



中国工商银行

INDUSTRIAL AND COMMERCIAL BANK OF CHINA

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

WARNING

This announcement (“Announcement”) in relation to the A share offering of Industrial and Commercial Bank of China Limited (the “Company”) is a translation of the official announcement published in Chinese and is being published as required by The Stock Exchange of Hong Kong Limited solely for the purpose of providing information to the public in Hong Kong.

The issue of this Announcement in the People's Republic of China (“PRC”, excluding, for these purposes, Hong Kong, Macau and Taiwan) is pursuant to PRC regulatory requirements in connection with our A share offering. The A shares are only being offered and sold in the PRC to, and can only be purchased by, investors that meet certain eligibility requirements under the PRC laws and regulations.

By viewing this Announcement, you acknowledge, accept, and agree with the Company and its underwriters and advisors that:

- (a) the publication of this Announcement on this website does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities;
- (b) the publication of this Announcement must not be regarded as an inducement to subscribe for or purchase any securities, and no such inducement is intended;
- (c) neither this Announcement nor anything contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever and prospective investors of our H shares should not rely on information contained in this Announcement in making decisions as to whether to invest in our Global Offering;
- (d) neither the Company nor any of its affiliates, underwriters or advisors makes any express or implied representation or warranty as to the accuracy or completeness of the information contained in this Announcement;
- (e) each of the Company and its affiliates, underwriters and advisors expressly disclaims any and all liability on the basis of the information contained in or omitted from, or any inaccuracies or errors in, this Announcement;
- (f) neither the Company nor any of its affiliates, underwriters or advisors is under any obligation, legal or otherwise, to update any information contained in this Announcement;
- (g) the Company has not and will not register the securities referred to in the Announcements under the United States Securities Act of 1933, as amended, or any state securities laws of the United States; and
- (h) as there may be legal restrictions on the distribution of this Announcement or dissemination of any information contained in this Announcement, you agree to inform yourself about and observe any such restrictions applicable to you.

Prospective investors are reminded that the Global Offering is not conditional upon the A share offering. If an offer or an invitation is made to the public in Hong Kong in due course, please refer to a prospectus registered with the Registrar of Companies in Hong Kong for further details regarding the relationship between the Global Offering and the A share offering.

This Announcement does not form part of any prospectus registered with the Registrar of Companies in Hong Kong save in so far as any information has already been incorporated into such prospectus. As part of the A share offering process, certain announcements will be published from time to time on the website of the Shanghai Stock Exchange, which may not be published on the Stock Exchange of Hong Kong Limited website.

Industrial and Commercial Bank of China Limited

Initial Public Offering of A Shares:

Announcement of Institutional Placement

IMPORTANT NOTICE

1. The application for an initial public offering of A shares (the *A Share Offering*) by Industrial and Commercial Bank of China Limited (the *Issuer* or *ICBC*) has been approved by the China Securities Regulatory Commission (the *CSRC*) pursuant to the document *Zheng Jian Fa Xing Zi* [2006] No. 85. The initial size of the A Share Offering (the *Initial Offering Size*) will be 13.00 billion shares. The Issuer has granted the A share Joint Sponsors (Lead Underwriters) an over-allotment option (or the *Greenshoe*) equivalent to not more than 15% of the Initial Offering Size. If the Greenshoe in respect of the A Share Offering is exercised in full, the total number of shares offered under the A Share Offering will be increased to 14.95 billion shares.
2. The price range of the A Share Offering is from RMB 2.60 to RMB 3.12 per share (both inclusive).
3. The A Share Offering shall comprise a placement of shares to strategic investors (the *Strategic Placement*), a placement of shares to institutional investors who have participated in the price consultation process (the *Institutional Placement*) and a public offering of shares for subscription (the *Public Offering*).
4. Only Placement Participants who meet the requirements as set out in the section headed “Definitions” are eligible for subscription to the Institutional Placement.
5. Subscriptions in the Institutional Placement will take place between 16 October 2006 (Day T-3) and 18 October 2006 (Day T-1) from 9:00 to 17:00 everyday as well as on 19 October 2006 (Day T) from 9:00 to 12:30.
6. Investors participating in the Institutional Placement must pay their subscription monies in full. Investors participating in the Institutional Placement must fax: (1) the subscription quotation form (which must be affixed with the official company seal); (2) a power of attorney of the legal representative (not applicable where the subscription quotation form is signed/sealed by the legal representative himself/herself); and (3) a copy of the fund transfer voucher evidencing full payment of subscription funds (please ensure that the names of Price Consultation Participants and Placement Participants and the words “ICBC A Share Subscription Funds” are added) to

010-66420533 before 12:30 on 19 October 2006 (Day T). The subscription funds should be remitted to the bank account designated by the Joint Sponsors (Lead Underwriters) prior to 17:00 on 19 October 2006 (Day T).

7. Strategic investors participating in the Strategic Placement must make full and timely payment of their committed subscription funds in accordance with the *Subscription Payment Notice to A Share Strategic Investors* issued by the Joint Sponsors (Lead Underwriters).
8. This announcement only applies to the Strategic Placement and Institutional Placement. For detailed terms of the Public Offering, please refer to *Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Announcement Relating to Subscriptions in the Public Offering* published on 16 October 2006 in the China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.
9. Investors wishing to obtain general information on the A Share Offering should refer in detail to *Industrial and Commercial Bank of China Limited Announcement of Arrangements for Initial Public Offering of A Shares and Preliminary Price Consultation* and *Industrial and Commercial Bank of China Limited for the Initial Public Offering of A Shares Prospectus Summary* published on 27 September 2006 in the China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily. Full text of the prospectus and the documents for inspection are available on the SSE website (<http://www.sse.com.cn>).

Definitions

In this announcement, unless otherwise specified, the following terms shall have the meanings set out below:

| | |
|------------------------------------|---|
| Issuer | Industrial and Commercial Bank of China Limited |
| CSRC | China Securities Regulatory Commission |
| SSE | Shanghai Stock Exchange |
| Joint Sponsors (Lead Underwriters) | China International Capital Corporation Limited, CITIC Securities Co., Ltd., Guotai Junan Securities Co., Ltd. and Shenyin & Wanguo Securities Co., Ltd. |
| A share Strategic Investor | Investor who has signed a <i>Strategic Investors Subscription Agreement</i> with the Issuer under the relevant terms of the Strategic Placement. The final details of the Strategic Placement will be published in the <i>Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate</i> on 23 October 2006 (Day T+2) |
| Price Consultation Participant | Institutional investor who complies with the conditions set out in the <i>Procedures Governing the Offering and Underwriting of Securities</i> (Zheng Jian Hui Ling No. 37) and has been registered with the Securities Association of China |
| Placement Participant | Any proprietary trading account (including proprietary trading account of any underwriter except the Lead Underwriters) of an above-mentioned Price Consultation Participant, which has been registered with the Securities Association of China; or any securities investment product managed by a Placement Participant, which is eligible for subscription to the Institutional Placement, except for the following: <ol style="list-style-type: none">1. Price Consultation Participants who have an actual controlling relationship with the Issuer or the Joint Sponsors (Lead Underwriters);2. Securities investment fund management companies which |

have a controlling shareholding relationship with the Joint Sponsors (Lead Underwriters);

3. Securities investment funds which appoint the Issuer as custodian;

4. Proprietary trading accounts of the Joint Sponsors (Lead Underwriters); and

5. Price Consultation Participants who have not participated in the preliminary price consultation or have participated in the preliminary price consultation but have not submitted a valid quotation

| | |
|---------------------------|---|
| Valid Subscription | Subscription that complies with the subscription terms of this announcement, including following the prescribed procedures, being within the price range of the A Share Offering (inclusive of the upper and lower limits), applying for a subscription amount that complies with the conditions of this announcement, and making full and timely payment |
| Day T/Public Offering Day | 19 October 2006, the day on which investors participating in the Public Offering subscribe for the shares of the A Share Offering through the SSE trading system, based on the upper limit of the price range of the A Share Offering |
| RMB | Renminbi |

I. Basic Information for the A Share Offering

(1) Share Type

The shares offered under the A Share Offering are RMB-denominated ordinary shares (A shares) listed in Mainland China, with a par value of RMB1.00 per share.

(2) Size and Structure of the A Share Offering

The Initial Offering Size is 13.00 billion shares. The Issuer has granted the A share Joint Sponsors (Lead Underwriters) an over-allotment option (or the Greenshoe) equivalent to not more than 15% of the Initial Offering Size. If the Greenshoe in respect of the A shares is exercised in full, the total number of shares offered under the A Share Offering will be increased to 14.95 billion shares. Of these

shares, the Strategic Placement will amount to approximately RMB18.0 billion (the final number of shares under the placing will be determined on the basis of the final price of the A Share Offering. As the number of shares under the placement will be rounded to the nearest thousand shares, there may be a minor discrepancy in the final placement amount), which represents not more than 53.3% of the Initial Offering Size. Before the clawback mechanism is activated, the number of shares under the Institutional Placement is approximately 3.00 billion shares, representing approximately 23.1% of the Initial Offering Size; and the remaining portion will be offered under the Public Offering.

The A Share Offering will be conducted concurrently with ICBC's overseas H share offering. The initial offering size of the H share offering is approximately 35.39 billion shares. The Issuer has granted the H share joint bookrunners an over-allotment option equivalent to not more than 15% of the initial offering size of the H share offering. If the Greenshoe in respect of the H shares is exercised in full, the total number of shares offered under the H share offering will be increased to approximately 40.70 billion shares.

(3) Price range of the A Share Offering

The price range of the A Share Offering is from RMB2.60 to RMB3.12 per share (both inclusive).

The price to earnings ratio corresponding to such price range will be:

18.06 times to 21.67 times (where earnings per share is calculated based on the forecast net profit for 2006, which has been reviewed by an accounting firm in accordance with the PRC accounting standards, divided by the total number of shares immediately following completion of the A Share Offering and H share offering prior to any exercise of the over-allotment options).

22.79 times to 27.34 times (where earnings per share is calculated based on the lower of (i) net profit for 2005, which has been audited by an accounting firm in accordance with the PRC accounting standards or (ii) such net profit adjusted for the impact of non-recurring profit or loss, divided by the total number of shares immediately following completion of the A Share Offering and H share offering, prior to any exercise of the over-allotment options).

(4) Determination of Final Offering Price

After subscriptions in the Institutional Placement end, the Issuer and the Joint Sponsors (Lead Underwriters) will determine the price of the A Share Offering, based on the level of subscriptions in the Institutional Placement and the status of the H share international roadshow, and taking into account the fundamentals of the company, valuations of comparable companies and market conditions. The Issuer intends for the final A Share Offering price to be equivalent to the final H share offering

price, as adjusted for the exchange rate difference between the Hong Kong dollar and Renminbi. The Final Offering Price will be announced in the *Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate* (hereinafter referred to as the *Announcement of Pricing, Result of the Institutional Placement and Public Offering Success Rate*) on 23 October 2006 (Day T+2).

(5) Over-allotment Option (the Greenshoe)

The Issuer has granted an over-allotment option to the Joint Sponsors (Lead Underwriters) of the A Share Offering. The Joint Sponsors (Lead Underwriters) may over-allocate to investors shares representing not more than 15% of the Initial Offering Size (not more than 1.95 billion shares) at the Final Offering Price, which means that they may place shares in aggregate equivalent to not more than 115% of the Initial Offering Size (not more than 14.95 billion shares) to investors. The specific number of shares to be over-allocated will be determined by the Joint Sponsors (Lead Underwriters) based on the level of subscriptions in the A Share Offering, and will be disclosed in the *Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate* to be published on 23 October 2006 (Day T+2). Shares for settlement of the over-allocations will be obtained from those of the strategic investors under the A Share Offering who are subject to deferred settlement and all over-allocated shares will be placed to investors under the Public Offering. China International Capital Corporation Limited shall be the sponsor (lead underwriter) specifically responsible for exercising the Greenshoe. For detailed information in relation to the exercise of the Greenshoe, please see the *Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Announcement Relating to Subscriptions in the Public Offering* to be published in China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily on 16 October 2006.

(6) Clawback Mechanism Between the Public Offering and Institutional Placement

Upon completion of the Institutional Placement and Public Offering, the Issuer and the Joint Sponsors (Lead Underwriters) will, based on the level of overall subscriptions, decide whether to activate the clawback mechanism to adjust the size of the Institutional Placement and Public Offering. Clawback will be determined on the basis of the corresponding preliminary success rate in the Public Offering and the preliminary Institutional Placement ratio, after offering the over-allocated shares to the public subscribers. Preliminary success rate in the Public Offering = Number of shares placed under the Public Offering (after over-allotment and before the clawback mechanism is activated) / Total number of shares subscribed by Valid Subscriptions in the Public Offering; Preliminary Institutional

Placement ratio = Number of shares placed under the Institutional Placement before the clawback mechanism is activated / Number of Valid Subscriptions in the Institutional Placement. Details of the clawback will be confirmed on 20 October 2006, and will be announced in the *Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate* to be published on 23 October 2006.

The specific arrangements for the clawback mechanism are as follows:

- i. In the event the Institutional Placement is fully subscribed, if the preliminary success rate in the Public Offering is lower than 3% and is also lower than the preliminary placement ratio in the Institutional Placement, shares representing not more than 5% of the Initial Offering Size of A shares (not more than 650 million shares) will be reallocated to the Public Offering from the Institutional Placement, provided that the adjustment will not result in the final success rate in the Public Offering being higher than the final placement ratio in the Institutional Placement.
- ii. In the event the Public Offering is fully subscribed, if the preliminary placement ratio in the Institutional Placement is lower than the preliminary success rate in the Public Offering, shares will be reallocated to the Institutional Placement from the Public Offering, until the final placement ratio in the Institutional Placement is not lower than the final success rate in the Public Offering.
- iii. In the event the Institutional Placement or the Public Offering is under-subscribed, the Issuer and the Joint Sponsors (Lead Underwriters) may activate a two-way clawback mechanism based on the actual subscription levels to adjust the size of the Institutional Placement and the Public Offering.

(7) Key Dates of the A Share Offering:

| Trading Day | Date | Offering Arrangements |
|--------------------|--------------|--|
| T-11 | 27 September | <i>Prospectus Summary and Announcement of Arrangements for Initial Public Offering of A Shares and Preliminary Price Consultation</i> are published; opening day of preliminary price consultation |
| T-6 | 11 October | Last day of the preliminary price consultation |
| T-3 | 16 October | <i>Announcement on the Results of the Preliminary Price Consultation and the Price Range of the A Share Offering, Announcement on Institutional Placement and Announcement Relating to Subscriptions in the Public Offering</i> are published; commencement of the Institutional Placement |
| T-1 | 18 October | <i>Notification Announcement on Subscription to the Public Offering</i> is published |
| T | 19 October | Public Offering and last day for payment of subscription monies in the Institutional Placement |
| T+1 | 20 October | Determination of: whether or not over-allotment is to be carried out, the amount of over-allotment in the A Share Offering and whether or not clawback mechanism should be activated. Offering size of the Public Offering and Institutional Placement are determined after over-allotment and clawback (if any) |
| T+2 | 23 October | <i>Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate</i> is published; refund of subscription funds for the Institutional Placement |
| T+3 | 24 October | <i>Announcement on Results of Subscription Balloting in the Public Offering</i> is published; release of Public Offering subscription funds |

Note: In the event of force majeure or other events affecting the A Share Offering, the Joint Sponsors (Lead Underwriters) shall give timely notice and revise the A Share Offering timetable.

(8) Type of Underwriting: Shares not subscribed for shall be subscribed for by the underwriting syndicate.

(9) Listing Location: Shanghai Stock Exchange

II. Placement to A Share Strategic Investors

A share Strategic Investors will not participate in the preliminary price consultation, and undertake that they will accept the final offering price. The number of shares to be placed to A share Strategic Investors will be approximately equal to such number of shares as derived from their subscription amount divided by the price of the A Share Offering, rounded to the nearest thousand shares.

According to the arrangements for the over-allotment option in the A Share Offering, terms providing for deferred settlement have been included in the *Strategic Investor Subscription Agreement*. The Strategic Investors who are finally subject to deferred settlement and the number of shares under such deferred settlement will be disclosed in the *Placement Results Notice* to be issued within three

working days after the date of the announcement of results of the Institutional Placement (on 23 October) by the Joint Sponsors (Lead Underwriters) to the Strategic Investors.

The lock-up period for 50% of the shares placed to each A share Strategic Investor shall be 12 months. The lock-up period for the remaining 50% of the shares shall be 18 months. The lock-up period shall commence from the date on which shares in respect of the Public Offering are listed and traded on the SSE.

A share Strategic Investors must make full and timely payment of their committed subscription funds in accordance with *Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Subscription Payment Notice for A share Strategic Investors*. The detailed results of the Strategic Placement will be disclosed in the *Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate* to be published on 23 October 2006 (Day T+2).

III. Procedures for Institutional Placement Subscription and Placement

(1) Placement Participants and Lock-up Period Arrangements

Only “Placement Participants” who meet the requirements as set out in the section headed “Definitions” are eligible for subscription to the Institutional Placement. Placement Participants can only subscribe to the Institutional Placement through securities accounts and funds accounts that have been registered with the Securities Association of China.

The shares placed to the Institutional Placement Participants will be subject to a lock-up period of three months, which shall commence from the date on which shares in respect of the Public Offering are listed and traded on the SSE.

(2) Subscription

Placement Participants may subscribe for shares by faxing their subscription quotation forms to the Joint Sponsors (Lead Underwriters) (please see the *A share Institutional Placement Subscription Quotation Form* and its accompanying *Instructions and Important Notice* attached).

1. Subscriptions in the Institutional Placement will take place from 9:00 to 17:00 everyday from 16 October 2006 (Day T-3) to 18 October 2006 (Day T-1) as well as from 9:00 to 12:30 on 19 October 2006 (Day T). The Placement Participants must fax: (1) the subscription quotation form (which must be affixed with the official company seal); (2) a power of attorney of the legal representative (not applicable to subscription quotation form is signed/sealed by the legal

representative) and (3) a copy of the funds transfer voucher evidencing full payment of subscription funds (please ensure that the names of the Price Consultation Participants and Placement Participants and the words “ICBC A Share Subscription Funds” are included) to 010-66420533. The deadline for subscription to the Institutional Placement is 12:30 on 19 October 2006 (Day T) (by reference to the time when the Joint Sponsors (Lead Underwriters) receive the faxed subscription quotation forms from investors).

2. “Full Name of Placement Participant”, “Stock A/C Name (Shanghai)”, “Stock A/C No. (Shanghai)” and “Fund A/C No. (Details of Refunding Bank)” must be identical to the information registered on the files of the Securities Association of China, otherwise the subscription will be invalid.
3. The fund account from which the Placement Participant transfers the subscription funds must be identical to that in the “Details of Refunding Bank” and to the corresponding fund account registered on the files of the Securities Association of China, otherwise the subscription will be invalid.
4. Each securities account can subscribe once only (only one subscription quotation form can be filled in); and the subscription may not be revoked.
5. Subscription prices should be listed in descending order. Institutional Placement Participants may themselves set the subscription price within the price range of the A Share Offering (inclusive of the upper and lower limits), in increments of RMB0.01.
6. Up to three sets of subscription prices and the corresponding subscription amounts can be submitted on each subscription quotation form. The subscription amount corresponding to the highest subscription price cannot be less than 1 million shares and shall be in multiples of 100,000 shares. The total subscription amount must be in multiples of 100,000 shares. The maximum number of shares to be subscribed by a single securities account is 3.00 billion shares. Any subscription in excess will be invalid.

Placement Participants should subscribe for shares in accordance with relevant laws and the regulations of CSRC, and shall themselves bear any corresponding legal liability. The subscription quotation form of each Placement Participant, once faxed to the above-mentioned fax number, will be deemed as a formal subscription offer to the Joint Sponsors (Lead Underwriters) and will be legally binding.

(3) Payment of Subscription Funds

i. Calculation of Subscription Funds

Each subscribing Placement Participant must make full payment of subscription funds. The formula for calculation of the subscription funds payable is as follows: Subscription funds = \sum (Every subscription price in the subscription quotation form x Number of shares subscribed at the respective prices)

For example:

A Placement Participant subscribes as follows:

| Subscription Price (RMB/share) | Number of Shares Subscribed (10,000 shares) |
|--------------------------------|---|
| P1 | M1 |
| P2 | M2 |
| P3 | M3 |

Subscription funds (in RMB10,000) that the Placement Participant must pay $P1 \times M1 + P2 \times M2 + P3 \times M3$.

ii. Payment of Subscription Funds

The subscription funds must be transferred to one of the receiving banks designated by the Joint Sponsors (Lead Underwriters) below. Each Placement Participant can only choose one of any of the following receiving banks' accounts (please indicate "ICBC A share Subscription Funds" on payment forms). Settlement of funds must be made via the electronic interbank system or the People's Bank of China High Value Payment System (*HVPS*).

Receiving Bank (1)

Opening Bank: ICBC Beijing Branch Wangfujing
Sub-branch Operation Room
Account Name: CITIC Securities Co., Ltd.
Account Number: 0200000729027306581
Local Clearings No.: 010200078
Internal Bank No.: 20100042
PBC HVPS No.: 102100000072
Contact Person: Liu Wei
Tel: 010-65273579

Receiving Bank (2)

Opening Bank: Bank of China Headquarters
Business Department
Account Name: CITIC Securities Co., Ltd.
Account Number: 01674218027001
Local Clearings No.: 40
Internal Bank No.: 40004
PBC HVPS No.: 104100000045
Contact Person: Ding Nan
Tel: 010-66591499

Receiving Bank (3)

Opening Bank: China Construction Bank Beijing
Branch Xisi Sub-branch
Account Name: CITIC Securities Co., Ltd.
Account Number: 11001007200059507008
Local Clearings No.: 72
Internal Bank No.: 50113
PBC HVPS No.: 105100003023
Contact Person: Xi Jing
Tel: 010-68041571

Receiving Bank (4)

Opening Bank: Agricultural Bank of China Beijing
Xicheng District Sub-branch
Account Name: CITIC Securities Co., Ltd.
Account Number: 11021401040009792
Local Clearings No.: 646
Internal Bank No.: 110214
PBC HVPS No.: 103100002144
Contact Person: Yin Wei
Tel: 010-66001259

Receiving Bank (5)

Opening Bank: Bank of Communications Beijing
Branch Business Department
Account Name: CITIC Securities Co., Ltd.
Account Number: 110060149018170016114
Local Clearings No.: 010601499
Internal Bank No.: 61113
PBC HVPS No.: 301100000023
Contact Person: Ning Jie
Tel: 010-66101152

The subscription funds must be transferred to one of the above banks' accounts before 17:00 on 19 October 2006 (Day T). Subscription without timely payment of the subscription funds in accordance with the above provisions will be invalid. Investors should take into account the transit time required for the transfer of such funds. The funds account from which the Placement Participant transfers the subscription funds must be identical to "Details of Refunding Bank" indicated in the subscription quotation form and must be identical to the corresponding fund account that the Placement Participant registered with the Securities Association of China.

(4) Calculation of Placed Shares

Valid Subscriptions that comply with the conditions set out in this announcement and for which the subscription price is equal to or higher than the Final Offering Price will receive shares. The final placement ratio of the Institutional Placement and the number of shares allotted to the Placement Participant shall be calculated according to the following formula:

Final institutional placement ratio = Final number of shares placed under the Institutional Placement / Total number of shares subscribed by Valid Subscriptions at or above the Final Offering Price.

Number of shares allotted to a particular Placement Participant = Number of shares subscribed under a Valid Subscription by that Placement Participant at or above the Final Offering Price x Final placement ratio.

The placement ratio will be rounded to 5 decimal places, such that the minimum placement ratio would be 0.00001 or 0.001%.

Odd-lot shares: The Placement Participants will be ranked from highest to lowest according to the number of shares they have been allotted. If the total number of odd-lot shares exceed 1,000 shares, 1,000 shares shall be allotted to each Placement Participant in order and where the remainder is less than 1,000 shares, those shares shall be allotted to the first Placement Participant after the last Placement Participant obtaining 1,000 shares; if the total number of odd-lot shares is less than or equal to 1,000 shares, the shares shall be allotted to the Placement Participant with the highest allotted amount.

(5) Announcement of Placement Results and Refund of Surplus Subscription Funds

1. The *Announcement of Pricing, Results of the Institutional Placement and Public Offering Success Rate* will be published by the Joint Sponsors (Lead Underwriters) on 23 October 2006 (Day T+2) in the China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily. The contents of the announcement will include the names of successful Institutional Placement

Participants; the number of shares allotted to them; the activation of the clawback mechanism and the subscription funds to be refunded. Publication of this announcement will be deemed to be notices of successful placement to the Institutional Placement Participants.

2. On 23 October 2006 (Day T+2), the Joint Sponsors (Lead Underwriters) will refund the subscription funds payable to the Institutional Placement Participants. The subscription funds to be refunded = Subscription funds paid by the investors - The amount corresponding to the final number of shares allotted to the investors.

3. All interest generated from the subscription funds of the Placement Participants and strategic investors while frozen in the accounts shall be deposited into the special purpose frozen subscription funds interest account set up by the SSE and shall belong to the Fund for the Protection of Securities Investors.

IV. Miscellaneous

(i) Zhonghongxin Jianyuan Certified Public Accountants will review the receipt of subscription funds for the Strategic Placement and Institutional Placement and will issue capital verification reports.

(ii) Haiwen & Partners will witness the Institutional Placement process and will issue a related opinion.

(iii) Joint Sponsors (Lead Underwriters) Contact Persons

| Joint Sponsors (Lead Underwriters) | Contact |
|---|-------------------------|
| China International Capital Corporation Limited | Sun Dongqing, Shi Qi |
| CITIC Securities Co., Ltd. | Guo Yuhui, Jiang Xuetao |
| Guotai Junan Securities Co., Ltd. | Wu Guomei, Gu Ying |
| Shenyin & Wanguo Securities Co., Ltd. | Yu Hong, Feng Wenhui |

(iv) For enquiries about the A Share Offering, please call 010-66424233.

Industrial and Commercial Bank of China Limited Initial Public Offering of A Shares: Institutional

Placement Subscription Quotation Form

Important Notice

Before filling in this Form, please read carefully the *Announcement of Institutional Placement, Instructions for Filling this Form* and the *Notes*.

After this form has been completed, signed by the legal representative (or his/her authorized representative), affixed with the official seal of the company, and faxed to the subscription fax number, it will constitute a legally binding offer by the subscriber.

Fax: 010-66420533

Tel: 010-66424233

| | | | |
|--|---------------------------------|---------------------------|------|
| Full Name of Placement Participant | | | |
| Correspondence Address | | Postal Code | |
| Stock A/C Name (Shanghai) | | | |
| Stock A/C No. (Shanghai) | | | |
| Contact Person | | I/D No. of Contact Person | |
| Contact Telephone | | Fax | |
| Mobile | | Email | |
| Details of Refunding Bank (must be the same as the account details filed) | Full Name of Beneficiary's Bank | | |
| | Funds Account No. | | |
| | Full Name of Beneficiary | | |
| | PBC HVPS No. | | |
| | Interbank No. | | |
| Address of Beneficiary's Bank: | | Province | City |
| | | County | |

Subscription Information (Please refer to Section 2 of the Instructions for Completing this Form)

| Price in descending order | Reference No. | Price (RMB per share) | Subscription Shares (in 10,000 shares) | Subscription Amount (in RMB 10,000) (= Price x No. of shares subscribed) |
|---------------------------|---------------|-----------------------|--|--|
| | 1 | | | |
| | 2 | | | |
| | 3 | | | |

Total number of subscription shares (in words): (in 10,000 shares)
(in figures): (in 10,000 shares)

Total subscription amount (in words): (in RMB)
(in figures): (in RMB)

The investor hereby undertakes that:

1. All information filled in above are true and valid;
2. The source of the subscription funds conforms to the relevant laws and statutes, and the regulations of CSRC;
3. Shares allotted will be subject to a lock-up period of three months, commencing from the date on which the shares in respect of the Public Offering are listed and traded on the SSE.

Signature/Seal of Legal (or Authorized) Representative:

Official Seal of the Company:

Completed on: Day Month , 2006

Industrial and Commercial Bank of China Limited

Initial Public Offering of A Shares:

Institutional Placement Subscription Quotation Form

Instructions for Completing this Form and Notes

1. This form can be downloaded from www.cicc.com.cn, www.ecitic.com, www.gtja.com or www.sywg.com.cn. For the purpose of clarity, Price Consultation Participants are advised to print out this form separately.

2. Example of how to fill in the subscription price and subscription amount (Note: The prices and amounts in the example are hypothetical and carry no implication):

Assuming the subscription price range in this book-building process is RMB3.2 to RMB3.6 per share, and an investor intends to subscribe for different numbers of shares for different price levels, he/she should fill in the table as follows:

| Subscription Price (RMB per share) | Subscription Shares (in 10,000 shares) |
|------------------------------------|--|
| 3.5 | 1,000 |
| 3.4 | 1,500 |
| 3.3 | 2,000 |

The meaning of the aforesaid quotations is as follows:

- (1) If the final confirmed offering price is lower than or equal to RMB3.3, the number of Valid Subscription shares will be 45 million shares;
- (2) If the final confirmed offering price is higher than RMB3.3 but lower than or equal to RMB3.4, the number of Valid Subscription shares will be 25 million shares;
- (3) If the final confirmed offering price is higher than RMB3.4 but lower than or equal to RMB3.5, the number of Valid Subscription shares will be 10 million shares; and
- (4) If the final confirmed offering price is higher than RMB3.5 but lower than or equal to RMB3.6, the number of Valid Subscription shares will be 0 shares.

3. Entries on this form should not be deleted or amended. Subscription quotation forms with entries that are not filled in accordance with requirements, or that are unclear, incomplete, have untrue information or are not timely submitted may be considered invalid. The Placement Participant will take responsibility for an invalid subscription or other consequences which occur directly or indirectly due to his/her own omission or wrong entry on the form.

4. All subscribing Placement Participants must provide the following subscription documents, including:

- (1) The subscription quotation form (which must be affixed with the official company seal);
- (2) A power of attorney of the legal representative (not applicable where the subscription quotation form is signed/sealed by the legal representative); and
- (3) A copy of the funds transfer voucher evidencing full payment of subscription funds (please ensure that the names of Price Consultation Participants and Placement Participants and the words “ICBC A share Subscription Funds” are included).

Placement Participants should order and number the aforesaid documents and fax them to the fax number designated by the Joint Sponsors (Lead Underwriters) at 010-66420533 before 12:30 on 19 October 2006 (Day T).

5. The Joint Sponsors (Lead Underwriters) would like to emphasise to Placement Participants that subscriptions submitted after 12:30 on 19 October 2006 (Day T) will not be accepted. Thus, Placement Participants are advised to take into account the time required for fax transmission; all other forms of delivery are invalid. Subscription quotation forms, once faxed to the aforesaid fax number, will be deemed to be formal subscription offers to the Joint Sponsors (Lead Underwriters) and will be legally binding.

6. Placement Participants should arrange for transfer and payment of subscription funds as early as possible to ensure that the subscription funds will be transferred into the bank account designated by the Joint sponsors (Lead Underwriters) prior to 17:00 on 19 October 2006 (Day T). Subscriptions where subscription funds are not received on time or insufficient subscription funds will be invalid.

When making payment, the Placement Participant must complete its full name in the “Transfer Purpose” section. The Joint Sponsors (Lead Underwriters) hereby remind Placement Participants that the full name of the Placement Participant in the “Transfer Purpose” section is an important means by which the Lead Underwriters can confirm to whom the subscription funds belong; therefore, it must be entered completely and accurately.

Issuer: Industrial and Commercial Bank of China Limited

Joint Sponsors (Lead Underwriters): China International Capital Corporation Limited

(not in any particular order) CITIC Securities Co., Ltd.

Guotai Junan Securities Co., Ltd.

Shenyin & Wanguo Securities Co., Ltd.

16 October, 2006