

For Immediate Release

BEA (China) to be One of the First Locally-Incorporated Foreign Banks to Open on the Mainland

Hong Kong, 29th March, 2007 – The Bank of East Asia (“BEA”) today announces that its wholly-owned subsidiary, The Bank of East Asia (China) Limited (“BEA (China)”), will become one of the first locally-incorporated foreign banks to open for business in China. BEA has completed all business registration procedures for the establishment of its subsidiary and the transfer of its extensive branch network to BEA (China). The locally-incorporated subsidiary will officially commence business on 2nd April, 2007.

Dr. David K.P. Li, BEA’s Chairman and Chief Executive said, “Becoming one of the first foreign banks to open a locally-incorporated bank in China is not only a milestone for BEA but also an important landmark for the Chinese banking industry. The transfer of our existing operations to BEA (China) will enable us to serve our growing customer base in China even more effectively, and we are confident that BEA (China) will take our China business to even greater heights.”

All BEA (China) branches and sub-branches will provide full Renminbi and foreign currency services to all customers. BEA will transfer all of its branches, and sub-branches in China to BEA (China), with the exception of its Shanghai Branch, which will be retained by BEA to engage in wholesale foreign exchange. To serve customers in Shanghai, BEA (China) has opened its own branch, which is also the location of the subsidiary bank’s headquarters in China.

About BEA’s China Operations

A wholly-owned subsidiary of BEA, BEA (China) operates one of the most extensive branch networks of any China incorporated foreign bank authorised to operate on the mainland. Based in Shanghai, BEA (China) has a network that includes 13 branches (Shanghai, Shenzhen, Xiamen, Guangzhou, Zhuhai, Dalian, Xi’an, Beijing, Chengdu, Hangzhou, Chongqing, Qingdao, and Shenyang) and 14 sub-branches (5 in Shanghai, 3 both in Shenzhen and Guangzhou, and 1 each in Dalian, Xi’an, and Xiamen). BEA (China) plans to upgrade the Wuhan Representative Office to a full-fledged branch later this year. In the coming years, BEA (China) also plans to expand its network in strategic locations throughout the country.

BEA (China) is authorised to provide a full range of personal and corporate banking services in China, including Rmb services to local residents. BEA (China) also offers overseas investment services to local residents and enterprises, as well as agency services for general and life insurance products at its branches. BEA (China) will leverage BEA's banking expertise and extensive business experience in China to provide best-in-class products and services to customers on the mainland.

In addition to the BEA (China) network, BEA also operates a branch in Shanghai, through which it conducts its foreign exchange wholesale business. BEA also operates 5 representative offices (Fuzhou, Wuhan, Tianjin, Suzhou, and Dongguan).

For more details on BEA's China operations, please visit the website at www.hkbea.com.cn.

About The Bank of East Asia

Incorporated in Hong Kong in 1918, BEA is dedicated to providing comprehensive retail and commercial banking services to its customers in Hong Kong, Greater China, and overseas. BEA is the largest independent local bank in Hong Kong, with total consolidated assets of HKD294.2 billion (USD37.83 billion) as of 31st December, 2006. The Bank is listed on the Stock Exchange of Hong Kong and is one of the constituent stocks of the Hang Seng Index.

With more than 180 outlets worldwide, BEA operates an extensive international network covering Hong Kong and Greater China, the United States, Canada, the United Kingdom, the British Virgin Islands, and Southeast Asia. For more information on BEA, please visit any BEA branch or the Bank's homepage at www.hkbea.com.

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BEA – Serving customers through one of Hong Kong's largest banking networks, with over 120 branches and SupremeGold Centres around town