

Exchange Fund Results for the First Half (1H) of 2011

	1H 2011	1H 2010	Full year 2010
	(HK\$ bn)	(HK\$ bn)	(HK\$ bn)
Bonds #	14.5	40.8	42.1
Foreign exchange	22.2	(24.3)	(3.1)
Hong Kong equities ^@	(1.0)	(7.7)	11.6
Other equities ^	9.5	(10.2)	27.1
Other investments &	<u>1.1</u>	<u>0.4</u>	<u>1.7</u>
Investment income/(loss) @&	46.3	(1.0)	79.4
Other income	0.1	0.1	0.2
Interest and other expenses	<u>(2.8)</u>	<u>(2.4)</u>	<u>(4.8)</u>
Net Investment income/(loss)	43.6	(3.3)	74.8
Payment to Fiscal Reserves *	(18.3)	(16.9)	(33.8)
Payment to HKSAR government funds and statutory bodies *	(2.4)	(1.7)	(3.9)
Valuation change of Strategic Portfolio less valuation change of investment held by EF's investment holding subsidiaries ^	<u>(1.7)</u>	<u>(1.3)</u>	<u>0.9</u>
Increase/(Decrease) in EF Accumulated Surplus	21.2	(23.2)	38.0

Including interest

^ Including dividends

& Including valuation changes of investment held by EF's investment holding subsidiaries

@ Excluding valuation changes in Strategic Portfolio

* The fixed rate of fee payment for 2011 and 2010 are 6.0% and 6.3% respectively