

For Immediate Release

BEA Pioneers Deferred Principal Repayment Method for Non-Residential Property Mortgages

Hong Kong, 12th July, 2007 - The Bank of East Asia (“BEA”) today has become the first bank in Hong Kong to offer a deferred principal repayment method of up to 12 months to owners of non-residential property such as shops, offices, and industrial units. By taking advantage of this offer, owners of non-residential property can enjoy a substantial reduction in their monthly instalments of up to 44% for the first 12 months. The following illustrates the benefits available to owners:

	BEA's Deferred Principal Repayment Method	Standard Repayment Method	Reduction in the Monthly Instalment
Monthly Instalment for the First 12 Months (HK\$)	9,166.70	16,341.20	7,174.50 (i.e. 44%)

Remarks:

1. The figures above are based on a mortgage loan of HK\$2,000,000 and loan tenor of 15 years at an assumed mortgage rate of 5.5% p.a.
2. The above information is for reference only.

According to Mr. Tong Hon-shing, BEA's General Manager & Head of Personal Banking Division, “We at BEA are pleased to announce this special offer for owners of non-residential property. Our deferred principal repayment method helps lighten the financial burden on owners during the first year, which can often be a critical time for a new or expanding business. With reduced monthly instalments, owners may choose to use the extra funds to carry out renovation, or to help them grow their businesses in other ways.”

For more information on BEA's deferred principal repayment method for non-residential property mortgages, please call BEA's Mortgage Hotline on (852) 3608 8686 (press “1”) or visit your nearest BEA branch.

About BEA's Property Loan Services

BEA offers a wide range of mortgage loan schemes to customers of varying budgets and needs. The Easyhome Mortgage Loan includes mortgage transfer, re-financing, bridging loan, and overdraft services. Non-residential Mortgage Loans are available

for the purchase of shops, offices, and industrial units, whether for personal use or leasing purposes. Specially designed for buyers under the Home Ownership Scheme, the Home Ownership Scheme Mortgage Loan applies to both the primary and secondary markets, as well as to mortgage transfers. The Tenants Purchase Scheme Mortgage Loan offers a preferential mortgage rate, plus instant approval and flexible repayment methods.

A wide range of free-of-charge mortgage services is also available through Cyberbanking at www.hkbea-cyberbanking.com, including instant property valuation, mortgage pre-approval, mortgage application, mortgage term enquiries, account information, repayment instructions, and a mortgage calculator.

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 190 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