



WING HANG BANK, LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 302)

ANNOUNCEMENT

This announcement is made by the Board of Directors (the “**Board**”) of Wing Hang Bank, Limited (the “**Bank**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Bank has exposure to bonds issued by two major banks in Iceland (the “**Bonds**”), with a total value of approximately HK\$377,000,000 (based on exchange rates as at the date of this announcement). The Bonds are denominated in US Dollars, Euros and New Zealand Dollars and had a Moody’s credit rating of A1 at the time of their acquisition by the Bank. The Bonds account for no more than 0.27% of the total assets of the Bank and its subsidiaries as at 30 June 2008, which is considered to be immaterial. As a result of the recent global financial turmoil, the carrying value of the Bonds has been substantially impaired. Accordingly, the Bank has decided to make a full provision for the diminution in value of the Bonds in a prudent manner, and a post-tax impairment loss of approximately HK\$315,000,000 (based on current exchange rates) will be charged in the income statement of the Bank for the financial year ending 31 December 2008.

The Board wishes to state that the above-mentioned impairment loss will not have any significant impact on the Bank’s business. The Bank’s financial position is sound, with all statutory ratios well above the levels required by the Hong Kong Monetary Authority.

Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the shares of the Bank.

By Order of the Board
WING HANG BANK, LIMITED
Chiu Wah Leung
Company Secretary

Hong Kong, 14 November 2008

As at the date of this announcement, the Executive Directors of the Bank are Dr Patrick Y B Fung (Chairman and Chief Executive), Mr Frank J Wang (Deputy Chief Executive), and Mr Michael Y S Fung; the Non-executive Directors are Mr Louis C W Ho and Mr Andrew M Gordon; and the Independent Non-executive Directors are Dr Cheng Hon Kwan, Mr Ambrose H C Lau, Dr Simon K Y Lee, Mr Tung Chee Chen and Mr Aloysius H Y Tse.