

For Immediate Release

Moody's Upgrades BEA's BFSR to C, L/T Ratings to A3

Hong Kong, 10th November, 2005 — The Bank of East Asia (“BEA”) today announces that Moody’s Investors Service, one of the world’s premier rating agencies, has raised BEA’s credit ratings. Specifically, Moody’s upgraded BEA’s long-term and short-term foreign currency deposit ratings from Baa1 / P-2 to A3 / P-1 with a stable outlook, and assigned BEA’s long-term / short-term local currency deposit ratings of A3 / P-1. In addition, Moody’s has upgraded BEA’s Bank Financial Strength Rating (“BFSR”) to C from C- and BEA’s subordinated debt rating to Baa1 from Baa2. The outlook of all ratings is stable.

Commenting on Moody’s favourable actions, Dr. David K.P. Li, Chairman and Chief Executive of BEA, stated, “Moody’s announcement represents a significant third-party endorsement of BEA’s strength and business strategy.” The Bank’s proven business strategy has enabled it to enhance its franchise and competitive position in the market. BEA has continued to explore new market opportunities both locally and abroad, develop alternate income sources, and leverage the strength of the BEA Group’s principal subsidiaries, Tricor Group and Blue Cross (Asia-Pacific) Insurance Limited. In addition, the Bank has focused on enhancing its operating efficiencies including branch rationalisation and most recently, the centralisation of its back-office operations to BEA Tower in Millennium City 5, Kwun Tong.

In discussing the reasons behind the decision to raise BEA’s ratings, Moody’s said that “the upgrade reflected BEA’s demonstrated ability to weather volatilities in the Hong Kong market, the potential of its China franchise, and its adequate financials.”

Addressing the business challenges of BEA moving forward, Moody’s commented, “As with most other banks in Hong Kong, BEA’s balance sheet was largely left unscathed during the past ten challenging years. Moody’s believes the Bank’s management track record and experience, honed during this difficult period, will allow it to face the new challenges ahead, notwithstanding near-term constraints on margins and growth”.

Additionally, Moody’s cited that “BEA’s China operation has been showing strong growth in assets and recurrent earnings. The growth of its China operation allows BEA, which has one of the largest foreign-bank branch networks in the country, to diversify away from the crowded Hong Kong market into an underserved market with immense potential. The imminent market opening in response to the WTO will allow an early mover like BEA to benefit more rapidly from further liberalisation of the banking market in China. Despite the Bank’s rapid expansion in China, Moody’s does not foresee a drastic deterioration in credit quality, as lending in most cases is collateralised and backed by the Bank’s sound credit policy.”

About The Bank of East Asia

Since its incorporation in 1918, BEA has dedicated itself to serving the people of Hong Kong, as well as providing business and personal banking services to customers in China and overseas. BEA is the largest independent local bank in Hong Kong, with total assets of HKD212 billion (USD27.3 billion) as of 30th June, 2005. BEA is listed on the Stock Exchange of Hong Kong and is one of the constituent stocks of the Hang Seng Index.

Currently, BEA operates more than 160 outlets worldwide, including over 110 branches and SupremeGold Centres in Hong Kong, 24 outlets in Greater China, and an extensive international network covering the United States, Canada, the United Kingdom, the British Virgin Islands, and Southeast Asia. To learn more about BEA, please visit the Bank's website at: www.hkbea.com.

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