

For Immediate Release

BEA Asian Bond and Currency Fund Helps Investors Capture Stable Returns

A Diversified Investment Portfolio Taps Strong Growth in Asian Markets

Hong Kong, 28th July, 2008 – The Bank of East Asia, Limited (“BEA”) has today launched the BEA Asian Bond and Currency Fund (the “Fund”), which aims to provide investors with steady interest income and capital gains.

Volatility in global stock markets in recent months has compelled many investors to adopt a defensive stance. However, the bond market is widely regarded as a safe haven in times of uncertainty due to its low correlation to the performance of equities and other asset classes such as properties. Solid economic fundamentals, such as the high level of foreign currency reserves, growing GDPs, and declining external debt, make the Asian bond market particularly attractive, as economies in the region are well positioned to enjoy sustained, long-term growth and resilience to any external shocks.

Managed by BEA Union Investment Management Limited (“BEA Union Investment”), the Fund will invest in a diversified portfolio of high quality Asian debt securities denominated in Asian and other selected currencies and issued by Asian governments, high growth companies, and blue chip corporations in the region. Compared with their peers in the US and Europe, Asian issuers generally offer higher coupon rates.

According to Mr. Ilex Lam, Chief Executive Officer of BEA Union Investment, “We are pleased to introduce another flagship product to the Asian market. Today’s launch of the Fund also reinforces our position as the Asian competence centre for our joint venture partners, BEA and Union Investment. BEA Union Investment is committed to providing investors with innovative and diversified Asian investment products and today’s launch demonstrates our core strength in the area of fixed income.”

Mr. Henry Wong, Head of Fixed Income of BEA Union Investment, said, “Our professional portfolio managers will strategically select and review Asian bonds based on analysis of US interest rate movements, yield curves, and Asian currency trends. We aim to offer investors the ideal vehicle to capitalise on the Asian growth story as the region becomes an increasingly important part of the world economy.”

To mark the launch of the Fund, BEA is offering a number of special rewards including a preliminary charge as low as 1% for investors whose total subscription to the Fund meets designated amounts from now until 30th September, 2008. In addition, customers with the highest accumulative subscription amounts will be rewarded 200,000 BEA Credit Card Bonus Points.

Details of the Fund and the terms and conditions of the promotional offers can be obtained by calling the Enquiry Hotline on (852) 2211 1311, or by visiting BEA branch or the Bank's website at www.hkbea.com.

Fund Facts

	Class A Units	Class B Units
Fund Inception Date	29 th August, 2008	
Fund Base Currency	US dollar	
Minimum Initial Investment Amount	US\$2,000*	
Minimum Additional Investment Amount	US\$1,000*	
Minimum Holding Amount	US\$2,000*	
Management Fee	0.75% p.a.	0.85% p.a.
Trustee Fee	0.125% p.a.	
Preliminary Charge	Up to 5% of the issue price	Nil
Realisation Charge	Waived [#]	Up to 3% of the realisation price <ul style="list-style-type: none"> • For holding period of less than 2 years: 3% • For holding period of 2 years or more but less than 4 years: 2% • For holding period of 4 years or more: Nil
Distribution Policy [^]	<ul style="list-style-type: none"> • For Class A (Accumulating) Units and Class B (Accumulating) Units: no distribution • For Class A (Distributing) Units and Class B (Distributing) Units: net income may be distributed 	
Investment Manager	BEA Union Investment Management Limited	

* (i) Inclusive of the preliminary charge (for Class A Units only)

(ii) The Manager may at his/her discretion agree to accept applications for investments of smaller amounts.

Pursuant to the Trust Deed of the Fund, the Manager is entitled to levy a realisation charge on the realisation of Class A Units of up to 0.5% of the realisation price of such Units. The Manager currently agrees to waive such realisation charge.

^ For details please refer to the Explanatory Memorandum.

Disclaimer:

Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. Investors should be aware that the price of units may go up as well as down, as the investments of the Fund are subject to market fluctuations and to the risks inherent in all investments. Investors should read the Explanatory Memorandum of the Fund for detailed information prior to any subscription. Past performance of the Fund is not indicative of future performance.

The Fund has been authorised by the Securities and Futures Commission in Hong Kong. However, such authorisation does not imply official approval or recommendation.

About BEA Union Investment Management Limited

BEA Union Investment is the asset management joint venture between BEA and Union Asset Management Holding AG (“Union Investment”). BEA Union Investment is the sole asset investment centre for both BEA and Union Investment in Asia, with a combined investment team of over 200 seasoned investment professionals based in Hong Kong and Frankfurt. We add value through the use of an active investment process and global research resources, and provide a wide range of quality and innovative investment products.

About Union Asset Management Holding AG

Established in 1956, Union Investment is one of the largest fund management groups in Germany with US\$255 billion in assets under management as at 31st December, 2007. Union Investment has built up a comprehensive range of over 680 mutual, private label, and specialised funds, managing about 5 million private and 1,200 institutional investment accounts. For more information on Union Investment, please visit www.union-investment.com.

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\$394 billion (US\$50.51 billion) as of 31st December, 2007. 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 220 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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