

For Immediate Release

BEA Granted Preliminary Approval to Establish Shenyang Branch

Hong Kong, 31st August, 2006 – The Bank of East Asia (“BEA”) today announces that it has received preliminary approval from the China Banking Regulatory Commission to establish a branch in Shenyang, Liaoning Province. Having secured this approval, BEA will soon start preparatory work to set up the branch. Shenyang Branch is expected to commence business in the first half of 2007.

As the provincial capital of Liaoning, Shenyang is one of the major urban centres of northeast China. A key focus of China’s “Revitalizing the Northeast” campaign, Shenyang is geographically located in the heart of Liaoning and represents a strategic location for the Bank in further extending the reach of its China network. At present, the Bank operates a branch and a sub-branch in Liaoning’s second most populous city, Dalian. Shenyang Branch will further solidify BEA’s presence in Liaoning for the benefit of the Bank’s customers in the developing northeastern region.

As part of the Bank’s strategy to develop its China business, BEA will continue to expand its branch network on the Mainland by establishing new branches, upgrading representative offices to branches, and by actively establishing sub-branches in the cities where the Bank already has a presence, for additional customer support.

About BEA’s China Services

As one of the foreign banks with the most extensive branch coverage on the Mainland, BEA has a network in China that now 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 each in Guangzhou and Shenzhen, and 1 in both Dalian and Xi’an), and 6 representative offices (Fuzhou, Qingdao, Wuhan, Tianjin, Suzhou, 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 eight branches in Beijing, Shanghai, Shenzhen, Dalian, Guangzhou, Zhuhai, Xi’an, and Xiamen.

BEA expects its China business will continue to grow, having recently been granted Qualified Domestic Institutional Investor (“QDII”) status by the China Banking Regulatory Commission. 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 its branches in China. In particular, the Bank anticipates significant growth in its wealth management business on the Mainland. 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 HKD 263.3 billion (USD 33.91 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