

For Immediate Release

BEA Launches Lifetime Medical Savings Insurance

*Plan Inspired by a Survey Revealing a General Lack of
Financial & Medical Protection in Hong Kong*

Hong Kong, 2nd April, 2007 - The Bank of East Asia (“BEA”) today announces the launch of Lifetime Medical Savings Insurance (“the Plan”), which combines the advantages of medical expense coverage, life insurance, and savings in one single policy. The Plan is underwritten by Blue Cross (Asia-Pacific) Insurance Limited (“Blue Cross”), a member of the BEA Group.

Under the Plan, a Medical Savings Account with a value equal to the sum insured covers medical expenses in the form of cash benefits for hospitalisation, surgery, and pre & post-hospitalisation outpatient treatments up to the age of 100, or until the account is exhausted. Policyholders enjoy the option of a 10, 15, or 20-year payment term, whichever suits their existing financial situation and retirement plans. Medical benefit amounts will automatically be increased by 5% each year for policyholders aged 65-84, as higher medical expenses generally accompany age.

The conception and launch of the Plan have largely been due to findings from a telephone survey commissioned by Blue Cross and conducted by CityU Professional Services Limited in February 2007. The survey revealed that, in a target sample consisting of more than 500 respondents, 65% regard insurance as their most preferred savings vehicle for retirement, while 42% believe that medical expenses will be their major expenditure after retirement.

Mr. Patrick Wan, Managing Director of Blue Cross, said, “Although people have become more concerned about increasing medical costs, our survey has revealed that 41% of respondents do not have a ready plan to protect their finances or health after retirement.”

“Though 42% of respondents are under a group medical scheme, they will probably lose coverage upon retirement and may not be able to take out an individual insurance plan if they have developed health problems,” he added.

“Although the government is reviewing the need for a healthcare reform, it will be some time before a compromised solution is available,” said Ms. Connie Chan, Head of Bancassurance Department of BEA. “With Lifetime Medical Savings Insurance, you can enjoy ample medical coverage throughout life and take positive steps to secure the quality of life you envisage for yourself after retirement.”

“We also have Flexi Retirement Income Insurance, which was launched earlier in the year. This plan supplements Lifetime Medical Savings Insurance, providing a flexible payment period and guaranteed income for 20 years after retirement, thereby helping policyholders ensure they have sufficient savings to enjoy life.”

During the current promotional period, customers who enrol in Lifetime Medical Savings Insurance and Flexi Retirement Income Insurance will be eligible for supermarket / retail cash coupons worth up to HK\$3,800, and a complimentary physical examination or pack of bird’s nest.

For further information, please call the BEA Insurance Service Hotline on 3608 2928, or visit any BEA branch or BEA’s bancassurance webpage at www.hkbea.com/insurance.

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 HK\$294.2 billion (US\$37.83 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. To learn more about BEA, please visit the Bank’s website at www.hkbea.com

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