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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)

CONTINUING CONNECTED TRANSACTION

The Board announces that on 31 July 2006, the Company entered into a Tenancy Agreement with External Channel Investment Limited to lease Premises for a term commencing on 31 July 2006 and expiring on 31 December 2008.

The Landlord is a wholly owned subsidiary of ICBC, which in turn is the controlling shareholder of the Company, and hence the Tenancy Agreement constitutes a continuing connected transaction of the Company under Listing Rule 14A.14 and will be subject to the reporting and announcement requirements under Listing Rule 14A.34(1).

Based on the applicable percentage ratios calculated in accordance with Listing Rule 14.07, the Tenancy Agreement is exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules and the Company will comply with the reporting and announcement requirements as set out in Listing Rules 14A.45 to 14A.47.

TENANCY AGREEMENT

The Company, as tenant, and External Channel Investment Limited, as landlord, entered into the Tenancy Agreement to lease the Premises as its branch commencing on 31 July 2006 and expiring on 31 December 2008 at a monthly rental of HK\$450,000 (excluding the charges payable on reimbursement basis).

The entering into the Tenancy Agreement by the Company enables the Company to establish a strategic location for the Company's operation in the long run. The Directors believe that the terms of the Tenancy Agreement are on normal commercial terms and are fair and reasonable and the entering into the Tenancy Agreement, are in the interest of the Shareholders as a whole.

Under the Listing Rules, the Tenancy Agreement constitutes a continuing connected transaction of the Company under Listing Rule 14A.14. Based on the applicable percentage ratios calculated in accordance with Listing Rule 14.07, the Tenancy Agreement will be subject to the reporting and announcement requirements under Listing Rule 14A.34(1) and is exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. In respect of the Tenancy Agreement, the Company will comply with the requirements set out in Listing Rules 14A.45 to 14A.47.

ANNUAL CAP

Based on the expected total value of the transaction (excluding the charges payable on reimbursement basis) under the Tenancy Agreement, the expected maximum aggregate annual value, also referred to as the "annual caps" for the six months from 31 July 2006 ending 31 December 2006, the two years ending 31 December 2007 and 2008 will be HK\$2,700,000, HK\$5,400,000 and HK\$5,400,000 respectively. The value of the transaction will be settled in cash.

INFORMATION ON THE COMPANY, ICBC AND LANDLORD

The Company is a full licensed bank incorporated in Hong Kong whose Shares are listed on the Stock Exchange. The Company is principally engaged in banking, financial and other financial related services with a focus on commercial and retail banking businesses as well as corporate banking business. As at the date of this announcement, the Company has 38 retail branches, 5 business centers and 1 investment service center in Hong Kong, and an overseas branch established in the Cayman Islands. The Company is the listed flagship for the overseas banking business of ICBC in Hong Kong.

ICBC is a joint stock bank established under the laws of the PRC. ICBC is one of the largest commercial banks in the PRC and has branches through out the country. ICBC is principally engaged in commercial, retail and corporate banking business in the PRC. ICBC has also established various branches/entities in different parts of the world, including Hong Kong.

The Landlord is a wholly owned subsidiary of ICBC that holds approximately 59.72% of the issued share capital of the Company as at the date of this announcement. The principal business of the Landlord is property investment.

DEFINITIONS

"Board" or "Directors"	the board of directors of the Company including independent non-executive directors;
"Company"	Industrial and Commercial Bank of China (Asia) Limited;
"HK\$"	Hong Kong Dollars, the lawful currency of Hong Kong;
"Hong Kong"	Hong Kong Special Administrative Region of the PRC;
"ICBC"	Industrial and Commercial Bank of China Limited, a joint stock bank established under the laws of the PRC;
"Landlord"	External Channel Investment Limited;
"Listing Rule(s)"	the Rules Governing the Listing of Securities on the Stock Exchange presently in force as at the date hereof;
"PRC"	the People's Republic of China;
"Premises"	Portion of the first floor of No. 9 Queen's Road Central, Hong Kong with a total gross floor area of 16,086 square feet;
"Tenancy Agreement"	a tenancy agreement dated 31 July 2006 made between the Company and the Landlord for the lease of the Premises;
"Share(s)"	ordinary share(s) of par value of HK\$2 each in the capital of the Company;
"Shareholder(s)"	holder(s) of the Share(s) of the Company; and
"Stock Exchange"	The Stock Exchange of Hong Kong Limited.

By Order of the Board
Cheng Pui Ling, Cathy
Company Secretary

Hong Kong, 31 July 2006

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, Mr. Chen Aiping and Mr. Damis Jacobus Ziengs as non-executive directors and Professor Wong Yue Chim, Richard, SBS, JP, Mr. Tsui Yiu Wa, Alec and Mr. Yuen Kam Ho, George as independent non-executive directors.