

For Immediate Release**BEA Launches HIBOR 007 Mortgage Plan**

Hong Kong, 18th April, 2006 – The Bank of East Asia (“BEA”) today announces the launch of its new HIBOR 007 Mortgage Plan. The plan which offers customers an attractive mortgage rate of as low as HIBOR + 0.7% p.a. with no annual or application fees, is a preferential mortgage plan available to purchasers of residential property for personal use or investment.

The HIBOR 007 Mortgage Plan equation is as follows:

$$\begin{array}{rcl}
 \text{HIBOR} & & - 1 \text{ or } 3\text{-month HIBOR} \\
 + 0 & & - 0 \text{ Annual Fee / Application Fee} \\
 + 07 & & - \text{Interest rate loading at } 0.7\% \text{ p.a.} \\
 \hline
 = \text{HIBOR } 007 & &
 \end{array}$$

The HIBOR 007 Mortgage Plan offers a 1-month HIBOR / 3-month HIBOR + 0.7% p.a. as the mortgage rate. During the promotional period starting from today to 20th May, 2006, successful applicants will enjoy a HIBOR-based mortgage rate on new mortgage loans as low as a 1-month HIBOR / 3-month HIBOR + 0.7% p.a. which will be capped at the Bank’s Prime Rate (“P”) - 2.75%. Mortgage plans will be offered up to the total loan limit set for the plan.

As an added bonus, successful applicants will enjoy a waiver of the fire insurance premium for the first year and a waiver of the household insurance premium for four months. The HIBOR 007 Mortgage Plan applies to new loans or refinancing applications with a minimum loan amount of HKD1 million. No maximum loan amount has been set, and the repayment tenure can be up to 30 years. For more details, please refer to Annex A.

About BEA’s Property Loan Services

BEA offers a wide range of mortgage loan schemes to match the varying budgetary needs of its customers. The Easyhome Mortgage Loan includes mortgage transfer, re-financing, bridging loan, and overdraft services. The Tenants Purchase Scheme Mortgage Loan offers a preferential mortgage rate, instant approval, and flexible repayment methods. The Home Ownership Scheme Mortgage Loan is specially designed for buyers under the Home Ownership Scheme, and applies to both primary and secondary markets, as well as mortgage transfers. For the purchase of shops and offices for personal use or leasing purposes, BEA offers its Non-Residential Mortgage Loan.

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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 terms enquiries, account enquiries, repayment instructions, and mortgage calculator. For further information, please call BEA's Mortgage Hotline on 3608 8686 (press "1") or visit any BEA branch or the Bank's homepage at www.hkbea.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 HKD238.8 billion (USD30.79 billion) as of 31st December, 2005. 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 160 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 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 110 branches and SupremeGold Centres around town

Annex A

Features of the HIBOR 007 Mortgage Plan:

Mortgage Rate	1-month or 3-month HIBOR + 0.7% OR Capped at P - 2.75%
Annual Fee and Application Fee	0
Usage of Property	Personal Use or as Investment
Loan Amount	Up to 95%
Type of Property	New Loan or Transfer Mortgage (Primary & Secondary Market)

HIBOR on 18th April, 2006:

1-month at 4.39759%

3-month at 4.67299%

BEA Prime Rate on 18th April, 2006:

8.25% p.a.

Comparison between the HIBOR 007 Mortgage Plan and Other Mortgage Plan Available in the Market :

	HIBOR 007 Mortgage Plan	Other Mortgage Plan Available in the Market
Mortgage Rate	1-month HIBOR + 0.7% (currently at 5.09759%)	P ¹ -2.75% (currently at 5.25%)
Monthly Payment ²	HKD13,307.20	HKD13,476.80
Interest Expenses During Whole Loan Period ²	HKD1,193,728	HKD1,234,432
Interest Savings During Whole Loan Period ²	HKD40,704	N/A

¹ Prime Rate at 8.00% p.a.

² Assuming a loan amount of HKD2,000,000 with a repayment tenure of 20 years