

PRESS RELEASE

FOR IMMEDIATE RELEASE

Fubon Bank received approval from the China Banking Regulatory Commission to acquire a stake in XCCB

(Hong Kong: 17 November 2008) Fubon Bank (Hong Kong) Limited (“Fubon Bank”) announces that it has received the approval from the China Banking Regulatory Commission to acquire a stake in Xiamen City Commercial Bank (“XCCB”) on 13 November 2008. Fubon Bank will pay RMB230 million (approximately HK\$260 million) to acquire 19.99% of the enlarged issue share capital of XCCB in accordance with the Share Subscription Agreement. The transaction is expected to be completed by the end of this year.

According to the Share Subscription Agreement, in addition to the cash consideration of RMB2.3025 per share, Fubon Bank has further agreed to give its share of future dividends from XCCB to the existing shareholders of XCCB on a pro rata basis at any financial year for which distribution of dividends will be declared, with a total amount of up to RMB27 million as deferred payment of part of the consideration.

Mr. Ming-Chung Daniel Tsai, Chairman of Fubon Financial Holding Co., Ltd., said, “Fubon Bank is very pleased to become a strategic partner of XCCB through this acquisition. Our partnership with XCCB will give us a solid base from which to expand our operations on the Mainland which presents vast business opportunities. This move marks an important step in expanding Fubon’s financial platform in the Greater China region, and brings us closer to attaining Fubon Bank’s vision as the regional financial platform for Fubon Financial.”

The strategic partnership with XCCB will give Fubon Bank instant RMB access and enable it to better serve the banking needs of Taiwanese and Hong Kong businessmen on the Mainland. Fubon Bank and XCCB will co-operate in various business areas, with a major focus on Taiwan-related businesses and consumer finance at the initial stage. Under the Strategic Cooperation and Technology Transfer Agreement that Fubon Bank and XCCB have entered into, Fubon Bank will provide XCCB with necessary assistance in upgrading its existing operations, particularly in areas which include risk management, internal controls and information technology, etc.

Following completion, Fubon Bank is entitled to appoint three directors to the new and expanded Board of XCCB which will comprise eleven directors, and to appoint the President of XCCB.

Headquartered in Xiamen City, Fujian Province, XCCB is a city joint-stock commercial bank and operates 32 business outlets including 31 sub-branches across Xiamen metropolitan area. It ranks fifth among all commercial banks in Xiamen in terms of number of outlets. The total number of employees at the end of 2007 stood at 656. For the year ended 31 December 2007, XCCB’s total assets amounted to RMB17,744 million with net tangible asset value of RMB433 million.

Mr. Ming-Hsing Richard Tsai, Chairman of Fubon Bank (Hong Kong) Limited, said, "We look forward to working closely with XCCB and together we will actively develop our corporate banking business to serve the Taiwanese and Hong Kong businessmen on the Mainland. We will also focus on building our consumer finance and deposit business, strengthen our customer franchise, and enhance the synergy among our business operations in the Greater China region, thereby building a momentum for future growth in the Greater China market."

Fubon Bank (Hong Kong) Limited

Fubon Bank (Hong Kong) Limited ("Fubon Bank") is a subsidiary of Fubon Financial Holding Co., Ltd., a leading financial services group in Taiwan engaged in corporate and investment banking, financial markets, consumer finance, wealth management, investment management and insurance. Fubon Bank operates 25 retail outlets in Hong Kong, including 22 branches and 3 Securities Services Centres, and provides a wide range of financial services encompassing wealth management, consumer and wholesale banking, financial markets, hire purchase, securities brokerage and investment services. Fubon Bank is listed on the Stock Exchange of Hong Kong (stock code: 636) and holds an A-2 short-term, BBB+ long-term rating from Standard & Poor's. The rating reflects Fubon Bank's strong capitalization, good liquidity and sound asset quality.

Xiamen City Commercial Bank

Established on 30 November 1996, Xiamen City Commercial Bank ("XCCB") is a city joint-stock commercial bank. Headquartered in Xiamen, Fujian Province, XCCB operates 32 business outlets, including 31 sub-branches across Xiamen metropolitan area. It ranks fifth among all commercial banks in Xiamen in terms of number of outlets. Based on audited financials for the year ended 31 December 2007 prepared under PRC GAAP, XCCB's total assets amounted to RMB17,744 million with net shareholders' equity of RMB433 million. The net profit before taxes was RMB83 million and RMB104 million, with a net profit after taxes of RMB10 million and RMB56 million for the years ended 31 December 2007 and 2006 respectively on revenue of RMB595 million and RMB410 million for the years ended 31 December 2007 and 2006 respectively. The Bank's non-performing loan ratio, based on the five-tier classification standard, was at 4.25% as at 31 December 2007, slightly below national average of 4.5% for city commercial banks.

- End -

For press inquiries, please contact:

Betty Chan
Senior Vice President and
Head of Corporate Communications
Tel: (852) 2842 6100
Fax: (852) 2524 6681
Email: betty.chan@fubon.com

Tsang Sau-wan
Assistant Vice President
Corporate Communications
Tel: (852) 2842 1646
Fax: (852) 2524 6681
Email: sauwan.tsang@fubon.com

Website: www.fubonbank.com.hk