

Financial Highlights

	2019	2018
For the year	HK\$'m	HK\$'m
Net operating income before impairment allowances	58,444	54,535
Operating profit	39,755	38,087
Profit before taxation	40,088	39,081
Profit for the year	34,074	32,654
Profit attributable to equity holders of the Company and other equity instrument holders	33,574	32,070
Per share	HK\$	HK\$
Basic earnings per share	3.0440	3.0333
Dividend per share	1.537	1.468
At year-end	HK\$'m	HK\$'m
Total assets	3,026,056	2,956,004
Issued and fully paid up share capital	52,864	52,864
Capital and reserves attributable to equity holders of the Company	278,783	257,536
Financial ratios	%	%
Return on average total assets ¹	1.15	1.16
Return on average shareholders' equity ²	11.51	12.26
Cost to income ratio	28.52	27.88
Loan to deposit ratio ³	69.47	66.77
Average value of liquidity coverage ratio ⁴		
First quarter	183.00	134.33
Second quarter	156.57	146.39
Third quarter	142.85	141.44
Fourth quarter	146.53	160.23
Quarter-end value of net stable funding ratio ⁴		
First quarter	121.36	118.98
Second quarter	119.15	118.82
Third quarter	116.47	122.24
Fourth quarter	118.00	124.41
Total capital ratio ⁵	22.89	23.10

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

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

3. 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".

4. Liquidity coverage ratio and net stable funding ratio are 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.

5. 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.

6. The Group has applied the merger accounting method in the preparation of financial statements for the combination with entity under common control in 2019. The comparative information for the year 2018 has been restated accordingly.