



中国农业银行

AGRICULTURAL BANK OF CHINA

AGRICULTURAL BANK OF CHINA LIMITED

中國農業銀行股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

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Special Indicative Announcement on Investment Risks Regarding Initial Public Offering of A Shares

The initial public offering of RMB-denominated ordinary shares (the “A Shares”) by Agricultural Bank of China Limited has been approved by the China Securities Regulatory Commission pursuant to the document Zheng Jian Xu Ke [2010] No. 805. The initial offering size of the Offering will be 22,235,294,000 shares. The Issuer has granted the A Share Joint Lead Underwriters an over-allotment option (or the “Greenshoe”) equivalent to no more than 15% of the initial offering size. If the Greenshoe in respect of the Offering is exercised in full, the total number of shares offered under the Offering will be increased to 25,570,588,000 shares.

The Issuer and the Joint Lead Underwriters issue the following special warnings in respect of the investment risks related to the Offering of new shares:

1. Any decision by or opinion of the CSRC and other government departments on the Offering does not, in any way, represent that they make substantial judgment or guarantee on the value of the Issuer’s shares or the gain of investors. Any statement to the contrary shall be deemed false and untrue representation.
2. Prospective investors intending to participate in the Offering should read carefully the *Summary of the Letter of Intent Regarding Initial Public Offering of A Shares of Agricultural Bank of China Limited* published on *China Securities Journal*, *Shanghai Securities News*, *Securities Times* and *Securities Daily* on June 17, 2010 and the full text of the Letter of Intent published on the website of Shanghai Stock Exchange (www.sse.com.cn), in particular the section headed “Risk Factors”, to fully understand various risk factors of the Issuer and have prudent judgment on its results of operation and investment value so as to make prudent investment decisions. According to the PRC Securities Law, upon the lawful issuance of the A Shares, the Issuer shall be responsible, on its own, for changes in its operation and earnings and the investors shall be responsible for any investment risk resulting from such changes on their own.
3. The Offering adopts market-oriented pricing principle, where the offline institutional investors quote prices on a bona fide basis during preliminary price consultation period. The Issuer and the Joint Lead Underwriters will determine the offer price range for the Offering through negotiations based on the results of the preliminary price consultation. The whole pricing process and the pricing result will be decided by the abovementioned participants on their own risks. Participation in online subscription by any investor represents its acceptance of the final offer price. Otherwise, no subscription shall be made.

4. While the A Share Offering is being processed, the issuer is conducting an overseas H Share Offering. The successful implementation of the H Share Offering depends on the effects of various factors such as market trend and investors' confidence, and neither our A Share Offering nor our H Share Offering is conditional upon the other. Meanwhile, the implementation of H Share Offering will dilute our financial indicators per share, and investors are especially reminded to pay attention to such effects.
5. The price range for the Offering is between RMB2.52 per share to RMB2.68 per share (both limits inclusive) and the respective ranges of price to earnings ratio in 2009 corresponding to such price range are as follows:
 - 11.28 times to 12.00 times (where earnings per share is calculated based on the net profit attributable to shareholders of the Issuer for 2009 before or after the deduction of the non-recurring profit or loss, whichever is lower, audited in accordance with the PRC GAAP, divided by the total number of shares prior to the Offering).
 - 13.27 times to 14.12 times (where earnings per share is calculated based on the net profit attributable to shareholders of the Issuer for 2009 before or after the deduction of the non-recurring profit or loss, whichever is lower, audited in accordance with the PRC GAAP, divided by the total number of shares following completion of the Offering and the H share offering assuming no exercise of the over-allotment options in connection with the Offering and the H share offering).
 - 13.57 times to 14.43 times (where earnings per share is calculated based on the net profit attributable to shareholders of the Issuer for 2009 before or after the deduction of the non-recurring profit or loss, whichever is lower, audited in accordance with the PRC GAAP, divided by the total number of shares following completion of the Offering and the H share offering assuming the over-allotment options in connection with the Offering and the H share offering are exercised in full).

The respective ranges of forecast price to earnings ratio in 2010 corresponding to such price range are as follows:

- 8.21 times to 8.73 times (where earnings per share is calculated based on the forecast net profit attributable to shareholders of the Issuer for 2010, reviewed in accordance with the PRC GAAP, divided by the total number of shares prior to the Offering).
- 9.65 times to 10.27 times (where earnings per share is calculated based on the forecast net profit attributable to shareholders of the Issuer for 2010, reviewed in accordance with the PRC GAAP, divided by the total number of shares following completion of the Offering and the H share offering assuming no exercise of the over-allotment options in connection with the Offering and the H share offering).
- 9.87 times to 10.50 times (where earnings per share is calculated based on the forecast net profit attributable to shareholders of the Issuer for 2010, reviewed in accordance with the PRC GAAP, divided by the total number of shares following completion of the Offering and the H share offering assuming the over-allotment options in connection with the Offering and the H share offering are exercised in full).

6. At present, the market discipline mechanism is not so sound and the discipline of purchasers still remains weak as the reform of new offering system has just been launched recently. There may be risks in the Offering that the share price may fall below the offer price upon listing if the offer price is set too high. Investors should pay full attention to risk factors associated with the market-oriented pricing and understand the possibility of share price falling below the offer price upon listing, thereby practically enhancing their awareness of risk, reinforcing the idea of value investment and avoiding irrational speculation. Regulators, the Issuer and the Joint Lead Underwriters can not guarantee that the share price will not fall below the offer price upon listing.
7. Within 30 calendar days from the date of listing of the shares under the Online Offering, the Joint Lead Underwriter who is authorized to exercise the Greenshoe of this Offering (the “**Authorized Lead Underwriter**”) may, in compliance with the relevant laws and regulatory requirements, purchase shares in respect of the Offering from the secondary market using the proceeds from the over-allotted shares to stabilize the share price, while it cannot be guaranteed that such measure will prevent any decline in the share price. The Authorized Lead Underwriter would cease to adopt such measure to stabilize the share price if the number of shares purchased from the exercise of Greenshoe or from the Secondary Market is equal to the number of over-allotted shares.
8. In the event of an under-subscription or failure to determine the offer price, the Issuer and the Joint Lead Underwriters may take measures, including reducing the offering size, adjusting the offer price range, adjusting the timetable of the Offering and terminating the Offering, and will publish announcements on a timely basis and make other arrangements according to the laws.
9. All shares of the Issuer shall become tradable upon listing.
10. The shares issued prior to the Offering, shares issued under the strategic placement and shares issued under the offline placement are subject to lock-up period restrictions, and the details of the lock-up undertaking and the arrangement of lock-up period can be referred to the *Summary of the Letter of Intent Regarding Initial Public Offering of A Shares of Agricultural Bank of China Limited* and *Announcement of Arrangements for Initial Public Offering of A Shares and Preliminary Price Consultation of Agricultural Bank of China Limited*.
11. Under the subscription to the Offering, any prospective placement participant can only choose to subscribe for the shares either under the online offering or under the offline offering. All prospective placement participants participating in the offline preliminary price consultation are not allowed to participate in the online offering. A single investor can only make subscription through one eligible account. Any subscription contrary to the above requirements will be deemed invalid.
12. The Issuer and the Joint Lead Underwriters solemnly draw investors’ attention that investors should adhere to the idea of value investment while participating in the subscription of the Offering. Each investor participating in the subscription shall acknowledge the investment value of the Issuer and expect to share its achievements of growth. Any investor doubting that the Issuer is simply “enclosure of money” shall firmly refrain from participating in the subscription. No guarantee is made that this special risk warning herein have fully disclosed

all the investment risks related to the Offering. Investors are reminded and advised to fully and thoroughly understand various risks in securities market and make an independent decision as to whether they should participate in the subscription of the Offering by taking into consideration their financial condition, investment experience, risk and psychological tolerance.

Issuer: Agricultural Bank of China Limited
Joint Sponsors (Lead Underwriters): China International Capital Corporation Limited
CITIC Securities Co., Ltd.
Joint Lead Underwriters: China Galaxy Securities Company Limited
Guotai Junan Securities Co., Ltd.
(Listed in no particular order)

July 1, 2010