

FINANCIAL HIGHLIGHTS

	30 June 2013 HK\$'m	30 June 2012 ⁶ HK\$'m	31 December 2012 ⁶ HK\$'m
For the period/year			
Net operating income before impairment allowances	19,791	18,096	35,617
Operating profit	13,728	12,666	23,499
Profit before taxation	13,948	13,825	25,521
Profit for the period/year	11,657	11,649	21,547
Profit attributable to the equity holders of the Company	11,252	11,243	20,930
Per share	HK\$	HK\$	HK\$
Basic earnings per share	1.0642	1.0634	1.9796
Dividend per share	0.5450	0.5450	1.2380
At period/year end	HK\$'m	HK\$'m	HK\$'m
Capital and reserves attributable to the equity holders of the Company	151,806	140,714	150,969
Issued and fully paid share capital	52,864	52,864	52,864
Total assets	1,834,661	1,684,722	1,830,763
Financial ratios	%	%	%
Return on average total assets ¹	1.27	1.35	1.24
Return on average shareholders' equity ²	14.87	16.63	14.91
Cost to income ratio	28.76	29.41	31.61
Loan to deposit ratio ³	65.71	63.00	63.32
Average liquidity ratio ⁴	38.70	39.87	41.20
Total capital ratio/capital adequacy ratio ⁵	16.40	17.43	16.80

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

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

3. Loan to deposit ratio is calculated as at 30 June 2013, 30 June 2012 and 31 December 2012. Loan represents gross advances to customers. Deposit represents deposits from customers including 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 period/year.

5. Total capital ratio/capital adequacy ratio 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. The bases of regulatory capital calculation for credit risk, market risk and operational risk are described in Note 3.5 to the Interim Financial Information in this Interim Report. As a result of the adoption of Banking (Capital) (Amendment) Rules 2012 since 1 January 2013, the capital ratio shown for 30 June 2013 is not directly comparable to those of 31 December 2012 and 30 June 2012.

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