

The Board of Directors of CITIC Ka Wah Bank Limited (the 'Bank') is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (the 'Group') for the six months ended 30 June 2001 and the Group's state of affairs as at that date together with the restated comparative figures as follows:

## Consolidated Profit and Loss Account – Unaudited

		<b>The Group</b>		
		<b>Six months ended 30 June</b>		
		<b>2001 Unaudited</b>	2000 Unaudited	Variance
	Note	<b>HK\$'000</b>	HK\$'000	%
Interest income		<b>1,850,175</b>	1,768,311	4.63
Interest expense		<b>(1,268,773)</b>	(1,226,303)	3.46
Net interest income		<b>581,402</b>	542,008	7.27
Fees and commission income		<b>177,512</b>	141,314	25.62
Fees and commission expense		<b>(10,714)</b>	(8,440)	26.94
Other revenue		<b>6,476</b>	8,216	(21.18)
Other operating income	3(a)	<b>92,050</b>	60,131	53.08
Non-interest income		<b>265,324</b>	201,221	31.86
Total operating income	2	<b>846,726</b>	743,229	13.93
Operating expenses	3(b)	<b>(335,920)</b>	(275,216)	22.06
Operating profit before provisions		<b>510,806</b>	468,013	9.14
Charge for bad and doubtful debts		<b>(142,552)</b>	(197,612)	(27.86)
Operating profit		<b>368,254</b>	270,401	36.19
Net profit on disposal of tangible fixed assets		<b>4,999</b>	1,416	
(Provision)/ write back on held-to-maturity securities and investment securities		<b>(11,178)</b>	1,046	
Profit from ordinary activities before taxation	2	<b>362,075</b>	272,863	32.69
Taxation	4	<b>(33,206)</b>	(9,931)	
Profit from ordinary activities after taxation		<b>328,869</b>	262,932	25.08
Minority interests		<b>(22,358)</b>	(31,750)	(29.58)
Profit attributable to shareholders		<b>306,511</b>	231,182	32.58
Interim dividends declared HK\$0.03 (2000: HK\$0.02) per share	5	<b>77,859</b>	51,889	
Earnings per share				
Basic	6(a)	<b>11.81¢</b>	8.91¢	
Diluted	6(b)	<b>11.80¢</b>	8.91¢	

The notes on pages 48 to 66 form part of these accounts.