

Exchange Fund Results ⁽¹⁾

| | 1H 2014 (HK\$ bn) (unaudited) | 1H 2013 (HK\$ bn) (unaudited) | Full year 2013 (HK\$ bn) (audited) |
|---|--|--|---|
| Hong Kong equities ⁽²⁾ | 1.9 | (7.5) | 10.1 |
| Other equities | 19.6 | 31.1 | 71.8 |
| Bonds | 26.6 | (16.8) | (19.1) |
| Other investments ⁽³⁾ | 2.0 | 4.7 | 16.8 |
| Foreign exchange | <u>0.4</u> | <u>(15.7)</u> | <u>1.6</u> |
| Investment income/(loss)^{(2) & (3)} | 50.5 | (4.2) | 81.2 |
| Other income | 0.1 | 0.1 | 0.2 |
| Interest and other expenses | <u>(2.8)</u> | <u>(2.4)</u> | <u>(4.9)</u> |
| Net income/(loss) | 47.8 | (6.5) | 76.5 |
| Payment to Fiscal Reserves⁽⁴⁾ | (13.9) | (18.8) | (36.8) |
| Payment to HKSAR government funds and statutory bodies ⁽⁴⁾ | (4.1) | (4.2) | (9.3) |

Note 1: Except for other investments, the above figures represent the Exchange Fund's own income and expenditure accounts. The income and expenditure accounts of the Exchange Fund's subsidiaries, associates and joint ventures have not been consolidated.

Note 2: Excluding valuation change of the Strategic Portfolio

Note 3: Including valuation changes of private equity and real estate investments held by Exchange Fund's investment holding subsidiaries

(This figure represents valuation change up to the end of March 2014. Valuations of these investments from April to June are not yet available.)

Note 4: The fixed rate of fee payment is 3.6% for 2014 and 5.0% for 2013.