

A CENTURY OF SERVICES, ALWAYS WITH YOU

2017 INTERIM RESULTS REACH A NEW HIGH

The year 2017 marks the 20th anniversary of the return of Hong Kong's sovereignty to its motherland, and BOC's centenary of services to Hong Kong and BOC Group's internationalised operations. Thanks to the untiring efforts of all generations of BOC staff who have served customers over the past 100 years, BOCHK has grown from a branch outlet with less than 10 employees into a major commercial banking group in the city. Today, it is also one of the three note-issuing banks, one of the largest listed companies and the sole RMB clearing bank in Hong Kong. Along with supporting China's rejuvenation and the prosperity and development of Hong Kong, we have achieved huge successes during our century-long history.

Standing at a new historical starting point, the Group continues to adhere strictly to BOC Group's strategic goal of "Serving Society and Delivering Excellence", while promoting sustainable growth through innovation, transformation and regional development. As a result, in the first half of 2017, we delivered satisfactory results in our core business areas and maintained key financial indicators at solid levels. Our profit attributable to the equity holders reached HK\$17,216 million, of which profits from continuing operations grew by 24.5% year-on-year to HK\$14,627 million, setting another record high since our listing. We outpaced the market in deposit and loan growth, while steadily increasing our income, maintaining our benign asset quality and sustaining our solid capital strength.

With our deep roots in Hong Kong and the support of a strong Mainland market, BOCHK serves its customers with a global vision. During the period, the Group remained committed to the local market, deepened its collaboration with BOC and made further advances in cross-border business development. In addition to completing the sale of Chiyu Banking Corporation Limited ("Chiyu"), we made

good progress in our regional development, restructured our ASEAN business including the acquisition of BOC's business in Thailand and Indonesia, and signed an agreement to acquire the assets of BOC's business in Cambodia. In our operations, we sharpened our competitive edge in the financial markets business, gained pace in our business diversification and improved the development of our key business platforms. Moreover, we integrated our channels and made additional innovations in FinTech while launching more intelligent services and products to support growth. The Group also further strengthened its risk management, internal controls and compliance management, all of which are crucial for ensuring our sustainable and healthy development.

To celebrate the 100 years of services of BOC in Hong Kong and the successful disposal of Chiyu, the Board is pleased to announce a special dividend of HK\$1 billion as an appreciation for shareholders' long-term support. Together with the interim dividend of HK\$0.545 per share, the total interim dividend will be HK\$0.640 per share.

After a century of dedicated service, we at BOCHK have realised our dreams through our achievements. We will continue to adhere to our strategic goal of "Serving Society, Delivering Excellence". We will also pursue our objective of becoming an internationalised regional bank and a flagship overseas financial institution for Chinese banks. We believe we can meet this objective by establishing a leading position in the Hong Kong market, strengthening our regional development capabilities and creating top-class customer experiences. For the future, we will work relentlessly to maintain excellence in our business while enhancing Hong Kong's status as an international financial centre and ensuring its long-term prosperity and development.

Highlights of 2017 Interim Results

| | 30 Jun 2017 | (Restated ¹) 30 Jun 2016 | Change |
|---|--------------|---|--------------|
| For the period | HK\$m | HK\$m | +/- % |
| Profit attributable to the equity holders of the Company ² | 14,627 | 11,749 | +24.5 |
| Earnings per share (HK\$) ² | 1.3835 | 1.1112 | +24.5 |
| Return on average total assets (%) ² | 1.24 | 1.12 | |
| Return on average shareholders' equity (%) ² | 14.13 | 11.78 | |

| | 30 Jun 2017 | (Restated ¹) 31 Dec 2016 | Change |
|---------------------------------------|--------------|---|--------------|
| At period/year end | HK\$m | HK\$m | +/- % |
| Total assets | 2,639,964 | 2,336,757 | +13.0 |
| Deposits from customers | 1,653,202 | 1,512,306 | +9.3 |
| Advances to customers | 1,103,973 | 977,827 | +12.9 |
| Classified or impaired loan ratio (%) | 0.19 | 0.22 | |

For detailed information of the results, please visit www.bochk.com.

Notes:

- Due to the completion of the acquisition of Bank of China (Thai) Public Company Limited ("BOC Thailand") and the completion of the disposal of Chiyu on 9 January and 27 March 2017 respectively, the Group has applied the merger accounting method in the preparation of financial statements for the combination with entity under common control for the operating results and assets and liabilities of BOC Thailand. Operating results of Chiyu were classified as "Discontinued Operations". The comparative information for the year 2016 has been restated to conform with the current period's presentation.
- From continuing operations only.

BOC Hong Kong (Holdings) Limited (the "Company"), together with its subsidiaries (collectively known as the "Group"), is a leading commercial banking group in Hong Kong, holding the entire equity interest of Bank of China (Hong Kong) Limited ("BOCHK"), its principal operating subsidiary. We offer a comprehensive range of financial products and services to personal, corporate and institutional customers through our most extensive local branch network and diverse service platforms. BOCHK is one of the three note-issuing banks and the Clearing Bank for Renminbi business in Hong Kong. The Company is a subsidiary of Bank of China Limited (HK Stock Code: "3988"), which holds an approximately 66.06% equity interest in the Company.

