

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December	Notes	2012 HK\$'m	2011 HK\$'m
Interest income		35,413	31,931
Interest expense		(10,705)	(9,952)
Net interest income	5	24,708	21,979
Fee and commission income		11,110	10,858
Fee and commission expense		(3,204)	(3,025)
Net fee and commission income	6	7,906	7,833
Gross earned premiums		11,881	12,927
Gross earned premiums ceded to reinsurers		(5,430)	(7,244)
Net insurance premium income		6,451	5,683
Net trading gain	7	3,129	1,710
Net gain/(loss) on financial instruments designated at fair value through profit or loss		747	(340)
Net gain on other financial assets	8	750	308
Other operating income	9	589	525
Total operating income		44,280	37,698
Gross insurance benefits and claims	10	(14,147)	(13,844)
Reinsurers' share of benefits and claims		5,627	6,992
Net insurance benefits and claims		(8,520)	(6,852)
Net operating income before impairment allowances		35,760	30,846
Net charge of impairment allowances	11	(859)	(506)
Net operating income		34,901	30,340
Operating expenses	12	(11,402)	(7,862)
Operating profit		23,499	22,478
Net gain from disposal of/fair value adjustments on investment properties	13	1,889	2,213
Net gain/(loss) from disposal/revaluation of properties, plant and equipment	14	106	(34)
Share of profits less losses after tax of associates	29	27	23
Profit before taxation		25,521	24,680
Taxation	15	(3,974)	(3,867)
Profit for the year		21,547	20,813
Profit attributable to:			
Equity holders of the Company		20,930	20,430
Non-controlling interests		617	383
		21,547	20,813
Dividends	17	13,089	12,560
		HK\$	HK\$
Earnings per share for profit attributable to the equity holders of the Company			
Basic and diluted	18	1.9796	1.9323

The notes on pages 110 to 231 are an integral part of these financial statements.