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For Immediate Release

BEA Consolidates Two Subsidiaries into BEA Group

Hong Kong, 25 May 2003 – The Bank of East Asia, Limited (“BEA”) announces that, with effect from 26 May 2003 (“the Merger Date”), its two subsidiaries East Asia Finance Company, Limited (“EAF”) and East Asia Credit Company Limited (“EAC”) will be merged with the Bank. This follows the passage of a Private Ordinance by the Legislative Council facilitating the merger earlier this year. Under the Private Ordinance, all EAF and EAC assets and liabilities situated in Hong Kong and the two companies’ rights and obligations as expressly governed by Hong Kong law will be transferred to BEA effective from the Merger Date.

EAF and EAC were founded in 1969 and 1985, respectively. Both companies extended credit facilities to customers, primarily in consumer lending and equipment finance.

The merger of the two companies will give the customers of EAF and EAC access to the wider range of banking and financial services offered by the BEA Group in Hong Kong, China and overseas. The merger also allows BEA to enjoy greater economies of scale and to operate more efficiently. Earlier this year, all EAF and EAC customers were duly notified of the arrangements BEA had put in place to ensure smooth transfer of all business to the parent company.

About The Bank of East Asia

Established in 1918, BEA is the largest independent local bank in Hong Kong with total assets of HK\$185 billion (US\$23.7 billion) as of 31 December 2002. Over the years, BEA has gained an international reputation as a professionally managed and prudent financial institution that understands customer needs.

BEA now operates a total of 105 branches in Hong Kong, 19 outlets in Greater China and maintains a strong presence in the U.S.A., Canada, the U.K, the British Virgin Islands and the Southeast Asia.

The BEA Group offers a full range of wholesale and retail banking services covering corporate banking, personal banking, investment banking and China services. In addition, the Group provides comprehensive insurance services through its subsidiary Blue Cross (Asia-Pacific) Insurance Ltd, and business, corporate and investor services via the Tricor Group. For details, please visit BEA's website at <http://www.hkbea.com>.

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