

Financial Highlights

	2016	2015
For the year	HK\$'m	HK\$'m
Net operating income before impairment allowances ¹	41,754	40,181
Operating profit ¹	28,963	27,815
Profit before taxation ¹	29,452	28,575
Profit for the year ²	56,323	27,681
Profit attributable to the equity holders of the Company ²	55,503	26,982
Per share	HK\$	HK\$
Basic earnings per share ²	5.2496	2.5520
Dividend per share	1.8800	1.2240
At year-end	HK\$'m	HK\$'m
Total assets	2,327,781	2,382,815
Issued and fully paid up share capital	52,864	52,864
Capital and reserves attributable to the equity holders of the Company	224,653	194,750
Financial ratios	%	%
Return on average total assets ³	2.38	1.19
Return on average shareholders' equity ⁴	26.47	14.45
Cost to income ratio ¹	29.25	28.90
Loan to deposit ratio ⁵	64.55	63.37
Average value of liquidity coverage ratio ⁶		
First quarter	112.92	101.90
Second quarter	109.70	109.89
Third quarter	118.69	104.00
Fourth quarter	107.02	106.52
Total capital ratio ⁷	22.35	17.86

1. The financial information is from continuing operations and the comparative information has been restated accordingly.

2. The financial information is from continuing operations and discontinued operations.

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

4. Return on average shareholders' equity

= $\frac{\text{Profit attributable to the equity holders of the Company}}{\text{Average of the beginning and ending balance of capital and reserves attributable to the equity holders of the Company}}$

5. 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". The ratio excludes assets held for sale and liabilities associated with assets held for sale.

6. The average value of liquidity coverage ratio is 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.

7. 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.

8. The Group has applied the merger accounting method in the preparation of financial statements for the combination with entity under common control in 2016. The comparative information for the year 2015 has been restated accordingly.