



BOARD APPOINTMENT

Mr Edgar David ANCONA has been appointed as a non-executive Director of the Bank with effect from 4 September 2006.

The Board of Directors of Hang Seng Bank Limited (the "Bank") is pleased to announce that Mr Edgar David ANCONA, has been appointed as non-executive Director of the Bank with effect from 4 September 2006.

Mr Ancona is currently the Chief Financial Officer of The Hongkong and Shanghai Banking Corporation Limited, the immediate holding company of the Bank.

Particulars of Mr Ancona are set out in the note below.

Save as disclosed below, Mr Ancona does not hold any other position with the Bank and its subsidiaries, and has no other relationships with any Directors, senior management or substantial or controlling shareholders of the Bank. Mr Ancona does not have any interests in the shares of the Bank within the meaning of Part XV of the Securities and Futures Ordinance.

Mr Ancona will receive Directors' fees in the amount approved from time to time by shareholders at the Annual General Meetings of the Bank, currently being HK\$150,000 per annum. There is no service contract signed between the Bank and Mr Ancona.

The Bank's Articles of Association provide that each Director is required to retire by rotation once every three years and that one-third (or the number nearest to one-third) of the Directors shall retire from office every year during the Bank's Annual General Meeting. This means that the specific term of appointment of a Director of the Bank, including Mr Ancona, cannot exceed three years. Every retiring Director shall be eligible for re-election at the Annual General Meeting of the Bank.

Save as disclosed in this announcement, in relation to the appointment of Mr Ancona, the Board is not aware of any matters which are required to be disclosed under Rules 13.51(2)(h)-(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and any other matters that need to be brought to the attention of the Bank's shareholders.

As at the date hereof, the Board of Directors of the Bank comprises Mr Michael R P Smith* (Chairman), Mr Raymond C F Or (Vice-Chairman and Chief Executive), Mr Edgar D Ancona*, Mr John C C Chan#, Mr Patrick K W Chan, Dr Y T Cheng#, Dr Marvin K T Cheung#, Mr Jenkin Hui#, Mr Peter T C Lee#, Dr Eric K C Li#, Dr Vincent H S Lo*, Mr Joseph C Y Poon, Dr David W K Sin#, Mr Richard Y S Tang# and Mr Peter T S Wong*.

* *Non-executive Director*

Independent non-executive Director

By Order of the Board

C C Li

Secretary

Hong Kong, 4 September 2006

Note :

Mr Edgar David Ancona, aged 54, is Chief Financial Officer of The Hongkong and Shanghai Banking Corporation Limited. He was formerly Senior Vice President Corporate Treasurer of HSBC Finance Corporation (formerly known as Household International, Inc.) and Executive Vice President, Asset/Liability Management, of HSBC North America Holdings Inc. He was also a director of HSBC Inversiones y Servicios Financieros Limitada. Mr Ancona has not held any directorships in Hong Kong listed public companies during the last three years.

Mr Ancona's career in banking started in 1977 when he joined Citibank. He held a number of roles in Citibank, including Treasurer of Citibank consumer's non-New York branch businesses throughout the US and Co-head of fixed income origination and syndicate for Citibank Investment Bank Ltd., London, before joining Household International, Inc. as Treasurer in 1994.

Mr Ancona was a Board member of LifeSource, Chicago's blood bank and of the Central Blood Bank, Pittsburgh's blood bank.

Mr Ancona was educated at Rensselaer Polytechnic Institute in the US and obtained a Bachelor's degree in Science in 1974. He also obtained a Master of Science degree and a Master of Business Administration degree from the London School of Economics in 1975 and University of Chicago in 1976 respectively.

Hang Seng Bank Limited

Incorporated in Hong Kong with limited liability

Registered Office and Head Office: 83 Des Voeux Road Central, Hong Kong

Please also refer to the published version of this announcement in South China Morning Post.