



中銀香港(控股)有限公司

BOC HONG KONG (HOLDINGS) LIMITED

(HK Stock Code: "2388", ADR OTC Symbol: "BHKLY")

SOLID RESULTS WITH BALANCED GROWTH

Highlights of 2013 Interim Results

- Net operating income before impairment allowances of HK\$19,791 million, up 9.4% year-on-year
- Operating profit before impairment allowances of HK\$14,099 million, up 10.4% year-on-year
- Profit attributable to the equity holders of HK\$11,252 million, up 0.1% year-on-year
- Return on average shareholders' equity at 14.87% and return on average total assets at 1.27%
- Total assets of HK\$1,834.7 billion, up 0.2% over the last year-end. Customer deposits increased by 2.9%; advances to customers increased by 6.7%. Loan-to-deposit ratio at 65.71%
- Sound loan quality with classified or impaired loan ratio at 0.26%
- Strong financial position with total capital ratio of 16.40% and average liquidity ratio of 38.70%
- Interim dividend of HK\$0.545 per share

"Despite the challenging operating environment, our pursuance of a balanced and sustainable growth strategy continued to deliver satisfactory results. We remained customer-centric and focused on core business development to capture opportunities.

The Group's operating performance was solid with net operating income and operating profit achieving interim highs. Loans and deposits grew at a healthy pace. Loan quality was sound on the back of our prudent credit policy. Under the prolonged low interest rate environment, the Group proactively optimised its asset and liability mix as well as investment strategy. Net interest margin expanded. Our well-capitalised position and ample liquidity allow us to better withstand market uncertainties.

During the period, the Group continued to enhance customer value through product innovation and better services. Customer management and industry specialisation of our corporate banking business were enhanced to facilitate customer acquisition and better risk management.

As the RMB Clearing Bank in Hong Kong, we further upgraded our clearing infrastructure and services to participating banks. The Group has been a major player in the offshore RMB market. Capitalising on our integrated RMB business platform, professional service team and continuous innovation in products, we successfully captured the opportunities. We provided cross-border RMB loans under the Qianhai pilot scheme. New treasury products were launched with CNH HIBOR as the pricing benchmark. We partnered with FTSE Group to develop a new series of offshore RMB bond indices, enabling investors to gain access to an array of quality benchmarks.

Looking forward, we see uncertainties in the operating environment. However, the steady development of the offshore RMB market will bring new business opportunities for Hong Kong. We will stay vigilant and keep leveraging our robust financial capability, solid customer base and proactive asset-liability management to develop our business. It is my honour to be appointed as the Chairman of the Company on 4 June 2013. Being entrusted with this responsibility, I will devote my best effort, work diligently with my team and colleagues to strive for better performance."

TIAN Guoli, *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 individual 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 interim results, please visit www.bochk.com

