

Exchange Fund Results for the First Half (1H) of 2013

	1H 2013 (HK\$ bn) (unaudited)	1H 2012 (HK\$ bn) (unaudited)	Full year 2012 (HK\$ bn) (audited)
Hong Kong equities ^{^@}	(7.5)	9.6	30.7
Other equities [^]	31.1	17.9	42.8
Bonds [#]	(16.8)	19.8	33.1
Other investments ^{&}	2.8	2.0	6.4
Foreign exchange	<u>(15.7)</u>	<u>(10.4)</u>	<u>(1.4)</u>
Investment income/(loss) ^{@&}	(6.1)	38.9	111.6
Other income	0.1	0.1	0.2
Interest and other expenses	<u>(2.4)</u>	<u>(2.3)</u>	<u>(4.4)</u>
Net income/(loss)	(8.4)	36.7	107.4
Payment to Fiscal Reserves [*]	(18.8)	(19.3)	(37.8)
Payment to HKSAR government funds and statutory bodies [*]	(4.2)	(3.7)	(8.0)
Valuation change of Strategic Portfolio less valuation change of investment held by EF's investment holding subsidiaries [^]	<u>(3.7)</u>	<u>(2.8)</u>	<u>(5.6)</u>
Increase/(Decrease) in EF Accumulated Surplus	(35.1)	10.9	56.0

Including interest

[^] Including dividends

[&] Including valuation changes of investment held by EF's investment holding subsidiaries (Valuation of EF's investment holding subsidiaries is undertaken predominantly on a quarterly basis. The above figures reflect the latest available valuations.)

[@] Excluding valuation changes in Strategic Portfolio

^{*} The fixed rate of fee payment for 2013 and 2012 are 5.0% and 5.6% respectively