

FINANCIAL HIGHLIGHTS

	30 June 2014 HK\$'m	30 June 2013 HK\$'m	31 December 2013 HK\$'m
For the period/year			
Net operating income before impairment allowances	21,649	19,791	40,313
Operating profit	15,054	13,728	27,493
Profit before taxation	15,179	13,948	27,793
Profit for the period/year	12,333	11,657	23,075
Profit attributable to the equity holders of the Company	12,083	11,252	22,252
Per share	HK\$	HK\$	HK\$
Basic earnings per share	1.1428	1.0642	2.1046
Dividend per share	0.5450	0.5450	1.0100
At period/year end	HK\$'m	HK\$'m	HK\$'m
Capital and reserves attributable to the equity holders of the Company	168,865	151,806	158,813
Issued and fully paid share capital	52,864	52,864	52,864
Total assets	2,085,236	1,834,661	2,046,936
Financial ratios	%	%	%
Return on average total assets ¹	1.20	1.27	1.22
Return on average shareholders' equity ²	14.75	14.87	14.37
Cost to income ratio	28.71	28.76	29.97
Loan to deposit ratio ³	65.87	65.71	64.63
Average liquidity ratio ⁴	39.58	38.70	37.93
Total capital ratio ⁵	16.90	16.40	15.80

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 period/year end. 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 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.