



**中國工商銀行(亞洲)**  
**ICBC (Asia)**

For immediate release

### **ICBC (Asia) Assigned First-Time Ratings by Moody's**

**Hong Kong, 18 April 2004** – Industrial and Commercial Bank of China (Asia) Limited (“ICBC (Asia)”, SEHK: 0349) announced that the bank was assigned first time credit ratings by Moody's Investors Service. ICBC (Asia) received A2/Prime-1 long-term/short-term deposit ratings and D Bank Financial Strength Rating (BFSR). The outlook for the deposit ratings is stable while the outlook for the D BFSR rating is positive, reflecting ICBC (Asia)'s moderate financial fundamentals and evolving franchise in Hong Kong's intensely competitive market.

The positive outlook for ICBC (Asia)'s D BFSR rating reflects Moody's view that the bank's acquisition of the retail and commercial banking operations of Fortis Bank Asia HK (“FBAHK”) will be positive for ICBC (Asia) in the long term. In addition to advancing its scale of operation after the acquisition, the outlook also points to the bank's fast growth, moderate earnings and funding capacity. Based on the figures in June 2003, total assets of ICBC (Asia) would increase from HK\$66 billion to approximately HK\$95 billion when the acquisition is completed, and total customer deposits from HK\$38 billion to about HK\$60 billion. ICBC (Asia) would rank sixth among listed banks operating in Hong Kong from its previous position of tenth in terms of total assets.

Mr Zhu Qi, Managing Director and Chief Executive Officer of ICBC (Asia), said, “The positive ratings by Moody's validate our ongoing initiative to grow our bank through active business development and by acquisitions. As pointed out in the Moody's report, our integration with FBAHK will allow us to develop a more diversified business platform with much enhanced retail and commercial banking capabilities. While we agree with Moody's that the integration will inevitably pose challenges to our management, we can leverage our unique experience from our previous mergers with the Union Bank and ICBC's Hong Kong Branch to a successful integration process.”

The A2/Prime-1 deposit ratings indicate Moody's expectation of strong support ICBC (Asia) would continue to receive from parent company Industrial and Commercial Bank of China (“ICBC”), which could manifest in capital and liquidity relief, and enhanced cross-border business opportunities. As ICBC's largest overseas flagship, ICBC (Asia) has continued to be supported by strong capital injections from its parent in its former acquisitions of the Union Bank of Hong Kong in 2000 and the commercial banking business of ICBC's Hong Kong Branch in 2001. These acquisitions have enabled ICBC (Asia) to substantially grow its earnings and assets, and significantly reduce non-performing loans. The bank's continued asset growth and improved asset quality have offset the narrow margins of this business. Revenue and income, while still dominated by corporate banking, have become more diversified.

Upon completion of its merger with FBAHK, ICBC (Asia)'s branch network will expand from 20 to 42 branches, with 5 dedicated service centers for SMEs. Its retail customer base will grow from the current 40,000 to about 120,000 customers, with a significant increase in the number of SMEs in client portfolio. The acquisition will also result in a better business mix, with an increase in non-interest income ratio and reduction in loan-to-deposit ratio.

Mr Zhu concluded: "With full support of ICBC, we will continue to advance into new business fronts and expand our operations. We see strong leverage from Hong Kong's unique position in the global financial markets and unprecedented opportunities emerging from the development and integration of the mainland and SAR economies. Commanding a niche competitive position, our bank is well placed to create new values for both our customers and shareholders in the process of our ongoing growth and prosperity."

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#### **About ICBC (Asia)**

ICBC (Asia) is a full licensed bank incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong Limited (stock code: 0349). ICBC (Asia) has 20 branches and one wealth management center in Hong Kong. ICBC (Asia) is principally engaged in banking, financial and financial related services with focus on commercial retail banking business as well as corporate banking business. ICBC (Asia) is the flagship of ICBC Group's banking business in Hong Kong. ICBC (Asia)'s long term strategic objective is to become one of the leading commercial banks in Hong Kong, either through organic growth or through selective acquisitions when opportunities arise.

#### **About ICBC (The Industrial and Commercial Bank of China)**

ICBC is the largest commercial bank in China and one of the top ten commercial banks around the world in terms of asset size. As at the end of June 2003, its total assets reached RMB 5,000 billion. It has over 22,000 branch outlets in Mainland China, approximately 400 million personal accounts and more than 8 million corporate accounts. ICBC is the market leader in all major areas of banking services in China. In 2002, ICBC was ranked as the 10<sup>th</sup> largest bank in the world by Tier 1 capital. In the same year, it won "Bank of the Year 2002 in China" and the "Bank Website of the Year 2002" by *"The Banker"*. In 2003, *"Global Finance"* awarded to ICBC "Best Personal Internet Bank in China Award 2003", and it also awarded to ICBC "Best Bank in China Award" for three consecutive years from 2001 to 2003.

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