

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Audited)								
	Attributable to equity holders of the Company								
	Share capital HK\$'m	Premises revaluation reserve HK\$'m	Reserve for fair value changes of available-for- sale securities HK\$'m	Regulatory reserve* HK\$'m	Translation reserve HK\$'m	Retained earnings HK\$'m	Total HK\$'m	Minority interests HK\$'m	Total equity HK\$'m
At 1 January 2007	52,864	6,040	(115)	3,621	–	22,245	84,655	1,985	86,640
Net profit for the first half of 2007	–	–	–	–	–	7,466	7,466	162	7,628
Currency translation difference	–	–	–	–	6	–	6	–	6
2006 final dividend paid	–	–	–	–	–	(4,726)	(4,726)	(79)	(4,805)
Revaluation of premises	–	1,168	–	–	–	–	1,168	7	1,175
Release upon disposal of premises	–	(2)	–	–	–	2	–	–	–
Change in fair value of available-for-sale securities taken to equity	–	–	(625)	–	–	–	(625)	–	(625)
Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities	–	–	10	–	–	(70)	(60)	–	(60)
Release of reserve upon disposal of available-for-sale securities	–	–	(56)	–	–	1	(55)	3	(52)
Release (to)/from deferred tax liabilities	–	(194)	114	–	–	–	(80)	(2)	(82)
Transfer from retained earnings	–	–	–	351	–	(351)	–	–	–
At 30 June 2007	52,864	7,012	(672)	3,972	6	24,567	87,749	2,076	89,825
Company and subsidiaries	52,864	7,012	(672)	3,972	6	24,526	87,708		
Associates	–	–	–	–	–	41	41		
	52,864	7,012	(672)	3,972	6	24,567	87,749		
At 1 July 2007	52,864	7,012	(672)	3,972	6	24,567	87,749	2,076	89,825
Net profit for the second half of 2007	–	–	–	–	–	7,980	7,980	209	8,189
Currency translation difference	–	–	–	–	8	–	8	–	8
2007 interim dividend paid	–	–	–	–	–	(4,525)	(4,525)	(78)	(4,603)
Revaluation of premises	–	1,742	–	–	–	–	1,742	10	1,752
Release upon disposal of premises	–	(21)	–	–	–	21	–	–	–
Change in fair value of available-for-sale securities taken to equity	–	–	(143)	–	–	–	(143)	3	(140)
Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities	–	–	2	–	–	(45)	(43)	–	(43)
Net impairment charges transferred to profit or loss	–	–	289	–	–	–	289	–	289
Release of reserve upon disposal of available-for-sale securities	–	–	73	–	–	(1)	72	(3)	69
Release to deferred tax liabilities	–	(282)	(5)	–	–	–	(287)	(1)	(288)
Transfer from retained earnings	–	–	–	158	–	(158)	–	–	–
At 31 December 2007	52,864	8,451	(456)	4,130	14	27,839	92,842	2,216	95,058
Company and subsidiaries	52,864	8,451	(456)	4,130	14	27,794	92,797		
Associates	–	–	–	–	–	45	45		
	52,864	8,451	(456)	4,130	14	27,839	92,842		

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited)								
	Attributable to equity holders of the Company								
	Share capital HK\$'m	Premises revaluation reserve HK\$'m	Reserve for fair value changes of available-for- sale securities HK\$'m	Regulatory reserve* HK\$'m	Translation reserve HK\$'m	Retained earnings HK\$'m	Total HK\$'m	Minority interests HK\$'m	Total equity HK\$'m
At 1 January 2008	52,864	8,451	(456)	4,130	14	27,839	92,842	2,216	95,058
Net profit for the first half of 2008	-	-	-	-	-	7,088	7,088	93	7,181
Currency translation difference	-	-	-	-	198	-	198	1	199
2007 final dividend paid	-	-	-	-	-	(5,149)	(5,149)	(107)	(5,256)
Revaluation of premises	-	2,148	-	-	-	-	2,148	25	2,173
Release upon disposal of premises	-	(23)	-	-	-	23	-	-	-
Change in fair value of available-for-sale securities taken to equity	-	-	(3,217)	-	-	-	(3,217)	3	(3,214)
Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities	-	-	-	-	-	(44)	(44)	-	(44)
Net impairment charges transferred to profit or loss	-	-	1,187	-	-	-	1,187	-	1,187
Release of reserve upon disposal of available-for-sale securities	-	-	17	-	-	-	17	-	17
Release (to)/from deferred tax liabilities	-	(263)	240	-	-	-	(23)	(4)	(27)
Transfer from retained earnings	-	-	-	490	-	(490)	-	-	-
Increase in minority interests arising from capital issuance of a subsidiary	-	-	-	-	-	-	-	245	245
At 30 June 2008	52,864	10,313	(2,229)	4,620	212	29,267	95,047	2,472	97,519
Company and subsidiaries	52,864	10,313	(2,229)	4,620	212	29,216	94,996		
Associates	-	-	-	-	-	51	51		
	52,864	10,313	(2,229)	4,620	212	29,267	95,047		
Representing:									
2008 interim dividend proposed (Note 16)						4,631			
Others						24,636			
Retained earnings as at 30 June 2008						29,267			

\* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKAS 39.

The notes on pages 47 to 114 are an integral part of this interim financial information.