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The Bank of East Asia, Limited

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

Voluntary Announcement

Disposal of shares in The Bank of East Asia (U.S.A.) National Association

This is a voluntary announcement made by the Bank.

The Bank is pleased to announce that, on 21 January, 2011, the Bank entered into an agreement with ICBC regarding the sale of 80% interest in BEA USA.

This is a voluntary announcement made by The Bank of East Asia, Limited (the "**Bank**").

Share Sale Agreement

The Bank is pleased to announce that, on 21 January, 2011, the Bank and East Asia Holding Company, Inc. ("**EAHC**"), a wholly-owned subsidiary of the Bank, entered into a share sale agreement (the "**Share Sale Agreement**") with Industrial and Commercial Bank of China Limited ("**ICBC**") in respect of the sale of 80% of the issued and outstanding common shares of The Bank of East Asia (U.S.A.) National Association ("**BEA USA**") by EAHC to ICBC for a total consideration of approximately US\$140,227,200 (equivalent to approximately HK\$1,086,480,345.60) (the "**Disposal**"). The consideration for the Disposal will be adjusted after the completion of the Disposal to reflect any increase or decrease in 80% of the net tangible book value of BEA USA between 30 September, 2010 and the closing date of the Disposal.

After the completion of the Disposal, the Bank will continue to operate and focus on its wholesale banking business through the New York and Los Angeles branches in the U.S.

Completion of the Disposal is subject to satisfaction or waiver of certain conditions precedent, including receipt of necessary bank regulatory approvals in the U.S. and China (including Hong Kong), and the execution and delivery by the parties of a transition service agreement and a shareholders agreement (the "**Shareholders Agreement**") by the date that is fourteen months from the date of the Share Sale

Agreement (the “**Drop Dead Date**”). If by the Drop Dead Date, the conditions precedent to the completion of the Disposal are not satisfied or waived, the parties may mutually agree to extend the Drop Dead Date to a later date.

Upon completion of the Disposal, BEA USA will cease to be a subsidiary of the Bank and will be held as to 20% by the Bank through EAHC and 80% by ICBC. A Shareholders Agreement will be entered into between the parties to regulate their respective rights and obligations. Under the Shareholders Agreement, at any time from the date that is eighteen months after the completion of the Disposal to the tenth anniversary of the date of completion of the Disposal, the Bank through EAHC will have a put option to sell to ICBC the remaining 20% of the shares of common stock of BEA USA.

Information on the parties

Incorporated in Hong Kong in 1918, the Bank provides comprehensive retail banking, commercial banking, wealth management, and investment services to its customers in Hong Kong and other major markets around the world. The Bank is the largest independent local bank in Hong Kong, with total consolidated assets of HK\$478.1 billion (approximately US\$61.4 billion) as of 30 June, 2010. The Bank is listed on The Stock Exchange of Hong Kong and is one of the constituent stocks of the Hang Seng Index.

With over 200 outlets worldwide, the Bank operates an extensive international network covering Hong Kong and other parts of Greater China, North America, the United Kingdom, and Southeast Asia.

ICBC is the largest commercial bank in the People’s Republic of China and provides a variety of financial products and services to customers around the globe through about 16,000 domestic institutions, nearly 200 overseas institutions and over 1,500 correspondent banks worldwide.

For and on behalf of
The Bank of East Asia, Limited
David LI Kwok-po
Chairman & Chief Executive

Hong Kong, 23 January, 2011

As at the date of this announcement, the Executive Director of the Bank is: Dr. the Hon. Sir David LI Kwok-po (Chairman & Chief Executive); Non-executive Directors of the Bank are: Professor Arthur LI Kwok-cheung (Deputy Chairman), Mr. Aubrey LI Kwok-sing, Tan Sri Dr. KHOO Kay-peng, Mr. Richard LI Tzar-kai, Mr. Eric LI Fook-chuen, Mr. Stephen Charles LI Kwok-sze and Dr. Isidro FAINÉ CASAS; and Independent Non-executive Directors are: Dr. Allan WONG Chi-yun (Deputy Chairman), Mr. WONG Chung-hin, Dr. LEE Shau-kee, Mr. Winston LO Yau-lai, Mr. Thomas KWOK Ping-kwong, Mr. Kenneth LO Chin-ming, Mr. William DOO Wai-hoi, Mr. KUOK Khoon-ean and Mr. Valiant CHEUNG Kin-piu.