



[May 19, 2015]

Bank of Communications' Acquisition of Banco BBM's Controlling Stake

Bank of Communications (BoCom) and the controlling shareholders of Banco BBM signed today during the China-Brazil Summit in Brasília, a share purchase agreement pursuant to which the controlling shareholders will sell to BoCom shares representing an 80% interest in the share capital of Banco BBM. This agreement foresees that certain of the current shareholders will retain all or a portion of their shares, representing in the aggregate a 20% interest in Banco BBM, as well as the signing of a shareholder's agreement among the BoCom SPV and certain of the remaining shareholders. Completion of the transaction is subject to the regulatory approvals from the relevant authorities in China and Brazil.

Bank of Communications and Banco BBM consider that the steady and growing economic ties between Brazil and China have generated in the past two decades, and will continue to generate, business opportunities capable of building strong and dynamic financial institutions which are competent in offering credit and services to Brazilian and foreign clients, throughout all regions and all sectors of the country.

Bank of Communications' strategic decision to be an important protagonist in the future of the Brazilian economy has brought BoCom closer to the BBM Group, whose culture of valuing its human capital, pioneering in risk control systems in Brazil, and transparency in its relationships with clients and stakeholders as a whole, will allow for a dynamic and efficient integration process between the two institutions.

The Chairman of the Board of Banco BBM, Pedro Henrique Mariani, declared that "from this integration, subject to regulatory approvals from both countries, will emerge a Bank capable of planning and executing, with dynamism, actions that match present opportunities in the Brazilian economy, while always maintaining the original strong values of both shareholders.

China's importance as a trading partner to Brazil since the beginning of the XXI century will increase in the years ahead and will be complemented by a growing role as an investor and credit supplier. Our Bank will be working hard to be an excellent player serving our clients on these connections."

Niu Ximing, Chairman of the Bank of Communications (BoCom), stated during the signing ceremony that "with China and Brazil both as member countries of BRIC, the two countries have maintained increasingly frequent economic and trade exchanges and cooperation in the recent years. China has been Brazil's largest trading partner for the 6 past consecutive years. BoCom will work closely with the existing shareholders to integrate its Chinese elements, which have been developed from BoCom's 100-year history, into the celebrated history of Banco BBM. Collectively, the two will work towards building a new bridge that connects the economic, trade and financial transactions between China and Brazil, so as to better serve the investment and trading activities between the two countries and provide Chinese companies seeking to "go abroad" and local clients in Brazil with financial services of superior quality. The acquisition of Banco BBM is not only BoCom's the first overseas acquisition, but it also serves as the integral first step for BoCom's expansion into Latin America. This acquisition signifies another important milestone for BoCom, and especially in actively promoting its internationalization strategy and improving the international presence and business operations of BoCom."

Bank of Communications (BoCom)

BoCom has continuously implemented its development strategy in the recent years to become a first-class, publically-owned comprehensive banking group with a focus on international expansion and specialization in wealth management and to enhance the overall scope and quality of its international development. According to its 1Q2015 report, total assets of BoCom amounted to RMB6.63 trillion. BoCom has 2,900 outlets in China and 56 operating locations overseas. So far this year, BoCom has successfully opened a subsidiary in Luxembourg and a tier-2 branch in Brisbane, Australia.



Banco BBM

Banco BBM is one of the leading, as well as one of the oldest, participants on the Brazilian financial markets, having been founded in 1858. Its business lines are concentrated in credit operations, private banking and treasury. Headquartered in Rio de Janeiro, Brazil, BBM possesses more than three billion Brazilian Reais in assets, shareholders' equity exceeding five hundred million Brazilian Reais, and local 'Aa1' and international 'Baa3' credit ratings, both granted by Moody's.

Citigroup acted as financial advisor of Banco BBM and Goldman Sachs acted as exclusive financial advisor of Bank of Communications in the Transaction.