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中國銀行股份有限公司  
**BANK OF CHINA LIMITED**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*  
**(the "Bank")**  
**(Stock Code: 3988)**

**ANNOUNCEMENT**

**REGARDING THE POSITION OF HOLDING THE BONDS ISSUED BY LEHMAN BROTHERS**

On 15 September 2008, Lehman Brothers Holdings Inc. officially filed for bankruptcy protection. As of the date of this announcement, the Bank of China Group holds USD75.62 million bonds issued by Lehman Brothers Holdings Inc. and its subsidiaries, of which USD69.21 million bonds are held by Bank of China (Hong Kong) Limited. In addition, the Bank's New York Branch has outstanding loans of USD50 million and USD3.2 million that were extended to Lehman Brothers Holding Inc. and its subsidiaries, respectively. The above bonds and loans in aggregate account for 0.01% of the total assets and 0.19% of the net assets of the Bank of China Group as at 30 June 2008, respectively.

The Bank will closely monitor the development of this event, promptly assess any risk in relation thereto, make corresponding provisions for diminution in value in a prudent manner, and safeguard our assets to the greatest extent in accordance with the relevant laws and regulations. It is expected that this event will not have any significant impact on the financial position of the Bank of China Group.

By Order of the Board  
**YEUNG Cheung Ying**  
*Company Secretary*

Hong Kong, 17 September 2008

*As at the date of this announcement, the Directors of the Bank are: XIAO Gang, LI Lihui, LI Zaohang, ZHOU Zaiqun, ZHANG Jinghua\*, HONG Zhihua\*, HUANG Haibo\*, CAI Haoyi\*, WANG Gang\*, LIN Yongze\*, Sir Frederick Anderson GOODWIN\*, SEAH Lim Huat Peter\*, Anthony Francis NEOH\*\*, Alberto TOGNI\*\*, HUANG Shizhong\*\* and HUANG Danhan\*\*.*

\* *Non-executive Directors*

\*\* *Independent Non-executive Directors*