

FINANCIAL HIGHLIGHTS

For the year	2012 HK\$'m	2011 HK\$'m	Change +/(-)%
Net operating income before impairment allowances	35,760	30,846	15.93
Operating profit	23,499	22,478	4.54
Profit before taxation	25,521	24,680	3.41
Profit for the year	21,547	20,813	3.53
Profit attributable to the equity holders of the Company	20,930	20,430	2.45
Per share	нк\$	HK\$	+/(-)%
Basic earnings per share	1.9796	1.9323	2.45
Dividend per share	1.2380	1.1880	4.21
At year-end	HK\$'m	HK\$'m	+/(-)%
Capital and reserves attributable to the equity holders of the Company	150,969	129,765	16.34
Issued and fully paid share capital	52,864	52,864	_
Total assets	1,830,763	1,738,510	5.31
Financial ratios	%	%	
Return on average total assets ¹	1.24	1.14	
Return on average shareholders' equity ²	14.91	16.68	
Cost to income ratio ³	31.88	25.49	
Loan to deposit ratio ⁴	63.32	61.00	
Average liquidity ratio ⁵	41.20	36.17	
Capital adequacy ratio ⁶	16.80	16.90	

Profit for the year

1. Return on average total assets = Profit for the year

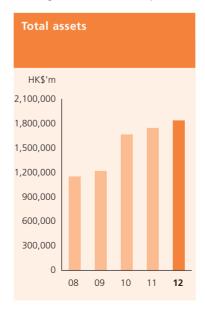
Daily average balance of total assets

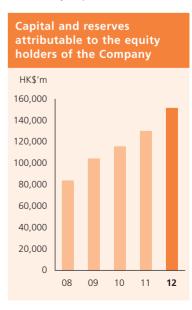
2. Return on average shareholders' equity

Profit attributable to the equity holders of the Company

- 3. In calculating cost to income ratio, cost includes the impact of Lehman Brothers minibonds.
- 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. Average liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of BOCHK for the year.
- 6. Capital adequacy ratio is computed on the consolidated basis that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules. The bases of regulatory capital calculation for credit risk, market risk and operational risk are described in Note 4.5 to the Financial Statements in this Annual Report. As a result of the change in the bases used, the capital ratios shown above are not directly comparable.







Average of the beginning and ending balance of capital and reserves attributable to the equity holders of the Company