



## **Announcement**

It has come to the notice of The Bank of East Asia, Limited ("BEA") that malicious rumours have been circulated questioning the stability of the Bank. The Management of BEA understands that these rumours were first disseminated via electronic devices late in the afternoon on 23<sup>rd</sup> September.

The Management of BEA hereby states in the strongest possible terms that such rumours have no basis in fact. The Management further confirms that the Bank's financial position is sound and stable. As of 30<sup>th</sup> June, 2008, the total consolidated assets of BEA stood at HKD396.6 billion. The Bank's capital adequacy ratio is 14.6%, well above the international required level.

The Management of BEA takes this incident very seriously. Upon learning of the malicious rumours, the Management of BEA immediately reported the matter to the Police and the Hong Kong Monetary Authority ("HKMA"). The Police are taking expedient and appropriate measures in response.

Mr. Joseph Yam, Chief Executive of the HKMA, stated that BEA is a very sound bank with ample liquidity. The rumours questioning the stability of the Bank were unfounded. He added that the banking system of Hong Kong is very robust, and that the depositors should stay calm. The HKMA will give its full support to BEA.

The business of the Bank remains normal, and all BEA branches continue to operate as usual.

25<sup>th</sup> September, 2008