

# FINANCIAL HIGHLIGHTS

	2002	2001	Change
	HK\$m	HK\$m	+ / (-)%
<b>For the year</b>			
Operating profit before provisions	12,089	13,162	(8.2)
Operating profit after provisions	9,234	5,750	60.6
Profit before taxation	8,068	3,733	116.1
Profit after taxation	6,800	2,901	134.4
Profit attributable to shareholders	6,673	2,768	141.1
	HK\$	HK\$	+ / (-)%
<b>Per share</b>			
Earnings per share <sup>1</sup>	63.11 cents	26.18 cents	141.1
Dividends per share	39.80 cents	–	N/A
	HK\$m	HK\$m	+ / (-)%
<b>At year-end</b>			
Shareholders' funds	56,941	52,170	9.1
Issued and fully paid share capital	52,864	52,864	0.0
Total assets	735,489	766,140	(4.0)
	%	%	
<b>Financial ratios</b>			
Return on average total assets <sup>2</sup>	0.91	0.36	
Return on average shareholders' funds <sup>3</sup>	12.23	7.31	
Cost to income ratio	33.26	30.76	
Non-performing loan ratio <sup>4</sup>	7.99	10.99	
Loans to deposits ratio <sup>5</sup>	53.42	53.27	
Average liquidity ratio <sup>6</sup>	41.17	39.88	
Capital adequacy ratio <sup>7</sup>	13.99	14.38	

<sup>1</sup> Amount for 2001 has been restated due to the effect of the share consolidation as further described in note 13 and note 32 respectively.

<sup>2</sup> Return on average total assets is calculated by dividing the profit after taxation with the daily average balance of total assets for the year.

<sup>3</sup> Return on average shareholders' funds is calculated by dividing the profit attributable to shareholders with the average shareholders' funds. Average shareholders' funds are calculated as the average of the opening and closing balance of shareholders' funds for the year. Average shareholders' funds for the year 2001 are calculated taking into account of certain capitalisation events.

<sup>4</sup> On 26 June 2002, BOCHK disposed of loans with a gross book value of HK\$11,401 million (net of specific provisions of HK\$2,679 million) to BOC Cayman (note 42(a)). As at 31 December 2001, the outstanding balance of NPLs which were disposed of in 2002 amounted to HK\$7,269 million and specific provisions made in respect of such NPLs amounted to HK\$2,538 million. Had the disposal taken place as at 31 December 2001, the NPLs as a percentage of total advances to customers would have been 9.06%.

<sup>5</sup> Loans to deposits ratio is for the year end.

<sup>6</sup> Average liquidity ratio for the year ended 31 December 2002 is calculated as the simple average of each calendar month's average liquidity ratio of BOCHK for the year. The average liquidity ratio of 2001 is calculated as the simple average of each calendar month's average liquidity ratio of BOCHK for the 3 months from 1 October 2001 (the date of the Restructuring and Merger) to 31 December 2001.

<sup>7</sup> Capital adequacy ratio is computed on the consolidated basis which comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Third Schedule of the Banking Ordinance.