

Results in Brief

For the Year

Profit attributable to shareholders

24,211 HK\$m

2017 20,018 HK\$m

Operating profit

27,947 HK\$m

2017 23,547 HK\$m

Return on average ordinary shareholders' equity

16.0%

2017 14.2%

Earnings per share

12.48 HK\$

2017 10.30 HK\$

Profit before tax

28,432 HK\$m

2017 23,674 HK\$m

Net operating income before change in expected credit losses and other credit impairment charges

41,215 HK\$m

2017 35,357 HK\$m

Cost efficiency ratio

29.5%

2017 30.5%

Dividends per share

7.50 HK\$

2017 6.70 HK\$

Change to presentation from 1 January 2018

Hong Kong Financial Reporting Standard 9 ("HKFRS 9")

The Group adopted the requirements of HKFRS 9 "Financial Instruments" from 1 January 2018, with the exception of the provisions relating to the presentation of gains and losses on financial liabilities designated at fair value, which were adopted from 1 January 2017. The impact of HKFRS 9 at 1 January 2018 on the consolidated financial statements of the Group was a decrease in net assets of HK\$854m, arising from:

- A decrease of HK\$1,077m from additional impairment allowances;
- An increase of HK\$46m from the remeasurement of financial assets and liabilities as a consequence of classification changes; and
- An increase in net deferred tax assets of HK\$177m.

Refer to "Standards adopted during the year ended 31 December 2018" and "Effects of reclassification upon adoption of HKFRS 9" in Notes 1 and 3 for further details.

At Year-End (at 31 December)

Shareholders' equity

162,082 HK\$m

2017 152,030 HK\$m

Total assets

1,571,297 HK\$m

2017 1,478,418 HK\$m

Capital ratios

Common Equity Tier 1 ("CET1") Capital Ratio

16.6%

2017 16.5%

Tier 1 Capital Ratio

17.8%

2017 17.7%

Total Capital Ratio

20.2%

2017 20.1%

Liquidity ratios

Liquidity Coverage Ratio

214.7%

2017 232.3%

Net Stable Funding Ratio

154.0%

2017 N/A

Profit attributable to shareholders

↑21%

Net operating income before change in expected credit losses and other credit impairment charges

↑17%

Return on average ordinary shareholders' equity

16.0% ↑1.8pp

Cost efficiency ratio

29.5% ↓1.0pp