rule 7.19(1) of the Hong Kong Listing Rules and such underwriting will be conducted in accordance with the requirements of the Hong Kong Listing Rules. Details of the underwriting arrangement in relation to the H Share Rights Issue will be provided to the Shareholders in a further announcement on the H Share Rights Issue to be issued by the Bank in due course.

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## LETTER FROM THE BOARD

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The A Share Rights Issue will be sold by selling agents on behalf of the Bank as required under applicable PRC laws and regulations. Under applicable PRC laws and regulations and as classified by the CSRC, the A Share Rights Issue may only proceed if the subscription level of the A Rights Shares is at least 70% of the A Share Rights Issue. The rights to subscribe for the A Shares which are not taken up will lapse and no new A Shares will be issued or allotted pursuant to such rights.

### **Further Announcement and Issuance of H Share Rights Issue Prospectus in relation to the H Share Rights Issue**

Prior to the commencement of the H Share Rights Issue, the Bank will make a further announcement and issue the H Share Rights Issue Prospectus, which will contain all relevant details of the H Share Rights Issue, including the definitive basis on which the H Rights Shares are to be offered, the maximum number of H Rights Shares to be issued, the Subscription Price, the period of closure of the register of members and the Record Date, trading arrangements of the H Rights Shares, arrangement for excess H Rights Shares, underwriting arrangement and the expected timetable of the Rights Issue.

### **Reasons for the Rights Issue and Use of Proceeds**

All the proceeds from the Rights Issue, after deduction of the expenses relating to the issuance, will be used to strengthen the capital base of the Bank.

### **Shareholding Structure of the Bank**

The following table sets out the Bank's current shareholding structure and its proposed shareholding structure upon completion of the Rights Issue (assuming the Rights Issue is conducted on the basis of 0.6 Rights Shares for every ten (10) existing Shares with full subscription for the Rights Shares and assuming there will be no change in the issued share capital of the Bank between the Latest Practicable Date and the Record Date):

Share class	Total number of issued Shares before the Rights Issue as at the Latest Practicable Date	Percentage of the total number of issued Shares	Number of Shares to be issued under the Rights Issue	Total number of issued Shares immediately after the Rights Issue	Percentage of the total number of issued Shares immediately after the Rights Issue
H Shares	83,056,501,962	24.87%	4,983,390,117	88,039,892,079	24.87%
A Shares	250,962,348,064	75.13%	15,057,740,883	266,020,088,947	75.13%
Total	334,018,850,026	100.00%	20,041,131,000	354,059,981,026	100.00%

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## LETTER FROM THE BOARD

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The following table sets out the Bank's current shareholding structure and its proposed shareholding structure upon completion of the Rights Issue (assuming the Rights Issue is conducted on the basis of 0.6 Rights Shares for every ten (10) existing Shares with 70% subscription level for the A Rights Shares and full subscription for the H Rights Shares and assuming there will be no change in the issued share capital of the Bank between the Latest Practicable Date and the Record Date):

Share class	Total number of issued Shares before the Rights Issue as at the Latest Practicable Date	Percentage of the total number of issued Shares	Number of Shares to be issued under the Rights Issue	Total number of issued Shares immediately after the Rights Issue	Percentage of the total number of issued Shares immediately after the Rights Issue
H Shares	83,056,501,962	24.87%	4,983,390,117	88,039,892,079	25.19%
A Shares	250,962,348,064	75.13%	10,540,418,618	261,502,766,682	74.81%
Total	334,018,850,026	100.00%	15,523,808,735	349,542,658,761	100.00%

### Authorisation for the Rights Issue

To ensure smooth implementation of the Rights Issue, it will be proposed at the shareholders' meetings to authorise the Board, and the Board will then delegate the authority to the Chairman, the Vice Chairman and the President of the Bank, to jointly exercise the full power to handle matters relating to the Rights Issue under the framework and principles as deliberated and adopted by the shareholders at the shareholders' meetings and within the effective period of the resolutions in respect of the Rights Issue. The contents and scope of such authorisation shall include but not be limited to the following:

- (i) to complete such procedures as application, examination and approval, registration, filing, obtaining clearance and consents with or from relevant domestic or overseas regulatory authorities, agencies and exchanges in connection with the Rights Issue;
- (ii) to formulate and implement the final plan for the Rights Issue, including but not limited to, determining the timing of the issue, the proportion and the number of Rights Shares to be issued, the Subscription Price, the amount of proceeds and all other relevant matters relating to the Rights Issue and, based on actual circumstances, market conditions, changes in policies and opinions of the regulatory authorities and exchanges, to adjust the proposal in respect of the Rights Issue accordingly;
- (iii) to execute, amend, deliver and implement all relevant agreements, contracts and documents relating to the Rights Issue (including but not limited to sponsorship and underwriting agreements, agreements relating to the proceeds from the issuance, announcement or circulars);
- (iv) upon completion of the Rights Issue, to handle matters related to the listing of the relevant shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange;

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## LETTER FROM THE BOARD

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- (v) upon completion of the Rights Issue, to amend the relevant provisions of the Articles relating to the Rights Issue and the registered capital of the Bank based on the status of implementation of the Rights Issue, and to deal with matters in relation to the approval of and the filing with approval authorities or the administration for industry and commerce of such amendments, the approval by and the registration with approval authorities or the administration for industry and commerce of the change in the registered capital; and
- (vi) to deal with other matters relating to the Rights Issue.

All members of the Board shall be informed promptly upon completion of the above items.

The authorisation mentioned above shall be valid from the date on which the resolutions on the proposed Rights Issue are approved by the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 and will end on the date falling 12 months from the date of passing of the resolutions.

The H Share Rights Issue is conditional upon the fulfilment of the conditions set out under the section headed “Conditions of the H Share Rights Issue” in this circular. If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed. Investors are advised to exercise caution when dealing in the H Shares.

### **3. PROPOSAL IN RESPECT OF THE ARRANGEMENTS FOR THE ACCUMULATED UNDISTRIBUTED PROFITS OF THE BANK PRIOR TO THE COMPLETION OF THE RIGHTS ISSUE OF A SHARES AND H SHARES**

The Board proposes that after the completion of the A Share Rights Issue and the H Share Rights Issue, the accumulated undistributed profits of the Bank prior to the completion of the Rights Issue shall be shared by all Shareholders on a pro-rata basis based on their respective shareholding after completion of the Rights Issue.

This proposal was considered and approved by the Board on 28 July 2010 and is subject to Shareholders’ approval by way of an ordinary resolution at the Second Extraordinary General Meeting of 2010.

### **4. PROPOSAL IN RESPECT OF THE FEASIBILITY ANALYSIS REPORT ON USE OF PROCEEDS FROM THE RIGHTS ISSUE OF A SHARES AND H SHARES**

All the proceeds raised from the Rights Issue, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank in order to strengthen the Bank’s capability to combat risks and promote sustainable development, support the continuous and rapid development of the Bank’s businesses and promote the steady growth of its profitability and return to its Shareholders. Details in relation to the use of proceeds to be raised by the Bank from the Rights Issue are set out in the Feasibility Analysis Report on Use of Proceeds from the Rights Issue of A Shares and H Shares by the Bank (the “**Feasibility Analysis Report**”), a copy of which is set out in Appendix 1 to this circular.

The Feasibility Analysis Report, which was considered and approved by the Board on 28 July 2010, is subject to Shareholders’ approval by way of an ordinary resolution at the Second Extraordinary General Meeting of 2010 pursuant to the requirements of the CSRC.

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## LETTER FROM THE BOARD

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### 5. PROPOSAL IN RESPECT OF THE REPORT ON UTILISATION OF PROCEEDS FROM PREVIOUS ISSUANCES

The funds previously raised by the Bank during its H Share initial public offering and A Share initial public offering have been used to replenish the Bank's capital base. The Board prepared a report on utilisation of proceeds from previous issuances (the "**Utilisation Report**"). Ernst & Young Hua Ming Certified Public Accountants has been appointed by the Bank to issue an assurance report in respect of the utilisation of proceeds from previous issuances by the Bank (the "**Assurance Report**"). Full versions of the Utilisation Report and the Assurance Report are set out in Appendices 2 and 3 to this circular, respectively.

The Utilisation Report, which was considered and approved by the Board on 28 July 2010, is subject to Shareholders' approval by way of an ordinary resolution at the Second Extraordinary General Meeting of 2010 pursuant to the requirements of the CSRC.

### 6. PROPOSAL ON THE PAYMENT OF REMUNERATION TO DIRECTORS AND SUPERVISORS FOR 2009

Pursuant to relevant provisions of the Articles, the Board resolved on 29 April 2010 to seek the approval of the Shareholders for the proposal on the payment of remuneration to Directors and Supervisors for 2009. An ordinary resolution will be proposed at the Second Extraordinary General Meeting of 2010 to approve the payment of remuneration to Directors and Supervisors for the year ended 31 December 2009.



## LETTER FROM THE BOARD

Details of the proposal on the payment of remuneration to Directors and Supervisors for 2009 are set out below:

Unit: RMB'0000

Name	Position	Fees	Basic salary	Performance-based salary	Contribution to social insurances and welfare plans, housing allowance, etc.	Total remuneration before tax for 2009 <sup>Note 1</sup>	Of which: Deferred payment <sup>Note 2</sup>	Actual amount of remuneration paid (pre-tax) for 2009
		(1)	(2)	(3)	(4)	(5)=(1)+(2)+ (3)+(4)	(6)	(7)=(5)-(6)
Jiang Jianqing	Chairman of the Board of Directors	—	39.8	109.3	24.9	174	54.8	119.2
Yang Kaisheng	Vice Chairman of the Board of Directors, Executive Director	—	35.8	98.3	31.6	165.7	49.2	116.5
Zhao Lin	Chairman of the Board of Supervisors	—	35	96.1	24.6	155.7	48.1	107.6
Zhang Furong	Executive Director	—	33.8	92.8	21.5	148.1	46.5	101.6
Huan Huiwu	Non-executive Directors	—	—	—	—	—	—	—
Gao Jianhong		—	—	—	—	—	—	—
Li Chunxiang		—	—	—	—	—	—	—
Li Jun		—	—	—	—	—	—	—
Li Xiwen		—	—	—	—	—	—	—
Wei Fusheng		—	—	—	—	—	—	—
Leung Kam Chung, Antony	Independent Non-executive Directors <sup>Note 3</sup>	49.8	—	—	—	49.8	—	—
Qian Yingyi		48.5	—	—	—	48.5	—	—
Xu Shanda <sup>Note 4</sup>		—	—	—	—	—	—	—
Wong Kwong Shing, Frank		42.8	—	—	—	42.8	—	—
Malcolm Christopher McCarthy		2.5	—	—	—	2.5	—	—
Kenneth Patrick Chung		2.5	—	—	—	2.5	—	—
Wang Chixi	Shareholder Supervisor <sup>Note 5</sup>	—	24.6	67.6	15.7	107.9	—	107.9
Dong Juan	External Supervisors <sup>Note 6</sup>	17.5	—	—	—	17.5	—	—
Meng Yan		16.5	—	—	—	16.5	—	—
Zhang Wei	Employee Supervisors <sup>Note 7</sup>	5	—	—	—	5	—	—
Chang Ruiming		1.7	—	—	—	1.7	—	—
<b>Resigned director during 2009</b>								
Niu Ximing <sup>Note 8</sup>	Executive Director	—	33.8	92.8	21.5	148.1	46.5	101.6

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## LETTER FROM THE BOARD

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Notes:

1. The remuneration before tax payable to Directors and Supervisors for 2009 set out in the table above represents the total amount of annual remuneration for each of these individuals, which includes the amount of “Remuneration paid” as disclosed in the 2009 Annual Report.
2. Pursuant to relevant government regulations, as part of the total remuneration before tax payable to the Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, the Chairman of the Board of Supervisors and the executive Directors, payment of 50% or more of the performance-based salary will be deferred. The deferred amount will be accrued in the Bank’s accounts and withheld from the payment of remuneration to the said individuals for 2009. The deferred payment will be made having regard to the operating performance and status for the years 2010 to 2012, and the proportion payable each year will be one-third of the amount.
3. The basis for determining the amount of allowance to be paid to the independent non-executive Directors of 2009 is that each independent non-executive Director is entitled to a basic allowance of RMB300,000 per person per annum. Each independent non-executive Director will also be entitled to an additional allowance of RMB50,000 per annum for being a chairman of each of the special board committees, an additional allowance of RMB40,000 per annum for being a vice chairman of each of the special board committees and an additional RMB30,000 per annum for being a member of each of the special board committees.
4. Pursuant to relevant regulations, Mr. Xu Shanda, an independent non-executive Director, did not receive any allowance from the Bank since 1 July 2008.
5. The actual amount of remuneration paid (pre-tax) for 2009 for the shareholder Supervisor is determined based on actual duties and responsibilities of such individual.
6. The allowance (pre-tax) for the external Supervisors for 2009 is determined based on the allowance policy adopted at the first extraordinary general meeting of 2007 of the Bank and with reference to the actual duties and responsibilities of such individuals.
7. The allowance (pre-tax) for the employee Supervisors for 2009 is calculated as 20% of the basic allowance of the external Supervisor and determined based on actual duties and responsibilities of such individuals.
8. Mr. Niu Ximing resigned from his position as a Director of the Bank on 29 December 2009 and the total remuneration before tax represents the remuneration received by Mr. Niu for the period from January to December 2009 when he acted as an executive Director of the Bank.

### **7. PROPOSED ELECTION OF MR. XU SHANDA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR**

Pursuant to relevant provisions of the Articles, the term of each Director is 3 years and Directors are eligible for re-election upon completion of their term. The term of office of Mr. Xu Shanda, an independent non-executive Director, will expire 19 September 2010. During his term of office, Mr. Xu Shanda has performed his duties diligently and conscientiously and has made outstanding contributions as an independent non-executive Director in the formulation of the development strategy of the Board and participation in major decision-making, as well as in areas such as internal audit, nomination, remuneration and related party transactions management. The Board has passed the “Proposal in respect of the nomination of Mr. Xu Shanda as a candidate for election as an independent non-executive director and for Mr. Xu Shanda to continue to hold his existing positions in various special board committees of the Bank” at the meeting of the Board held on 24 June 2010 and it was resolved that Mr. Xu Shanda be nominated as a candidate for re-election as an independent non-executive Director of the Bank.

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## LETTER FROM THE BOARD

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Accordingly, an ordinary resolution will be proposed at the Second Extraordinary General Meeting of 2010 to approve the re-election of Mr. Xu Shanda. The term of office of Mr. Xu Shanda shall commence from the date on which the resolution is passed at the Second Extraordinary General Meeting of 2010. After the approval by Shareholders at the Second Extraordinary General Meeting of 2010, Mr. Xu Shanda will continue to hold his existing positions in various special board committees of the Bank.

The biographical details of Mr. Xu Shanda is set out below:

Mr. Xu Shanda, male, aged 62, has served as Independent Non-executive Director of Industrial and Commercial Bank of China Limited since September 2007. From January 2000 to 2007, he was appointed as Deputy Commissioner of the State Administration of Taxation (“SAT”). He worked as Deputy Director-General of the Tax System Reformation Department of SAT, Deputy Director-General and Director-General of the Policy and Legislation Department of SAT, Director-General of Local Taxes Department of SAT, and Director-General of Supervisory Bureau of SAT. He is currently member of the CPC National Committee, Chairman of the Chinese Certified Tax Agent Association, member of the Auditing Standards Commission of the Chinese Institute of Certified Public Accountants, member of the Accounting Standards Commission of the Ministry of Finance, consultant to the China Public Finance Society, member of the Chinese Economist 50 Forum and member of the Academic Committee. He is the Independent Director of China Pacific Insurance (Group) Co., Ltd., part-time professor and invited researcher of Tsinghua University, Peking University, National School of Administration, Xi’an Jiaotong University, University of Science & Technology of China, Nankai University, Central University of Finance and Economics and Zhejiang Engineering University.

Mr. Xu Shanda received his Bachelor’s degree from Department of Automation, Tsinghua University, Master’s degree in Agricultural Economics & Management from the Chinese Academy of Agricultural Sciences, and Master’s degree in Finance from the University of Bath in UK.

Except as stated above, Mr. Xu Shanda has not held any other directorships in any listed public companies in the last three years. Further, Mr. Xu Shanda does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Bank, nor holds any interests in the shares of the Bank within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance.

Upon the re-election of Mr. Xu Shanda as an independent non-executive Director of the Bank, his remuneration will be determined in accordance with relevant government regulations. Investors should refer to the annual report of the Bank for further details.

Save as disclosed herein, there are no other matters relating to the election of Mr. Xu Shanda that need to be brought to the attention of the Shareholders of the Bank nor is there any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Hong Kong Listing Rules.

### **8. THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010 AND THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010**

The Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010 of the Bank will be successively held at B3 Academic Exchange, Industrial and Commercial Bank of China Limited, No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, PRC on Wednesday, 15 September 2010 at 2:30 p.m.. The notice of the Second Extraordinary General Meeting of 2010 is set out on pages 24 to 27 of this circular

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## LETTER FROM THE BOARD

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and the notice of the First H Shareholders Class Meeting of 2010 is set out on pages 28 to 31 of this circular. Please refer to relevant documents published on the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) for meeting materials of the First A Shareholders Class Meeting of 2010.

If you intend to appoint a proxy to attend the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010, you are required to complete and return the relevant accompanying proxy form(s), in accordance with the instructions printed thereon. For H Shareholders, the proxy form(s) should be returned to Computershare Hong Kong Investor Services Limited by hand or by post not less than 24 hours before the time appointed for holding the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 or any adjourned meeting thereof. Completion and return of the proxy form(s) will not preclude you from attending and voting in person at the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 or at any adjourned meeting thereof should you so wish, but in such event, the instrument appointing a proxy shall be deemed to be revoked.

If you intend to attend the Second Extraordinary General Meeting of 2010 and/or the First H Shareholders Class Meeting of 2010 in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited or the Bank's Board of Directors' office on or before Thursday, 26 August 2010.

### 9. RECOMMENDATION

The Directors consider that the proposals in relation to (1) the proposed Rights Issue of A Shares and H Shares, (2) the arrangements for the accumulated undistributed profits of the Bank prior to the completion of the A Share Rights Issue and H Share Rights Issue; (3) the Feasibility Analysis Report on Use of Proceeds from the A Share Rights Issue and H Share Rights Issue; (4) the Report on Utilisation of Proceeds from Previous Issuances; (5) the payment of remuneration to Directors and Supervisors for 2009; and (6) the election of Mr. Xu Shanda as an independent non-executive Director are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant proposed resolutions.

**The Board of Directors of  
Industrial and Commercial Bank of China Limited**

The Feasibility Analysis Report on Use of Proceeds from the Rights Issue of A Shares and H Shares is written in Chinese, with no official English translation. The English translation is provided solely for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail. The full version of the Feasibility Analysis Report on Use of Proceeds from the Rights Issue of A Shares and H Shares is as follows (amounts in this report are denominated in Renminbi):

**FEASIBILITY ANALYSIS REPORT ON USE OF PROCEEDS FROM THE RIGHTS ISSUE OF  
A SHARES AND H SHARES**

In 2009, the Bank has maintained an overall sound and healthy development trend and achieved better than expected operating results by conscientiously implementing the State's macro economy policy and regulatory requirements and proactively overcoming the impacts of the international financial crisis and the fluctuation of the domestic economy.

In accordance with PRC GAAP, as at and for the year ended 2009, the consolidated total assets of the Group were RMB11,785.1 billion, increased by 20.78% compared to that of last year. Profit after tax amounted to RMB129.4 billion, increased by 16.37% compared to that of last year; the Bank's profitability has increased steadily. The net return on average assets (ROAA) reached 1.20%, the return on weighted average equity (ROAE) reached 20.14%; the return to the shareholders continues to increase. The allowance to non-performing loans reached 164.41%, increased by 34.26 percentage points compared to that of last year; the capability to combat risks of the Bank has been further enhanced. The non-performing loans balance was RMB88.5 billion, decreased by RMB16.0 billion compared to that as at the end of last year; the non-performing loans ratio was 1.54%, decreased by 0.75 percentage points compared to that as at the end of last year; the asset quality continues to improve. As at and for the period ended 31 March 2010, the unaudited consolidated total assets of the Bank were RMB12,553.4 billion, capital adequacy ratio and core capital adequacy ratio were 11.98% and 9.58%, respectively. The non-performing loans balance was RMB81.6 billion and the non-performing loans ratio was 1.35%, with allowance to non-performing loans reached 179.76%.

In 2009, while the Bank was conscientiously implementing the State's macro economy policy, proactively increasing the grant of good quality credit, and playing its role as a large bank to promote economic development, the rapid increase in the risk-weighted assets and more stringent capital regulatory requirements added certain pressures to the Bank in maintaining its capital adequacy level. In the coming years, with the accelerated pace in industry upgrade in China, further development in the open-door policy and the increasing influence of China in global economy, there will be a good external economic environment and development opportunity for the implementation of the strategy of the Bank for "establishing the most profitable, outstanding and respectable bank in the world". Therefore, improving the capital replenishing system and enhancing the capital quality and capital adequacy ratio level of the Bank are required not only for maintaining the steady operation of the Bank in compliance with laws, but also required for strengthening the development potential and seizing opportunities for further development of the Bank. Accordingly, the Bank plans to further strengthen its capital base through the A Share Rights Issue and the H Share Rights Issue.

All the proceeds raised from the Rights Issue of A Shares and H Shares, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank in order to strengthen the Bank's capability to combat risks and promote sustainable development, support the continuous and rapid development of the Bank's businesses and promote the steady growth of its profitability and return to its shareholders.

The Report on Utilisation of Proceeds from Previous Issuances is written in Chinese, with no official English translation. The English translation is provided solely for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail. The full version of the Report on Utilisation of Proceeds from Previous Issuances is as follows:

## REPORT ON UTILISATION OF PROCEEDS FROM PREVIOUS ISSUANCES

### 1. Proceeds raised from previous issuances

In 2006, pursuant to the Approval of the Issuance of Overseas Listed Foreign Securities of Industrial and Commercial Bank of China Limited (Zheng Jian Guo He Zi [2006] No.21) issued by the China Securities Regulatory Commission, Industrial and Commercial Bank of China Limited (the “**Bank**”) has obtained the approval to issue 40,699,650,000 overseas listed foreign shares (H Shares) at the offer price of HK\$3.07 per share. The share price was fully paid in Hong Kong dollars, amounting to a total of HK\$124,947,925,500 (equivalent to RMB126,583,439,520). After deduction of the expenses relating to the issuance equivalent to RMB3,233,810,076 and an amount equivalent to RMB24,669,925,888 payable to Ministry of Finance and Huijin for selling state-owned shares, the net proceeds amounted an amount equivalent to RMB99,006,459,149 (including the interests income accrued on the subscription funds during the frozen period in an amount equivalent to RMB326,755,593) (together with the proceeds raised from the issuance of the Renminbi-denominated ordinary shares (A Shares) mentioned below, the “**Previous Proceeds**”). The proceeds above mentioned were received by the Bank on 9 November 2006, which was verified by Ernst & Young Hua Ming Certified Public Accountants and a capital verification report in relation thereto (Ernst & Young Hua Ming (2006) Yan Zi No.244770-07) has been issued.

Pursuant to the Notice of Approval of Initial Public Offering of Industrial and Commercial Bank of China Limited (Zheng Jian Fa Xing Zi [2006] No.85) issued by the China Securities Regulatory Commission, the Bank has obtained the approval to publicly issue 14,950,000,000 Renminbi-denominated ordinary shares (A Shares) at the offer price of RMB3.12 per share. The share price was fully paid in Renminbi, amounting to a total of RMB46,644,000,000. After deduction of the expenses relating to the issuance of RMB1,065,023,152, the net proceeds amounted to RMB45,578,976,848 (together with the proceeds raised from the issuance of the overseas listed foreign shares (H Shares) mentioned above, the “**Previous Proceeds**”). The proceeds above mentioned were received by the Bank on 15 November 2006, which was verified by Ernst & Young Hua Ming Certified Public Accountants and a capital verification report in relation thereto (Ernst & Young Hua Ming (2006) Yan Zi No.244770-07) has been issued.

### 2. The actual utilisation of the Previous Proceeds

As stated in the prospectus of overseas listed foreign shares (H Shares) of the Bank and the prospectus of Renminbi-denominated ordinary shares (A Shares) of the Bank dated October 2006 all of the net proceeds, after deduction of expenses relating to the issuances, should be used to replenish the Bank’s capital base. As at 31 December 2009, the actual amount of proceeds used to replenish the Bank’s capital was RMB144,585,435,997. The actual utilisation of the proceeds was in line with the relevant disclosures in the prospectuses.

As at 31 December 2009, the utilisation of the Previous Proceeds by the Bank is as follows:

		Unit: RMB			
Total amount of proceeds raised:		144,585,435,997	Cumulative total amount of proceeds used:		
Of which: Total amount of H Shares proceeds:		99,006,459,149	Of which: Cumulative total amount of H Shares proceeds used:		
Total amount of A Shares proceeds:		45,578,976,848	Cumulative total amount of A Shares proceeds used:		
			Cumulative total amount of proceeds used as at the end of the following years:		
			Year 2006: 144,585,435,997 Of which: H Shares: 99,006,459,149		
			A Shares: 45,578,976,848		
Total amount of proceeds used other than for original purpose: Nil			Year 2007: 144,585,435,997 Of which: H Shares: 99,006,459,149		
Percentage of proceeds used other than for original purpose: Nil			A Shares: 45,578,976,848		
			Year 2008: 144,585,435,997 Of which: H Shares: 99,006,459,149		
			A Shares: 45,578,976,848		
			Year 2009: 144,585,435,997 Of which: H Shares: 99,006,459,149		
			A Shares: 45,578,976,848		
Investment item		Total proceeds invested			The ratio of actual proceeds invested over total proceeds raised
no.	Committed investment item	Pre-offering committed amount	Post-offering committed amount	Actual investment amount	
H Shares					
1	Replenishment of capital base	99,006,459,149	99,006,459,149	99,006,459,149	100%
A Shares					
2	Replenishment of capital base	45,578,976,848	45,578,976,848	45,578,976,848	100%
Total		144,585,435,997	144,585,435,997	144,585,435,997	100%

The utilisation of proceeds mentioned above has been compared item by item with the relevant disclosures made by the Bank in its annual reports, interim reports and other public documents of the Bank from 2006 to 31 December 2009. The actual utilisation of proceeds were in line with the disclosures.

Due to the special nature of banking business, all of the proceeds raised by the Bank were used to strengthen its capital base. The realisation of benefits cannot be calculated separately. The proceeds have replenished the Bank's capital base and improved the Bank's capital adequacy ratio.

**The Board of Directors of  
Industrial and Commercial Bank of China Limited**

25 March 2010



The Assurance Report in respect of Report on Utilisation of Proceeds from Previous Issuances is written in Chinese, with no official English translation. The English translation is provided solely for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail. The full version of the Assurance Report in respect of Report on Utilisation of Proceeds from Previous Issuances is as follows:

**ASSURANCE REPORT IN RESPECT OF REPORT ON UTILISATION OF PROCEEDS FROM  
PREVIOUS ISSUANCES**

Ernst & Young (2010) Zhuan Zi No. 60438506\_A09

TO THE BOARD OF DIRECTORS OF INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED,

We have been engaged by Industrial and Commercial Bank of China Limited (the “**Bank**”) to provide assurance in respect of the Bank’s utilisation report (the “**Utilisation Report**”) on its utilisation, as at 31 December 2009, of proceeds from its offerings of overseas listed foreign shares (the “**H Shares**”) and Renminbi-denominated ordinary shares (the “**A Shares**”) in October 2006 (collectively the “**Previous Proceeds**”). It is the responsibility of the board of directors of the Bank to prepare the Utilisation Report in accordance with the Rules Governing the Utilisation Report on the Use of Proceeds from Previous Issuances of Securities (Zheng Jian Fa Xing [2007] No.500) issued by the China Securities Regulatory Commission to ensure its truthfulness, accuracy and completeness and ensure the absence of false records, misleading statements or material omissions. Our responsibility is to reach a conclusion based on our assurance work performed in accordance with the China Standard on Other Assurance Engagements No.3101 — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

We have conducted our assurance work in accordance with the China Standard on Other Assurance Engagements No.3101 — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information which requires us to plan and perform our assurance work to obtain a reasonable level of assurance of whether the Utilisation Report is free from material misstatements. In the course of our assurance work, we have carried out procedures we deemed necessary in the circumstances of the Bank, including understanding, examination and checking. We believe that our assurance procedures provide a reasonable basis for our opinion.

In our opinion, the Utilisation Report on the Bank has been prepared in accordance with the Rules Governing the Utilisation Report on the Use of Proceeds from Previous Issuances of Securities (Zheng Jian Fa Xing [2007] No.500) issued by the China Securities Regulatory Commission, and has presented in all material aspects the Bank’s use of Previous Proceeds as of 31 December 2009.

This assurance report is solely for the purpose of the Bank’s application to the China Securities Regulatory Commission for the rights issue. Save in relation to the application documents in respect of the rights issue and relevant disclosures in accordance with the requirements of the China Securities Regulatory Commission and stock exchanges on which the Bank is listed, this assurance report should not be used for any other purpose without our written consent.

Ernst & Young Hua Ming Certified Public Accountants  
Certified Public Accountant of the People’s Republic of China: **Ge Ming**  
Certified Public Accountant of the People’s Republic of China: **Wang Jing**

Beijing, the People’s Republic of China

28 July 2010



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)

**NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010**

**NOTICE IS HEREBY GIVEN** that the second extraordinary general meeting of 2010 (“**Second Extraordinary General Meeting of 2010**”) of Industrial and Commercial Bank of China Limited (the “**Bank**”) will be held at B3 Academic Exchange, Industrial and Commercial Bank of China Limited, No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, PRC on Wednesday, 15 September 2010 at 2:30 p.m. to consider and, if thought fit, to pass the following resolutions:

**As Special Resolutions:**

- 1** To consider and individually approve each of the following resolutions on the proposed Rights Issue of A Shares and H Shares by the Bank:
  - 1.1** Types and nominal value of securities to be issued (*Note 2*)
  - 1.2** Proportion and number of Shares to be issued (*Note 3*)
  - 1.3** Subscription Price and the basis for price determination (*Note 4*)
  - 1.4** Target subscribers for the Rights Issue (*Note 5*)
  - 1.5** Amount and use of proceeds (*Note 6*)
  - 1.6** Effective period of the resolutions (*Note 7*)
  - 1.7** Authorisation for the Rights Issue (*Note 8*)

**As Ordinary Resolutions:**

- 2** To consider and approve the arrangements for the accumulated undistributed profits of the Bank prior to the completion of the Rights Issue of A Shares and H Shares.
- 3** To consider and approve the Feasibility Analysis Report on Use of Proceeds from the Rights Issue of A Shares and H Shares as set out in Appendix 1 to the Circular.
- 4** To consider and approve the Report on Utilisation of Proceeds from Previous Issuances as set out in Appendix 2 to the Circular.

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## NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010

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- 5 To consider and approve the payment of remuneration to Directors and Supervisors for 2009.
- 6 To consider and approve the election of Mr. Xu Shanda as an independent non-executive Director.

**The Board of Directors of  
Industrial and Commercial Bank of China Limited**

Beijing, the PRC  
29 July 2010

*Notes:*

1. Unless otherwise defined in this notice, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated 29 July 2010 (the “Circular”). For further details of each the resolutions, please refer to the Circular.
2. The types of securities to be issued by the Bank pursuant to the Rights Issue are A Shares and H Shares, which have a nominal value of RMB1.00 each.
3. The proportion of Shares to be issued pursuant to the Rights Issue will be up to 0.6 Rights Shares for every ten (10) existing shares of the Bank in issue. The ratio of Rights Issue for the A Shares and the H Shares shall be the same. The final ratio of the Rights Issue shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders’ meetings. The A Share Rights Issue will be sold by selling agents on behalf of the Bank and the H Share Rights Issue will proceed on a fully underwritten basis.

The number of Shares to be issued pursuant to the A Share Rights Issue and the H Share Rights Issue shall be determined based on the total number of A Shares in issue after market closes on the A Share Record Date and the total number of H Shares in issue on the H Share Record Date, respectively. On the basis of 334,018,850,026 Shares of the Bank in issue as at 28 July 2010, it is expected to allot and issue no more than 20,041,131,000 Shares (comprising no more than 15,057,740,883 A Shares and no more than 4,983,390,117 H Shares) in total. The final number of Shares to be issued pursuant to the Rights Issue shall be determined by the Board prior to the Rights Issue in accordance with the proportion of Shares to be issued and the share capital structure of the Bank after market closes on the Record Date and pursuant to the authorisation of the shareholders’ meetings.

4. The Subscription Price is to be determined based on a discount to market price having regard to market conditions and the trading prices of the A Shares and the H Shares on the secondary markets before the publication of the Rights Issue announcement, provided that the Subscription Price will not be lower than the most recent audited net asset value per Share of the Bank before the Rights Issue as determined by a domestic auditor in accordance with PRC GAAP. The final Subscription Price shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders’ meetings.

The Subscription Prices of the A Rights Shares and H Rights Shares shall be the same after exchange rate adjustment.

5. The target subscribers of A Shares to be offered in the A Share Rights Issue shall be all the A Shareholders of the Bank as set out in the register of members after market closes on the A Share Record Date, and the target subscribers of H Shares to be offered in the H Share Rights Issue shall be all the Qualified H Shareholders as determined on the H Share Record Date.
6. It is expected that the gross proceeds of the Rights Issue will be no more than RMB45.0 billion. The final amount of gross proceeds shall be determined by the Board based on the Subscription Price and number of Rights Shares to be issued at the time of the Rights Issue and pursuant to the authorisation of the shareholders’ meetings. All the proceeds raised from the Rights Issue, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank.
7. The resolutions on the proposed Rights Issue shall remain valid for a period of 12 months from the date on which the resolutions are approved by the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010.

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## NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010

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8. To ensure smooth implementation of the Rights Issue, it will be proposed at the shareholders' meetings to authorise the Board, and the Board will then delegate the authority to the Chairman, the Vice Chairman and the President of the Bank, to jointly exercise the full power to handle matters relating to the Rights Issue under the framework and principles as deliberated and adopted by the shareholders at the shareholders' meetings and within the effective period of the resolutions in respect of the Rights Issue. The contents and scope of such authorisation shall include but not be limited to the following:
1. to complete such procedures as application, examination and approval, registration, filing, obtaining clearance and consents with or from relevant domestic or overseas regulatory authorities, agencies and exchanges in connection with the Rights Issue;
  2. to formulate and implement the final plan for the Rights Issue, including but not limited to, determining the timing of the issue, the proportion and the number of Rights Shares to be issued, the Subscription Price, the amount of proceeds and all other relevant matters relating to the Rights Issue and, based on actual circumstances, market conditions, changes in policies and opinions of the regulatory authorities and exchanges, to adjust the proposal in respect of the Rights Issue accordingly;
  3. to execute, amend, deliver and implement all relevant agreements, contracts and documents relating to the Rights Issue (including but not limited to sponsorship and underwriting agreements, agreements relating to the proceeds from the issuance, announcement or circulars);
  4. upon completion of the Rights Issue, to handle matters related to the listing of the relevant shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange;
  5. upon completion of the Rights Issue, to amend the relevant provisions of the Articles relating to the Rights Issue and the registered capital of the Bank based on the status of implementation of the Rights Issue, and to deal with matters in relation to the approval of and the filing with approval authorities or the administration for industry and commerce of such amendments, the approval by and the registration with approval authorities or the administration for industry and commerce of the change in the registered capital; and
  6. to deal with other matters relating to the Rights Issue.

All members of the Board of Directors shall be informed promptly upon completion of the above items.

9. **Closure of register of members and eligibility for attending the Second Extraordinary General Meeting of 2010**

H Shareholders of the Bank are advised that the register of members will be closed from Monday, 16 August 2010 to Wednesday, 15 September 2010 (both days inclusive). H Shareholders whose names appear on the register of members of the Bank maintained in Hong Kong at the close of business on Friday, 13 August 2010 are entitled to attend the Second Extraordinary General Meeting of 2010.

H Shareholders who wish to attend the Second Extraordinary General Meeting of 2010 but have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m. on Friday, 13 August 2010.

10. **Proxy**

Shareholders entitled to attend and vote at the Second Extraordinary General Meeting of 2010 may appoint one or more proxies to attend and vote in their stead. A proxy need not be a shareholder of the Bank.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a corporate body, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorised attorney(s). If the proxy form is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisation documents must be notarised.

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## NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2010

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To be valid, the proxy form together with the power of attorney or other authorisation document (if any) must be lodged at the H Share registrar of the Bank by hand or by post not less than 24 hours before the time fixed for holding the Second Extraordinary General Meeting of 2010 or any adjournment thereof (as the case may be) by H Shareholders. The H Shares registrar of the Bank is Computershare Hong Kong Investor Services Limited, whose address is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the Second Extraordinary General Meeting of 2010 if he so wishes, but in such event the instrument appointing a proxy shall be deemed to be revoked.

**11. Reply Slip**

Shareholders who intend to attend the Second Extraordinary General Meeting of 2010 in person or by proxy should return the reply slip by hand, by fax or by post to the Bank's Board of Directors' Office or Computershare Hong Kong Investor Services Limited on or before Thursday, 26 August 2010. The Bank's Board of Directors' Office is located at No. 55 Fuxingmennei Avenue, Xicheng District, Beijing 100140, PRC (Tel: (86 10) 6610 8400), Fax: (86 10) 6610 6139). The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Tel: (852) 2862 8555), Fax: (852) 2865 0990).

**12. Other issues**

The Second Extraordinary General Meeting of 2010 is expected to last for half a day. Shareholders (in person or by proxy) attending the Second Extraordinary General Meeting of 2010 are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the Second Extraordinary General Meeting of 2010 shall produce their identification documents.

The Second Extraordinary General Meeting of 2010 starts at 2:30 p.m.. Registration for admission to the Second Extraordinary General Meeting of 2010 will take place from 1:30 p.m. to 2:30 p.m..



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)

**NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010**

**NOTICE IS HEREBY GIVEN** that the first H Shareholders class meeting of 2010 (“**First H Shareholders Class Meeting of 2010**”) of Industrial and Commercial Bank of China Limited (the “**Bank**”) will be held at B3 Academic Exchange, Industrial and Commercial Bank of China Limited, No. 55 Fuxingmennei Avenue, Xicheng District, Beijing, PRC on Wednesday, 15 September 2010 at 2:30 p.m. (or immediately after the conclusion or adjournment of the Second Extraordinary General Meeting of 2010 and the First A Shareholders Class Meeting of 2010) to consider and, if thought fit, to pass the following resolutions:

**As Special Resolutions:**

- 1 To consider and individually approve each of the following resolutions on the proposed Rights Issue of A Shares and H Shares by the Bank:
  - 1.1 Types and nominal value of securities to be issued (*Note 2*)
  - 1.2 Proportion and number of Shares to be issued (*Note 3*)
  - 1.3 Subscription Price and the basis for price determination (*Note 4*)
  - 1.4 Target subscribers for the Rights Issue (*Note 5*)
  - 1.5 Amount and use of proceeds (*Note 6*)
  - 1.6 Effective period of the resolutions (*Note 7*)
  - 1.7 Authorisation for the Rights Issue (*Note 8*)

**The Board of Directors of  
Industrial and Commercial Bank of China Limited**

Beijing, the PRC  
29 July 2010

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## NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010

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*Notes:*

1. Unless otherwise defined in this notice, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated 29 July 2010 (the “**Circular**”). For further details of each the resolutions, please refer to the Circular.
2. The types of securities to be issued by the Bank pursuant to the Rights Issue are A Shares and H Shares, which have a nominal value of RMB1.00 each.
3. The proportion of Shares to be issued pursuant to the Rights Issue will be up to 0.6 Rights Shares for every ten (10) existing shares of the Bank in issue. The ratio of Rights Issue for the A Shares and the H Shares shall be the same. The final ratio of the Rights Issue shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders’ meetings. The A Share Rights Issue will be sold by selling agents on behalf of the Bank and the H Share Rights Issue will proceed on a fully underwritten basis.

The number of Shares to be issued pursuant to the A Share Rights Issue and the H Share Rights Issue shall be determined based on the total number of A Shares in issue after market closes on the A Share Record Date and the total number of H Shares in issue on the H Share Record Date, respectively. On the basis of 334,018,850,026 Shares of the Bank in issue as at 28 July 2010, it is expected to allot and issue no more than 20,041,131,000 Shares (comprising no more than 15,057,740,883 A Shares and no more than 4,983,390,117 H Shares) in total. The final number of Shares to be issued pursuant to the Rights Issue shall be determined by the Board prior to the Rights Issue in accordance with the proportion of Shares to be issued and the share capital structure of the Bank after market closes on the Record Date and pursuant to the authorisation of the shareholders’ meetings.

4. The Subscription Price is to be determined based on a discount to market price having regard to market conditions and the trading prices of the A Shares and the H Shares on the secondary markets before the publication of the Rights Issue announcement, provided that the Subscription Price will not be lower than the most recent audited net asset value per Share of the Bank before the Rights Issue as determined by a domestic auditor in accordance with PRC GAAP. The final Subscription Price shall be determined by the Board having regard to market conditions and pursuant to the authorisation of the shareholders’ meetings.

The Subscription Prices of the A Rights Shares and H Rights Shares shall be the same after exchange rate adjustment.

5. The target subscribers of A Shares to be offered in the A Share Rights Issue shall be all the A Shareholders of the Bank as set out in the register of members after market closes on the A Share Record Date, and the target subscribers of H Shares to be offered in the H Share Rights Issue shall be all the Qualified H Shareholders as determined on the H Share Record Date.
6. It is expected that the gross proceeds of the Rights Issue will be no more than RMB45.0 billion. The final amount of gross proceeds shall be determined by the Board based on the Subscription Price and number of Rights Shares to be issued at the time of the Rights Issue and pursuant to the authorisation of the shareholders’ meetings. All the proceeds raised from the Rights Issue, after deduction of the expenses relating to the issuance, shall be used to strengthen the capital base of the Bank.
7. The resolutions on the proposed Rights Issue shall remain valid for a period of 12 months from the date on which the resolutions are approved by the Second Extraordinary General Meeting of 2010, the First A Shareholders Class Meeting of 2010 and the First H Shareholders Class Meeting of 2010.
8. To ensure smooth implementation of the Rights Issue, it will be proposed at the shareholders’ meetings to authorise the Board, and the Board will then delegate the authority to the Chairman, the Vice Chairman and the President of the Bank, to jointly exercise the full power to handle matters relating to the Rights Issue under the framework and principles as deliberated and adopted by the shareholders at the shareholders’ meetings and within the effective period of the resolutions in respect of the Rights Issue. The contents and scope of such authorisation shall include but not be limited to the following:
  1. to complete such procedures as application, examination and approval, registration, filing, obtaining clearance and consents with or from relevant domestic or overseas regulatory authorities, agencies and exchanges in connection with the Rights Issue;
  2. to formulate and implement the final plan for the Rights Issue, including but not limited to, determining the timing of the issue, the proportion and the number of Rights Shares to be issued, the Subscription Price, the amount of proceeds and all other relevant matters relating to the Rights Issue and, based on actual circumstances, market conditions, changes in policies and opinions of the regulatory authorities and exchanges, to adjust the proposal in respect of the Rights Issue accordingly;

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## NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010

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3. to execute, amend, deliver and implement all relevant agreements, contracts and documents relating to the Rights Issue (including but not limited to sponsorship and underwriting agreements, agreements relating to the proceeds from the issuance, announcement or circulars);
4. upon completion of the Rights Issue, to handle matters related to the listing of the relevant shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange;
5. upon completion of the Rights Issue, to amend the relevant provisions of the Articles relating to the Rights Issue and the registered capital of the Bank based on the status of implementation of the Rights Issue, and to deal with matters in relation to the approval of and the filing with approval authorities or the administration for industry and commerce of such amendments, the approval by and the registration with approval authorities or the administration for industry and commerce of the change in the registered capital; and
6. to deal with other matters relating to the Rights Issue.

All members of the Board of Directors shall be informed promptly upon completion of the above items.

### **9. Closure of register of members and eligibility for attending the First H Shareholders Class Meeting of 2010**

H Shareholders of the Bank are advised that the register of members will be closed from Monday, 16 August 2010 to Wednesday, 15 September 2010 (both days inclusive). H Shareholders whose names appear on the register of members of the Bank maintained in Hong Kong at the close of business on Friday, 13 August 2010 are entitled to attend the First H Shareholders Class Meeting of 2010.

H Shareholders who wish to attend the First H Shareholders Class Meeting of 2010 but have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m. on Friday, 13 August 2010.

### **10. Proxy**

Shareholders entitled to attend and vote at the First H Shareholders Class Meeting of 2010 may appoint one or more proxies to attend and vote in their stead. A proxy need not be a shareholder of the Bank.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a corporate body, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorised attorney(s). If the proxy form is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisation documents must be notarised.

To be valid, the proxy form together with the power of attorney or other authorisation document (if any) must be lodged at the H Share registrar of the Bank by hand or by post not less than 24 hours before the time fixed for holding the First H Shareholders Class Meeting of 2010 or any adjournment thereof (as the case may be) by H Shareholders. The H Shares registrar of the Bank is Computershare Hong Kong Investor Services Limited, whose address is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the First H Shareholders Class Meeting of 2010 if he so wishes, but in such event the instrument appointing a proxy shall be deemed to be revoked.

### **11. Reply Slip**

Shareholders who intend to attend the First H Shareholders Class Meeting of 2010 in person or by proxy should return the reply slip by hand, by fax or by post to the Bank's Board of Directors' Office or Computershare Hong Kong Investor Services Limited on or before Thursday, 26 August 2010. The Bank's Board of Directors' Office is located at No. 55 Fuxingmennei Avenue, Xicheng District, Beijing 100140, PRC (Tel: (86 10) 6610 8400), Fax: (86 10) 6610 6139). The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Tel: (852) 2862 8555), Fax: (852) 2865 0990).



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## NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING OF 2010

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### 12. Other issues

The First H Shareholders Class Meeting of 2010 is expected to last for half a day. Shareholders (in person or by proxy) attending the First H Shareholders Class Meeting of 2010 are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the First H Shareholders Class Meeting of 2010 shall produce their identification documents.

The First H Shareholders Class Meeting of 2010 starts at 2:30 p.m. (or immediately after the conclusion or adjournment of the Second Extraordinary General Meeting of 2010 and the First A Shareholders Class Meeting of 2010). Registration for admission to the First H Shareholders Class Meeting of 2010 will take place from 1:30 p.m. to 2:30 p.m.