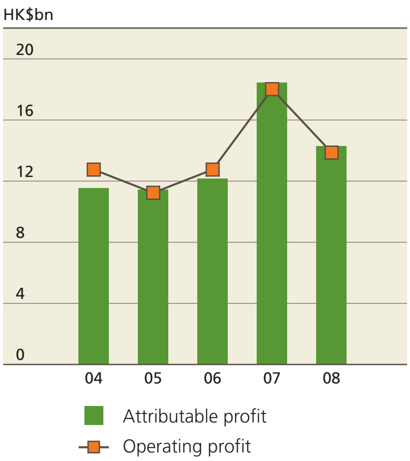
FIVE-YEAR FINANCIAL SUMMARY

	2004	2005	2006	2007	**2008**
For the year	HK$bn	HK$bn	HK$bn	HK$bn	**HK$bn**
Operating profit	12.6	11.1	12.6	17.8	**13.7**
Profit before tax	13.3	13.4	14.4	21.5	**15.9**
Profit attributable to shareholders	11.4	11.3	12.0	18.2	**14.1**
At year-end	HK$bn	HK$bn	HK$bn	HK$bn	**HK$bn**
Shareholders' funds	40.9	42.6	47.0	56.5	**51.6**
Issued and paid up capital	9.6	9.6	9.6	9.6	**9.6**
Total assets	546.9	580.8	669.1	746.0	**762.2**
Per share	HK$	HK$	HK$	HK$	**HK$**
Earnings per share	5.94	5.93	6.30	9.54	**7.37**
Dividends per share	5.20	5.20	5.20	6.30	**6.30**
Ratios	%	%	%	%	**%**
Post-tax return on average shareholders' funds	28.5	27.5	27.4	35.4	**26.0**
Post-tax return on average total assets	2.2	2.0	1.9	2.6	**1.9**
Capital adequacy ratio *	12.0	12.8	13.6	11.2	**12.5**
Core capital ratio *	10.8	10.4	10.7	8.4	**9.5**
Cost efficiency ratio	26.4	28.0	29.0	26.6	**29.2**

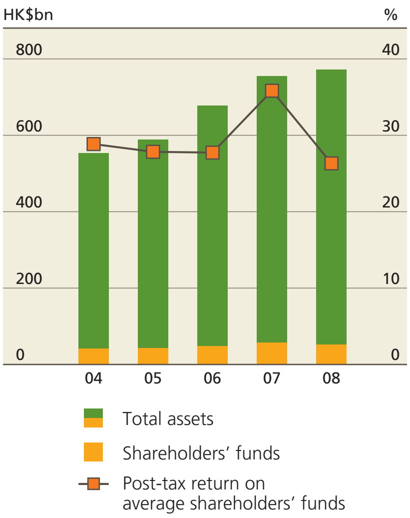
* Capital ratios at 31 December 2008 were compiled in accordance with the Banking (Capital) Rules ("the Capital Rules") issued by the Hong Kong Monetary Authority ("HKMA") under section 98A of the Hong Kong Banking Ordinance for the implementation of Basel II, which came into effect on 1 January 2007. Having obtained approval from the HKMA to adopt the "foundation internal ratings-based approach" ("FIRB") to calculate the risk-weighted assets for credit risk from 1 January 2008, the Bank used the FIRB approach to calculate its credit risk exposure at 31 December 2008. The standardised (operational risk) approach and internal models approach were used to calculate its operational risk and market risk respectively. The capital adequacy ratio and core capital ratio at 31 December 2007 were calculated using the standardised (credit risk) approach ("STC"). As there are significant differences between the FIRB and STC approaches, the capital ratios of the two periods are not directly comparable.

The basis of consolidation for calculation of capital ratios under the Capital Rules follows the basis of consolidation for financial reporting with the exclusion of subsidiaries which are "regulated financial entities" (e.g. insurance and securities companies) as defined by the Capital Rules. Accordingly, the investment costs of these unconsolidated regulated financial entities are deducted from the capital base.

Results



Total Assets and Shareholders' Funds



Per Share Earnings and Dividends