



中國工商銀行(亞洲)

ICBC (Asia)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

中國工商銀行(亞洲)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 349)

**OPTION TO ACQUIRE EQUITY INTEREST IN
THE TAI PING INSURANCE COMPANY, LIMITED***

This announcement is made pursuant to Listing Rule 13.09(1).

Reference is drawn to an announcement dated 20 June 2008 issued by CIIH relating to the conditional Capital Contribution Agreement, pursuant to which CIHC and CIIH will contribute, in cash, RMB4,540,000 (approximately HK\$5,191,490) and RMB265,460,000 (approximately HK\$303,553,510) respectively to the registered capital of TPI. The Bank has agreed not to exercise its rights to participate in the Capital Contribution. Upon Completion, each of CIHC, CIIH and the Bank will be directly interested in 42.020%, 50.050% and 7.930% respectively of the equity interest in TPI.

On 20 June 2008, CIHC, CIIH and the Bank entered into the conditional 2008 Option Deed pursuant to which CIHC has agreed to grant the right to the Bank at nil consideration to, conditional upon Completion, acquire from CIHC approximately 1.647% of the equity interest in TPI as enlarged by the Capital Contribution for a consideration of RMB25,858,900 (approximately HK\$29,569,652) within six months from the date of the 2008 Option Deed, or such later date as the parties may extend pursuant to the terms of the 2008 Option Deed. The 2008 Option will be exercisable at the option of the Bank and if exercised by the Bank, will have to be exercised in full.

If the 2008 Option is exercised in full by the Bank, the equity interest of the Bank in TPI will be increased from 7.930% to 9.577%, i.e. the percentage level of the equity interest of the Bank immediately prior to Completion.

The Directors will carefully consider whether the Bank should exercise the 2008 Option in full prior to the initial expiry of the exercise period, i.e. six months from the date of the 2008 Option Deed, in the light of the interest of the Bank and its Shareholders as a whole, in which case a further announcement will be made pursuant to the requirements of the Listing Rules.

This announcement is made pursuant to Listing Rule 13.09(1).

CAPITAL CONTRIBUTION TO TPI

Reference is drawn to an announcement dated 20 June 2008 issued by CIIH relating to the conditional Capital Contribution Agreement. Pursuant to the Capital Contribution Agreement, CIHC, CIIH and the Bank, being shareholders of TPI, agreed that the registered capital of TPI shall be increased from RMB1,300,000,000 to RMB1,570,000,000. The Bank has agreed not to exercise its rights to participate in the Capital Contribution contemplated under the Capital Contribution Agreement. CIHC and CIIH agreed, conditional upon fulfillment of the conditions precedent contained therein, to contribute in cash RMB4,540,000 (approximately HK\$5,191,490) and RMB265,460,000 (approximately HK\$303,553,510) respectively to the registered capital of TPI.

As at the date of this announcement, each of CIHC, CIIH and the Bank is directly interested in 50.398%, 40.025% and 9.577% respectively of the equity interest in TPI. Upon Completion, each of CIHC, CIIH and the Bank will be directly interested in 42.020%, 50.050% and 7.930% respectively of the equity interest in TPI.

The following table shows the percentage interest in the registered capital of TPI before and after Completion:

Shareholders of TPI	Existing registered capital prior to Completion		Capital Contribution	Registered capital after Completion	
	RMB	(%)		RMB	(%)
CIHC	655,175,000	(50.398%)	4,540,000	659,715,000	(42.020%)
CIIH	520,325,000	(40.025%)	265,460,000	785,785,000	(50.050%)
The Bank	<u>124,500,000</u>	<u>(9.577%)</u>	Nil	<u>124,500,000</u>	<u>(7.930%)</u>
Total:	<u>1,300,000,000</u>	<u>(100.00%)</u>	<u>270,000,000</u>	<u>1,570,000,000</u>	<u>(100.00%)</u>

OPTION DEED BETWEEN CIHC, CIIH AND THE BANK

On 20 June 2008, CIHC, CIIH and the Bank entered into the conditional 2008 Option Deed pursuant to which CIHC has agreed to grant the right to the Bank at nil consideration to, conditional upon Completion, acquire from CIHC approximately 1.647% of the equity interest in TPI as enlarged by the Capital Contribution within six months from the date of the 2008 Option Deed, or such later date as the parties may extend pursuant to the terms of the 2008 Option Deed. The 2008 Option will be exercisable at the option of the Bank and if exercised by the Bank, will have to be

exercised in full. If the 2008 Option is exercised in full by the Bank, the equity interest of the Bank in TPI will be increased from 7.930% to 9.577%, i.e. the percentage level of the equity interest of the Bank immediately prior to Completion. The consideration payable by the Bank upon exercise of the 2008 Option shall be RMB25,858,900 (approximately HK\$29,569,652).

The Directors consider that the 2008 Option Deed was entered into on normal commercial terms and consider that the terms of the 2008 Option Deed are fair and reasonable so far as the Shareholders are concerned. The Directors will carefully consider whether the Bank should exercise the 2008 Option in full prior to the initial expiry of the exercise period, i.e. six months from the date of the 2008 Option Deed, in the light of the interest of the Bank and its Shareholders as a whole, in which case a further announcement will be made pursuant to the requirements of the Listing Rules.

DEFINITIONS

In this announcement, the following terms have the following meanings:

“2008 Option”	the option to acquire approximately 1.647% equity interest in TPI as enlarged by the Capital Contribution granted by CIHC to the Bank pursuant to the 2008 Option Deed
“2008 Option Deed”	the conditional option deed dated 20 June 2008 entered into between CIHC, CIIH and the Bank relating to the granting by CIHC to the Bank of the 2008 Option to acquire from CIHC approximately 1.647% equity interest in TPI as enlarged by the Capital Contribution
“Bank”	Industrial and Commercial Bank of China (Asia) Limited
“Capital Contribution”	the contribution of the additional registered capital of TPI agreed to be made by each of CIHC and CIIH in the amount of RMB4,540,000 (approximately HK\$5,191,490) and RMB 265,460,000 (approximately HK\$303,553,510) respectively, pursuant to the Capital Contribution Agreement
“Capital Contribution Agreement”	the conditional capital contribution agreement dated 20 June 2008 relating to the Capital Contribution entered into between CIHC, CIIH, the Bank and TPI

“CIHC”	China Insurance (Holdings) Company, Limited (中國保險(控股)有限公司), a limited company established in the PRC and the ultimate holding company of CIH, which is holding an effective interest of approximately 54.322% in CIH as at the date of this announcement
“CIH”	China Insurance International Holdings Company Limited (中保國際控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“Completion”	completion of the Capital Contribution pursuant to the Capital Contribution Agreement
“Directors”	the board of directors of the Bank
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Shareholders”	holders of the ordinary shares of par value of HK\$2.00 each in the capital of the Bank from time to time
“TPI”	太平保險有限公司 (The Tai Ping Insurance Company, Limited*), a limited liability company established in the PRC and is owned as to 50.398% by CIHC, as to 40.025% by CIH and as to 9.577% by the Bank as at the date of this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

“%” per cent.

Unless otherwise stated, amounts in RMB have been translated into HK\$ at an exchange rate of HK\$1.1435 to RMB1.00 for illustration purposes only.

By Order of the Board
Tsang Mei Kuen
Company Secretary

Hong Kong, 20 June 2008

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

* *For identification only*