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The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Directors proposed to amend the Articles of Association to, inter alia, reflect the new Code on Corporate Governance Practices. Certain minor housekeeping amendments to the Articles of Association will also be proposed.

The proposed amendments to the Articles of Association are subject to the approval of the Shareholders by way of passing a special resolution at the 2006 AGM. A circular containing, inter alia, information on the proposed amendments to the Articles of Association and notice of the 2006 AGM is to be despatched to the Shareholders upon publication of this announcement.

The Directors of The Bank of East Asia, Limited (the "Bank") (the "Directors") proposed to amend the Articles of Association of the Bank (the "Articles of Association") to, inter alia, reflect the new Code on Corporate Governance Practices (the "Code") which replaced the Code of Best Practice in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Code, subject to certain transitional arrangements, took effect on 1st January, 2005. Certain minor housekeeping amendments to the Articles of Association will also be proposed at the Annual General Meeting of the Bank to be held on Friday, 7th April, 2006 ("2006 AGM").

Summary of the major changes to the existing Articles of Association include the following:

- (a) the mechanics regarding voting will be refined to the effect that at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a duly authorised representative) or by proxy (whether the Member has appointed one or more than one proxy) shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative, shall have one vote for every fully paid share of which he is the holder. Where more than one proxy is appointed by a Member which is a Recognised Clearing House (or its nominee(s)), each such proxy shall have one vote on a show of hands;
- (b) a Director appointed by the Board shall hold office until the next following general meeting, instead of the next following annual general meeting as provided in the existing Articles of Association;
- (c) all Directors will be appointed for a specific term of no more than three years, and will be eligible for re-appointment upon retirement. The relevant provisions in the Articles of Association regarding retirement by rotation will be deleted;
- (d) each of the Directors, instead of only the Executive Directors as provided in the existing Articles of Association, may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or any

other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director; and

- (e) the existing restriction that surpluses arising from revaluation of investments shall not be available for dividend will be removed from the Articles of Association.

The proposed amendments to the Articles of Association are subject to the approval of the Shareholders by way of passing a special resolution at the 2006 AGM. A circular containing, inter alia, information on the proposed amendments to the Articles of Association together with a notice convening the 2006 AGM is to be despatched to the Shareholders upon publication of this announcement.

By Order of the Board

Molly HO Kam-lan

Company Secretary

Hong Kong, 8th March, 2006.

As at the date of this announcement, the Executive Directors of the Bank are: Dr. The Hon. Sir David LI Kwok-po (Chairman and Chief Executive), Mr. Joseph PANG Yuk-wing (Deputy Chief Executive) and Mr. CHAN Kay-cheung (Deputy Chief Executive); Non-executive Directors of the Bank are: Dr. LI Fook-wo, Dr. The Hon. Simon LI Fook-sean, Mr. Aubrey LI Kwok-sing, Dr. William MONG Man-wai, Tan Sri Dr. KHOO Kay-peng, Mr. Richard LI Tzar-kai and Mr. Eric LI Fook-chuen; and Independent Non-executive Directors are: Mr. WONG Chung-hin, Dr. LEE Shau-kee, Dr. Allan WONG Chi-yun, Mr. Winston LO Yau-lai, Mr. Thomas KWOK Ping-kwong, Mr. TAN Man-kou and Mr. Kenneth LO Chin-ming.