

# FINANCIAL HIGHLIGHTS

	2007 HK\$'m	2006 HK\$'m	Change +/(-)%
<b>For the year</b>			
Net operating income before impairment allowances	27,254	21,309	27.90
Operating profit	18,033	16,545	8.99
Profit before taxation	19,126	17,139	11.59
Profit for the year	15,817	14,284	10.73
Profit attributable to the equity holders of the Company	15,446	14,007	10.27
<b>Per share</b>			
	HK\$	HK\$	+/(-)%
Earnings per share	1.4609	1.3248	10.27
Dividend per share	0.9150	0.8480	7.90
<b>At year-end</b>			
	HK\$'m	HK\$'m	+/(-)%
Capital and reserves attributable to the equity holders of the Company	92,842	84,655	9.67
Issued and fully paid share capital	52,864	52,864	–
Total assets	1,067,637	928,953	14.93
<b>Financial ratios</b>			
	%	%	
Return on average total assets <sup>1</sup>	1.53	1.56	
Return on average capital and reserves attributable to the equity holders of the Company <sup>2</sup>	17.40	17.02	
Cost to income ratio	28.52	30.78	
Loan to deposit ratio <sup>3</sup>	51.66	49.32	
Average liquidity ratio <sup>4</sup>	50.92	50.46	
Capital adequacy ratio <sup>5</sup>	13.08	13.99	

1. Return on average total assets =  $\frac{\text{Profit for the year}}{\text{Daily average balance of total assets}}$

2. Return on average capital and reserves attributable to the equity holders of the Company  
=  $\frac{\text{Profit attributable to the equity holders of the Company}}{\text{Average of the beginning and ending balance of capital and reserves attributable to the equity holders of the Company}}$

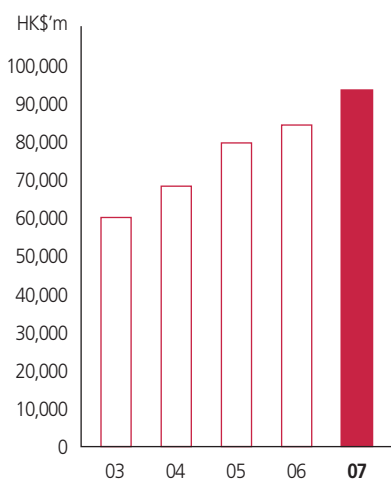
3. Loan to deposit ratio is calculated as at year end. Loan represents gross advances to customers. Deposit also includes structured deposits reported as "Financial liabilities at fair value through profit or loss".

4. Average liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of BOCHK for the year.

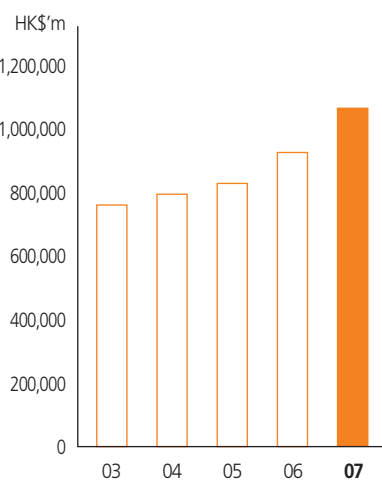
5. Capital adequacy ratio as at 31 December 2007 is computed on the consolidated basis that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules effective from 1 January 2007. The comparatives as at 31 December 2006 are computed in accordance with the Third Schedule of the Banking Ordinance. They are not restated on the ground that different approaches are used to calculate the Group's capital requirements for the years ended 31 December 2007 and 2006.

6. Certain comparative amounts have been reclassified to conform with the current year's presentation.

**Capital and reserves attributable to the equity holders of the Company**



**Total assets**



**Profit attributable to the equity holders of the Company**

