Press Release

The Hong Kong Mortgage Corporation Limited

Appointment of Executive Director and new Chief Executive Officer

The Hong Kong Mortgage Corporation Limited (HKMC) announced today (3 June) that the Board of the HKMC has approved the appointment of Mr James H. Lau Jr as Chief Executive Officer (CEO) of the HKMC with effect from 6 July 2004. Mr Lau will succeed Mr Peter Pang, who will, on 6 July, become an Executive Director of the HKMC.

Mr Lau is currently Executive Director (Monetary Management and Infrastructure) of the Hong Kong Monetary Authority (HKMA). He will be seconded from the HKMA to take up the CEO position. Mr Lau was appointed Head (Monetary Policy) on the establishment of the HKMA in 1993 and became Executive Director (External) in 1994. Mr Lau joined the Hong Kong Government as an Administrative Officer in 1979. He was Hong Kong's Deputy Permanent Representative to the GATT in Geneva from 1986 to 1990 before joining the Office of the Exchange Fund as Assistant Director (Monetary Management) in 1991.

With the appointment of Mr Pang as an Executive Director, the composition of the Board will be increased from 16 to 17 Directors (see Annex A). Mr Pang has been seconded from the HKMA to serve as the CEO of the HKMC since December 1997. Mr Pang will be transferred back to the HKMA to take up a Deputy Chief Executive position. He will continue to oversee the work of the HKMC in his capacity as the newly appointed Executive Director.

"On behalf of the Board, I would like to thank Mr Pang for his dedication and invaluable contribution to the Corporation during his term of office. I believe Mr Pang's continued involvement with the HKMC will benefit the Corporation," said Mr Henry Tang, Chairman of the HKMC. "I also look forward to working with Mr Lau to further develop the business of the Corporation," said Mr Tang.

The Hong Kong Mortgage Corporation Limited
3 June 2004

Annex A

THE HONG KONG MORTGAGE CORPORATION LIMITED

Board of Directors

The Hon. Henry TANG Ying-yen, GBS, JP (Chairman)	Financial Secretary
Mr Joseph YAM Chi-kwong, GBS, JP (Deputy Chairman)	Chief Executive Hong Kong Monetary Authority
Mr Norman CHAN Tak-lam, SBS, JP (Executive Director)	Deputy Chief Executive Hong Kong Monetary Authority
Mr Peter PANG Sing-tong, JP (Executive Director)	Deputy Chief Executive Hong Kong Monetary Authority
Mr Ronald Joseph ARCULLI, GBS, JP	Managing Partner Arculli and Associates
Professor Andrew CHAN Chi-fai, Ph.D.	Chairman, Consumer Council Professor, Department of Marketing and Director, Executive MBA Programme, The Chinese University of Hong Kong
The Hon. Bernard Charnwut CHAN	Legislative Councillor President, Asia Insurance Company, Limited
The Hon. CHAN Kam-lam, JP	Legislative Councillor
Mr Clifford Rowland FORSTER	Regional Director Lloyds TSB Bank plc.
Ms Anita FUNG Yuen-mei	Treasurer, Co-Head of Global Markets, Asia-Pacific The Hongkong and Shanghai Banking Corporation Limited

Mr Andy HON Hak-keung	General Manager, Mortgages and Auto, Consumer Banking Standard Chartered Bank
The Hon. Ambrose LAU Hon-chuen, GBS, JP	Legislative Councillor Senior Partner, Chu & Lau Solicitors & Notaries
Dr The Hon. David LI Kwok-po, GBS, LLD (Cantab), JP	Legislative Councillor Chairman and Chief Executive The Bank of East Asia, Limited
The Hon. Frederick MA Si-hang, JP	Secretary for Financial Services and the Treasury
The Hon. SIN Chung-kai	Legislative Councillor
The Hon. Michael SUEN Ming-yeung, GBS, JP	Secretary for Housing, Planning and Lands
Mr David SUN Tak-kei	Chairman, Assurance & Advisory Business Services, Ernst & Young