

FUBON FINANCIAL HOLDING CO., LTD.

(a company incorporated in Taiwan with limited liability)

INTERNATIONAL BANK OF ASIA LIMITED

(a company incorporated in Hong Kong with limited liability)

POSSIBLE VOLUNTARY CONDITIONAL CASH OFFER BY CITIGROUP GLOBAL MARKETS ASIA LIMITED ON BEHALF OF THE OFFEROR TO ACQUIRE THE WHOLE OF THE ISSUED SHARE CAPITAL OF IBA AND RESUMPTION OF TRADING

Shareholders will receive HK\$3.68 for every IBA Share as a result of the Offer.

Fubon announces (subject to the satisfaction or waiver of certain pre-conditions) that it intends to make, or procure that a wholly-owned subsidiary of Fubon especially incorporated for the purpose makes, the Offer.

The making of the Offer and the Offer itself are conditional (see **"Offer Condition"** below). In particular, the making of the Offer in the first place is subject to certain pre-conditions (see **"Pre-Conditions to the Offer and Offer Condition"** below), including, inter alia, the approval of the Hong Kong Monetary Authority, the Securities and Futures Commission, The Ministry of Finance, Taiwan and The Ministry of Economic Affairs, Taiwan (including the Investment Commission of The Ministry of Economic Affairs, Taiwan) in relation to the proposed acquisition of IBA Shares by the Offeror. Further, the Offer itself is subject to, inter alia, a minimum acceptance by shareholders of IBA in respect of more than 50 per cent. of the IBA Shares.

The Offeror will issue an announcement after Pre-Conditions (a), (b), (c) and (f) have been satisfied or, if applicable, waived, and, on or before the Latest Despatch Date, the Offeror will issue to the Shareholders the Offer Document (see **"Offer Document"** below).

Fubon has received from ABC an irrevocable undertaking dated 8 September, 2003 to accept the Offer in respect of 644,688,000 IBA Shares, being ABC's entire shareholding in IBA (representing 55 per cent. of the entire issued ordinary share capital of IBA) (see **"Undertaking to Accept"** below).

It is the intention of the Offeror that IBA may be privatised upon completion of the Offer subject to obtaining the necessary levels of acceptances to the Offer (see **"Compulsory Acquisition"**). If the Offeror does not succeed in privatising IBA, it will use reasonable endeavours to maintain the listing of IBA on the Stock Exchange (see **"Maintaining the Listing"**).

The Independent Board Committee will be appointed to advise the independent Shareholders in respect of the Offer. An independent financial adviser will also be appointed to advise the Independent Board Committee. An announcement will be issued by IBA to inform Shareholders of such appointments as soon as practicable after such appointments.

The Interim Dividend was approved by IBA's board of directors on 31 July, 2003 and will be paid on 24 October, 2003 to those shareholders who are shown as being the registered owners of IBA Shares on 13 October, 2003.

At the request of IBA, trading in IBA Shares on the Stock Exchange was suspended from 9:30 a.m. on 8 September, 2003 pending the issue of this Announcement. An application has been made by IBA to the Stock Exchange for the resumption of trading in the IBA Shares with effect from 9:30 a.m. on 9 September, 2003.

WARNING: As the making of the Offer is subject to satisfaction or waiver of the Pre-Conditions, the Offer is just a possibility only and may or may not be made. Shareholders and investors generally should exercise caution when buying or selling IBA Shares.

INTRODUCTION

Shareholders will receive HK\$3.68 for every IBA Share as a result of the Offer. Please see below for details.

THE OFFER

The board of directors of Fubon announces the Offer which is intended to be made by Citigroup on behalf of the Offeror to acquire all the issued IBA Shares.

Fubon has received the Undertaking (an irrevocable undertaking dated 8 September, 2003 from ABC to accept the Offer in respect of 644,688,000 IBA Shares, being ABC's entire shareholding in IBA (representing 55 per cent. of the entire issued share capital of IBA)) (see **"Undertaking to Accept"** below).

As the making of the Offer is subject to satisfaction or waiver of the Pre-Conditions (see "Pre-Conditions to the Offer and Offer Condition" below), all references to the Offer in this Announcement refer to, inter alia, the possible offer which will only be made if and when the Pre-Conditions are satisfied (or, if applicable, waived).

The Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

The Offer will be made by Citigroup on behalf of the Offeror on the following basis:

The consideration to be paid by the Offeror under the Offer for each IBA Share is HK\$3.68.

Comparison of Value

If the Offer is made and becomes unconditional, Shareholders who accept the Offer will receive HK\$3.68 per IBA Share from acceptance of the Offer.

The amount of HK\$3.68 per IBA Share represents:

- a premium of approximately 6.7 per cent. over the closing price of one IBA Share of HK\$3.45 as quoted on the Stock Exchange on 5 September, 2003, being the last trading day for IBA Shares prior to this Announcement; and
- a premium of approximately 16.5 per cent., 20.3 per cent. and 23.5 per cent. over the average prices of HK\$3.16, HK\$3.06 and HK\$2.98 per IBA Share respectively, being the average closing prices of IBA Shares as quoted on the Stock Exchange for the 20, 40 and 60 trading days respectively immediately prior to and including the last trading day prior to this Announcement.

Highest and Lowest Prices

During the six month period preceding the date of this Announcement, the highest closing price of IBA Shares as quoted on the Stock Exchange was HK\$3.45 each on both 3 September, 2003 and 5 September, 2003, and the lowest closing price of IBA Shares as quoted on the Stock Exchange was HK\$2.43 each on 10 April, 2003.

Total Consideration

On the basis of the amount of HK\$3.68 per IBA Share payable to accepting shareholders, the entire issued IBA Shares are valued at approximately HK\$4,313,548,800.

Financial Resources

Citigroup is satisfied that sufficient financial resources are available to the Offeror to meet full acceptance of the Offer.

Settlement of Consideration

Settlement of the consideration will be made as soon as possible but in any event within three business days of the later of the date on which the Offer becomes (or is declared) unconditional in all respects and the date on which IBA Shares are tendered for acceptance of the Offer.

Compulsory Acquisition

To the extent applicable and pursuant to the compulsory acquisition power under the Companies Ordinance, if the Offeror acquires not less than 90 per cent. in value of the IBA Shares in respect of which the Offer is made, the Offeror may consider exercising its rights under the provisions of Section 168 of the Companies Ordinance and the Ninth Schedule of the Companies Ordinance to compulsorily acquire those IBA Shares not acquired by the Offeror pursuant to the Offer, and then proceed to withdraw the listing of IBA Shares from the Stock Exchange in accordance with Rule 2.11 of the Takeovers Code. Pursuant to the Takeovers Code, except with the consent of the Executive, the Offer may not remain open for more than four months from the date of posting of the Offer Document, unless the Offeror has by that time become entitled to exercise such powers of compulsory acquisition.

WARNING: Furthermore, if the level of acceptances reach that prescribed under the Companies Ordinance and Rule 2.11 of the Takeovers Code permitting a compulsory acquisition and the Offeror proceeds with the privatisation of IBA, dealings in the securities of IBA will be suspended from the close of the Offer up to the withdrawal of listing of IBA's securities from the Stock Exchange.

Maintaining the Listing

If the Offeror does not acquire the requisite percentage of IBA Shares in order to compulsorily acquire all the issued IBA Shares within four months from the despatch of the Offer Document, its intention is to maintain the listing of IBA on the Stock Exchange. Accordingly, assuming the Offer becomes unconditional in all respects but the Offeror does not effect the compulsory acquisition, the Offeror will undertake to the Stock Exchange to use reasonable endeavours following the close of the Offer to ensure that such number of IBA Shares as will be required by the Stock Exchange are held by the public.

The Stock Exchange has stated that, in the event that less than 25 per cent. of IBA Shares are in public hands following the closing of the Offer or if the Stock Exchange believes that a false market exists or may exist in IBA Shares or that there are insufficient IBA Shares in public hands to maintain an orderly market, then it will give consideration to exercising its discretion to suspend dealings in IBA Shares.

The Stock Exchange has also stated that, if IBA remains a public company listed on the Stock Exchange, any further acquisitions or disposals by IBA will be subject to the provisions of the Listing Rules. The Stock Exchange will also closely monitor all future acquisitions or disposals of assets by IBA. Pursuant to the Listing Rules, the Stock Exchange has the discretion to require IBA to issue a circular to Shareholders where any acquisition or disposal by IBA is proposed, irrespective of the size of such acquisition or disposal and, in particular, where such acquisition or disposal represents a departure from the principal activities of IBA. The Stock Exchange also has the power, pursuant to the Listing Rules, to aggregate a series of acquisitions or disposals by IBA and any such acquisitions or disposals may, in any event, result in IBA being treated as a new applicant for listing and subject to the requirements for new applicants as set out in the Listing Rules.

INFORMATION ON THE OFFEROR

Fubon is one of the leading financial holding companies in Taiwan. The Fubon Group provides a comprehensive range of financial products and services, including commercial banking, non-life and life insurance, securities brokerage, asset management and investment banking services. The Fubon Group serves more than seven million customers through a broad and diverse distribution network, that includes more than 330 bank branches and representative offices, 588 ATMs, and more than 9,000 sales and marketing representatives.

Fubon's audited net profit after tax for the year ended 31 December, 2002 was approximately NT\$9,414.9 million (approximately HK\$2,151.3 million). Shareholders' funds and total assets as at 31 December, 2002 were approximately NT\$138,802.1 million (approximately HK\$31,716.3 million) and approximately NT\$1,157,480.8 million (approximately HK\$264,484.4 million), respectively.

The shares of Fubon are listed on the Taiwan Stock Exchange and Fubon is a constituent stock of the Taiwan Stock Exchange Weighted Index. Fubon has a market capitalisation of approximately NT\$229.8 billion (approximately HK\$52.2 billion) based on its closing price of NT\$31.30 as of 5 September, 2003.

Fubon is independent of and not connected with the directors, chief executive or substantial shareholders of IBA or any of its subsidiaries or any of their respective associates.

Further information in relation to the Fubon Group, including the Offeror, will be available in the Offer Document.

Corporate Structure

If the Offer becomes unconditional in all respects, the Offeror would become the new holding company and controlling shareholder of IBA. The shareholding interest of the Offeror in IBA after the Offer will depend on the level of acceptances in the Offer.

INFORMATION ON IBA

Business of IBA

IBA is a Hong Kong licensed bank with its shares listed on the Stock Exchange. Through its branches and subsidiaries, IBA provides banking, securities broking and other financial related services to corporate and individual customers in Hong Kong.

The consolidated net profit of IBA before and after taxation for the year ended 31 December, 2000 was HK\$275,526,000 and HK\$244,388,000 respectively and for the year ended 31 December, 2001 was HK\$307,023,000 and HK\$295,338,000 respectively and for the year ended 31 December, 2002 was HK\$221,868,000 and HK\$225,338,000 respectively. The net asset value of IBA as at 31 December, 2002 was HK\$3,765,935,000.

Further information in relation to IBA will be included in the Offer Document.

Equity Securities of IBA

Other than the IBA Shares, IBA does not have any other outstanding equity securities (including equity related convertible securities, or warrants, options or subscription rights in respect of any equity share capital (including non-transferable options)) as at the date of this Announcement.

OFFEROR'S INTENTIONS IN RELATION TO IBA

If the Offer becomes unconditional in all respects and the Offeror acquires a majority ownership of IBA, IBA will become a member of the Fubon Group.

The Offeror expects that the name of IBA will be changed to reflect the Offeror's majority ownership and the identity of the Offeror.

Fubon does not have any intention to inject any material assets or business into IBA or its subsidiaries or to make any significant changes to the existing businesses of IBA and its subsidiaries, after completion of the Offer.

REASONS FOR THE OFFER

Fubon's long-term strategic objective is to become one of the leading diversified personal financial services companies in the Chinese-speaking world. As such, Fubon views the acquisition of IBA as an attractive opportunity to expand into the Hong Kong financial services industry. IBA's current size, branch locations and diversified customer base will offer Fubon a suitable platform to develop Fubon's interests in the Hong Kong market.

Given Fubon's presence, experience and success in various financial services businesses in Taiwan, Fubon intends to leverage IBA's existing franchise and grow IBA either organically or through acquisitions. All of Fubon's financial services businesses, with the exception of Fubon Insurance, are less than 15 years old and have been built into market leaders in a relatively short time period. As such, Fubon is uniquely positioned to help IBA build and develop its business to capture a larger market share.

MANAGEMENT

Directors and Management

Fubon is currently in the process of reviewing the appointment (and re-appointment) of appropriate directors to the board of IBA. If the Offeror acquires majority ownership of IBA, it is the Offeror's intention to nominate for appointment and/or re-appointment to the board of directors of IBA such persons as will represent a majority of the board of directors of IBA. The Offeror will ensure that a sufficient number of independent directors will continue to be appointed to the board of IBA. All such resignations and/or appointments (or re-appointments) of directors shall take effect from the earliest time permitted under (or pursuant to a dispensation from) the Takeovers Code or by the Executive.

In order to maintain continuity and minimise transaction-related business disruption, Fubon does not anticipate any major changes to the management structure in the near term.

PRE-CONDITIONS TO THE OFFER AND OFFER CONDITION

Pre-Conditions

The making of the Offer is conditional on the satisfaction of the following Pre-Conditions:

- receipt of the consent of the Hong Kong Monetary Authority as required under the Banking Ordinance in respect of each of the persons who will become a controller (as such term is defined in such Ordinance) in connection with the Offer and the proposed acquisition of IBA Shares and in respect of the appointment of such directors and chief executive of IBA as are nominated by the Offeror, each being obtained in terms satisfactory to the Offeror;
- receipt of the approval of The Ministry of Finance, Taiwan, The Ministry of Economic Affairs, Taiwan (including the Investment Commission of The Ministry of Economic Affairs, Taiwan) in respect of the Offer and the proposed acquisition of IBA Shares in terms satisfactory to the Offeror;
- all authorisations, orders, grants, recognitions, confirmations, consents, clearances, permissions and approvals necessary for the proposed acquisition of any IBA Shares or control of IBA or any other member of IBA from the SFC, the Stock Exchange and the Reserve Bank of Vanuatu and any relevant government, governmental, quasi-governmental, statutory or regulatory body or court having been obtained in terms satisfactory to the Offeror (other than any such authorisation, order, grant, recognition, confirmation, consent, clearance, permission and approval which, if it was not obtained, would not have a material and adverse effect on the business of IBA taken as a whole);
- the authorisations, orders, grants, recognitions, confirmations, consents, clearances, permissions and approvals referred to in Pre-Condition (c) remaining in full force and effect as at the time of despatch of the Offer Document;
- since 31 December, 2002 and ending on the date the Offer Document is despatched to Shareholders, no material adverse change having occurred in the business and financial condition of IBA and its subsidiaries (taken as a whole) except arising from any event or events (including market conditions) affecting banks generally in Hong Kong or specifically disclosed in writing by ABC to the Offeror or known by the Offeror before the date of this Announcement;
- resolutions of the board of directors of IBA being duly passed to approve the resignation of such persons as directors of IBA and/or its subsidiaries, and the appointment and/or re-appointment of such persons as directors of IBA, in each case, as the Offeror shall nominate in writing to ABC and to take effect from the earliest time permitted under (or pursuant to a dispensation from) the Takeovers Code or by the Executive, and so that the directors nominated by the Offeror represent a majority of the board of directors of IBA, and the delivery to IBA of resignation letters under seal from the resigning directors acknowledging that they have no claim outstanding for compensation or otherwise against IBA and its subsidiaries;
- from the date of this announcement until despatch of the Offer Document, the listing of the IBA Shares not having been withdrawn or revoked and the IBA Shares continuing to be traded on the Stock Exchange (save for any temporary suspension pending any announcement in connection with the Offer or suspension for any other reason for not longer than ten trading days in aggregate);
- there not being at any time after the date of this announcement until the time of despatch of the Offer Document a valid order or demand made or issued (which is not prior to the fulfilment or waiver of Pre-conditions (a) to (c) inclusive retracted, overturned or withdrawn) by a government, statutory or

regulatory body or court to which the Offeror is subject which makes the acquisition of any of the IBA Shares by the Offeror void, unenforceable or illegal or which would impose any material conditions with respect to the acquisition of any of the IBA Shares by the Offeror; and

- there being no breach of the representations and warranties set out in Schedule 2 to the Undertaking at any time after the date of this Announcement until the time of despatch of the Offer Document which would entitle Fubon, under such Undertaking, to bring a claim in excess of HK\$200 million.

Offer Condition

The Offer is conditional on valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the First Closing Date (or such later time(s) and/or date(s) as the Offeror may, subject to the rules of the Takeovers Code, decide) in respect of more than 50 per cent. in nominal value of the IBA Shares carrying voting rights then exercisable at a general meeting of IBA.

Waiver of the Pre-Conditions

The Offeror reserves the right to waive, in whole or in part, any of Pre-Conditions (e) to (g) inclusive and (i) and, in respect of (h), to waive (h) insofar as it relates to any material conditions imposed in connection with the acquisition as referred to therein. Pre-Conditions (a) to (d) cannot be waived by the Offeror under the terms of the Undertaking.

Further Announcement

If Pre-Conditions (a),(b),(c) and (f) are satisfied (or, if applicable, waived) on or before the First Long Stop Date, the Offeror will issue the Further Announcement to indicate its firm intention to make the Offer as soon as practicable thereafter. After satisfaction or waiver of Pre-Conditions (a), (b), (c) and (f), the making of the Offer will continue to be subject to the satisfaction, waiver or lapse of the remaining Pre-Conditions (d), (e), (g), (h) and (i). Fubon has agreed with the Executive that Pre-Conditions (d), (e), (g), (h) and (i) shall, after the Further Announcement is made, be subject to the requirements of Notes 1 and 2 to Rule 30.1 of the Takeovers Code.

If Pre-Conditions (a), (b), (c) and (f) are not satisfied (or, if applicable, waived) by the First Long Stop Date, the Offer will not be made and Shareholders will be notified by press announcement as soon as practicable thereafter.

Offer Document

The Offer Document will set out the details of the Offer, and it will, together with the acceptance and transfer forms, be sent to Shareholders on or before the Latest Despatch Date (the later of the date which is 21 days after the date of this Announcement and the date which is seven days after Pre-Conditions (a), (b), (c) and (f) have been satisfied or, if applicable, waived (or such later date to which the Executive may, at the request of the Offeror and ABC, consent)). Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the Executive has consented to the making of the Offer subject to the prior fulfilment of the Pre-Conditions and that the Offer Document may be despatched on or before the Latest Despatch Date.

Completion of the Offer

If the Offer Condition is not satisfied (or, if applicable, waived) on or before the First Closing Date, the Offer will lapse unless extended by the Offeror. In that case, the Offeror will issue a press announcement as soon as practicable thereafter. The latest date on which the Offeror can declare the Offer unconditional is the Second Long Stop Date (60 days after the date of the posting of the Offer Document (or such later date to which the Executive may consent)).

If the Offer Condition is satisfied (or, if applicable, waived) on or before the Second Long Stop Date, Shareholders will be notified by press announcement as soon as practicable thereafter.

FURTHER TERMS OF THE OFFER

IBA Shares

IBA Shares will be acquired free from all liens, charges, encumbrances, rights of redemption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions (other than the Interim Dividend).

Stamp Duty

Stamp duty at a rate of HK\$1 for every HK\$1,000 (or part of HK\$1,000) of the consideration payable will be deducted from the amount payable to Shareholders who accept the Offer.

GENERAL MATTERS RELATING TO THE OFFER

Availability of the Offer

The Offer Document (including the detailed particulars giving financial and other information in relation to the Offeror (and, if applicable, Fubon) and IBA), together with the acceptance and transfer forms, will be despatched as soon as practicable.

The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in the jurisdictions to which they are subject. The Offeror is consulting with the Executive on the treatment of Overseas Shareholders. The arrangements for the despatch of the Offer Document to and/or the collection of the Offer Document by Shareholders will be set out in a further announcement regarding despatch of the Offer Document.

Undertaking to Accept

Fubon has received the Undertaking from ABC to accept the Offer in respect of the Committed Shares. The Committed Shares represent 55 per cent. of the voting rights which may be exercised at general meeting of IBA.

It is a term of the Undertaking that the Offer will, if made, be made substantially upon the terms and subject to the conditions as set out in this Announcement. The Undertaking will lapse if the Offer is not made by the First Long Stop Date or such other date as the Offeror and ABC may agree.

Interests in IBA Shares

As at 5 September, 2003 (being the latest practicable date prior to this Announcement), neither Fubon nor any person acting in concert with Fubon had any beneficial interest in any IBA Shares.

Neither Fubon nor any person acting in concert with Fubon owns or controls any IBA Shares or has options to acquire (or other outstanding derivatives in respect of) any IBA Shares. None of such persons has owned any IBA Shares or dealt in any IBA Shares in the six-month period preceding the date of this Announcement.

Discussion with Shareholders

Fubon confirms that it has had no discussions with any Shareholders other than ABC in relation to the Offer and there is no agreement or understanding with any other Shareholders in relation to the acceptance of the Offer or the acquisition of the IBA Shares by the Offeror.

Independent Advice to IBA

The Independent Board Committee comprising directors of IBA who are independent of the Offeror and ABC will be appointed to advise the independent Shareholders in respect of the Offer. An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offer. An announcement will be issued by IBA to inform Shareholders of such appointments as soon as practicable after such appointments.

TRADING IN IBA SHARES

At the request of IBA, trading in IBA Shares on the Stock Exchange was suspended from 9:30 a.m. on 8 September, 2003 pending the issue of this Announcement. An application has been made by IBA to the Stock Exchange for the resumption of trading in IBA Shares with effect from 9:30 a.m. on 9 September, 2003.

WARNING: As the making of Offer is subject to satisfaction or waiver of the Pre-Conditions, the Offer is just a possibility only and may or may not be made. Shareholders and investors generally should exercise caution when buying or selling IBA Shares.

DEFINITIONS

In this Announcement, the following expressions have the meanings set out below, unless the context requires otherwise:

"ABC"	Arab Banking Corporation (B.S.C.), the controlling shareholder of IBA, which is incorporated in the Kingdom of Bahrain and is listed on the Bahrain Stock Exchange
"associate"	has the meaning ascribed to that term under the Listing Rules
"business day"	a day on which banks are open for the transaction of normal banking business in Hong Kong (excluding Saturday and Sunday)
"Citigroup"	Citigroup Global Markets Asia Limited, a company incorporated in Hong Kong with limited liability and a deemed licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Committed Shares"	the 644,688,000 IBA Shares held by ABC which are the subject matter of the Undertaking
"controlling shareholder"	has the meaning ascribed to that term under the Listing Rules
"Executive"	the Executive Director of the Corporate Finance Division of the SFC
"First Closing Date"	the date which is 21 days after the date of despatch of the Offer Document
"First Long Stop Date"	8 December, 2003 or such later date as the Offeror and ABC, with the consent of the Executive, may agree
"Fubon"	Fubon Financial Holding Co., Ltd., a company incorporated in Taiwan with limited liability, the shares of which are listed on the Taiwan Stock Exchange
"Fubon Group"	Fubon and its subsidiaries
"Further Announcement"	the further press announcement to be issued by the Offeror if Pre-Conditions (a), (b), (c) and (f) are satisfied (or, if applicable, waived) on or before the First Long Stop Date
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"IBA"	International Bank of Asia Limited, a licensed bank incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"IBA Share(s)"	share(s) of HK\$1.00 each in the issued share capital of IBA
"Independent Board Committee"	the independent committee of the board of directors of IBA to be appointed to advise the independent Shareholders in respect of the Offer
"Interim Dividend"	an interim dividend of HK\$0.04 per IBA Share approved by the board of directors of IBA in respect of the six-month financial period ended 30 June, 2003
"Latest Despatch Date"	the later of the date which is 21 days after the date of this Announcement and the date which is seven days after Pre-Conditions (a), (b), (c) and (f) have been satisfied or, if applicable, waived (or such later date as to which the Executive may, at the request of the Offeror and ABC, consent)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Offer"	the voluntary conditional cash offer to acquire the entire issued ordinary share capital of IBA to be made by the Offeror
"Offer Condition"	the condition to the Offer, as set out in the sub-paragraph headed "Offer Condition"
"Offer Document"	a formal offer document (containing details of the Offer and information in relation to the Offeror (and, if appropriate, Fubon) and IBA) and the accompanying acceptance and transfer forms
"Offeror"	Fubon or a wholly-owned subsidiary of Fubon especially incorporated for the purpose of making the Offer
"Overseas Shareholders"	the Shareholders whose registered addresses, as shown on the register of members of IBA as at the latest practicable date (to be determined) prior to the despatch of the Offer Document, are outside Hong Kong
"Pre-Conditions"	the pre-conditions to the making of the Offer, under the sub-heading "Pre-Conditions"
"Second Long Stop Date"	the latest date on which the Offeror can declare the Offer unconditional, which is 60 days after the date of the posting of the Offer Document (or such later date to which the Executive may consent)
"SFC"	the Securities and Futures Commission
"Shareholders"	holders of IBA Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to that term under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Undertaking"	an irrevocable undertaking dated 8 September, 2003 in favour of Fubon from ABC to accept the Offer in respect of 644,688,000 IBA Shares, being its entire shareholding in IBA (representing 55 per cent. of the entire issued ordinary share capital of IBA)

By order of the board of
Fubon Financial Holding Co., Ltd.
Richard Tsai

President and Co-Chief Executive Officer

Hong Kong, 8 September, 2003

The directors of Fubon jointly and severally accept full responsibility for the accuracy of the information (other than in respect of IBA), including the information in the paragraph headed "Offeror's intentions in relation to IBA" and in the sub-paragraph headed "Interests in IBA Shares", in this Announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

The directors of IBA jointly and severally accept full responsibility for the accuracy of the information relating to IBA in this Announcement (except for the information in the paragraph headed "Offeror's intentions in relation to IBA" and in the sub-paragraph headed "Interests in IBA Shares") and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

By Order of the Board of
International Bank of Asia Limited
Mike M. Murad

Vice Chairman, Managing Director and Chief Executive Officer