

## Consolidated Profit and Loss Account

|   | Note | Half-year ended<br>30 June 2003<br>HK\$'m | (Unaudited)<br>As restated<br>Half-year ended<br>30 June 2002<br>HK\$'m |
|---|------|---|---|
| Interest income   | 4    | 9,358                                     | 10,958  |
| Interest expense  |      | (2,774)                                   | (4,067)   |
| <b>Net interest income</b>  |      | <b>6,584</b>                              | 6,891   |
| Other operating income  | 5    | 2,252                                     | 2,010   |
| <b>Operating income</b>   |      | <b>8,836</b>                              | 8,901   |
| Operating expenses  | 6    | (2,697)                                   | (2,899)   |
| <b>Operating profit before provisions</b>   |      | <b>6,139</b>                              | 6,002   |
| Charge for bad and doubtful debts   | 7    | (1,669)                                   | (1,766)   |
| <b>Operating profit after provisions</b>  |      | <b>4,470</b>                              | 4,236   |
| Net (loss)/gain from disposal/revaluation of fixed assets   | 8    | (1,241)                                   | 8   |
| Net gain/(loss) from disposal of held-to-maturity securities and investment securities                      |      | 1   | (2)   |
| Write-back of provision/(provision) for impairment on held-to-maturity securities and investment securities | 9    | 20  | (7)   |
| Net loss on disposal of a subsidiary  |      | (1)                                       | —   |
| Write-back of provision/(provision) for impairment on investments in associates                             |      | 6   | (30)  |
| Share of net (losses)/profits of associates   |      | (10)                                      | 6   |
| <b>Profit before taxation</b>   |      | <b>3,245</b>                              | 4,211   |
| Taxation  | 10   | (176)                                     | (733)   |
| <b>Profit after taxation</b>  |      | <b>3,069</b>                              | 3,478   |
| Minority interests  |      | (57)                                      | (63)  |
| <b>Profit attributable to shareholders</b>  | 11   | <b>3,012</b>                              | 3,415   |
| <b>Dividend</b>   | 12   | <b>2,062</b>                              | 1,935   |
|   |      | <b>HK\$</b>                               | HK\$  |
| <b>Earnings per share</b>   | 13   | <b>28.49cents</b>                         | 32.30cents  |