

Wing Lung Bank 2011 Interim Results Announcement

Wing Lung Bank (“the Bank”) announced that the Bank reported an unaudited consolidated profit after tax of HK\$973 million for the six months ended 30 June 2011, representing a significant increase of 52.8% as compared with the corresponding period of previous year.

Hong Kong economy remained robust in the first half of 2011, showing strong export growth. On the back of improving employment situations and increasing wages, coupled with rising food prices and rentals, inflationary pressure picked up further. Externally, the Mainland and Asian economies sustained strong momentum. Confronted with the downgrade of US sovereign rating and persistent sovereign debt problem in Europe, together with further tightening of monetary policy in the Mainland and full implications from the earthquake in Japan, global economic outlook is still uncertain. Against the complicated operating environment, the Bank was able to achieve remarkable results.

In the first half of 2011, the Group recorded a net interest income of HK\$884 million, representing an increase of 21.6% as compared with the corresponding period of previous year. Non-interest income was HK\$815 million, representing an increase of 72.7% as compared with the corresponding period of previous year. Net fees and commission income increased by 26.8% from the same period of the previous year. The insurance business achieved an increase of 23.0% in net income over the corresponding period of previous year. Overall revenue from foreign exchange trading increased sharply by 100.6% from the same period of last year.

As at 30 June 2011, total assets of the Group increased by 11.5% to HK\$152.808 billion as compared to the end of 2010. Total deposits of the Group increased by 5.1% to HK\$109.558 billion as compared with that at the end of 2010. Total advances to customers, including trade bills, grew by 15.7% to HK\$81.601 billion as compared with that at the end of 2010. Overall loan quality remained sound with an impaired loan ratio of 0.43%.

As at 30 June 2011, the capital adequacy ratio and core capital adequacy ratio of the Group were 14.1% and 9.4% respectively, and the average liquidity ratio for the period was 44.6%.

After becoming a wholly-owned subsidiary of China Merchants Bank (“CMB”), the Bank has strong parental support and much room for further development. The Bank will strive to realize synergy through further collaboration with CMB, strengthening cross-border business coordination and enhancing key competencies. Meanwhile, the Bank will also cooperate with CMB to build a cross-border financial service platform, so as to enhance competitive edge and boost overall profit growth.

Note: The 2011 Interim Financial Disclosure Statements of Wing Lung Bank containing all the information required by the Banking (Disclosure) Rules have been published on Wing Lung Bank’s website.

Web site: <http://www.winglungbank.com>

30 August 2011