

# INVESTOR RELATIONS

## Investor Relations Policy

The Company is committed to timely and effective communication with the investment community to enhance their knowledge and understanding of the Company's goals and targets, how it seeks to achieve them and how it performs. The disclosure and presentation of accurate facts and figures are especially important to investors so that they can make an informed judgement about the Company's future prospects.

The main purpose of the Company's investor relations policy, therefore, is to enable investors to have access - on a fair and timely basis - to information that is reasonably required for making the best investment decisions. Such information includes the Company's corporate strategies, opportunities and challenges for growth and development, business performance and prospects as well as updates of major corporate developments. To achieve this purpose, the Company has in place an investor relations programme to carry out relevant communication activities.

## Investor Relations Programme and Guidelines

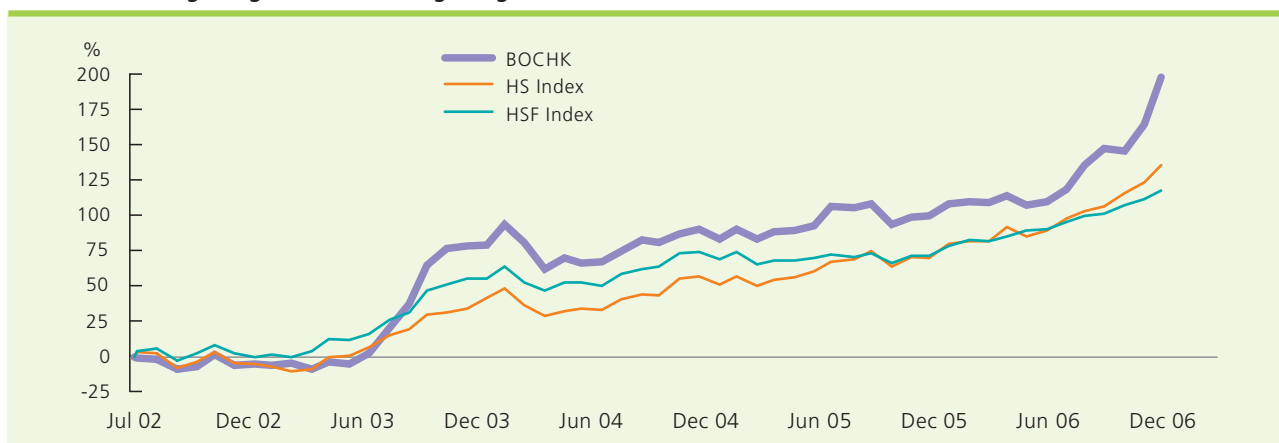
The Company's investor relations programme is spearheaded by the Investor Relations Committee through the formulation and implementation of investor relations strategies. The Committee is chaired by the Chief Executive and comprises senior executives.

To attain a high standard of investor relations practice, the Company adopts the Fair Disclosure Policy under which there are clear guidelines to ensure (1) that the Listing Rules and other regulatory requirements in relation to the disclosure of price-sensitive information are complied with; (2) that all communications with the public, including the investment community and the media, are fair; and (3) that material non-public information is not disseminated on a selective basis. The Policy is posted on the Group's website for public reference.

## Enhancing Shareholder Value

Since its public listing in 2002, the Group's business development strategies and financial results have been duly reflected in the strong performance of the Company. During this four-and-a-half-year period since the listing, a total return for shareholders of 201.6% has been achieved, as measured by share price appreciation and reinvested dividend. For the three-year period from 2004 to 2006, the aggregate total return was 67.7% whereas that for 2006 alone was 49.5%. At the same time, the recognition and endorsement by the investment community of the Company's growth direction and financial performance has been demonstrated by the rising trend of the Company's share price. In 2006, the Company's share price hit a record high of HK\$22.1 (compared to the debut price of HK\$8.5) and the Company continued to be among the top 20 leading stocks on the Main Board of the Hong Kong Stock Exchange in terms of market capitalisation. As at 31 December 2006, the Company's market capitalisation was HK\$223 billion. All these numbers reflect solidly the management and operating capabilities, corporate governance, long-term prospects and growing value of the Company. The following chart sets out the Company's total shareholder return since its listing.

**Total shareholder Return (since IPO 25 July 2002)**  
**BOCHK vs Hang Seng Index and Hang Seng Finance Index**



Source: Bloomberg

Base: 25 July 2002 = 0%

### Shareholding Structure and Shareholder Base

As at 31 December 2006, the Company had 10,572,780,266 shares in issue of which approximately 34% was held by the public. The Company's 112,329 registered shareholders were distributed in various parts of the world, including Asia, Europe, the Middle East and North America. Apart from BOC, the Company is not aware of any major shareholders with a shareholding of more than 5% which has to be reported under the Securities and Futures Ordinance of Hong Kong. The following table shows the distribution of ownership according to the register of members and the participant shareholding report generated from the Central Clearing and Settlement System as of 31 December 2006:

Category	Number of registered shareholders	% of shareholders	Number of shares	% of total issued share capital
Individuals	111,758	99.5%	242,790,378	2.3%
Institutions, corporates and nominees	569	0.5%	3,379,003,062	32.0%
Bank of China Group	2	0.0%	6,950,986,826	65.7%
Total	112,329	100.0%	10,572,780,266	100.0%

### Review of 2006 Investor Relations Activities

The Company's investor relations activities are conducted on a global basis and are aimed to raise the awareness and understanding of international investors about the Company's investment proposition in respect of its latest financial performance, business philosophy, development strategies and growth potential. The Company is now covered by more than 20 security research institutions.

In 2006, the Company continued to provide effective channels for investors to communicate directly with the Board and senior management on a regular basis.

At the AGM held in May 2006, the Chairmen of the Board and all the four standing Board Committees, namely, the Audit Committee, the Nomination and Remuneration Committee, the Risk Committee, and the Strategy and Budget Committee, as well as the Company's external auditors were present to respond to questions and comments from shareholders. At the Group's 2005 annual results announcement on 23 March 2006 and 2006 interim results announcement on 29 August 2006, the senior management led by the Chief Executive conducted briefings with analysts and the press to apprise them of the Company's operating results, business strategies for 2006-2011 and outlook, and to respond to their questions. The public has access to the webcast of these events and the relevant presentation materials through the Group's website, both live and as a recording. In 2006, the Company's senior management had over 190 meetings with investors across the world. These meetings were held during global road-shows, international investor conferences and company visits.

During the year, the Company continually kept investors updated of the Company's latest development through the Group's website, including the latest corporate financial performance, corporate governance principles and practices, risk management governance structure, share price information, corporate fact sheet, as well as answers to frequently asked questions. The Company also continued to promote two-way communication through emails and investor feedback surveys. The responses received from these initiatives enabled the Company to better understand the market's concerns and to formulate the Company's investor relations plan going forward.

### Market Recognition

The Company's dedication to maintain high standards in corporate governance and disclosure won further public recognition in 2006. The Company was named one of the top ten companies for best corporate governance among the 174 locally listed companies surveyed in the Corporate Governance Scorecard Project jointly conducted by The Hong Kong Institute of Directors and City University of Hong Kong. The Company also received a Special Mention in the Hang Seng Index Category of the Best Corporate Governance Disclosure Awards organised by the Hong Kong Institute of Certified Public Accountants in recognition of its high standards in corporate governance best practice and disclosure of information in its annual report.

## Going Forward

Under the principles of timeliness, fairness and transparency, the Company will continue to pursue a proactive and effective investor communication programme to keep the investors adequately informed about the Company's present and future development.

## Shareholder Information

### Financial Calendar 2007

Announcement of 2006 annual results	22 March (Thursday)
Last day in Hong Kong of dealings in the Company's shares with entitlement to final dividend	14 May (Monday)
Ex-dividend date	15 May (Tuesday)
ADS record date for final dividend	16 May (Wednesday)
Latest time in Hong Kong for lodging transfers for entitlement to final dividend	16 May (Wednesday) 4:30 p.m.
Book closure period (both days inclusive)	17 May (Thursday) to 22 May (Tuesday)
Record date for final dividend	22 May (Tuesday)
Latest time for lodging proxy forms for 2007 Annual General Meeting	21 May (Monday) 3:00 p.m.
2007 Annual General Meeting	23 May (Wednesday) 3:00 p.m.
Final dividend payment date	30 May (Wednesday)
Announcement of 2007 interim results	Mid to late August

## Annual General Meeting

The 2007 Annual General Meeting will be held at 3:00 p.m. on Wednesday, 23 May 2007 at Meeting Room 201, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong (please use Expo Drive Entrance).

## Dividends

The Directors have recommended a final dividend of HK\$0.447 per share subject to the approval of shareholders at the 2007 Annual General Meeting.

## Share Information

### Listing

The Company's ordinary shares are listed and traded on the Stock Exchange. In addition, the Company maintains a Level 1 ADR facility for its ADSs. Each ADS represents 20 ordinary shares of the Company.

### Ordinary shares (as at 31 December 2006)

Issued shares:	10,572,780,266
Public float:	Approximately 34%

### Nominal value

HK\$5.00 per share

### Market capitalisation (as at 31 December 2006)

HK\$223.09 billion

**Share price**

Closing price on 31 December 2004:	HK\$14.85
Closing price on 30 December 2005:	HK\$14.90
Closing price on 29 December 2006:	HK\$21.10
Highest trading price during the year:	HK\$22.10
Lowest trading price during the year:	HK\$14.45

**Credit ratings (long term)**

Standard & Poor's:	A-
Moody's Investors Service:	A2
Fitch Ratings:	A

**Index constituent**

The Company is a constituent of the following indices:

Hang Seng Index  
 Hang Seng London Reference Index  
 MSCI Index  
 FTSE All-World Hong Kong Index  
 FTSE/Xinhua China 25 Index

**Stock codes**

Ordinary shares:	
The Stock Exchange of Hong Kong Limited:	2388
Reuters:	2388.HK
Bloomberg:	2388 HK
Level 1 ADR Programme:	
CUSIP No.:	096813209
OTC Symbol:	BHKLY

**Shareholder Enquiries**

Any matters relating to your shareholding, e.g. transfer of shares, change of name or address, lost share certificates and dividend warrants, should be sent in writing to:

Hong Kong  
 Computershare Hong Kong Investor Services Limited  
 Rooms 1806 – 1807  
 18th Floor, Hopewell Centre  
 183 Queen's Road East  
 Telephone: (852) 2862 8555  
 Facsimile: (852) 2865 0990 / (852) 2529 6087  
 E-mail: [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk)

USA  
 Citibank Shareholder Services  
 250 Royall Street  
 Canton, MA 02021, USA  
 Telephone: 1-877-248-4237 (toll free)  
 1-781-575-4555 (outside USA)  
 E-mail: [Citibank@shareholders-online.com](mailto:Citibank@shareholders-online.com)

**Investor Relations**

Enquiries may be directed to:

Investor Relations Division  
BOC Hong Kong (Holdings) Limited  
52nd Floor  
Bank of China Tower  
1 Garden Road  
Hong Kong  
Telephone: (852) 2826 6314 / (852) 2846 2749  
Facsimile: (852) 2810 5830  
E-mail: investor\_relations@bochk.com

**Other Information**

This Annual Report is available in both English and Chinese. A copy prepared in the language different from that in which you have received is available by writing to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806 – 1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong. This Annual Report is also available (in both English and Chinese) on the Company's website at [www.bochk.com](http://www.bochk.com) and the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk).

If you have any queries about how to obtain copies of this Annual Report or how to access those documents on the Company's website, please call the Company's hotline at (852) 2846 2700.