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The Bank of East Asia, Limited

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

2013 SECOND INTERIM (IN LIEU OF FINAL) SCRIP DIVIDEND SCHEME – CALCULATION OF MARKET VALUE

The scrip entitlements under the 2013 Second Interim (in lieu of Final) Scrip Dividend Scheme would be calculated as an amount equal to 95% of the average of the closing prices of the existing shares of the Bank on The Stock Exchange of Hong Kong Limited from Thursday, 6th March, 2014 to Wednesday, 12th March, 2014 (both days inclusive). It is now determined that the said average closing price is HK\$30.58. Therefore, the market value for calculation of the scrip entitlements is HK\$29.051 per share.

In our circular to shareholders of The Bank of East Asia, Limited (the “**Bank**”) dated 11th March, 2014, it was announced that the Board of Directors had declared a second interim dividend (in lieu of final dividend) for the financial year ended 31st December, 2013 (“**2013 Second Interim Dividend**”) in cash at HK\$0.68 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 (“**New Shares**”). The scrip entitlements would be calculated as an amount equal to 95% of the average of the closing prices of the existing shares of the Bank on The Stock Exchange of Hong Kong Limited from Thursday, 6th March, 2014 to Wednesday, 12th March, 2014 (both days inclusive). It is now determined that the said average closing price is HK\$30.58. Therefore, the market value for calculation of the scrip entitlements is HK\$29.051 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, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong (New Address: Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, with effect from 31st March, 2014) of the Bank by 4:00 p.m. on Wednesday, 26th March, 2014 will be calculated as follows:

$$\text{Number of New Shares to be received} = \text{Number of shares elected for scrip} \times \frac{\text{HK\$0.68}}{\text{HK\$30.58} \times \frac{95}{100}}$$

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 2013 Second Interim Dividend, 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 2013 Second Interim Dividend will be despatched to shareholders by ordinary mail on or about Wednesday, 2nd April, 2014. Shareholders who elect for the 2013 Second Interim Dividend wholly or partly in scrip form will receive one share certificate for the New Shares.

For and on behalf of
The Bank of East Asia, Limited
Alson LAW Chun-tak
Company Secretary

Hong Kong, 12th March, 2014

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

* Non-executive Directors

** Independent Non-executive Directors