

CONSOLIDATED INCOME STATEMENT

| For the year ended 31 December | Notes | 2009 HK\$'m | 2008 HK\$'m |
|--|-------|--------------------|----------------|
| Interest income | | 21,684 | 35,281 |
| Interest expense | | (3,752) | (15,124) |
| Net interest income | 5 | 17,932 | 20,157 |
| Fees and commission income | | 8,536 | 7,214 |
| Fees and commission expenses | | (2,028) | (2,035) |
| Net fees and commission income | 6 | 6,508 | 5,179 |
| Net trading income | 7 | 1,485 | 1,914 |
| Net loss on financial instruments designated at fair value through profit or loss | | (678) | (452) |
| Net loss on investment in securities | 8 | (132) | (15) |
| Net insurance premium income | 9 | 7,744 | 5,891 |
| Other operating income | 10 | 482 | 561 |
| Total operating income | | 33,341 | 33,235 |
| Net insurance benefits and claims | 11 | (7,286) | (7,709) |
| Net operating income before impairment allowances | | 26,055 | 25,526 |
| Net reversal/(charge) of impairment allowances | 12 | 1,190 | (12,573) |
| Net operating income | | 27,245 | 12,953 |
| Operating expenses | 13 | (12,141) | (8,771) |
| Operating profit | | 15,104 | 4,182 |
| Net gain/(loss) from disposal of/fair value adjustments on investment properties | 14 | 1,563 | (118) |
| Net gain from disposal/revaluation of properties, plant and equipment | 15 | 50 | 7 |
| Share of profits less losses after tax of associates | 30 | 7 | 7 |
| Profit before taxation | | 16,724 | 4,078 |
| Taxation | 16 | (2,678) | (1,071) |
| Profit for the year | | 14,046 | 3,007 |
| Profit attributable to: | | | |
| Equity holders of the Company | | 13,725 | 3,343 |
| Non-controlling interests | | 321 | (336) |
| | | 14,046 | 3,007 |
| Dividends | 18 | 9,040 | 4,631 |
| Earnings per share for profit attributable to the equity holders of the Company | 19 | HK\$ 1.2981 | HK\$ 0.3162 |

The notes on pages 114 to 239 are an integral part of these financial statements.