

## BALANCE SHEET

at 31 December 2008

(Expressed in millions of Hong Kong dollars)

	note	2008	2007
<b>ASSETS</b>			
Cash and balances with banks and other financial institutions	30	22,071	13,362
Placings with and advances to banks and other financial institutions	31	38,097	86,137
Trading assets	32	107,775	8,904
Financial assets designated at fair value	33	830	1,238
Derivative financial instruments	34	6,910	4,411
Advances to customers	35	280,255	255,413
Amounts due from subsidiaries		84,907	102,806
Financial investments	36	112,000	172,599
Investments in subsidiaries	37	11,284	11,284
Investments in associates	38	2,543	1,634
Investment properties	39	1,714	1,708
Premises, plant and equipment	40	4,294	4,127
Interest in leasehold land held for own use under operating lease	41	551	565
Intangible assets	42	342	234
Other assets	43	8,872	13,262
Deferred tax assets	50	187	–
		<b>682,632</b>	<b>677,684</b>
<b>LIABILITIES</b>			
Current, savings and other deposit accounts	44	547,385	533,330
Deposits from banks		8,263	12,593
Trading liabilities	45	43,467	47,150
Financial liabilities designated at fair value	46	994	989
Derivative financial instruments	34	14,938	4,431
Certificates of deposit and other debt securities in issue	47	2,772	7,203
Amounts due to subsidiaries		8,575	5,365
Other liabilities	48	14,810	17,821
Current tax liabilities	50	66	1,332
Deferred tax liabilities	50	–	649
Subordinated liabilities	51	9,309	9,354
		<b>650,579</b>	<b>640,217</b>
<b>CAPITAL RESOURCES</b>			
Share capital	52	9,559	9,559
Retained profits	53	15,563	19,211
Other reserves	53	1,195	2,961
Proposed dividends	26	5,736	5,736
Shareholders' funds		<b>32,053</b>	<b>37,467</b>
		<b>682,632</b>	<b>677,684</b>

**Raymond K F Ch'ien** *Chairman*

**Raymond C F Or** *Vice-Chairman and Chief Executive*

**Patrick K W Chan** *Executive Director and Chief Financial Officer*

**C C Li** *Secretary*

The notes on pages 94 to 238 form part of these financial statements.