



**For Immediate Release**

**Dr. Liu Mingkang Presents the Opportunities and Challenges of QDII  
at CBA – BEA Luncheon Talk**

**Hong Kong, 26<sup>th</sup> September, 2006** — Dr. Liu Mingkang, Chairman of the China Banking Regulatory Commission (“CBRC”), has served as guest speaker at a luncheon talk hosted by The Chinese Banks’ Association (“CBA”) and sponsored by The Bank of East Asia (“BEA”), which was held today at the Hong Kong Four Seasons Hotel. Dr. Liu shared his insights with luncheon guests in his presentation entitled “QDII: Opportunities and Challenges”. The host of today’s event was Dr. David K.P. Li, Chairman of CBA and Chairman and Chief Executive of BEA. Over 370 distinguished guests from the government, financial, and commercial sectors in Hong Kong were invited to attend the luncheon talk.

In his opening remarks, Dr. David K.P. Li said, “Dr. Liu is, without exaggeration, one of the most able and influential figures leading the reform of the Mainland’s financial system. We are fortunate that he has chosen to speak on a topic that is of great importance to us all, and to Hong Kong’s aspiration to be a leading international financial centre.”

During the luncheon talk, Dr. Liu explained the reasons for implementing the Qualified Domestic Institutional Investors (“QDII”) scheme – and its importance – from various perspectives. From an economic standpoint, QDII has been implemented to release the pressure created from the rapid growth in foreign exchange reserves and appreciation of the Renminbi, to expand investment channels for domestic investors and to develop strategic options, safety and soundness of the foreign exchange administration. Banks can also broaden their business scope, increase fee income and improve their income structures, and enhance their risk management and asset structures. From the perspective of customers, Dr. Liu indicated that the growing number of high net worth individuals also presents tremendous room for growth in investment power.

Having been recently granted QDII status by the CBRC, BEA anticipates significant growth in its China business in the coming years. As one of the first foreign banks to receive this status, BEA is authorised to offer overseas investment services to local residents and enterprises at all of its branches in China.

**About The Chinese Banks’ Association**

The CBA is a non-profit making organisation that was established in 1919 and incorporated in Hong Kong in 1974. CBA’s main objectives are to provide and maintain a meeting place for members to promote business, to facilitate the exchange of views, and to enhance friendship among member banks. At present, CBA includes 21 member banks. Each year, CBA conducts several academic seminars and organises inter-bank competitions and recreational activities. In addition, CBA operates a Chinese restaurant at its premises to serve its members. Dr. David K.P. Li, Chairman and Chief Executive of The Bank of East Asia serves as Chairman of the Association’s Executive Committee.



## 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 HKD263.3 billion (USD 33.91 billion) as of 30<sup>th</sup> June, 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 170 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](http://www.hkbea.com).

## About Dr. Liu Mingkang

Dr. Liu Mingkang took office as Chairman of the China Banking Regulatory Commission ("CBRC") in March 2003.

Before heading the CBRC, Dr. Liu held various positions in both banking institutions and government agencies, including, among others, Chairman and President of the Bank of China ("BOC") (February 2000 – March 2003), Chairman of China Everbright Group (July 1999 – June 2000), Deputy Governor of the People's Bank of China (March 1998 – July 1999), Deputy Governor of the State Development Bank of China (January 1994 – March 1998), Deputy Governor of Fujian province and Head of the Secretariat of Fujian provincial government (January 1993 – January 1994), President of the BOC Fujian provincial branch (November 1992 – January 1993), Vice President of BOC Fuzhou municipal branch (September 1988 – November 1992), General Manager of the trust and investment company affiliated with the BOC Jiangsu provincial branch (May 1987 – September 1988) and Department Manager of the BOC London branch (July 1984 – May 1987).

Dr. Liu has been an active participant in international organisations and academic institutions. He is Honourary Professor of the Faculty of Business Administration of The Chinese University of Hong Kong and a guest professor at the City University of Hong Kong, Peking University, Tsinghua University and Fudan University. Dr. Liu serves as a member of the Financial Stability Forum Chairman's Advisory Council and Director of the Board of International Center for Leadership in Finance of Bank Negara Malaysia.

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