



## **The Bank of East Asia, Limited**

*(Incorporated in Hong Kong with limited liability in 1918)*

(Stock Code: 23)

### **SUSPENSION OF TRADING**

At the request of The Bank of East Asia, Limited (the "Bank"), trading in the shares of the Bank will be suspended with effect from 2:30 p.m. on 18 September 2008 pending an announcement by the Bank in relation to an unauthorized manipulation of the valuation of certain equity derivatives held by the Bank.

As a result, the interim profit of the Bank as announced on 5 August 2008 will be restated to reduce profit before and after tax by HK\$131 million and HK\$109 million respectively. There is no material effect on the Bank's balance sheet or capital, which remains significantly in excess of regulatory requirements.

The directors, together with the Bank's auditor, KPMG, have reviewed the valuation of the affected equity derivatives and all required adjustments have been booked.

After adjusting for the effect of this error, the Bank has recorded a trading loss in respect of the affected equity derivatives of approximately HK\$93 million for the period from 1 January to 30 June 2008. No further trading losses have been incurred on the affected equity derivatives subsequent to that date.

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

Hong Kong, 18 September, 2008.

*As at the date of this announcement, the Executive Directors of the Bank are: Dr. The Hon. Sir David LI 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 Khoon-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.*