

Financial Highlights

	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000
For The Year			
Net interest income	811,709	621,419	430,956
Profit after taxation	664,015	379,136	267,347
Mortgage purchases	11,395,207	14,961,822	14,394,748
Mortgage-backed securities issued	2,400,000	3,568,860	2,000,000
Debt securities issued	11,398,500	10,885,540	14,956,450
Mortgage insurance – net premiums written	124,715	67,114	53,984
At Year End			
Mortgage portfolio, net	34,938,580	34,581,747	28,257,727
Total assets	44,940,682	40,900,302	32,191,033
Debt securities	35,494,740	36,630,290	28,615,000
Mortgage insurance – risk in force ¹	1,773,663	1,090,191	779,779
Other Statistics			
Net interest margin	1.6%	1.7%	1.5%
Capital-to-assets ratio ²	9.4%	7.7%	9.0%
Cost-to-income ratio	12.2%	17.4%	23.1%
Return on assets	1.3%	1.0%	0.9%
Return on shareholders' equity	17.1%	11.5%	9.0%

¹ The risk in force excludes exposure that has been covered by reinsurance arrangements.

² Computed in accordance with the provisions of the Banking Ordinance, the capital-to-assets ratio of the Corporation was 16.6%, 16.6% and 20.8% for 2002, 2003 and 2004 respectively.