

**Exchange Fund Results** <sup>(1)</sup>

	<b>1H 2015</b> <b>(HK\$ bn)</b> <b>(unaudited)</b>	<b>1H 2014</b> <b>(HK\$ bn)</b> <b>(unaudited)</b>	<b>Full year 2014</b> <b>(HK\$ bn)</b> <b>(audited)</b>
Hong Kong equities <sup>(2)</sup>	18.8	1.9	6.5
Other equities	20.5	19.6	33.7
Bonds	4.5	26.6	47.3
Other investments <sup>(3)</sup>	1.7	7.9	9.9
Foreign exchange <sup>(4)</sup>	<u>(25.1)</u>	<u>0.4</u>	<u>(52.7)</u>
<b>Investment income</b>	<b>20.4</b>	<b>56.4</b>	<b>44.7</b>
Other income	0.1	0.1	0.2
Interest and other expenses	<u>(2.7)</u>	<u>(2.8)</u>	<u>(5.2)</u>
Net income	17.8	53.7	39.7
Fee payable to Fiscal Reserves <sup>(5)</sup>	(22.8)	(13.9)	(27.5)
Fee payable to HKSAR Government funds and statutory bodies <sup>(5)</sup>	(7.2)	(4.1)	(8.6)

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

Note 2: Excluding valuation changes 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 changes up to the end of March 2015. Valuations of these investments from April to June are not yet available.)

Note 4: This is primarily the effect of translating non-US dollar foreign currency assets into Hong Kong dollar after deducting the portion for currency hedging.

Note 5: The fixed rate of fee payment is 5.5% for 2015 and 3.6% for 2014.