

CONSOLIDATED INCOME STATEMENT

	Notes	(Unaudited) Half-year ended 30 June 2007 HK\$'m	(Unaudited) Half-year ended 30 June 2006 HK\$'m
Interest income		21,484	19,403
Interest expense		(12,581)	(11,900)
Net interest income	4	8,903	7,503
Fees and commission income		3,439	2,352
Fees and commission expenses		(807)	(591)
Net fees and commission income	5	2,632	1,761
Net trading income	6	417	1,112
Net loss on financial instruments designated at fair value through profit or loss	7	(394)	(436)
Net gain/(loss) on investments in securities	8	2	(8)
Net insurance premium income	9	2,933	3,476
Other operating income	10	199	169
Total operating income		14,692	13,577
Net insurance benefits and claims	11	(2,632)	(3,060)
Net operating income before loan impairment allowances		12,060	10,517
Reversal of loan impairment allowances	12	166	642
Net operating income		12,226	11,159
Operating expenses	13	(3,418)	(2,971)
Operating profit		8,808	8,188
Net gain from disposal of/fair value adjustments on investment properties	14	416	494
Net gain/(loss) from disposal/revaluation of properties, plant and equipment	15	5	(9)
Share of profits less losses of associates		(2)	–
Profit before taxation		9,227	8,673
Taxation	16	(1,599)	(1,444)
Profit for the period		7,628	7,229
Attributable to:			
Equity holders of the Company		7,466	7,093
Minority interests		162	136
		7,628	7,229
Dividends	17	4,525	4,240
		HK\$	HK\$
Earnings per share for profit attributable to the equity holders of the Company	18	0.7062	0.6709

The notes on pages 44 to 94 are an integral part of these consolidated financial statements.