

For Immediate Release

BEA Realigns Businesses and Operations in Hong Kong

Hong Kong, 2nd June, 2016 – The Bank of East Asia, Limited (“BEA” or the “Bank”) today announces that following a thorough review of its businesses and operations in Hong Kong, the Bank is implementing a realignment exercise to enhance overall operating efficiency.

In order to deploy resources more efficiently, East Asia Securities Company Limited (“EAS”), a wholly-owned subsidiary of BEA, will close all of its 22 retail outlets in Hong Kong by 8th July 2016. EAS will continue to provide service to customers through telephone and electronic channels such as the internet, mobile applications and automated phone service. Relevant notification will be sent to EAS customers individually.

Due to the increasing popularity of electronic and phone trading, which currently facilitates over 90% of EAS’s transactions, maintaining retail outlets to provide counter trading services has become very costly for EAS. In addition, there is a duplication of resources in securities business operations between EAS and the Bank. With an extensive branch network, BEA also provides securities services for retail customers holding integrated accounts, namely SupremeGold Account, Supreme Account, and i-Account, which will remain intact.

The closure of EAS’s retail outlets and the reconfiguration of back-office operations of securities services will help BEA enhance cost efficiency and align resources to better serve its customers going forward.

In an effort to contain operating costs against the backdrop of a challenging business environment, the Bank has also conducted a series of reviews of its operations with a view to streamlining workflows through various means, including process re-engineering and automation.

The conclusion of these process reviews, together with the business realignment exercise of EAS, have resulted in approximately 180 redundancies, accounting for 3.8% of the Bank’s total headcount in Hong Kong. The affected staff will be offered severance packages that exceed the requirements set out in the Employment Ordinance of Hong Kong.

About The Bank of East Asia, Limited

Incorporated in 1918, BEA is Hong Kong's largest independent local bank, with total consolidated assets of HK\$781.4 billion (US\$100.8 billion) as of 31st December, 2015. Listed on The Stock Exchange of Hong Kong, the Bank is a constituent stock of the Hang Seng Index.

BEA offers customers a comprehensive range of corporate banking, personal banking, wealth management, and investment services through an extensive network of more than 240 outlets covering Hong Kong and the rest of Greater China, Southeast Asia, the United Kingdom, and the United States. For more information, please visit any BEA branch or the Bank's homepage at www.hkbea.com.

About East Asia Securities Company Limited

Incorporated in Hong Kong in 1985, EAS is a wholly-owned subsidiary of BEA and serves as the Bank's stock broking arm. EAS caters to the diverse needs of its customers by providing a full range of securities services including broking services for Hong Kong-listed stocks, China B shares and stock options, margin financing, Initial Public Offering ("IPO") applications, staggings loans for IPOs, and nominee services.

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BEA – Operator of one of the largest banking networks in Hong Kong

