



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)

**POST-COMPLETION ADJUSTMENT TO THE ACQUISITION PRICE  
IN RELATION TO  
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF  
BELGIAN BANK (FORMERLY KNOWN AS FORTIS BANK ASIA HK)**

The Directors are pleased to announce that the completion accounts of the Sale Group and the Company have been exchanged between the Company and the Vendor on 30 June 2004 and the completion accounts have been agreed by the Company and the Vendor.

According to the completion accounts of the Sale Group and the Company and under the terms of the SPA, the Acquisition Price has been determined at approximately HK\$2,530.9 million and the Agreed Value of the Consideration Shares is approximately HK\$752.5 million.

Therefore, taking into account the initial cash portion of HK\$1,450.9 million paid by the Company to the Vendor on 30 April 2004 and the Agreed Value of the Consideration Shares of HK\$752.5 million, the post-completion adjustment shall be approximately HK\$327.5 million as determined in accordance with the terms of the SPA. According to the SPA, the Company shall settle the post-completion adjustment to the Vendor in Euro at the agreed exchange rate of Euro1=HK\$9.3059 on the Completion Date, being approximately Euro35.2 million, within three business days from 22 July 2004, being the date on which the completion accounts of the Sale Group and the Company were agreed.

Reference is made to the announcements of the Company dated 31 December 2003 and 30 April 2004 (the "Announcements"), and to the circular issued by the Company on 17 January 2004 (the "Circular"). Capitalised terms used and not otherwise defined herein shall have the meanings given to them in the Circular.

**Initial settlement on 30 April 2004**

As stated in the announcement of the Company dated 30 April 2004, the completion of the SPA took place on 30 April 2004 and that accordingly, among other things, the Company has:-

- paid to the Vendor HK\$1,450.9 million in cash as the initial cash portion of the Acquisition Price, which was paid in Euro translated at the agreed exchange rate of Euro1=HK\$9.3059 on the Completion Date; and
- allotted and issued 94,317,000 Shares as the Consideration Shares, representing approximately 9% of the issued share capital of the Company as enlarged by such issuance, to the Vendor.

Under the terms of the SPA and as stated in the Announcements and the Circular, the Acquisition Price is 1.05 times the net asset value of the Sale Group on the Completion Date as shown in the completion accounts of the Sale Group, and the Agreed Value of each of the Consideration Shares is 1.05 times the consolidated net asset value per share of the Company on the Completion Date as shown in the completion accounts of the Company. As disclosed in the announcement of the Company dated 31 December 2003 and the Circular, the Acquisition Price of the Sale Group and the Agreed Value of the Consideration Shares were originally estimated to be at HK\$2,157.0 million and HK\$612.0 million by reference to the management accounts of the Sale Group and the Company as of 30 June 2003 respectively. The above payment of initial cash portion, and allotment and issuance of the Consideration Shares on 30 April 2004 were based on the abovementioned Acquisition Price of HK\$2,157.0 million and a revised Agreed Value of the Consideration Shares of HK\$706.1 million after taking into account the top-up placing of 124,874,000 new ordinary shares in February 2004 and the conversion of convertible preference shares into 204,399,479 new ordinary shares in April 2004.

Adjustment to the Acquisition Price and the Agreed Value of the Consideration Shares is made to reflect the changes in the net asset value of the Sale Group and the Company from 30 June 2003 to the Completion Date based on the completion accounts of the Sale Group and the Company as at the Completion Date prepared by the respective management of the Sale Group and the Company and delivered to the other party within 60 days from the Completion Date. The completion accounts of the Sale Group are prepared in accordance with Belgian GAAP subject to certain specific terms in the SPA and the completion accounts of the Company are prepared in accordance with Hong Kong GAAP except for certain accounting policies mutually agreed between the Vendor and the Company.

Whilst the SPA provides that the completion accounts of the Company shall comprise the audited consolidated balance sheet of the Company excluding the consolidation of the identifiable assets and liabilities of Belgian Bank as at the Completion Date, the Company has subsequently agreed with the Vendor that the completion accounts of the Company would be subject to a high level assurance engagement conducted in accordance with the Standards on Assurance Engagements issued by the Hong Kong Society of Accountants, to report whether the completion accounts have been prepared in accordance with the terms under the SPA. The Directors are pleased to announce that the abovementioned completion accounts of the Sale Group and the Company have been exchanged between the Company and the Vendor on 30 June 2004 and the completion accounts have been agreed by the Company and the Vendor.

**Post-completion Adjustment**

According to the completion accounts of the Sale Group and the Company and under the terms of the SPA, the Acquisition Price has been determined at approximately HK\$2,530.9 million and the Agreed Value of the Consideration Shares is approximately HK\$752.5 million.

Therefore, taking into account the initial cash portion of HK\$1,450.9 million paid by the Company to the Vendor on 30 April 2004 and the Agreed Value of the Consideration Shares of HK\$752.5 million, the post-completion adjustment shall be approximately HK\$327.5 million as determined in accordance with the terms of the SPA. According to the SPA, the Company shall settle the post-completion adjustment to the Vendor in Euro at the agreed exchange rate of Euro1=HK\$9.3059 on the Completion Date, being approximately Euro35.2 million within three business days from 22 July 2004, being the date on which the completion accounts of the Sale Group and the Company were agreed.

By Order of the Board

**Zhu Qi**

Managing Director and Chief Executive Officer

Hong Kong, 22 July 2004

As at the date of this announcement, the Board comprises Mr. Zhu Qi, Mr. Kwok Kin Hung and Mr. Wang Yan as executive directors, Dr. Jiang Jianqing, Ms. Wang Lili, Mr. Chen Aiping and Mr. Damius Jacobus Ziegls 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.

*Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.*