

**For Immediate Release**

**BEA Offers Convenient Options for Subscription to  
HKMA's New Series of Exchange Fund Notes for the Retail Market**

**Hong Kong, 1 August 2003** – The Bank of East Asia (“BEA”) today announced that it has been appointed by The Hong Kong Monetary Authority (“HKMA”) as one of three distributors for a new series of Exchange Fund Notes (“Notes”) for the retail market, issued under a pilot scheme by the HKMA.

Under the pilot scheme, the HKMA plans to offer 2-year and 3-year Notes for the retail market via non-competitive tender, whereby retail investors will pay the average price bid by investors in the competitive tender for the same series of Notes. Retail investors are thus guaranteed that their subscription will be executed at a fair market price.

The Notes bear a fixed coupon rate, generating interest payable semi-annually.

BEA's multi-channel distribution network makes it an ideal partner for the promotion of subscriptions to the Notes in the retail market. Among the channels BEA will use to promote the Notes are its 100-plus local branch network, *Cyberbanking* – Internet and *Cyberbanking* – Phone.

The first issue of Notes under the pilot scheme, available for subscription starting 1 August 2003, will have a tenor of two years. BEA will receive applications from 9:00 am, Friday, 1 August 2003, until 12:00 noon, Friday, 8 August 2003.

Customers may also trade any outstanding issue of the Notes in the secondary market through any BEA branch, starting from 1 August 2003.

BEA is pleased to offer its customers very competitive service charges. Interested parties may call the BEA Customer Service Hotline on 2211 1333, visit BEA's website at [www.hkbea.com](http://www.hkbea.com), or contact any BEA branch.

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