



# Press Release



17 February 2009

## HANG SENG COMPLETES YANTAI CITY COMMERCIAL BANK DEAL

Hang Seng Bank today announced the completion of a RMB800 million (approximately US\$117 million) deal that makes it the single largest shareholder of Yantai City Commercial Bank (Yantai Bank) in mainland China.

Executed by way of a share subscription, the transaction gives Hang Seng a 20 per cent stake in the enlarged share capital of Yantai Bank. Hang Seng will have the right to nominate Directors and make personnel recommendations for various senior management positions at the Mainland bank. Hang Seng will also provide technical support in various areas including corporate governance, risk management and personal financial services for Yantai Bank through the secondment of executives, training and job attachments.

With this latest deal, Hang Seng's total investment on the Mainland is now about RMB7.4 billion, including the capital injected into its wholly owned subsidiary, Hang Seng Bank (China) Limited, in May 2007.

### About Hang Seng Bank

Founded in 1933, Hang Seng Bank operates over 210 service outlets, of which 106 are branches serving both personal and business customers. The Bank also maintains a branch in Shenzhen for foreign currency wholesale business, branches in Macau and Singapore, and representative offices in Xiamen and Taipei.

Established on 28 May 2007, wholly owned subsidiary Hang Seng Bank (China) Limited operates a mainland China network of 33 outlets in Beijing, Shanghai, Guangzhou, Shenzhen, Dongguan, Fuzhou, Nanjing, Hangzhou, Ningbo, Tianjin and Kunming.

With consolidated assets of HK\$747.9 billion as at 30 June 2008, Hang Seng Bank reported a profit attributable to shareholders of HK\$9,064 million for the first six months of 2008 and HK\$18.24 billion in 2007. Hang Seng Bank is a principal member of the HSBC Group, one of the world's largest banking and financial services organisations. For further information on Hang Seng Bank, please visit the bank's website at [www.hangseng.com](http://www.hangseng.com).

### About Yantai City Commercial Bank

Founded in 1997, Yantai City Commercial Bank is one of the largest city commercial banks in Shandong Province. According to its unaudited financial statements, the Bank had total assets of RMB26.8 billion as at 31 December 2007. It has 70 outlets and over 1,200 staff. The bank offers various retail banking services including deposits, consumer loans and debit card services, as well as trade finance, remittance and other commercial banking services. For further information, please visit the bank's website at [www.ytcb.com](http://www.ytcb.com).

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