

FINANCIAL PERFORMANCE

2000 Financial Highlights

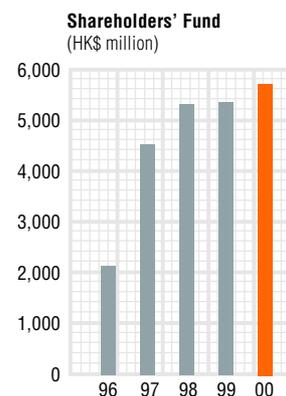
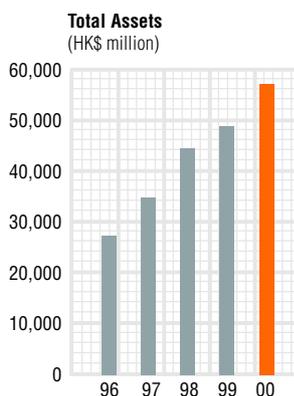
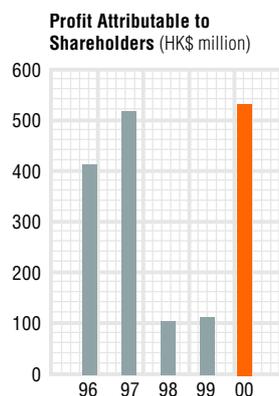
For the Year (In HK\$ million)	2000	1999	% Change
Net Interest Income	1,151	898	+28.2
Other Operating Income	448	252	+77.8
Operating Expenses	648	481	+34.7
Charge for Bad and Doubtful Debts	318	938	-66.1
Profit on Disposal of Interest in Subsidiaries	–	397	-100.0
Profit Before Taxation	636	110	+478.2
Taxation	53	1	+5,200.0
Minority Interest	51	–	–
Profit Attributable to Shareholders	532	109	+388.1
At Year End (In HK\$ million)	2000	1999	% Change
Loans and Advances	32,798	28,320	+15.8
Total Assets	56,658	48,783	+16.1
Total Deposits	48,676	41,705	+16.7
Shareholders' Funds	5,713	5,362	+6.5
Financial Ratios	2000	1999	
Capital Adequacy	17.1%	19.2%	
Average Liquidity	42.1%	39.5%	
Cost to Income	40.5%	41.8%	
Loans to Deposits	67.4%	67.9%	

Financial Calendar

Final Results Announcement – – – – –	12 February 2001
Posting Date for Annual Report – – – – –	11 April 2001
Share Register Closing Period – – – – –	26 April 2001 – 3 May 2001
Date of Ordinary Yearly Meeting – – – – –	3 May 2001
Dividend Payment Date – – – – –	9 May 2001

Five Year Summary

For the Year (In HK\$ million)	2000	1999	1998	1997	1996
Net Interest Income	1,151	898	876	831	628
Other Operating Income	448	252	302	297	217
Operating Expenses	648	481	481	382	329
Charge for Bad and Doubtful Debts	318	938	571	210	50
Profit Before Taxation	636	110	125	565	455
Taxation	53	1	22	49	46
Profit Attributable to Shareholders	532	109	103	516	409
Per Share (In HK\$)	2000	1999	1998	1997	1996
Earnings Per Share (Adjusted)	0.205	0.042	0.043	0.255	0.217
Dividends Per Share (Adjusted)	0.070	0.010	0.010	0.019	0.015
Book Value at Year End	2.20	2.07	2.04	2.90	1.89
Market Value at Year End	2.675	2.975	2.525	6.800	3.625
At Year End (In HK\$ million)	2000	1999	1998	1997	1996
Loans and Advances	32,798	28,320	25,905	19,982	15,750
Charge for Bad and Doubtful Debts	854	1,034	1,024	781	576
Total Assets	56,658	48,783	44,110	34,631	27,124
Total Interest Earnings Assets	53,932	46,448	42,385	33,294	25,744
Total Deposits	48,676	41,705	37,246	27,501	22,228
Shareholders' Funds	5,713	5,362	5,276	4,550	2,096
Financial Ratios	2000	1999	1998	1997	1996
Capital Adequacy	17.1%	19.2%	20.6%	24.2%	14.4%
Average Liquidity	42.1%	39.5%	50.7%	58.8%	56.0%
Loans to Deposits	67.4%	67.9%	69.6%	72.7%	70.9%
Loans to Total Assets	57.9%	58.1%	58.7%	57.8%	58.1%
General Provision Coverage	1.1%	1.2%	1.0%	1.2%	2.5%
Cost to Income	40.5%	41.8%	40.8%	33.9%	38.9%
Dividend Payout	34.1%	23.9%	25.1%	7.6%	6.8%
Return on Assets	1.1%	0.2%	0.3%	1.7%	1.6%
Return on Shareholders' Funds	9.6%	2.0%	2.1%	15.5%	21.5%



Deposits*

	2000	1999
1. By Type		
Current	1.6%	1.5%
Savings	8.6%	8.6%
Fixed	89.8%	89.9%
Total	100.0%	100.0%
2. By Maturity		
On Demand	10.6%	10.3%
Less than 3 months	81.7%	82.1%
Over 3 months but less than 1 year	2.2%	3.8%
Over 1 year but less than 5 years	5.5%	3.8%
Total	100.0%	100.0%
3. By Currency		
HKD	60.7%	72.9%
USD	34.1%	22.4%
Others	5.2%	4.7%
Total	100.0%	100.0%
4. Number of Deposit Accounts		
	258,135	232,800

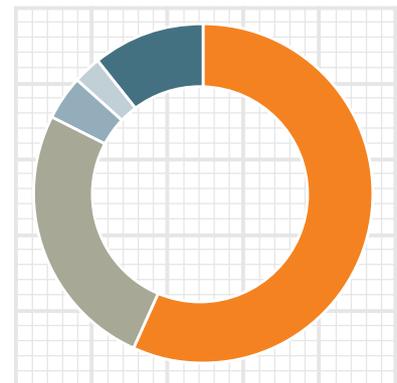
*Based on Customers Deposits only

Non-Interest Income

	2000	1999
Fees & Commission Income	61.2%	72.6%
Gain from Foreign Exchange Dealing	5.6%	8.1%
Dividend Income	1.8%	3.0%
Others	31.4%	16.3%
Total	100.0%	100.0%

Deposit Breakdown

- Retail Banking Group:56.73%
- Corporate Banking Group:25.70%
- CD/FRN:4.22%
- Overseas Branches:2.65%
- Others:10.70%



Loan Portfolio#

1. By Industry Sectors		2000	1999
Loans for Use in Hong Kong			
Industrial, Commercial and Financial:			
Property Development		2.0%	5.1%
Property Investment		9.4%	6.5%
Financial Concerns		6.2%	4.3%
Stockbrokers		0%	0.7%
Wholesale and Retail Trade		7.4%	4.1%
Manufacturing		6.1%	3.2%
Transport and Transport Equipment		4.6%	4.6%
Others		11.5%	21.9%
Individuals:			
Mortgage (Home Ownership Scheme and Private Sector Participation Scheme)		0.1%	0.1%
Mortgage (Other Residential Properties)		34.8%	31.9%
Others		3.0%	2.4%
Trade Finance		7.5%	6.7%
Loans for Use Outside Hong Kong		7.4%	8.5%
Total		100.0%	100.0%
2. By Geographical Spread		2000	1999
Hong Kong		72.1%	66.4%
China		22.9%	29.1%
Others		5.0%	4.5%
Total		100.0%	100.0%
3. By Maturity		2000	1999
Repayable on demand		7.6%	5.8%
Less than one year		27.5%	26.6%
Over 1 year but less than 5 years		28.3%	31.4%
Over 5 years		34.1%	29.8%
Undated		2.5%	6.4%
Total		100.0%	100.0%
4. By Currency		2000	1999
HKD		72.0%	69.9%
USD		27.7%	29.6%
Others		0.3%	0.5%
Total		100.0%	100.0%
5. Number of Loan Accounts		2000	1999
		26,052	13,448

*Excluding Trade Bills and Advances to Banks

Loan Breakdown

