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The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)
(Stock Code: 23)

2008 INTERIM SCRIP DIVIDEND SCHEME – CALCULATION OF MARKET VALUE

The scrip entitlements under the 2008 Interim Scrip Dividend Scheme would be calculated by reference to the average of the closing prices on The Stock Exchange of Hong Kong Limited of the existing shares of the Bank from Thursday, 28th August, 2008 to Wednesday, 3rd September, 2008 (both days inclusive) which was HK\$30.63 per share.

In our circular to shareholders of The Bank of East Asia, Limited (the "Bank") dated 26th August, 2008, it was announced that the Directors had declared an interim dividend for the six months ended 30th June, 2008 in cash at HK\$0.23 per share; and that any shareholder entitled to receive such dividend would be given the option to elect to receive new, fully paid ordinary shares in lieu of cash. The scrip entitlements would be calculated by reference to the average of the closing prices on The Stock Exchange of Hong Kong Limited of the existing shares of the Bank from Thursday, 28th August, 2008 to Wednesday, 3rd September, 2008 (both days inclusive) which was HK\$30.63 per share. Accordingly, the number of new shares which shareholders will receive in respect of their existing shares for which forms containing an election to receive shares in lieu of cash will have been lodged with the share registrar of the Bank by 4:00 p.m. on Wednesday, 10th September, 2008 will be calculated as follows:

$$\begin{array}{r} \text{Number of new shares} \\ \text{to be received} \end{array} = \begin{array}{r} \text{Number of shares} \\ \text{elected for scrip} \end{array} \times \frac{0.23}{30.63}$$

The number of new shares to be received will be rounded down to the nearest whole number of new shares. Fractional entitlements to new shares will be refunded in cash to the respective shareholders concerned. The new shares will, on issue, not be entitled to the interim dividend in respect of the six months ended 30th June, 2008, but will rank pari passu in all other respects with the existing shares of the Bank.

Certificates for the new shares and dividend warrants in respect of the interim dividend will be despatched to shareholders by ordinary mail on or about Wednesday, 17th September, 2008.

For and on behalf of
The Bank of East Asia, Limited
Molly HO Kam-lan
Company Secretary

Hong Kong, 3rd September, 2008.

As at the date of this announcement, the Executive Directors of the Bank are: Dr. The Hon. Sir David Kwok-po (Chairman & Chief Executive) and Mr. Joseph PANG Yuk-wing (Deputy Chief Executive); 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. Kenneth LO Chin-ming, Mr. KUOK Khoo-ean and Mr. William DOO Wai-hoi; and Non-executive Directors of the Bank are: Mr. Aubrey LI Kwok-sing, Professor Arthur LI Kwok-cheung, Dr. William MONG Man-wai, Tan Sri Dr. KHOO Kay-peng, Mr. Richard LI Tzar-kai, Mr. Eric LI Fook-chuen and Mr. Stephen Charles LI Kwok-sze.