

For Immediate Release

BEA Launches New Overdraft Facilities

*Includes Fixed Interest Rate of 3.8% p.a. for up to Six Months
and a Waiver of the First Year Arrangement Fee*

Hong Kong, 12th July, 2005 – The Bank of East Asia (“BEA”) today announces its new Overdraft Facilities, which offer customers a fixed interest rate for up to the first six months, plus a variety of special offers. Customers can enjoy a highly competitive interest rate for ample standby cash, which enables them to effectively deal with any unexpected expenses and manage their finances with greater flexibility.

The new facility locks in a low interest rate for customers. Professionals and senior executives can enjoy a privileged interest rate of just 3.8% p.a. for the first six months. Prime Rate (“P”) will be offered for Months 7 –12, while a personalised interest rate will be established for each individual from Month 13 onwards, ranging from P to P + 2% p.a., depending on the credit status of the individual customer.

The interest rate for general customers is 4.5% p.a. for the first three months. General customers will be entitled to a personalised interest rate from the fourth month onwards, ranging from P+ 2% p.a. to P+ 4% p.a., depending upon the Bank’s evaluation of customers’ credit status. Customers in good financial standing who can fulfil the basic application criteria can enjoy a low interest rate, irrespective of their approved loan amount and customer status.

Ms. Emily Liu, BEA’s Head of Consumer Finance Department, said: “In view of the upward trend in interest rates, fixed interest rates can help customers to save on interest costs, and put their concerns to rest with regard to interest rate fluctuations. We believe that our interest rate of 3.8% p.a. for the first six months for professionals, and 4.5% p.a. for the first three months for general customers are among the most privileged in the market.”

Customers can also enjoy a waiver of the arrangement fee for the first year of the overdraft facility. In addition, interest is only charged on the utilised portion of the credit limit and is calculated on a daily basis. The credit limit for Professional Overdrafts is up to HKD1,000,000 or six times a customer’s monthly salary (whichever is lower). The credit limit for Personal Overdrafts is up to HKD500,000 or six times a customer’s monthly salary (whichever is lower). There is no fixed repayment tenor, and the minimum monthly repayment amount is 2.5% of the outstanding balance or HKD50 (whichever is higher). The credit limit is restored automatically to the original approved level once the customer has repaid the outstanding balance.

Interested parties who would like to obtain more information on BEA’s new Overdraft Facilities may contact the Enquiry Hotline on 2211 1211, visit any BEA branch, or log onto the Bank’s homepage at www.hkbea.com.

Remarks:

1. Professionals include doctors, accountants, solicitors, architects, surveyors, engineers, and civil servants of Master Pay Scale Point 34 or above. The monthly basic salary of senior executives must reach HKD45,000 or above. The Bank of East Asia, Limited ("BEA") reserves the right at its absolute discretion to define the meaning of "Professionals" and "Senior Executives".
2. The Prime Rate for Hong Kong dollar loans is quoted by BEA from time to time and is 6.5% per annum as of 6th July, 2005.
3. The above information is for reference only. BEA reserves the right to cancel, add, or alter any of the above terms, conditions, and offers at any time without prior notice.

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