

For Immediate Release

BEA Launches Overseas Wealth Management Business in China

Hong Kong, 21st August, 2006 – The Bank of East Asia (“BEA”) has today launched its overseas wealth management business with the introduction of its first-ever product to local investors on the Mainland, the GBP / USD Currency Linked Deposit (the “Linked Deposit”).

Offered through the Bank’s China branch network, the Linked Deposit is 100% USD principal protected at maturity and provides investors with an opportunity to earn a potential coupon as high as 6% p.a. for a 6-month deposit tenor. The potential coupon will depend on the performance of GBP / USD at any time within the Observation Period. The Linked Deposit will be on offer from 21st August to 4th September, 2006.

The Bank announces the availability of the Linked Deposit, having been granted Qualified Domestic Institutional Investor (“QDII”) status by the China Banking Regulatory Commission (“CBRC”) to offer overseas wealth management services to customers in China at the end of June 2006. Specifically, BEA is allowed to invest funds from local residents and enterprises in overseas investment products.

In accordance with The Provisional Administrative Rules on the Overseas Wealth Management Business of Commercial Banks on Behalf of Their Clients jointly promulgated by the People’s Bank of China, the State Administration of Foreign Exchange, and the CBRC, BEA has appointed China Merchants Bank (“CMB”) as its domestic custodian. CMB has appointed Citibank as its overseas agent.

The cooperation between BEA, CMB, and Citibank marks a first step by BEA towards offering a comprehensive range of investment products in the China market. BEA anticipates significant growth in its wealth management business on the Mainland and plans to introduce additional investment products in the near future. For more details on the GBP / USD Currency Linked Deposit, please refer to the Principal Brochure available at www.hkbea.com.cn.

About BEA’s China Services

As one of the foreign banks with the most extensive branch coverage on the Mainland, BEA has developed a branch network in China that currently consists of 27 outlets, including 11 branches (Shanghai, Shenzhen, Xiamen, Guangzhou, Zhuhai, Dalian, Xi’an, Beijing, Chengdu, Hangzhou, and Chongqing), 10 sub-branches (4 in Shanghai, 2 in both Guangzhou and Shenzhen, and 1 in both Xi’an and Dalian), and 6 representative offices (Fuzhou, Qingdao, Wuhan, Tianjin, Suzhou,

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and Dongguan). Following earlier approval that the Bank received to upgrade its Qingdao representative office to a full-fledged branch, BEA expects to open its Qingdao Branch later this year.

BEA provides a wide range of banking services to a growing customer base in China. In addition to foreign currency services extended to all types of customers, the Bank offers Renminbi services to customers (except local residents) through its 8 branches in Beijing, Shanghai, Shenzhen, Dalian, Guangzhou, Zhuhai, Xi'an, and Xiamen. For more details on BEA's China services, please visit the Bank's China website at www.hkbea.com.cn.

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 (USD33.91 billion) as of 30th 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.

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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