

Financial Highlights

	2017	2016
For the year	HK\$'m	HK\$'m
Net operating income before impairment allowances ¹	48,769	42,595
Operating profit ¹	33,990	29,482
Profit before taxation ¹	35,262	29,971
Profit for the year ¹	29,214	25,203
Profit attributable to equity holders of the Company ¹	28,481	24,574
Per share	HK\$	HK\$
Basic earnings per share ¹	2.6938	2.3243
Dividend per share	1.398	1.8800
At year-end	HK\$'m	HK\$'m
Total assets	2,645,753	2,354,740
Issued and fully paid up share capital	52,864	52,864
Capital and reserves attributable to equity holders of the Company	242,739	228,647
Financial ratios	%	%
Return on average total assets ²	1.24	2.36
Return on average shareholders' equity ³	13.18	26.17
Cost to income ratio ¹	28.10	29.37
Loan to deposit ratio ⁴	64.50	64.87
Average value of liquidity coverage ratio ⁵		
First quarter	121.41	112.92
Second quarter	123.88	109.70
Third quarter	121.12	118.69
Fourth quarter	135.64	107.02
Total capital ratio ⁶	20.39	22.35

1. The financial information is from continuing operations and the comparative information has been restated accordingly.

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

3. Return on average shareholders' equity

$$= \frac{\text{Profit attributable to equity holders of the Company}}{\text{Average of the beginning and ending balance of capital and reserves attributable to equity holders of the Company}}$$

4. Loan to deposit ratio is calculated as at 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".

5. The average value of liquidity coverage ratio is computed on the consolidated basis which comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

6. Total capital ratio is computed on the consolidated basis for regulatory purposes that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules.

7. The Group has applied the merger accounting method in the preparation of financial statements for the combination with entities under common control in 2017. The comparative information for the year 2016 has been restated accordingly.