

## SOLID FOUNDATIONS FOR SUSTAINABLE GROWTH

### *Highlights of 2009 Annual Results*

- Profit attributable to shareholders of HK\$13,725 million, up strongly by 310.6%; earnings per share of HK\$1.2981
- Net operating income before impairment allowances of HK\$26,055 million, up 2.1%
- Operating profit before impairment allowances of HK\$13,914 million, down 17.0%
- Return on average capital and reserves attributable to the equity holders at 14.79 % and return on average total assets at 1.19%
- Total advances to customers grew 11.8%, significantly higher than industry average
- Excellent loan quality with classified or impaired loan ratio at 0.34%, well below industry average
- Strong financial position with capital adequacy ratio of 16.85% and average liquidity ratio of 40.18%. Total assets of HK\$1,212.8 billion, up 5.7%
- Final dividend of HK\$0.57 per share; total dividend of HK\$0.855 per share for 2009, up 95.2%; both subject to approval by shareholders at the Annual General Meeting

"With our solid fundamentals and proactive business strategies, we were able to capture business opportunities and to grow our franchise in a tough market during 2009.

We have further strengthened our competitive position in core businesses and deepened our relationship with customers. Despite the muted market demand, we managed to grow our loans by 11.8%. We also expanded our market share in corporate loans and maintained our leadership in residential mortgage as well as Hong Kong-Macau loan syndication. Our net fees and commission income rose 25.7% driven by the strong performance in stock brokerage business and loan commissions income. Remarkable progress was also achieved in our life insurance business with substantial sales growth and enhancement in our market share.

During the year, we continued to intensify our business collaboration with our parent bank, Bank of China Limited ("BOC"), with solid results, demonstrating the strength of our combined efforts. With the launch of the Pilot RMB Trade Settlement Scheme in July, we immediately introduced a wide spectrum of RMB trade settlement and finance services for our corporate customers and extended our presence to ASEAN and other related countries. We are well positioned to capture the opportunities from the expanding scope of the offshore RMB business.

Looking forward, as economic conditions remain fragile, we will maintain our prudent approach and adjust our strategies in response to the economic uncertainties and the changes in the regulatory environment. To ensure our competitiveness and resilience, we will maintain our proactive capital management. In addition, we will continue to capitalise on our fundamental strengths and foster closer collaboration with BOC to capture the emerging business opportunities in China and the Asia Pacific region for mutual gain."

Xiao Gang, *Chairman*

*BOC Hong Kong (Holdings) Limited ("The Company"), is a leading commercial banking group in Hong Kong. We offer a comprehensive range of financial products and services to personal and corporate customers. Our extensive branch network in Hong Kong and the Mainland of China allows us to meet the cross-border financial service needs of Hong Kong and Mainland customers. The Company is a subsidiary of Bank of China Limited (HK Stock Code: 3988) which holds a 66.06% equity interest in the Company.*

For detailed information of the annual results, please visit [www.bochk.com](http://www.bochk.com)

