

SUMMARY OF RESULTS

The directors of Liu Chong Hing Bank Limited (the "Bank") are pleased to announce that the unaudited consolidated results of the Bank and its group of companies (the "Group") for the six months ended 30 June 2005, together with the comparative figures for the last corresponding period, which have been reviewed by the Bank's Audit Committee are as follows:

	6 months ended 30 June 2005 HK\$'000	6 months ended 30 June 2004 HK\$'000 (restated)
Interest income	668,178	502,493
Interest expense	<u>(313,501)</u>	<u>(149,202)</u>
Net interest income	354,677	353,291
Other operating income (Note 6)	<u>102,498</u>	<u>122,148</u>
Operating income	457,175	475,439
Operating expenses (Note 7)	<u>(238,355)</u>	<u>(223,222)</u>
Operating profit before impairment allowances	218,820	252,217
Impairment losses and impairment allowances for impaired assets		
– New allowances	(32,209)	(84,966)
– Amount released	18,440	33,149
Net impairment losses and impairment allowances for impaired assets	(13,769)	(51,817)
Net losses from disposal of property and equipment	(800)	(15)
Gains less losses from disposal of available-for-sale securities	22,353	–
Gains less losses from disposal of other securities and an associate	–	1,176
Profit from operations	226,604	201,561
Share of results of jointly controlled entities	568	5,500
Profit from ordinary activities before taxation	227,172	207,061
Taxation (Note 2)		
– Hong Kong	(33,704)	(38,077)
– Overseas	(177)	(1,031)
– Deferred tax	(1,302)	7,905
Net taxation charge	(35,183)	(31,203)
Profit for the period	191,989	175,858
Dividends	78,300	73,950
Earnings per share, basic and diluted (Note 3)	HK\$0.44	HK\$0.40
Dividend per share	HK\$0.18	HK\$0.17