

## Financial Highlights

	<b>Half-year ended 30 June 2003 HK\$'m</b>	Unaudited Half-year ended 30 June 2002 HK\$'m	As restated Year ended 31 December 2002 HK\$'m
Operating profit before provisions	<b>6,139</b>	6,002	12,089
Operating profit after provisions	<b>4,470</b>	4,236	9,234
Profit before taxation	<b>3,245</b>	4,211	8,068
Profit after taxation	<b>3,069</b>	3,478	6,914
Profit attributable to shareholders	<b>3,012</b>	3,415	6,787
	<b>HK\$</b>	HK\$	HK\$
Earnings per share	<b>28.49 cents</b>	32.30 cents	64.19 cents
Dividend per share	<b>19.50 cents</b>	18.30 cents	39.80 cents

	<b>At 30 June 2003 HK\$'m</b>	Unaudited At 30 June 2002 HK\$'m	As restated At 31 December 2002 HK\$'m
Shareholders' funds	<b>57,367</b>	53,247	56,671
Issued and fully paid share capital	<b>52,864</b>	52,864	52,864
Total assets	<b>735,494</b>	737,835	735,536

<b>Financial Ratios</b>	<b>At 30 June 2003 %</b>	Unaudited At 30 June 2002 %	As restated At 31 December 2002 %
Return on average total assets (annualised) <sup>1</sup>	<b>0.82</b>	0.94	0.94
Return on average shareholders' funds (annualised) <sup>2</sup>	<b>10.56</b>	13.01	12.52
Cost to income ratio	<b>30.52</b>	32.57	33.26
Non-performing loan ratio	<b>7.80</b>	8.97	7.99
Loans to deposits ratio <sup>3</sup>	<b>54.89</b>	51.95	53.42
Average liquidity ratio <sup>4</sup>	<b>37.93</b>	41.26	41.17
Capital adequacy ratio <sup>5</sup>	<b>14.66</b>	14.68	13.99

- Return on average total assets is calculated by dividing the profit after taxation with the daily average balance of total assets for the half-years ended 30 June 2003 and 30 June 2002, and the full-year ended 31 Dec 2002.
- Return on average shareholders' funds is calculated by dividing the profit attributable to shareholders with the average shareholders' funds. Average shareholders' funds are calculated as the average of the opening and closing balance of shareholders' funds for the half-years ended 30 June 2003, 30 June 2002 and the full-year ended 31 Dec 2002.
- Loans to deposits ratio is calculated as at 30 June 2003, 30 June 2002 and 31 Dec 2002.
- Average liquidity ratio for the half-years ended 30 June 2003 and 30 June 2002, and the full-year ended 31 Dec 2002 are calculated as the simple average of each calendar month's average liquidity ratio of BOCHK.
- Capital adequacy ratio is computed on the consolidated basis, which comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Third Schedule of the Banking Ordinance. Prior year comparatives have not been restated on adoption of SSAP 12 (revised) "Income taxes".