

For Immediate Release**BEA Launches 2006 - 2007 Tax Loan Programme**
APR as Low as 4.42% Plus Full Arrangement Fee Waiver

Hong Kong, 13th November, 2006 – The Bank of East Asia (“BEA”) today announces the launch of its 2006-2007 Tax Loan Programme (the “Tax Loan”). Customers who successfully apply for the Tax Loan on or before 18th December, 2006, and draw the loan on or before 22nd December, 2006, can enjoy a number of attractive offers.

The Tax Loan features a highly competitive annualised percentage rate (“APR”) as low as 4.42%¹ (0.2173% per month flat). The low interest rate is applicable to 200% of a customer’s tax bill amount or the full loan amount. Customers can enjoy an additional cash rebate², which is equal to 0.25% of the loan drawdown amount or the applicant’s tax bill amount (whichever is lower), up to HKD2,500.

BEA also offers customers flexibility in terms of repayment, allowing them to pay their instalments in 6, 12, or 18 months. Those customers who choose repayment periods of 6 or 12 months will also enjoy an additional benefit - a waiver of the arrangement fee³. Loan amounts are available up to HKD1 million, six times the applicant’s monthly salary, or 200% of the applicant’s tax bill (whichever is the lowest). The approved loan amount will be credited directly to the customer’s account.

Ms. Emily Liu, BEA’s Head of Consumer Finance Department said: “This year, we have developed a programme that not only provides customers with a low-cost way to pay their tax bills, but also gives them enhanced financial flexibility. Whether a customer is in need of additional funds to just cover a tax bill, or is looking for greater liquidity to tap investment opportunities, our Tax Loan is the ideal credit facility.”

The Bank also offers an extra cash reward worth HKD100⁴ for joint applicants, which are applicable throughout the promotional period. Joint applications are not restricted to spouses only, and the interest rate for joint applicants is based on the total tax loan amount, thereby enabling customers to enjoy a lower interest rate.

For example, if two applicants (e.g. two siblings or friends) have individual tax bills of HKD40,000 and HKD90,000, the tax loan interest rates would be APR 8.38% (0.3688% per month flat) and APR 5.72% (0.2536% per month flat) respectively, if they both were to apply individually for 12-month tax loans. However, if the two applicants apply jointly, their tax loan amount would be HKD130,000 and the interest rate they would be entitled to would be APR 5.61% (0.2488% per month flat). This represents a savings on total interest of approximately HKD640.

For more information on BEA’s Tax Loan, please visit your nearest BEA branch or contact the Enquiry Hotline on 2211 1211, or visit the Bank’s homepage at www.hkbea.com.

Monthly Repayment Table (for a repayment period of 12 months)

Applicable to customers who submit applications and complete loan drawdown on or before 18th December, 2006 and 22nd December, 2006 respectively.

Loan amount (HKD)	Interest rate per month flat	Monthly instalment amount (HKD) for every loan amount of HKD1,000 ⁵ (APR ⁵)
10,000 – 29,999	0.4669%	88.00 (10.68%)
30,000 – 49,999	0.3688%	87.02 (8.38%)
50,000 – 99,999	0.2536%	85.87 (5.72%)
100,000 – 199,999	0.2488%	85.82 (5.61%)
200,000 – 299,999	0.2230%	85.56 (5.02%)
300,000 – 499,999	0.2173%	85.51 (4.89%)
500,000 – 1,000,000	0.2173%	85.51 (4.89% ⁵ / 4.42%¹)

Remarks:

1. The APR already reflects the waiver of the arrangement fee and the inclusion of the 0.25% cash rebate. The calculation is based on the assumptions that the loan amount is equal to 100% of the tax bill amount and that the relevant cash rebate will be credited to the customer's repayment account at the end of the eleventh month from the loan drawdown date.
2. The cash rebate is only applicable to customers who choose a 12-month repayment period with an approved loan amount of HKD500,000 or above. The cash rebate will be credited to customers' repayment accounts within 2 months after repayment of the ninth instalment. If customers make full repayment of their loans before loan maturity or have any past due records during the repayment period prior to their receipt of the cash rebate, the offer will be terminated immediately.
3. BEA will charge a non-refundable arrangement fee calculated by way of an additional loan of 0.75% p.a. on the original loan amount. The arrangement fee waiver is only applicable to a repayment period of 6 or 12 months.
4. Each successful joint application will be entitled to an extra HKD100 cash reward. The tax bill amount of each joint applicant should be not less than HKD10,000, while the approved loan amount of each joint application should be at least HKD20,000. The cash reward will be credited directly to eligible customers' repayment accounts at BEA before the end of March 2007.
5. Both the APRs and monthly repayment amounts already reflect the waiver of the arrangement fee for 12-month repayment periods.

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 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 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