



中國工商銀行(亞洲)

ICBC (Asia)

To: Business News Editor

For immediate release

**ICBC (Asia) Teams Up with ICBC Shenzhen Branch
To launch «Mortgage Plus» “Auto-remittance for Mainland Mortgage Payment”
Enabling installment payments for Shenzhen property mortgages in Hong Kong**

Hong Kong, 12 October 2004 – ICBC (Asia) announces a team-up with ICBC Shenzhen Branch in the introduction of a proprietary mortgage service - «Mortgage Plus» “Auto-remittance for Mainland Mortgage Payment”, to enable Hong Kong customers to conveniently manage the payment for their Shenzhen property. This is another cross-border wealth management service following the launch of “Phone Banking Roaming Service” last month. Hong Kong owners of Shenzhen properties can instruct ICBC (Asia) in Hong Kong to settle monthly installment payments for mortgages handled by ICBC Shenzhen Branch.

Application procedures of «Mortgage Plus» “Auto-remittance for Mainland Mortgage Payment” are simple. Customers need only to open an HKD account at any branch of ICBC (Asia) to effect auto-remittance of monthly installments to ICBC Shenzhen Branch. ICBC (Asia) charges only HK\$50 for each auto-remittance transaction, which is much lower than standard remittance fee. ICBC (Asia) also waives all set-up and alteration charges for auto-remittance arrangements. Therefore, Shenzhen property owners in Hong Kong no longer have to make payment in Shenzhen in person or pay high remittance fee.

“Mortgage Plus”, co-managed by ICBC (Asia) and ICBC, is actually in service for years and currently covers Beijing, Shanghai and Guangdong. It enables Hong Kong customers who purchase property in Mainland to apply for mortgages in HKD or USD at ICBC (Asia) or any branch of ICBC at the three places. ICBC (Asia) will continue to work with ICBC to expand the coverage of “Mortgage Plus” service to other popular provinces and cities for real estate investments.

A recent study indicates that in the first half of this year, Hong Kong people’s investments in Mainland properties have reached historic heights in five years in terms of both number of units and capital investments, with total amount of RMB 5.7 billion. Shenzhen is the most favoured location for Hong Kong property buyers, representing 46% among all cities in Mainland. Growth in transactions and prices will remain the highest in Shenzhen. It is expected that transactions would raise by over 50% in the second half year, together with a 8-9% anticipated increase in prices.

Mr Fong Yuen Kwai, Head of Retail Banking of ICBC (Asia), pointed out that: “As the economies of Hong Kong and the Pearl River Delta continue to converge, we expect more Hong Kong people to purchase property in Shenzhen. Our introduction of «Mortgage Plus» “Auto-remittance for Mainland Mortgage Payment” with ICBC Shenzhen Branch is to address the needs of Hong Kong customers. We look forward to pioneering other unique services with strong leverage of our parent’s powerful business network in Mainland.”

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About Industrial and Commercial Bank of China (Asia) Limited (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) became the sixth largest bank (in terms of total assets) among listed banks operating in Hong Kong, after its acquisition of Belgian Bank (formerly Fortis Bank Asia HK). ICBC (Asia) was assigned A2/Prime-1 long-term/short-term deposit ratings and D Bank Financial Strength Rating (BFSR) by Moody’s Investors Service on 16 April 2004.

About Industrial and Commercial Bank of China (ICBC)

ICBC is the largest commercial bank in the Mainland China, with total assets amounted approximately RMB5,300 billion and over 22,000 domestic outlets. It is the holding company of ICBC (Asia). The bank was recently named the “Best Bank in China” by “Euro Money” and “The Banker” (September 2004 edition).