

For Immediate Release

**BEA Launches Capital Guaranteed Asian Currency Linked Deposit
- Series 10 (USD) & Series 11 (HKD)**

*Capture Anticipated Gains in Asian Currency Appreciation
and Enjoy Attractive Potential Returns*

Hong Kong, 13th September 2005 – The Bank of East Asia (“BEA”) today announces the launch of Capital Guaranteed Asian Currency Linked Deposit – Series 10 (USD) and Series 11 (HKD) (the “Linked Deposit”). In addition to providing 100% principal protection, the new Linked Deposit gives investors a special opportunity to capture gains in the appreciation of underlying Asian currencies in the coming year and earn a Potential Coupon up to 9.00%p.a. (Series 10) or 8.00%p.a. (Series 11). A minimum Coupon equal to 1.00%p.a. will be guaranteed at maturity, even if no Potential Coupon is payable. The offering period for the Linked Deposit will be from 14th September to 27th September 2005.

The Linked Deposit is linked to the performance of USD / JPY (Japanese Yen), USD / KRW (South Korean Won), and USD / SGD (Singapore Dollar) on the Determination Date. If the Least Performing Currency appreciates by 5% or more against the USD on the Determination Date, investors will receive a Potential Coupon of 9.00%p.a. (Series 10) or 8.00%p.a. (Series 11). If the Least Performing Currency appreciates by 3% or more (but less than 5%) against the USD, investors will receive a Potential Coupon of 6.25%p.a. (Series 10) or 5.00%p.a. (Series 11). And if the Least Performing Currency appreciates by 1% or more (but less than 3%) against the USD, investors will receive a Potential Coupon of 3.50%p.a. (Series 10) or 3.00%p.a. (Series 11). Even if none of the above scenarios is met, investors will still be entitled to earn a 1.00%p.a. Guaranteed Coupon.

The Linked Deposit is designed for investors with a low-risk threshold and who believe that the linked Asian currencies will appreciate in line with Renminbi (“RMB”) against the USD in the coming year.

With the anticipated appreciation of the RMB, relevant Asian currencies (including the JPY, KRW, and SGD) should increase in tandem in order to maintain China’s competitiveness in the export sector. Market participants also expect the Beijing administration to decrease its holding of USD denominated assets and purchase Asian currency denominated assets to balance both reserves and exchange rates to maintain stable growth momentum. Additionally, the booming export sectors in Japan, South Korea, and Singapore have also generated enormous amounts of current account surplus in recent years, thus greatly increasing the demand for these currencies and further driving up their exchange rates. Historical data also illustrates that the trend between the RMB and the JPY, KRW, and SGD individually are in alignment (a positive correlation). Therefore, if the RMB does indeed appreciate as anticipated, the JPY, KRW, and SGD may follow suit.

Investors in the Linked Deposit do not need to pay any subscription or management fees when the Linked Deposit is placed. Overdraft facilities will also be offered at a competitive interest rate to selected investors upon request.

To award investors’ placement in the Linked Deposit during the offering period, a HKD100 PARKnSHOP gift coupon will be given for an initial subscription amount of USD20,000

(Series 10) or HKD200,000 (Series 11). An additional HKD50 PARKnSHOP gift coupon will be offered for every subsequent amount of USD10,000 (Series 10) or HKD100,000 (Series 11). The higher the subscription amount placed by investors, the more gift coupons they will receive.

For further details, please refer to the Principal Brochure of the Capital Guaranteed Asian Currency Linked Deposit – Series 10 (USD) or Series 11 (HKD) or visit BEA's website at www.hkbea.com.

Details of the Linked Deposit:

Offering Period	14 th September to 27 th September 2005
Minimum Deposit Amount for Each Investor	USD5,000 or its multiple (Series 10) HKD50,000 or its multiple (Series 11)
Minimum Aggregate Deposit Amount for All Investors	USD10,000,000 (Series 10) HKD100,000,000 (Series 11)
Trade Date	27 th September 2005
Settlement Date	29 th September 2005
Determination Date	27 th September 2006
Maturity Date	29 th September 2006
Fees & Charges	No fees and charges are payable by investors. All related charges incurred by the Bank are already inherently contained in and subsumed into the calculation of the coupon rate and other variables under the Linked Deposit.

Risk Factors:

1. This Linked Deposit is not the same as, nor should it be treated as, a substitute for normal time deposits.
2. Investors should note that this Linked Deposit does not allow early redemption. Investors must hold the Linked Deposit until maturity.
3. The potential risk is that if the Least Performing Currency does not appreciate more than 1%, remains unchanged or depreciates against the USD on the Determination Date, investors will only receive the Guaranteed Coupon.
4. Capital Guaranteed Asian Currency Linked Deposit – Series 10 (USD) is denominated in USD. Investors who wish or intend to convert the Deposit Amount and / or any coupon into a different currency are subject to the relevant foreign exchange risk.
5. Investors should fully understand all the risks associated with the Linked Deposit before making an investment decision.
6. Investors should seek independent legal and financial advice.

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