

大新金融集團有限公司

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DAH SING FINANCIAL HOLDINGS LIMITED

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財務概要

Financial Summary

		2001	2002	2003	2004 經重列 Restated	2005
以百萬港元位列示	HK\$ Million					
股東資金	Shareholders' funds	5,417	6,088	6,789	8,242	9,096
後償債務	Subordinated notes	975	975	970	972	3,290
客戶存款	Deposits from customers	33,031	37,286	40,000	43,303	58,107
已發行的存款證	Certificates of deposit issued	5,652	6,888	7,868	8,452	7,713
存款總額	Total deposits	38,683	44,174	47,868	51,755	65,820
負債總值 (包括後償債務)	Total liabilities (including subordinated notes)	48,936	53,992	56,912	64,997	82,479
客戶貸款	Advances to customers	29,274	28,139	27,927	32,528	44,919
資產總值	Total assets	54,432	60,129	63,756	74,973	93,496
股東應佔溢利 包括：	Profit attributable to shareholders including:	868	852	993	2,031	1,019
重組費用	Reorganisation costs	–	–	–	(57)	–
出售附屬公司部份 權益之溢利	Profit on partial disposal of interest in a subsidiary	–	–	–	445	–
視作出售附屬公司 權益之溢利	Profit on deemed disposal of interest in a subsidiary	–	–	–	493	–
不包括以上項目之 股東應佔溢利	Profit attributable to shareholders excluding the above	868	852	993	1,150	1,019
全年股息分派	Total dividend distribution	276	276	328	714	519
以港元位列示	HK\$					
每股基本盈利	Basic earnings per share	3.52	3.46	4.02	8.21 (note) 1	4.09
每股股息 中期及擬派末期 特別	Dividends per share Interim and proposed final Special	1.12	1.12	1.33	2.08 0.80	2.08 –
每股股息總額	Total dividends per share	1.12	1.12	1.33	2.88	2.08
以百分比列示	Percentage %					
平均股東資金回報	Return on average shareholders' funds	17.0	14.8	15.4	15.3 (note) 2	11.8
平均總資產回報	Return on average total assets	1.7	1.5	1.6	1.7 (note) 2	1.2
貸款對存款比率 (包括已發行的 存款證)	Loan to deposit ratio (including certificates of deposit)	74.2	62.6	57.3	62.0	68.2

附註：

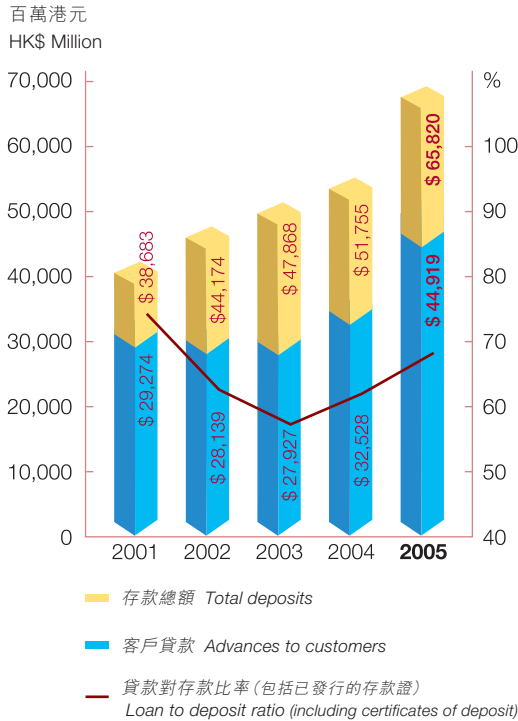
- 按不包括重組費用及出售與視作出售附屬公司部份權益之溢利的股東應佔溢利計算，截至二零零四年十二月三十一日止年度之每股基本盈利為4.65港元。
- 截至二零零四年十二月三十一日止年度之平均股東資金回報及平均總資產回報是以不包括重組費用及出售與視作出售附屬公司部份權益之溢利的股東應佔溢利計算。

Notes:

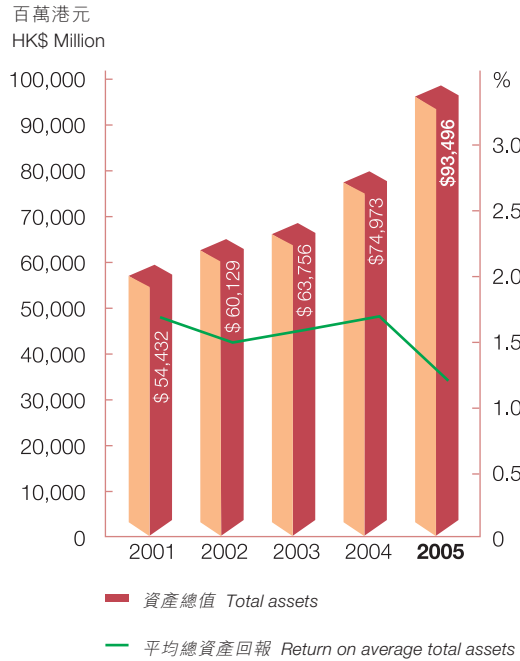
- Basic earnings per share calculated on the basis of profit attributable to shareholders excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary for the year ended 31 December 2004 is HK\$4.65.
- Profit attributable to shareholders excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary is used for the calculation of return on average shareholders' funds and return on average total assets for the year ended 31 December 2004.

財務概要 Financial Summary

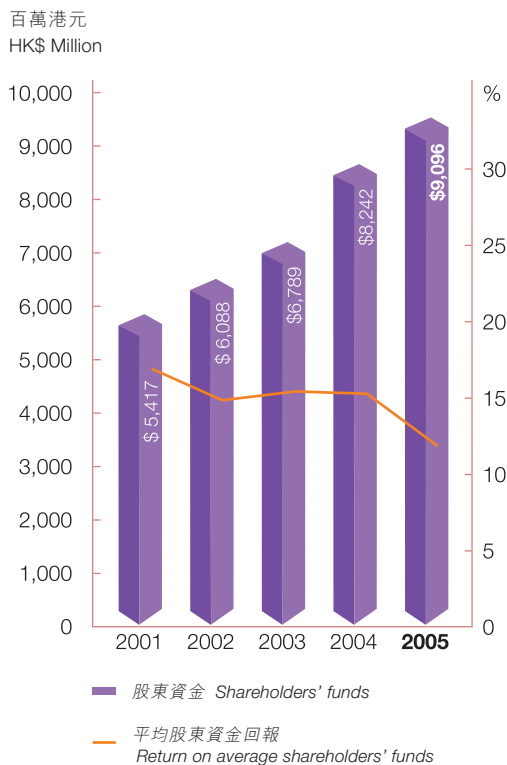
貸款 / 存款總額 Total advances / Total deposits



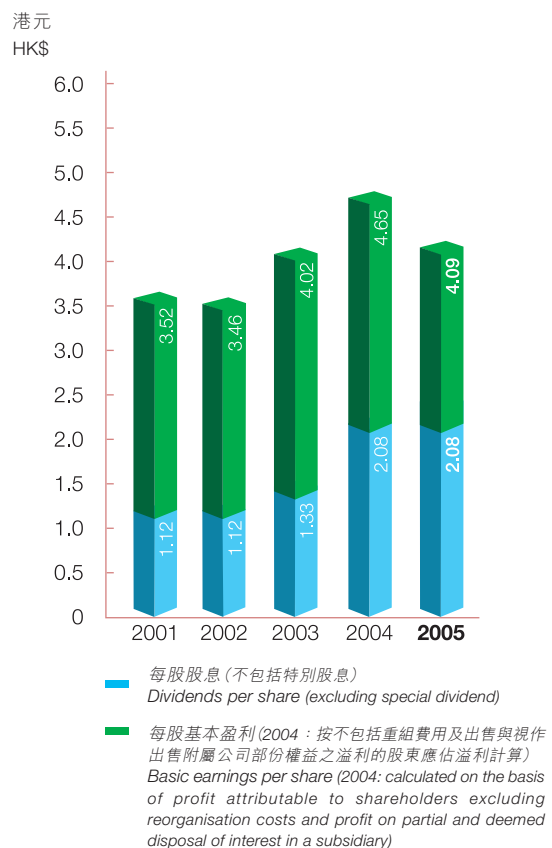
資產總值 / 平均總資產回報 Total assets / Return on average total assets



股東資金 / 平均股東資金回報 Shareholders' funds / Return on average shareholders' funds



每股基本盈利 / 每股股息 Basic earnings per share / Dividends per share



組織摘要

Corporate Information

大新金融集團有限公司

董事會

王守業

主席

周忠繼 O.B.E. J.P.

副主席兼非執行董事

鈴木邦雄

非執行董事

Peter Gibbs Birch C.B.E.

獨立非執行董事

史習陶

獨立非執行董事

孫大倫 B.B.S. J.P.

獨立非執行董事

余國雄

獨立非執行董事

Sohei Sasaki

非執行董事

古川弘介

非執行董事

周偉偉

非執行董事

伍耀明

非執行董事

黃漢興

董事總經理兼行政總裁

安德生

執行董事

王伯凌

執行董事

麥曉德

執行董事

加藤敏文

鈴木邦雄之替任董事

審核委員會

史習陶

主席

Peter Gibbs Birch C.B.E.

余國雄

DAH SING FINANCIAL HOLDINGS LIMITED

BOARD OF DIRECTORS

David Shou-Yeh Wong

Chairman

Chung-Kai Chow O.B.E. J.P.

Vice Chairman and Non-executive Director

Kunio Suzuki

Non-executive Director

Peter Gibbs Birch C.B.E.

Independent non-executive Director

Robert Tsai-To Sze

Independent non-executive Director

Tai-Lun Sun (Dennis Sun) B.B.S. J.P.

Independent non-executive Director

Kwok-Hung Yue (Justin Yue)

Independent non-executive Director

Sohei Sasaki

Non-executive Director

Kosuke Furukawa

Non-executive Director

John Wai-Wai Chow

Non-executive Director

Yiu-Ming Ng

Non-executive Director

Hon-Hing Wong (Derek Wong)

Managing Director and Chief Executive

Roderick Stuart Anderson

Executive Director

Gary Pak-Ling Wang

Executive Director

Nicholas John Mayhew

Executive Director

Toshifumi Kato

Alternate to Kunio Suzuki

AUDIT COMMITTEE

Robert Tsai-To Sze

Chairman

Peter Gibbs Birch C.B.E.

Kwok-Hung Yue (Justin Yue)

組織摘要 Corporate Information

薪酬委員會

史習陶

主席

Peter Gibbs Birch

余國雄

孫大倫 B.B.S. J.P.

王守業

黃漢興

註冊地址

香港告士打道一零八號

大新金融中心三十六樓

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傳真：2598 5052

專用電報：74063 DSB HX

環球財務電訊：DSBAHKHH

網址：<http://www.dahsing.com>

秘書

蘇海倫 B.A.(Hons.), ACIS

核數師

羅兵咸永道會計師事務所

香港執業會計師

律師

許拔史密夫律師行

股份登記及過戶處

香港中央證券登記有限公司

香港皇后大道東一八三號

合和中心十七樓

REMUNERATION COMMITTEE

Robert Tsai-To Sze

Chairman

Peter Gibbs Birch

Kwok-Hung Yue (Justin Yue)

Tai-Lun Sun (Dennis Sun) B.B.S. J.P.

David Shou-Yeh Wong

Hon-Hing Wong (Derek Wong)

REGISTERED OFFICE

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108 Gloucester Road, Hong Kong

Tel: 2507 8866

Fax: 2598 5052

Telex: 74063 DSB HX

S.W.I.F.T.: DSBAHKHH

Web Site: <http://www.dahsing.com>

SECRETARY

Hoi-Lun Soo B.A. (Hons.), ACIS

AUDITORS

PricewaterhouseCoopers

Certified Public Accountants

SOLICITORS

Herbert Smith

SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

17th Floor, Hopewell Centre

183 Queen's Road East, Hong Kong

董事及高層管理人員簡介

Directors' and Senior Management's Profile

董事會

王守業先生
主席

六十五歲。於一九八七年獲委任為本公司主席。大新銀行集團有限公司、大新銀行有限公司、豐明銀行有限公司、澳門商業銀行有限公司、大新人壽保險有限公司、澳門保險有限公司、澳門人壽保險有限公司、新亞船務有限公司及多間公司主席。超逾四十年銀行及金融業務經驗。香港工業總會理事會理事，香港日本經濟委員會、香港港口發展局、香港銀行公會、香港華商銀行公會及香港船東協會成員。香港銀行學會副會長。

周忠繼先生 O.B.E. J.P.
副主席兼非執行董事

八十一歲。於一九八七年獲委任為本公司董事兼副主席。現任南聯實業有限公司首席常務董事。超逾四十年地產、紡織及製衣業務經驗。為多家商會執事，曾任棉業諮詢委員會、紡織業諮詢委員會、工業諮詢委員會、香港出口信用保險局諮詢委員會及證券事務委員會委員。本公司另一位非執行董事周偉偉先生之父。

鈴木邦雄先生
非執行董事

六十六歲。於二零零三年獲委任為本公司非執行董事。現任三井船舶株式會社董事會主席，亦為Nihon Kaiun Kaikan總裁。

Peter G. Birch 先生 C.B.E.
獨立非執行董事

六十八歲。於一九九七年獲委任為本公司董事。自一九九八年榮休艾比國民有限公司行政總裁職務後，隨即膺聘為本公司獨立非執行董事。大新人壽之獨立非執行董事，並為本公司審核委員會及薪酬委員會委員。現任 Land Securities PLC、Kensington Group Plc及NM Rothschild & Sons Limited主席、Trinity Mirror plc 高級非執行董事、Sainsbury's Bank Plc與Travellex Plc非執行董事與Cambridge Place Investment Management LLP顧問。

Board of Directors

Mr. David Shou-Yeh Wong
Chairman

Aged 65. Appointed as the Chairman of the Company in 1987. Chairman of Dah Sing Banking Group Limited, Dah Sing Bank, Limited, MEVAS Bank Limited, Banco Comercial de Macau, S.A., Dah Sing Life Assurance Company Limited, Macau Insurance Company Limited, Macau Life Insurance Company Limited, New Asian Shipping Company, Limited and various other companies. Over 40 years of experience in banking and finance. Member of the General Committee of Federation of Hong Kong Industries, the Hongkong/Japan Business Co-operation Committee, the Hong Kong Port Development Council, the Hong Kong Association of Banks, the Chinese Banks Association Limited and the Hong Kong Shipowners Association. Vice President of The Hong Kong Institute of Bankers.

Mr. Chung-Kai Chow O.B.E. J.P.
Vice Chairman and Non-executive Director

Aged 81. Appointed as a Director and Vice Chairman of the Company in 1987. Currently the Managing Director of Winsor Industrial Corporation Limited. Over 40 years of experience in property, textile and garment business. Has played an active role in various trade associations and served as member of the Cotton Advisory Board, the Textile Advisory Board, the Industry Advisory Board, the Hong Kong Export Credit Insurance Corporation Advisory Board, and the Securities Commission. Father of Mr. John Wai-Wai Chow, a non-executive Director of the Company.

Mr. Kunio Suzuki
Non-executive Director

Aged 66. Appointed as a non-executive Director of the Company in 2003. Currently Chairman of Mitsui O.S.K. Lines, Ltd. Also President of Nihon Kaiun Kaikan.

Mr. Peter G. Birch C.B.E.
Independent non-executive Director

Aged 68. Appointed as a Director of the Company in 1997 and served the Board in an independent role since his retirement as the Chief Executive from Abbey National plc. in 1998. Also an independent non-executive Director of Dah Sing Life Assurance Company Limited. Member of the Audit Committee and Remuneration Committee of the Company. Chairman, Land Securities PLC, Kensington Group Plc and NM Rothschild & Sons Limited; Senior non-executive Director, Trinity Mirror plc; non-executive Director, Sainsbury's Bank Plc and Travellex Plc. Adviser, Cambridge Place Investment Management LLP.

董事及高層管理人員簡介 Directors' and Senior Management's Profile

董事會(續)

史習陶先生
獨立非執行董事

六十五歲。為本公司、大新銀行集團有限公司(「大新銀行集團」)、大新銀行有限公司、豐明銀行有限公司及大新人壽保險有限公司之獨立非執行董事。現任本公司及大新銀行集團審核委員會及薪酬委員會主席及多家香港上市公司非執行董事。英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。亦為一間國際會計師行前合夥人，彼於該行執業超逾二十年。中國人民政治協商會議上海委員會委員。

孫大倫博士 B.B.S. J.P.
獨立非執行董事

五十五歲。於二零零二年獲委任為本公司獨立非執行董事。現任中港照相器材集團有限公司及富士攝影器材有限公司主席兼董事總經理、公益金名譽副會長、中華慈善總會創始會員及香港管理專業協會理事會副主席。一九九九年榮獲香港特區政府頒發銅紫荊星章。二零零二年受封香港特區政府太平紳士榮譽。

余國雄先生
獨立非執行董事

六十四歲。於二零零四年獲委任為本公司及大新人壽保險有限公司獨立非執行董事，並為本公司審核委員會及薪酬委員會委員。現任貿易通電子貿易有限公司行政總裁及南聯實業有限公司獨立非執行董事。活躍於多個商會組織、政府諮詢團體及社區活動。

Sohei Sasaki先生
非執行董事

五十五歲。於二零零五年三月獲委任為本公司非執行董事。現任三菱東京UFJ銀行有限公司(「三菱東京UFJ銀行」)環球市場部行政總裁。於一九七三年加入三和銀行(後經近數年輾轉合併成為現時之三菱東京UFJ銀行)，曾擔任多個要職。擁有銀行及金融業務經驗達三十二年。

Board of Directors (Continued)

Mr. Robert Tsai-To Sze
Independent non-executive Director

Aged 65. Independent non-executive Director of the Company, Dah Sing Banking Group Limited ("DSBG"), Dah Sing Bank, Limited, MEVAS Bank Limited and Dah Sing Life Assurance Company Limited. Currently the Chairman of Audit Committees and Remuneration Committees of both the Company and DSBG and a non-executive Director of a number of Hong Kong listed companies. Fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Also a former partner of an international firm of accountants with which he practised over 20 years. Member of the Shanghai Committee of the Chinese People's Political Consultative Conference in the PRC.

Dr. Tai-Lun Sun (Dennis Sun) B.B.S. J.P.
Independent non-executive Director

Aged 55. Appointed as an independent non-executive Director of the Company in 2002. Currently Chairman and Managing Director of China-HongKong Photo Products Holdings Limited, and Fuji Photo Products Co., Limited. Vice Patron of the Community Chest, a founding member of the China Charity Federation and Deputy Chairman of the Hong Kong Management Association. Awarded the Bronze Bauhinia Star by the Government of Hong Kong SAR in 1999. Appointed as a Justice of The Peace by the Government of Hong Kong SAR in 2002.

Mr. Kwok-Hung Yue (Justin Yue)
Independent non-executive Director

Aged 64. Appointed as an independent non-executive Director of the Company and Dah Sing Life Assurance Company Limited in 2004. Member of the Audit Committee and Remuneration Committee of the Company. Currently the Chief Executive Officer of Tradelink Electronic Commerce Limited and an independent non-executive Director of Winsor Industrial Corporation Ltd. Active in a number of trade associations, government advisory bodies and community activities.

Mr. Sohei Sasaki
Non-executive Director

Aged 55. Appointed as a non-executive Director of the Company in March 2005. Currently Chief Executive of the Global Markets Unit of The Bank of Tokyo Mitsubishi UFJ, Limited ("BTMU"). He joined Sanwa Bank (now becomes BTMU after several mergers over the past few years) in 1973 and had held various senior positions. Mr. Sasaki has 32 years of experience in banking and finance.

董事及高層管理人員簡介 Directors' and Senior Management's Profile

董事會 (續)

古川弘介先生
非執行董事

五十二歲。於二零零五年三月獲委任為本公司非執行董事。現任三菱東京UFJ銀行有限公司(「三菱東京UFJ銀行」)香港分行副總經理，自一九七七年加入東海銀行(後經近數年輾轉合併成為現時之三菱東京UFJ銀行)服務至今。亦為亞洲金融集團(控股)有限公司村岡隆司先生之替任董事。擁有銀行及金融業務經驗超過二十八年。

周偉偉先生
非執行董事

五十六歲。於一九九四年獲委任為本公司董事。南聯實業有限公司常務董事及南聯地產控股有限公司董事總經理。超逾二十年紡織、製衣及地產業務經驗。亦為本公司副主席兼非執行董事周忠繼先生 O.B.E. J.P. 之子。

伍耀明先生
非執行董事

六十九歲。於一九九七年獲委任為本公司董事。於一九八五年加入本公司銀行集團主要營運附屬公司大新銀行，繼於一九九一年晉升為董事。二零零二年六月榮休後，繼續以非執行董事形式參與本公司及大新銀行董事會事務。超逾四十年租購及租賃貸款業務經驗。

黃漢興先生
董事總經理兼行政總裁

五十三歲。於一九九三年獲委任為本公司董事，並於二零零二年一月擢升為本公司董事總經理。一九七七年加入本公司一主要營運附屬公司大新銀行服務，輾轉掌管多個部門，繼一九八九年成為大新銀行董事後，再於二零零零年晉升為其董事總經理。於二零零四年獲委任為大新銀行集團有限公司董事總經理及集團多間主要附屬公司董事。英國銀行學會會士、香港銀行學會及英國國際零售銀行理事會創始會員。超逾二十九年銀行業務經驗。

Board of Directors (Continued)

Mr. Kosuke Furukawa
Non-executive Director

Aged 52. Appointed as a non-executive Director of the Company in March 2005. Currently the Deputy General Manager of the Hong Kong Branch of The Bank of Tokyo-Mitsubishi UFJ, Limited ("BTMU") in which he joined Tokai Bank (now becomes BTMU after several mergers over the past few years) in 1977. He is currently an alternate director to Mr. Takashi Muraoka in Asia Financial Holdings Limited. Over 28 years of experience in banking and finance.

Mr. John Wai-Wai Chow
Non-executive Director

Aged 56. Appointed as a Director of the Company in 1994. Deputy Managing Director of Winsor Industrial Corporation Limited and Managing Director of Winsor Properties Holdings Limited. Over 20 years of experience in textile, garment and property business. Son of Mr. Chung-Kai Chow O.B.E. J.P., the Vice Chairman and a non-executive Director of the Company.

Mr. Yiu-Ming Ng
Non-executive Director

Aged 69. Appointed as a Director of the Company in 1997. Joined Dah Sing Bank, a key operating subsidiary of the Company's Banking Group, in 1985 and was promoted as a Director in 1991. Retired in June 2002 but continued to serve the Boards of the Company and Dah Sing Bank in a non-executive role. Over 40 years of experience in hire purchase and leasing finance.

Mr. Hon-Hing Wong (Derek Wong)
Managing Director and Chief Executive

Aged 53. Appointed as a Director in 1993 and promoted as the Managing Director of the Company in January 2002. Joined Dah Sing Bank, a key operating subsidiary of the Company, in 1977 and has served and managed various departments before appointed as a Director of Dah Sing Bank in 1989 and promoted as its Managing Director in 2000. Managing Director of Dah Sing Banking Group Limited, appointed in 2004 and a director of various major subsidiaries of the Group. Associate of The Institute of Bankers (U.K.), Founder Member of The Hong Kong Institute of Bankers and The International Retail Banking Council of the U.K. Over 29 years of experience in banking.

董事及高層管理人員簡介 Directors' and Senior Management's Profile

董事會(續)

安德生先生
執行董事

五十八歲。於二零零零年獲委任為本公司執行董事，負責集團之人壽及非人壽保險業務。於一九九三年加入本公司主要營運附屬公司大新人壽保險有限公司，並於二零零四年獲委任為該公司副主席，現任其行政總裁。亦為大新保險有限公司董事、澳門保險有限公司及澳門人壽保險有限公司。現任香港精算學會總裁、壽險總會委員、香港保險業聯會管治委員主席及保險索償投訴局主席。精算師學會資深會士。超過三十年金融服務業務經驗，尤以保險業務相關。

王伯凌先生
執行董事

四十五歲。於二零零一年獲委任為本公司執行董事。於一九九五年加入本公司主要營運附屬公司大新銀行擔任集團財務總監一職。一九九七年晉升為大新銀行董事。現任集團財務董事，負責集團整體的財務管理及監控。專業會計師、英國特許公認會計師公會資深會員及香港會計師公會會員。超過二十年財務管理經驗，主要與銀行業務相關。

麥曉德先生
執行董事

三十八歲。於一九九八年加入本公司，現為本公司、大新人壽保險有限公司、澳門保險有限公司、澳門人壽保險有限公司之執行董事。超過十六年英國及香港兩地之金融服務業務經驗。

加藤敏文先生
鈴木邦雄先生之替任董事

五十五歲。於二零零四年獲委任為本公司非執行董事鈴木邦雄先生之替任董事。於一九七二年加入商船三井船舶株式會社，曾於旗下不同部門任職，現任該公司董事兼行政執行要員。

Board of Directors (Continued)

Mr. Roderick Stuart Anderson
Executive Director

Aged 58. Appointed as an executive Director of the Company in 2000, responsible for the Group's life and non-life insurance businesses. Joined Dah Sing Life Assurance Company Limited, a key operating subsidiary of the Company, in 1993, and was appointed as a Vice Chairman in 2004 and currently its Chief Executive. Also a director of Dah Sing General Insurance Company Limited, Macau Insurance Company Limited and Macau Life Insurance Company Limited. Currently President of The Actuarial Society of Hong Kong, Councillor of The Life Insurance Council, Chairman of the Governing Committee of the Hong Kong Federation of Insurers. Chairman of the Board of the Insurance Claims Complaints Bureau. Fellow of The Institute of Actuaries. Over 30 years of experience in financial services and insurance in particular.

Mr. Gary Pak-Ling Wang
Executive Director

Aged 45. Appointed as an executive Director of the Company in 2001. Joined Dah Sing Bank, a key operating subsidiary of the Company, as the Group Financial Controller in 1995 and promoted as a Director of Dah Sing Bank in 1997. Currently Group Finance Director responsible for the overall financial management and control of the Group. Qualified accountant, Fellow of The Association of Chartered Certified Accountants of the U.K. and member of the Hong Kong Institute of Certified Public Accountants. Over 20 years of experience in financial management mainly related to banking.

Mr. Nicholas John Mayhew
Executive Director

Aged 38. Joined the Company in 1998 and appointed as an executive Director of the Company, Dah Sing Life Assurance Company Limited, Macau Insurance Company Limited and Macau Life Insurance Company Limited. Over 16 years of experience in financial services both in the U.K. and Hong Kong.

Mr. Toshifumi Kato
Alternate to Mr. Kunio Suzuki

Aged 55. Appointed as an alternate to Mr. Kunio Suzuki, a non-executive Director of the Company, in 2004. Currently the Director, Managing Executive Officer of Mitsui O.S.K. Lines, Limited, in which he started his career serving various departments there since 1972.

董事及高層管理人員簡介 Directors' and Senior Management's Profile

高級管理人員

趙龍文先生

大新銀行集團有限公司執行董事

五十六歲。於一九八六年加入本公司之主要營運附屬公司大新銀行，並於一九九五年擢升為其執行董事，二零零四年獲委任為大新銀行集團有限公司執行董事。現任集團剛收購澳門商業銀行有限公司行政總裁。擁有超逾二十八年商業銀行業務經驗。

王祖興先生

大新銀行集團有限公司執行董事

三十六歲。現時為大新銀行集團執行董事、豐明銀行之執行董事兼行政總裁。於二零零零年加入本公司主要營運附屬公司大新銀行，自二零零三年初起負責集團個人銀行業務之市場推廣、及其他企業與業務拓展項目。英格蘭及威爾斯、以及香港之合資格律師。彼為本公司及大新銀行集團有限公司主席王守業先生之子。

陳銘僑先生

大新銀行執行董事

四十二歲。於二零零四年獲委任為本公司主要營運附屬公司大新銀行執行董事。現任大新銀行財資業務部門主管，專責銀行財資及批發銀行業務。超逾十九年銀行及財資業務經驗。

劉雪樵先生

大新銀行及豐明銀行執行董事

五十四歲。於二零零五年一月獲委任為本公司主要營運附屬公司大新銀行及豐明銀行之執行董事。現任銀行集團風險管理部門主管。專責制定策略方向和整體業務及風險政策，並負責管理及監控銀行集團之各類風險。特許財務分析師。全球風險管理專業人員協會理事會會員。曾於政府部門或半官方組織擔任與監督金融財務機構相關工作接近二十年。

Senior Management

Mr. Lung-Man Chiu (John Chiu)

Executive Director of Dah Sing Banking Group Limited

Aged 56. Joined Dah Sing Bank, a key operating subsidiary of the Company, in 1986 and was appointed as an executive Director of Dah Sing Bank and Dah Sing Banking Group Limited since 1995 and 2004 respectively. Currently the Chief Executive of the newly acquired Banco Comercial de Macau. Over 28 years of experience in commercial banking.

Mr. Harold Tsu-Hing Wong

Executive Director of Dah Sing Banking Group Limited

Aged 36. Currently an executive Director of Dah Sing Banking Group Limited, and an executive Director and the Chief Executive of MEVAS Bank. Joined Dah Sing Bank, a key operating subsidiary of the Company, in 2000 and has been responsible for the Group's marketing in personal banking as well as other corporate and business development initiatives since the beginning of 2003. Qualified solicitor in England and Wales and Hong Kong. Son of Mr. David Shou-Yeh Wong, the Chairman of the Company and Dah Sing Banking Group Limited.

Mr. John Ming-Kiu Tan

Executive Director of Dah Sing Bank

Aged 42. Appointed as an executive Director of Dah Sing Bank, a key operating subsidiary of the Company, in 2004. Currently Head of Treasury of Dah Sing Bank responsible for its treasury and wholesale banking activities. Over 19 years of experience in banking and treasury business.

Mr. Frederic Suet-Chiu Lau

Executive Director of Dah Sing Bank and MEVAS Bank

Aged 54. Appointed as an executive Director of Dah Sing Bank and MEVAS Bank, key operating subsidiaries of the Company, in January 2005. Currently Head of Group Risk of the Banking Group responsible for the strategic direction, overall business and risk policy, ongoing management and control of risk of the Banking Group's portfolio. Chartered Financial Analyst. Member of the Board of Trustees of Global Association of Risk Professionals. 20 years of experience in governmental or quasi-governmental departments in supervision of financial related corporations.

董事及高層管理人員簡介 Directors' and Senior Management's Profile

高級管理人員 (續)

藍章華先生

大新銀行及豐明銀行執行董事

五十一歲。於二零零五年加入本集團之主要營運附屬機構大新銀行，負責零售銀行業務，並於同年十一月獲委任為其執行董事。豐明銀行及大新人壽保險有限公司董事。現任零售銀行處主管。加拿大銀行家協會會士。超過二十七年香港及北美洲銀行業務經驗。

Senior Management (Continued)

Mr. John Cheung-Wah Lam

Executive Director of Dah Sing Bank and MEVAS Bank

Aged 51. Joined Dah Sing Bank, a key operating subsidiary of DSBG, in 2005 responsible for retail banking business and was appointed as an executive Director in November 2005. Director of MEVAS Bank and Dah Sing Life Assurance Company Limited. Currently Head of Retail Banking Division. Fellow of The Institute of Canadian Bankers. Over 27 years of banking experience in Hong Kong and North America.

主席報告書 Chairman's Statement

受惠於內地個人旅客訪港政策之放寬、香港與內地更緊密經濟合作安排（「更緊密經濟合作安排」）之落實、加上隨著本港經濟於二零零四年之顯著復甦，本港於二零零五年乘勢取得進一步的增長。本地生產總值上升百分之七點三，較之二零零四年百分之八點六輕微下調。失業率持續下降至二零零五年的百分之五點六，較之二零零四年減低百分之一點二。經過多年物價下跌後，市場重現輕微通脹，與二零零四年錄得的溫和通縮百分之零點四相比，二零零五年之通脹率為百分之一點一。貿易流轉暢旺，二零零五年入口與出口總值增幅分別為百分十點三及百分十一點四。到訪旅客達二千三百三十萬人次，較二零零四年增加百分之七點一。

位於香港西面的另外一個特別行政區澳門經濟表現強勁，二零零五年當地生產總值增長百分之六點七，相對二零零四年當地生產總值之超高增幅百分之二十八點三回落，綜算二零零零年至二零零五年期間，澳門當地生產總值平均每年增長率百分之十二點一。博彩與旅遊業的理想表現，帶動公私營投資大幅上升，較之二零零四年實質投資總值，激增百分之五十七。相對二零零四年，旅客到訪澳門增加百分之十二點二，至超逾一千八百七十萬人次，全年博彩實收總額上升百分之八點三。失業率下降，澳門居民收入提高，令實質個人消費支出較之二零零四年增加百分七點五。

Hong Kong achieved further growth in 2005 due in part to the momentum brought by the relaxation of rules regarding individual travellers from the Mainland and the implementation of the Closer Economic Partnership Arrangement ("CEPA") between Hong Kong and the Mainland and following a strong recovery in the local economy in 2004. Local GDP grew 7.3%, a slight decrease from the 8.6% recorded in 2004. Unemployment continued to decline, reaching the level of 5.6% in 2005, a decline of 1.2% relative to 2004. Mild inflation returned after a number of years of declining prices, with an inflation rate of 1.1%, compared with mild deflation of 0.4% in 2004. Trade flows were strong, with imports and exports growing by 10.3% and 11.4% respectively in 2005. Visitor arrivals reached 23.3 million, a growth of 7.1% over 2004.



The Hang Seng Index closed at above 14,800 points at the end of 2005 reflecting continued recovery in the local economy.

二零零五年底香港恒生指數收市超逾14,800點，反映本地經濟持續復甦。

Macau, another Special Administrative Region to the west of Hong Kong, reported a strong economic performance, with growth in GDP of 6.7% in 2005, down from the exceptionally high rate of growth of 28.3% in 2004, and its GDP has now grown at an average annual rate of 12.1% between 2000 and 2005. The robust performance of the gaming and tourism sectors spurred significant growth in both public and private sector investment, with total investment increasing by 57% in real terms over 2004.

Visitor arrivals to Macau increased by 12.2% to over 18.7 million, and annual gross gaming receipts increased by 8.3% compared with 2004. Reducing unemployment and increasing incomes amongst Macau residents led to a real growth in private consumption expenditure of 7.5% in 2005 compared with 2004.

主席報告書 Chairman's Statement

香港與中國內地在經濟上的日趨融合，特別是泛珠三角區域(包括澳門)促進港珠澳跨境大橋之規劃與發展，以及區內整體運輸網絡之建設。

在二零零四年與二零零五年之持續增長情況下，集團落實大新銀行集團有限公司(「大新銀行集團」)於二零零四年獨立上市時確立之併購策略。透過大新銀行集團首次公開招股，本公司與大新銀行集團作為一集團，合共集資二十四億港元。二零零五年之各項收購，集團動用資金約二十七億港元，分別以九億三千六百萬港元收購在港之怡泰富財務，以十六億七千九百萬港元收購地處澳門之澳門商業銀行集團，及以五千八百萬港元購入總部駐於北京之長城人壽百分之二十權益。

當收購澳門商業銀行機會出現後，集團董事會決定盡量利用未來數年地區發展之優勢，實踐策略性拓展及投資入澳門境內，妥善部署集團之業務營運，以配合港澳與泛珠三角地區省市彼此加強合作後所產生之機遇。

The increasing integration of Hong Kong's economy with China, particularly with the Pan-Pearl River Delta Region including Macau, will help to expedite the planning and development of a cross-boundary bridge between Hong Kong, Macau and Zhuhai, and the development of the transport network within the region.

Against this background of continued growth in 2004 and 2005, we implemented the M&A strategy we had set out at the time of the separate listing of Dah Sing Banking Group ("DSBG") in 2004. As a group, we raised HK\$2.4 billion for both the Company and DSBG at the time of the DSBG IPO, and during the course of 2005, we invested around HK\$2.7 billion in acquisitions; HK\$936 million to acquire Pacific Finance in Hong Kong; HK\$1,679 million to acquire the Banco Comercial de Macau ("BCM") group in Macau; and HK\$58 million to acquire a 20% shareholding in Great Wall Life, headquartered in Beijing.

When the opportunity of acquiring BCM became available, your Board decided to make every effort to take advantage of the regional developments in the coming years by making a strategic expansion and investment in Macau in order to position our operations to complement the enhancement of co-operation among Hong Kong, Macau and the Pan-Pearl River Delta region.

隨主席王守業先生(相片a-左二)於里斯本發表序辭後，在集團獨立非執行董事 Mr. Peter Birch (相片a-左一)陪同，並有葡國商業銀行副主席 Dr. Cristopher de Beck (相片a-右一)及其他成員在場，通過視像會議設施，與在港計有前澳門商業銀行行政總裁 Mr. Antonio Matos、葡國商業銀行 Mr. Antonio Castro Henriques (相片b-分別為左一及左二)、大新銀行集團執行董事王祖興先生(相片b-右一; 及相片c-前坐排左一)及其他大新銀行集團與澳門商業銀行集團成員聯線，會同出席並見證大新銀行集團董事總經理黃漢興先生與葡國商業銀行代表 Mr. Antonio Castro Henriques (相片c-分別為前坐排左二及右一)代表簽署澳門商業銀行買賣協議之儀式。

相片 photo b ▼



▲ 相片 photo a

Following the opening remarks made by Mr. David S.Y. Wong, Chairman (photo a – second from left), accompanied by our independent non-executive director, Mr. Peter Birch (photo a – first from left), in the presence of Dr. Cristopher de Beck, the Vice Chairman of Banco Comercial Português ("BCP") (photo a – first from right), and other BCP members in Lisbon, observed through video conferencing by Mr. Antonio Matos, former

Chief Executive Officer of Banco Comercial de Macau ("BCM"), and Mr. Antonio Castro Henriques of BCP (photo b – first and second from left respectively) together with Mr. Harold Wong, Executive Director of Dah Sing Banking Group ("DSBG") (photo b – first from right; also photo c – front row sitting first from left) and other members of DSBG/BCM group attending the ceremony, the sale and purchase agreement of BCM was signed by Mr. Derek Wong, Managing Director of DSBG, and Mr. Antonio Castro Henriques of BCP (photo c – front row sitting second from left and first from right respectively) in Hong Kong.

▼ 相片 photo c



主席報告書 Chairman's Statement

年內，集團未有忽略內部增長，未計收購之影響，貸款增長達百分之十六，集團保險業務營運表現亦見斐然。

二零零五年度整體業績較二零零四年度略遜，主要由於息差收窄及成本上升所致。二零零五年集團股東應佔溢利為十億一千九百萬港元，較二零零四年（扣除從大新銀行集團獨立上市所得之特殊收益後計）下調百分之十一點四。即使溢利貢獻減少，董事會決定維持與去年相同水平之全年股息（即每股2.08港元），擬派發末期股息為每股1.36港元。

集團股東應佔銀行業務盈利由九億九千三百萬港元下跌至七億六千七百萬港元，反映大新銀行集團溢利下降，而集團在是年度亦需作首次全年少數股東應佔溢利扣減，令少數股東權益項增加，然而集團保險業務貢獻總計增加，溢利增幅理想達百分之四十一，由一億四千七百萬港元上升至二億零七百萬港元。

年內，香港銀行業競爭猶為激烈。雖然本港貸務市場續有溫和增長，全年錄得百分之七點二的整體升幅，貸款定價仍然競爭劇烈，在下半年期間按揭業務尤為受壓。整體保險市場仍有窒礙。澳門銀行業競爭雖然亦為劇烈，然而憑集團之評估，澳門經濟條件趨優，集團在澳門之業務發展大有可為。

年內利率走勢波動，早段本港同業拆息急升，以致大幅度減低了在二零零四年內港美之間息差之裂口。最優惠利率與本港同業拆息息差維持歷史窄幅直至是年度下半年，情況於第四季始有改善。總觀二零零五年期間，利率持續向上，反映美國聯儲局遞次將利率提高。

We did not neglect organic growth during the year, with loan growth of 16% excluding the effect of the acquisitions, as well as a strong performance in our insurance business.

Overall results were lower in 2005 compared with 2004, principally due to lower margins and higher costs. The Group reported profit attributable to shareholders for 2005 of HK\$1,019 million, 11.4% lower than the equivalent figure in 2004, and excluding from the 2004 results the exceptional gains realised from the separate listing of DSBG. However, despite the lower profit contribution, your board has decided to maintain the full year dividend at the same level as last year (HK\$2.08 per share), with a proposed final dividend of HK\$1.36 per share.

Whilst the earnings from our banking business attributable to the Company's shareholders declined from HK\$993 million to HK\$767 million, reflecting both the lower profit from DSBG, as well as the higher minority interests, as we have accounted for the minority for the full year for the first time this year, a higher total contribution from our insurance businesses whose profits grew strongly by 41% from HK\$147 million to HK\$207 million was recorded.

The banking market in Hong Kong continued to be extremely competitive during the year. Although the Hong Kong loan market continued its trend of mild growth, with overall growth of 7.2% recorded for the full year, loan pricing remained very competitive, with the mortgage business in particular coming under pressure in the second half of the year. The insurance market overall was also relatively subdued. The banking market in Macau was also competitive. However, we currently see attractive opportunities to grow our business in Macau as a result of the buoyant economic conditions now being experienced in that market.

Interest rates were volatile, with a sharp increase in local interbank rates at the beginning of the year, closing the gap that had opened up between Hong Kong rates and US rates during the course of 2004. The Prime/HIBOR spread continued at historically tight levels until the second half of the year, and began to recover in the last quarter. Generally, rates continued to climb during the course of the year, reflecting the sequence of rate rises by the Federal Reserve in the US.

銀行業務

集團獨立上市之銀行業務附屬公司——大新銀行集團有限公司——於是年度溢利下降，股東應佔溢利較之去年減少百分之十二點五，為九億七千九百萬港元。

撇除收購之影響，本身內部貸款增長顯著，貸款總額增加百分之十六，達三百七十九億港元。計入收購之影響後，集團錄得貸款總額增長達百分之三十八，令客戶貸款總額接近四百五十億港元。

年內兩項收購之業績均表現理想，澳門商業銀行之溢利上升百分之五十，達九千萬澳門幣，而怡泰富財務之溢利則增長百分之二十一，至八千二百萬港元。澳門商業銀行以分行數目計乃澳門市場第三大銀行，具有可觀之市場地位與存款基礎，集團就藉此穩健根基進駐澳門市場。集團保留澳門商業銀行大部份原有高級管理層，另外亦從大新委派一位行政人員擔當澳門商業銀行新任行政總裁一職，集團相信管理層之延續對業務持續增長至為重要。怡泰富財務令集團增加在港若干具吸引力業務範疇上的市場比率，包括車輛與設備融資、以及按揭與客戶借貸。集團預計將怡泰富財務與大新進行整合，以達致協同效益。

Banking Business

Our separately listed banking subsidiary, Dah Sing Banking Group Limited, reported a decline in profits for the year, with profit attributable to shareholders of HK\$979 million, a decrease of 12.5% compared with the previous year.

Organic loan growth was strong, with the loan book, excluding the effects of the acquisitions increasing by 16% to HK\$37.9 billion. Including the impact of the acquisition, we reported total loan growth of 38%, raising total loans to customers to approximately HK\$45 billion.



The Banco Comercial de Macau, S.A. headquarters building is located in the central business district of Macau.
澳門商業銀行總部大廈座落澳門主要商業中心樞紐。

We are pleased to report that our two acquisitions performed strongly during the year, with the profit from BCM increasing by 50% to MOP90 million, and the profit from Pacific Finance increasing by 21% to HK\$82 million. BCM is the third largest bank by branches in the Macau market, and has a strong franchise and deposit base, giving us a firm foundation on which to build our presence in Macau. We have retained most of the senior management in BCM, although we have appointed a new Chief Executive of BCM from Dah Sing, and we believe that this management continuity is also important for us to build the business in a steady and progressive manner. Pacific Finance has given us greater market share in a number of attractive businesses in Hong Kong, including vehicle finance, equipment finance, mortgages and consumer lending, and we look forward to gaining synergy benefits from the integration of Pacific Finance with Dah Sing.

主席報告書 Chairman's Statement

保險業務

集團之全資人壽保險附屬公司大新人壽保險有限公司於是年度業績創新高，貢獻集團收益達二億零七百萬港元，較去年增加百分之四十一。於年底集團綜合賬目中保險業務之股東資金與內含價值總額約十三億港元。

於上半年，集團引進新穎的單一保費產品，並加強善用集團之銀行兼營保險模式分銷平台，藉此，有效保單銷售增加，並受惠於良好的保單持續率，令集團之保費收入較去年增加百分之五十七。此項數據並未包括澳門保險及澳門人壽之業績。彼等分別為澳門最大之綜合保險公司及當地其中之一最大人壽保險公司。

年內，集團更以代價五千八百萬港元購入於中國內地始創成立長城人壽百分之二十股權。總部設於北京之長城人壽持有可經營壽險業務之全國性牌照，集團為其僅有的海外策略性股東。有關業務已於近期展開，集團將繼續監察其發展。

董事會

於二零零五年三月十五日，Sohei Sasaki 先生和古川弘介先生分別接替剛於同日辭任之玉越良介先生和御手洗徹先生，獲委任為本公司之非執行董事。

本人藉此歡迎新任董事加入本公司董事會，相信彼等之專業及豐富經驗對集團有莫大裨益。本人並向退任董事在任期間所作出寶貴貢獻表示感謝。

Insurance Business

Our wholly owned life assurance subsidiary, Dah Sing Life Assurance Company Limited delivered record results for the year, with a contribution to the Group's earnings of HK\$207 million including our general insurance business, an increase of 41% over the previous year. The total shareholders' funds and embedded value of our insurance business in the Group's accounts amounted to around HK\$1.3 billion at the end of the year.

We introduced new single premium products in the first half of the year, and improved the focus of our bancassurance distribution platform, and through these measures, and building on the higher base of policies in force, as well as benefitting from good persistency levels, we were able to grow premium income by 57% over the previous year. This does not include the results of Macau Insurance and Macau Life Insurance, which are respectively the largest general insurance company in Macau, and one of the largest life companies in Macau.

During the year, we also acquired a 20% shareholding in a newly established life assurance company in Mainland China, Great Wall Life, for consideration of HK\$58 million. Based in Beijing, Great Wall Life has a national license to conduct life assurance business, and we are the only overseas strategic shareholder. The business has recently launched, and we continue to monitor its development.

Board of Directors

On 15 March 2005, Messrs. Sohei Sasaki and Kosuke Furukawa, succeeding Messrs. Ryosuke Tamakoshi and Toru Mitarai, were appointed as non-executive Directors of the Company.

I would like to welcome the new Directors to the Board and believe their expertise and extensive experience will be of great value to the Group. I would also like to express my gratitude to the departing Directors for their valuable contribution during their tenure on the Board.

未來前瞻

預料二零零六年香港經濟環境大致正面發展，雖然本地生產總值增長輕微放緩，近期預測二零零六年本地生產總值約百分之五至六。預期失業率繼續下降，而通脹則會溫和上升。

縱然整體經濟環境有助本港銀行與保險市場達致溫和增長，本集團並不預期上述業務之市場增長在來年可有任何突出表現。另邊廂，集團對澳門市場前景則較為樂觀，預期當地生產總值及銀行業務市場之增長幅度均較香港為佳。

二零零六年美國利率繼續向上，本港來年之息口亦將提高，集團認為只要年內無不可預計之港元利率波動，整體息差亦不會遭受到去年同等幅度之負面影響。

大新銀行集團獨立上市時所訂立之策略現正落實執行，自上市後收購所需動用款項已超過集資總額。然而，集團未有忽略自身內部之增長，在銀行業務方面之貸款增長、以及保險業務之保費升幅，均較市場水平為高。集團仍然堅守既定之增長策略以達致較市場水平為高之內部增長，並在適時並及時抓緊良機進行業務併購。

最後，本人謹代表董事會，感謝諸位董事所作出之貢獻，並對各級員工在過往一年之勤奮努力與摯誠承擔，表示謝意。

主席
王守業

香港 二零零六年三月二十七日

Future Prospects

Economic conditions in Hong Kong in 2006 are forecast to be broadly positive, although with a slightly slower rate of increase in GDP, with recent forecasts for GDP growth of around 5-6% for the year. Unemployment is forecast to continue to reduce, and inflation is set to move mildly higher during the year.

Whilst the overall economic conditions are conducive to a mild level of growth in the banking and insurance markets in Hong Kong, we do not expect market growth in either of these two segments to be exceptionally strong over the coming year. We are, however, somewhat more optimistic about the prospects of the Macau market, where both GDP growth, and growth in the banking market are expected to be ahead of those in Hong Kong.

Whilst the continued increase in interest rates in the US in 2006 is likely to mean higher rates in Hong Kong over the year, we do not expect to see the same degree of negative pressure on our margins, provided that there are no unexpected Hong Kong dollar interest rate movements during the course of the year.

We are pleased to report that the strategy set out at the time of the separate listing of DSBG is now being implemented, with total acquisitions made since the listing now exceeding the total proceeds raised. Nor have we neglected organic growth, with a more rapid rate of growth than the market both in terms of loan growth in our banking business, and in premium growth in our insurance business. We remain committed to our strategy of growth, and intend to target more rapid than market organic growth, as well as M&A on an opportunistic basis as and when suitable opportunities arise.

Finally, I would like to thank my fellow directors for their valuable contribution and extend on behalf of the Board, our appreciation to all our colleagues for their hard work and commitment over the past year.

David Shou-Yeh Wong
Chairman

Hong Kong, 27 March 2006

業務回顧

Review of Operations

集團概覽

緊接著二零零四年中大新銀行集團獨立上市，二零零五年為本集團擴展之一年。二零零五年期間，集團完成兩項收購，並購入國內一間新成立持全國性牌照人壽保險公司百分之二十權益，亦加速集團銀行及保險業務的內部增長。

以代價九億三千六百萬港元收購之怡泰富財務(香港)有限公司(「怡泰富財務」)，已於九月份完成。怡泰富財務主要在港提供消費及中小企業融資服務，包括車輛、設備、物業融資與無抵押貸款。

以總代價十七億二千九百萬澳門幣(約十六億七千九百萬港元)收購之澳門商業銀行(「澳門商業銀行」)及其附屬綜合及人壽保險業務，亦已於十二月份完成。澳門商業銀行建於一九七四年，提供多元化系列之產品及服務，以分行數目計算為澳門第三大銀行，而以總資產計算為澳門第八大銀行。澳門商業銀行集團透過其相關綜合保險及人壽公司，其保險業務以保費總額計算為澳門最大綜合保險公司及第五大人壽保險公司，以管理資產總額計算，更為澳門第二大之退休金管理公司。

於八月份，本集團投資七百四十萬美元(約五千七百五十萬港元)認購總部設於北京之長城人壽保險股份有限公司(「長城人壽」)百分之二十股權，並成為長城人壽之七位始創股東之一。獲中國保險監督管理委員會批准後，長城人壽已於九月啟業，並正落實其初段業務計劃。

年內，本集團銀行業務之內部貸款錄得強勁增長，人壽保險業務之保費收入及盈利亦穩步向上。

Corporate Overview

2005 was a year of expansion for the Group, following the separate listing of Dah Sing Banking Group Limited (“DSBG”) in mid 2004. During 2005, we completed two acquisitions, acquired a 20% interest in a newly established national life insurance company in China, and accelerated the organic growth of our banking and insurance businesses.

In September, the Group completed the acquisition of Pacific Finance (Hong Kong) Limited (“Pacific Finance”) for HK\$936 million. Pacific Finance is primarily engaged in consumer and SME finance activities in Hong Kong in relation to vehicle finance, equipment finance, property finance and unsecured loans.

In December, the Group completed the acquisition of Banco Comercial de Macau, S.A. (“BCM”) and its general and life insurance business, for a total consideration of MOP1,729 million (approximately HK\$1,679 million). Established in 1974, BCM is the third largest bank in Macau by number of branches and the eighth largest by total assets, and offers a diversified range of products and services. Through its associated life and general insurance companies, the BCM group also includes the largest general insurance company in Macau and the fifth largest life assurance company, on the basis of gross written premiums, and is also the second largest pension fund administrator, by assets under management, in Macau.

In August, the Group invested US\$7.4 million (approximately HK\$57.5 million) for a 20% stake in the Beijing-headquartered Great Wall Life Insurance Company Limited (“Great Wall Life”) in China and became one of its seven founding shareholders. Following approval from the China Insurance Regulatory Commission, Great Wall Life commenced business in September and is in the early stages of executing its business plan.

Strong loan growth, on an organic basis, from our banking business, and a strong premium income and profit growth from our insurance business, were achieved in the year.

業務回顧 Review of Operations

集團財務表現撮要

Highlights of the Group's Financial Performance

以百萬港元位列示	HK\$ Million	二零零五年 2005	二零零四年 2004 經重列 Restated	變動 Variance
扣除貸款減值提撥/準備前之 營運溢利	Operating profit before loan impairments/provisions	1,257.7	1,510.1	-16.7%
若干投資及固定資產收益前之 營運溢利	Operating profit before gains on certain investments and fixed assets	1,127.1	1,301.3	-13.4%
除稅前溢利	Profit before income tax	1,424.1	2,303.1	-38.2%
股東應佔溢利	Profit attributable to shareholders	1,019.3	2,031.0	-49.8%
不包括有關於銀行集團重組的 特殊項目之經調作正常化之 股東應佔溢利(附註)	Normalised profit attributable to shareholders excluding exceptional items related to the reorganisation of the Banking Group (Note)	1,019.3	1,150.2	-11.4%
客戶貸款	Advances to customers	44,919	32,528	38.1%
資產合計	Total assets	93,496	74,973	24.7%
客戶存款	Customers' deposits	58,107	43,303	34.2%
已發行的存款證	Certificates of deposit issued	7,713	8,452	-8.7%
存款合計	Total deposits	65,820	51,755	27.2%
已發行的債務證券	Issued debt securities	2,287	2,332	-1.9%
後償債務	Subordinated notes	3,290	972	238.5%
負債合計(包括已發行的 後償債務)	Total liabilities (including subordinated notes issued)	82,479	64,997	26.9%
股東資金	Shareholders' funds	9,096	8,242	10.4%
淨利息收入/營運收入	Net interest income/operating income	61.9%	69.8%	
成本對收入比率	Cost to income ratio	44.3%	37.3%	
平均總資產回報(附註)	Return on average total assets (Note)	1.2%	1.7%	
平均股東資金回報(附註)	Return on average shareholders' funds (Note)	11.8%	15.3%	
貸款對存款比率 (包括存款證)	Loan to deposit ratio (including certificates of deposit)	68.2%	62.0%	

附註：截至二零零四年十二月三十一日止年度之盈利比率乃按未計重組費用、及出售部份與視作出售銀行集團權益的經調作正常化之股東應佔溢利十一億五千零二十萬港元作計算基數。

Note: The normalised attributable profit of HK\$1,150.2 million, excluding reorganisation costs, and the profit on the partial and deemed disposal of interest in the Banking Group, is used in calculating the profitability ratios for the year ended 31 December 2004.

業務回顧

Review of Operations

財務回顧

本集團於是年度之股東應佔溢利為十億一千九百萬港元，較二零零四年股東應佔溢利二十億三千一百萬港元經扣除八億八千一百萬港元特殊收益計之常規化股東應佔溢利十一億五千萬港元下跌百分之十一點四，該等特殊收益包括：

- (1) 出售部份大新銀行集團股份獲利四億四千五百萬港元；
- (2) 就大新銀行集團獨立上市及其發行新股而被視作出售大新銀行集團權益之溢利四億九千三百萬港元；及
- (3) 大新銀行集團於二零零四年上市前須予進行企業重組而產生之重組成本五千七百萬港元。

雖然年內貸款資產錄得強勁增長，美國利率持續向上，扯高本港同業拆息，加上最優惠利率與同業拆息間息差收窄（相對二零零四年異常寬闊之息差）導致利息支出之調升較利息收入急速，令二零零五年淨利息收入下跌百分之十六點八。根據於二零零五年生效之新會計準則，凡以資金周轉為目的而訂立之貨幣掉換合約現已定性為作買賣用途之衍生工具，致使二零零五年經重新分類為交易收入共八千五百萬港元不獲確認為淨利息收入（而根據新會計準則，由上述貨幣掉換合約於二零零四年所產生之淨利息收入不得重新分類入賬）。因此，淨息差由二零零四年之百分之二點九二收窄至本年度之百分之一點九八。

淨收費及佣金收入下跌百分之五點八，主要由於利率不斷上升，令客戶投資及交易活動減少，財富管理業務收入因此而下降。

年內買賣淨收入激增，主要源自保險業務較高之投資收入及銀行業務財資交易收益之增加。因會計處理方式改變，而導致資金周轉而訂立之貨幣掉換合約須以之公平值列入收益賬亦令本集團買賣溢利（包括以上所提之八千五百萬港元公平值收益）得以提升。

Financial Review

Profit attributable to shareholders of the Group for the year was HK\$1,019 million, a decline of 11.4% relative to the normalised profit attributable to shareholders in 2004 of HK\$1,150 million, after excluding from 2004 attributable profit of HK\$2,031 million, a total exceptional gain of HK\$881 million comprising:

- (1) HK\$445 million profit on partial disposal of shares in DSBG;
- (2) HK\$493 million profit on deemed disposal of interest in DSBG arising from the latter's separate listing and issue of new shares; and
- (3) reorganisation costs of HK\$57 million for the corporate restructuring prior to the listing of DSBG booked in 2004.

Despite the strong growth in loan assets in the year, the rapid rise in HIBOR in response to the continued increases in US interest rates, and a tighter Prime/HIBOR spread compared with the exceptionally wide spread in 2004 led to a faster increase in our interest expense than interest income, and therefore a 16.8% reduction in our net interest income in 2005. Under the new accounting standards effective in 2005, currency swaps entered into for funding purposes are now treated as trading derivatives, resulting in derecognition of net interest income of HK\$85 million which was reclassified as trading income in 2005 (whereas net interest income arising from such swaps in 2004 was not allowed to be reclassified based on the new accounting standards). Our net interest margin narrowed to 1.98% from 2.92% in 2004.

Net fee and commission income decreased by 5.8%. This was mainly caused by lower wealth management income, as the continued increases in interest rates led to a lower level of customer investment and trading activities.

Net trading income increased significantly in the year, driven by higher investment income from the insurance business and higher treasury trading profit from the banking business. The inclusion of fair value gains of HK\$85 million on funding currency swaps arising from the change in accounting treatment referred to above also contributed to the increase in our trading profits.

財務回顧(續)

保費收入淨額在儲蓄保單及終生人壽新產品理想銷售帶動下，較二零零四年顯著攀升。本年度保險索償淨額及保險儲備成本雖錄得相若升幅，整體淨保險承保溢利(保費收入減索償及儲備成本)仍錄得顯著升幅。

其他營運收入與二零零四年度相若，包括兩個年度內本集團人壽保險業務有效保單之內含價值增長。

扣除保險索償之總營運收入下跌百分之六點二，主要因本集團銀行業務之營運收入下降所致。

營運支出上升百分之十一點五乃由於本集團需為支援業務增長及加強營運能力而增加開支。增加之成本主要是由於人事和廣告費用增加、以及投資新系統之額外電腦支出所致。二零零五年成本對收入比率由去年百分之三十七點三，上升至百分之四十四點三。

扣除減值支出前之營運溢利較二零零四年減少百分之十六點七。

由於市場環境好轉、失業率下跌及物業價格上升，以及個人與商業客戶信貸資料漸趨穩健，年內資產質素大幅改善。新增準備減少、欠賬收回提高及因採納新會計準則以評估貸款減值，令貸款及墊款減值支出減少七千八百萬港元(即較二零零四年下降百分之三十七)。

若干投資及固定資產收益前之營運溢利較二零零四年減少百分之十三點四。

本集團已於二零零五年底重估其全部自用物業及投資物業之價值。將自用物業之部份重估盈餘直接轉撥至股本儲備後，二零零五年度收益表乃錄得一億八千七百萬港元之物業重估收益。該重估收益大部份為回撥於過往年度因本地物業價格下跌而錄得之行產及投資物業重估虧損。

出售可供出售證券之淨收益總額一億一千六百萬港元已予變現，較二零零四年入賬之證券出售收益大幅增加。

Financial Review (Continued)

Net insurance premium income, driven by stronger sales of endowment policies and whole-life product, was significantly higher relative to 2004. Although a similar rate of growth in net insurance claims and insurance reserve cost was recorded in the year, the overall net insurance underwriting profit (premium income net of claims and reserve cost) increased significantly.

Other operating income was similar to 2004, and included the increase in embedded value of in-force policies of our life insurance business for both years.

Total operating income net of insurance claims dropped 6.2%, mainly caused by a lower operating income from our banking business.

Operating expenses rose 11.5% as the Group increased its spending to support business growth and strengthen operational capabilities. Cost increases were mainly due to higher staff costs, increased advertising spend and additional computer expenses arising from investment in new systems. The cost to income ratio increased to 44.3% in 2005 from 37.3% in 2004.

Operating profit before impairment charges was 16.7% lower than 2004.

Due to improved market conditions, lower unemployment and appreciation of property prices, as well as better credit data on individual and commercial customers, asset quality in the year improved significantly. Lower new provisions, higher recoveries and new approaches to assessing loan impairment according to the new accounting standards reduced the impairment charges on loans and advances by HK\$78 million, or 37% relative to 2004.

Operating profit before gains on certain investments and fixed assets was 13.4% lower when compared with 2004.

The Group revalued all of its own-use properties and investment properties at the end of 2005. In addition to transferring certain revaluation surplus of own-use properties directly to equity reserves, a revaluation gain of HK\$187 million was recognised in the 2005 income statement. A large portion of this revaluation gain is a reversal and therefore write-back of revaluation losses of bank premises and investment properties charged in prior years when local property prices were lower.

A total net gain on disposal of available-for-sale securities of HK\$116 million was realised, which was significantly higher than the securities disposal gain booked in 2004.

業務回顧 Review of Operations

財務回顧(續)

除稅前溢利為十四億二千四百萬港元，與二零零四年度相若(扣除去年特殊項目總額八億八千一百萬港元後計)。

二零零五年確認之少數股東應佔溢利增加，反映少數股東權益對大新銀行集團業績之全年影響(較之於二零零四年之半年影響)。

銀行業務

Financial Review (Continued)

Profit before income tax of HK\$1,424 million was flat on 2004 after excluding exceptional items totaling HK\$881 million in 2004.

A higher amount of profit attributable to minority shareholders was recognised in 2005, reflecting the full-year impact of the minority interest in DSBG relative to half year in 2004.

Banking Business

以百萬港元位列示	HK\$ Million	二零零五年	二零零四年	變動
		2005	2004 經重列	Variance
淨息差	Net interest margin	1.98%	2.92%	
扣除貸款減值提撥/準備前之 營運溢利	Operating profit before loan impairments/provisions	991.7	1,375.0	-27.9%
若干投資及固定資產收益前之 營運溢利	Operating profit before gains on certain investments and fixed assets	861.2	1,166.3	-26.2%
股東應佔溢利	Profit attributable to shareholders	978.8	1,118.7	-12.5%

由於內部增長與年內之收購，二零零五年集團銀行業務規模有明顯的擴充。由於淨利息收入減少，令營運收入下跌，引致股東應佔溢利較二零零四年下調百分之十二點五。

怡泰富財務(自二零零五年十月一日起計)及澳門商業銀行集團(自二零零五年十二月二十日起計)之收購完成後業務之盈虧已併入本集團二零零五年度之業績內。彼等就大新銀行集團收購完成後業績被確認之淨溢利合共約為一千萬港元。

雖然經濟狀況有助本集團整體主要借貸業務持續向上，然而市場之利息狀況，尤其是最優惠利率與本港同業拆息之息差相對於二零零四年顯著收窄，雖然至年底情況趨於好轉，惟對本集團整體借貸息差仍具負面影響。本年度初段信貸息差收窄對期內出售證券收益有重大貢獻，惟利率狀況卻不利於本集團之財資業務。

Our banking business achieved notable expansion in scale in 2005 as a result of both organic growth and acquisitions. Profit attributable to shareholders, as a result of lower operating income caused mainly by a lower net interest income, was 12.5% lower than 2004.

The post-acquisition results of Pacific Finance with effect from 1 October 2005, and of the BCM group with effect from 20 December 2005, are consolidated in the Group's results in 2005. Their aggregate net profit recognised at the DSBG level post acquisition amounted to approximately HK\$10 million.

Whilst economic conditions were conducive to volume growth in all of our major lending businesses, the interest rate conditions in the market, particularly the significantly narrower Prime/HIBOR spread as compared with 2004, had a negative impact on the lending spreads we were able to achieve, although this trend improved somewhat towards the year end. The interest rate conditions were also negative for our treasury business, although tightening credit spreads in the first part of the year were a major contributor to the securities disposal gains achieved during the year.

銀行業務(續)

全年信貸質素良好，總貸款減值支出較二零零四年下降百分之三十七至一億三千一百萬港元。消費信貸狀況進一步改善，本年度信用卡撇賬率大幅下降，整體負資產按揭貸款之影響更減至不足為提。

本集團繼續增聘僱員以支援本集團高於市場水平之貸款增長，以及應付監管及合規之額外要求，連同增加現有員工薪酬、為提升後勤支援系統而增加資訊科技的成本、以及增加廣告及市場推廣開支，導致營運支出上升。

於二零零五年十二月三十一日，本集團之貸款及客戶墊款總額(包括怡泰富財務及澳門商業銀行之貸款結餘)達四百四十九億港元，較二零零四年底上升百分之三十八。若未計怡泰富財務及澳門商業銀行於二零零五年十二月三十一日之貸款總額，集團本身之銀行業務貸款較二零零四年亦有百分之十六之升幅，大部份貸款業務均錄得增長，當中以物業及按揭融資、貿易融資、運輸融資及信用卡之增長尤為強勁。收購怡泰富財務及澳門商業銀行有助本集團進一步分散其貸款業務及客戶基礎。

客戶存款(包括現時已列作「以公平值列入損益賬之客戶存款」之結構性存款、以及澳門商業銀行之客戶存款)，於二零零五年十二月三十一日之總額達五百八十一億港元，較二零零四年底上升百分之三十四。若未計澳門商業銀行之存款結餘，本集團之存款結餘按年增長為百分之十八。已發行之存款證達七十七億港元，較二零零四年底下降百分之八點七。貸款對存款比率由二零零四年之百分之六十二上升至百分之六十八點二。

Banking Business (Continued)

Credit quality for the full year improved, and total loan impairment charges reduced by 37% compared with 2004 to HK\$131 million. Consumer lending credit conditions improved further, with credit card charge-offs falling significantly for the year and negative equity in the mortgage book dropping to immaterial levels overall.

We continued to recruit additional staff to support the higher than market loan growth that we have been able to achieve, as well as to support additional regulatory and compliance demands, and this, together with an increase in remuneration for existing staff, and higher IT costs arising from the actions to enhance our back office systems, as well as increased spending on advertising and marketing, increased our operating expenses.

As at 31 December 2005, the Group's total gross loans and advances to customers, including the loan balances of Pacific Finance and BCM, amounted to HK\$44.9 billion, up 38% relative to the end of 2004. If the loan portfolios of Pacific Finance and BCM as at 31 December 2005 were excluded, the loan growth of our banking business, on an organic basis, was 16% over 2004, with growth achieved in most loan types, and particularly strong in property and mortgage finance, trade finance, transport financing, and credit cards. The acquisitions of Pacific Finance and BCM assisted the Group to further diversify its loan book and customer base.

Customer deposits, including structured deposits now shown as "Deposits from customers designated at fair value through profit or loss", and the deposit base of BCM, totalled HK\$58.1 billion as at 31 December 2005, an increase of 34% over 2004 year end. If the BCM deposit balance was excluded, the underlying year-on-year growth in our deposit balance was 18%. Issued certificates of deposit amounted to HK\$7.7 billion, a reduction of 8.7% relative to 2004 year end. The loan to deposit ratio increased to 68.2%, up from 62.0% in 2004.

業務回顧 Review of Operations

銀行業務(續)

個人銀行

本集團的個人銀行業務專注零售銀行、顯客理財及私人銀行服務市場，但於二零零五年溢利減少，惟貸款、存款及客戶則錄得理想增長。

溢利減少主要因營運收入下降所致。由於利率上升、本地最優惠利率與本港同業拆息息差收窄，加上利息支出的上升速度相較利息收入為快，本年度淨利息收入下降。客戶投資及交易活動縮減，影響本集團的財富管理業務表現。另外，員工及業務推廣成本上升，令營運支出增加。然而本地經濟增長及失業率持續改善，年內貸款減值支出下降，對整體業務盈利的負面影響遂得以減輕。

貸款及存款內部增長(未計收購怡泰富財務及澳門商業銀行的影響)溫和。信用卡及個人貸款業務錄得較佳增長，惟按揭貸款組合增長放緩，令整體內部增長受挫。存款增加，乃因傳統存款及結構性存款所推動。

隨著本地經濟及內部消費漸趨好轉，本集團加強業務推廣，努力擴大客戶基礎。本集團在信用卡應收款項及個人貸款方面錄得理想增長，並屢獲殊榮，引證年內集團之表現，令人欣喜。二零零五年，大新銀行獲萬事達評選為「最佳聯營新卡項目」，也獲威士國際評選為「傑出專營聯辦新卡發行人」，而本集團人民幣信用卡的卡務及發行量亦取得顯著增長，因而獲得中國銀聯多項嘉許。

本集團私人銀行業務溢利水平與二零零四年相若。受託管理的客戶資產上升，令收入增加，些微抵銷部份因利率上升而導致客戶投資及成交量以及收入的下跌。

Banking Business (Continued)

Personal Banking

Our personal banking business, targeting at the retail banking, VIP banking and private banking segments, recorded a lower level of profit in 2005 despite satisfactory growth in loans, deposits and customers.

The reduction in profit was caused mainly by lower operating income. Due to increases in interest rates, a narrower Prime/HIBOR spread and a faster rate of increase in interest expenses relative to growth in interest income, net interest income was lower in the year. The lower level of customer investment and trading activities affected the performance of our wealth management business. Increases in staff and business promotion costs led to an increase in operating expenses. Driven by the growth in the local economy and a continued improvement in the unemployment rate, loan impairment charges reduced in the year, which helped to moderate the negative impact to the profitability of this business.

Organic growth in loans and deposits, excluding the impact of the acquisition of Pacific Finance and BCM, was mild. Although a stronger growth in credit cards and personal loans was recorded, a slower growth in the mortgage loan portfolio depressed the overall organic increase. The increase in deposits was driven by both traditional deposits and structured deposits.

Against the backdrop of an improving economy and domestic consumption, we increased business promotion and the effort to expand our customer base. We achieved respectable growth in our credit card receivables and personal loans, and are pleased to have received awards which recognised our performance during the year. In 2005, Dah Sing Bank was recognised as “The Best Affinity/Co-branded Program” launched by MasterCard, the “Outstanding New Visa Exclusive Co-brand/Affinity Card Issuer” by VISA, and having achieved outstanding card growth & issuance recognitions by China UnionPay for our Renminbi cards.

Our private banking business achieved a similar level of profit when compared with 2004. The increase in customer assets under management helped produce additional revenues to offset slightly lower income arising from lower customer investment and trading volumes resulting partly from higher interest rates.

銀行業務(續)

個人銀行(續)

本集團繼續投資於零售分行網絡及電話理財中心，以加強本集團的分銷網及客戶服務，同時亦繼續投資於客戶關係管理系統，以提高本集團的銷售效益。於二零零五年底，本集團在港經營四十六間零售分行，於海峽群島格恩西島設有一所附屬私人銀行，新收購附屬公司澳門商業銀行在澳門則擁有十六家分行。

商業銀行

商業銀行業務(包括貿易融資、商業借貸、租購貸款及設備融資)所錄得的溢利下降，惟貸款及存款增長(未計收購的影響)較二零零四年強勁。本集團商業銀行業務的大部份貸款產品均錄得增長，貿易融資、主力中小企客戶的按揭借貸及銀團借貸增長尤為強勁。本集團繼續致力擴展集團的商業銀行業務及開拓客源。

本集團的租購運輸貸款及設備融資業務貸款結餘增加，主要由的士融資所帶動。集團的設備融資業務仍然以服務在港及華南營運的製造企業為主。即使競爭激烈，但國內製造業及出口市場持續增長，為本集團的設備融資業務提供有利之發展條件。

利率上升，但在經濟復甦及眾多製造業及貿易公司出口表現強勁的支持下，本集團商業銀行業務的整體資產質素維持穩健。

本集團仍不懈推廣企業信用卡服務，於二零零五年內屢獲嘉許，繼有獲萬事達評選為「萬事達卡亞太區市場推廣領導大獎—二零零五年最佳商務卡金獎」、「全港商務卡持卡人消費最高市場佔有率(季軍)」及「全港商務卡持卡人最高消費增長率」。

Banking Business (Continued)

Personal Banking (Continued)

We continued to invest in our retail branch network and telephone banking centre to strengthen our distribution and customer service activities, and also in customer relationship management system to improve our sales effectiveness. At the end of 2005, we operated 46 retail branches in Hong Kong, and one subsidiary private bank in Guernsey, Channel Islands. Our newly acquired subsidiary BCM has 16 branches in Macau.

Commercial Banking

Commercial banking, which includes trade finance, commercial lending, hire purchase and equipment finance, reported a lower level of profit despite strong growth in loans and deposits (excluding the impacts of acquisitions) relative to 2004. Most loan products of our commercial banking division recorded growth, and in particular, stronger growth was achieved in trade finance, mortgage lending mainly to SME customers, and syndicated lending. We have continued to make effort in growing our commercial banking business and customers.

Our hire purchase transport financing and equipment finance businesses also achieved higher loan balances driven mainly by taxi finance. Our equipment finance business continued to target mainly manufacturing companies operating in both Hong Kong and in the southern part of Mainland China. The continuing growth in China's manufacturing and export sectors provided us with a favourable environment to grow our equipment finance business despite keen competition.

Assisted by the economic recovery and strong export performance of many manufacturing and trading companies, the overall asset quality of our commercial banking business, despite of higher interest rates, remained sound.

We continued to promote the growth of our corporate card service, and received recognition for this development in 2005, with "Gold Award – MasterCard Asia / Pacific Marketing Leadership Awards 2005 Best Commercial Card", "The Highest Market Share Cardholder Spending for Commercial Products in Hong Kong (2nd Runner Up)" and "The Highest Growth Rate Commercial Products Cardholder Spending in Hong Kong" awarded by MasterCard.

業務回顧 Review of Operations

銀行業務(續)

財資業務

年內，本集團財資業務的溢利大幅下降，主要原因是營運收入減少，即使出售證券收益已有增加。二零零五年，利率持續上升及孳息曲線相當平緩，令本集團財資業務在調撥剩餘資金以達致合理息差時，面臨極具挑戰性的市場。由於本集團預期利率會持續上升，為降低利率風險，本集團於二零零五年進一步縮短債券投資組合的年期，惟此舉無助提高淨利息收入及交易收益。年內，本集團財資業務在外匯交易收益提高。

本集團繼續執行既定政策，保持投資組合多元化，以平衡投資回報、市場風險、流動資產風險及信貸風險等因素，並繼續持有主要由高投資級別債務證券組成的債券組合。為減低利率不斷上升而導致的利率風險，本集團提高短期債券佔投資組合的比例或轉換較多債券為浮息資產。

深圳分行

本集團於中國內地的深圳分行主要在泛珠三角地區從事商業銀行業務，自二零零四年中開業以來，已取得理想成績。二零零五年是本集團深圳分行首個全年營運的年度，深圳分行再度錄得溢利，貸款業務亦有大幅增長。

本集團現正在申請經營人民幣業務牌照，同時繼續開拓中國大陸市場之商機，務求進一步擴大其於內地市場的網絡及業務。

豐明銀行

豐明銀行(「豐明」)是銀行集團旗下以獨立個人銀行品牌經營的附屬公司。二零零五年，豐明錄得淨溢利一千四百萬港元，相對二零零四年度則為二千三百萬港元。二零零四年淨溢利較高，主要是由於將過往年度的虧損確認為遞延稅項資產，並獲得相應的二零零四年稅務抵免。倘不計二零零四年的特殊稅項調整，二零零五年的溢利較二零零四年的常規化溢利為高。核心營運溢利增加，是由收入增加及貸款減值支出減少所致。

Banking Business (Continued)

Treasury

Our treasury division generated a much lower level of profit in the year, due mainly to lower operating income, despite the realization of higher securities disposal gains. The continued increases in interest rates and a very flat yield curve during 2005 resulted in a very challenging market environment for our treasury in deploying surplus funds to generate a reasonable spread. Reflecting our expectation of a rising interest rate environment and to mitigate against interest rate risk, we further shortened the duration of our bond portfolio in 2005, which however was not helpful in generating net interest income and trading gains. Our treasury achieved a stronger gain in FX trading in the year.

We continued our strategy of maintaining a diversified investment portfolio to balance investment return, market risk, liquidity risk and credit risk, and continued to hold a bond portfolio comprised predominantly of high quality investment grade debt securities. To mitigate interest rate risk in an environment of rising interest rates, we increased the proportion of our bond investments in shorter duration or swapped to floating rate basis.

Shenzhen Branch

Our Shenzhen branch in Mainland China, focussing on the commercial banking business in the Pan Pearl River Delta Area, has achieved encouraging results since commencing business in mid 2004. In its first full year operation in 2005, our Shenzhen branch recorded another profitable year with meaningful growth in its loan book.

We are now working on the application for a RMB license. We continue to explore opportunities to develop further our network and business in the Mainland China market.

MEVAS Bank

MEVAS Bank ("MEVAS"), the separately branded personal banking subsidiary under the Banking Group, recorded a net profit in 2005 of HK\$14 million relative to the HK\$23 million earned in 2004. The higher 2004 net profit was mainly caused by a recognition of prior year losses as deferred tax assets and a corresponding credit to taxation in 2004. The 2005 profit was higher than the normalised 2004 profit if the special tax adjustment in 2004 was excluded. The stronger core operating profit was driven by higher income and lower loan impairment charges.

銀行業務(續)

怡泰富財務

怡泰富財務的收購於二零零五年九月三十日完成。怡泰富財務積極參與車輛融資、設備融資、按揭及客戶借貸，與大新銀行的業務相輔相成。是項收購有助本集團擴大有關業務的規模。本集團擬於二零零六年內將怡泰富財務全面併入大新銀行，透過善用本集團經整合的資源，相信本集團在發展有關業務時，可享協同效益。

由於營運收入上升及貸款減值虧損下降，怡泰富財務錄得全年淨溢利八千二百萬港元，較二零零四年增長百分之二十一。

澳門商業銀行(「澳門商業銀行」)

收購澳門商業銀行乃本集團重要的策略性擴張，標誌著本集團進駐日益富裕、經濟持續增長的澳門市場，並使本集團在當地的銀行、綜合保險及壽險業務得享重要的市場佔有率。

澳門商業銀行二零零五年錄得淨溢利九千萬澳門幣(約八千七百萬港元)，較二零零四年增長百分之五十。年內，澳門商業銀行兩間保險附屬公司合共錄得除稅後溢利一千二百五十萬澳門幣。

保險業務

二零零五年，本集團保險業務的業績表現更為理想，主要由於全資擁有附屬公司大新人壽保險有限公司(「大新人壽」)的銷售及投資回報表現強勁。本集團保險業務的整體淨溢利(併入新近收購的兩間澳門商業銀行旗下澳門附屬保險公司的業績前)達兩億七百萬港元，較二零零四年增加百分之四十一。

本集團人壽保險業務的保費收入較二零零四年穩步增長。期內推出的多種新產品(包括單一保費產品)乃保費收入增長的主要來源。下半年投資環境改善，令投資回報取得可觀增長。當下的利息環境及投保業務增長促使精算儲備需作增加。保單持續率改善令內含價值持續受惠。

Banking Business (Continued)

Pacific Finance

The acquisition of Pacific Finance was completed on 30 September 2005. Pacific Finance is active in vehicle finance, equipment finance, mortgages and consumer lending, which are businesses complimentary to those of Dah Sing Bank ("DSB"). This acquisition contributed to expand our scale in these areas. We plan to fully integrate Pacific Finance into DSB within 2006 and believe we will be able to achieve synergies in growing these businesses by combining and leveraging on the Group's resources.

Driven by higher operating income and lower loan impairment losses, Pacific Finance recorded a full-year net profit of HK\$82 million, up 21% when compared with 2004.

Banco Comercial de Macau ("BCM")

The acquisition of BCM is a significant strategic expansion for the Group and represents the Group's entry into the Macau market, which is an increasingly affluent market with a growing economy, and allows the Group to gain significant market share in each of the banking, general insurance and life assurance businesses.

BCM reported a net profit of MOP90 million (approximately HK\$87 million) in 2005, up 50% relative to 2004. Its two insurance subsidiaries recorded a total profit after tax of MOP12.5 million in the year.

Insurance Business

Our insurance business achieved much stronger results in 2005, driven largely by strong sales and investment returns contributed by Dah Sing Life Assurance Company Limited ("DSL"), a wholly owned subsidiary. Overall net profit from our insurance business, before including the results of the two newly acquired Macau insurance subsidiaries (under BCM), amounted to HK\$207 million which was 41% higher than 2004.

Our life assurance business delivered solid growth in premium income compared with 2004. The launch of a number of new products, including single premium products, were a major contributor to this increase in premium income. Investment conditions improved in the second half of the year, allowing respectable growth in investment returns. The prevailing interest rate conditions and business growth resulted in higher actuarial reserves. Our embedded value continued to benefit from improving persistency.

業務回顧 Review of Operations

保險業務(續)

二零零五年，大新人壽的總淨溢利(包括增加之內含價值)上升至兩億零一百萬港元，較二零零四年增加百分之四十四。於二零零五年十二月三十一日，與獨立精算師共同計算的長期壽險有效保單總值為七億三千九百萬港元，較二零零四年底結餘上升百分之十一。

本集團與英傑華(三井住友保險集團成員)合營，並擁有百分之五十一權益的附屬綜合保險公司大新保險有限公司的溢利較之二零零四年略遜，乃由於香港市場競爭激烈導致保費收入降低，以及二零零四年入賬的投資回報表現強勁相較下所致。

年內的總保險淨溢利佔二零零五年本集團應佔溢利的百分之二十。

本集團於二零零五年透過大新人壽購入長城人壽保險(「長城人壽」，一新成立的全國性人壽保險公司，總部設於北京)百分之二十權益。長城人壽於二零零五年九月啟業，但由於新成立，於二零零五年錄得淨虧損。大新人壽為其唯一海外股東，本集團相信其在壽險業務方面的專業知識，對長城人壽的業務發展定有裨益。

風險管理與合規監督

由於本集團不斷拓展業務範圍及積極參與本地及新開市場之競爭，加強及提升風險管理成為一項倍受重視的持續性工作。本集團業務範圍廣泛，涉及多方面風險，加上競爭加劇及客戶需求增加，以及因採用新巴塞爾資本協定II及規則而令風險管理標準及監管規定越加繁複，加重提升本集團風險管理能力的需要。本集團會繼續竭力提升本身的風險管理政策及實務程序，並為符合於二零零七年一月起生效的新巴塞爾協定II要求作好準備。

年內，本集團已加強本集團的合規功能，並著手提升本集團合規的效能，包括增加資源、監察及培訓。這些措施，加上本集團越加重視內部監控，將有助本集團在有妥善監控的情況下進行長期發展及增長。

Insurance Business (Continued)

DSLAs total 2005 net profit, including embedded value increase, rose to HK\$201 million, up 44% from 2004. As at 31 December 2005, the total value of in-force long-term life assurance business in Hong Kong as calculated in conjunction with the independent actuary was HK\$739 million, an increase of 11% over the balance as at the end of 2004.

Our 51% owned general insurance subsidiary, Dah Sing General Insurance Company Limited, a joint venture with Aviva (a member of the Mitsui Sumitomo Insurance Group), achieved a slightly lower profit relative to 2004 due to lower premium income caused by a very competitive market in Hong Kong, and stronger investment returns booked in 2004.

The total insurance net profit in the year represents 20% of the Group's attributable profit in 2005.

In 2005, the Group acquired through DSLA a 20% interest in Great Wall Life Insurance ("GWL"), a national life insurance company newly established and headquartered in Beijing, China. GWL commenced business in September 2005 and incurred a net loss in 2005 due to its new start-up. DSLA is the only foreign shareholder and we believe our expertise in the life insurance business will be of value in assisting in the development of GWL.

Risk Management and Compliance

Strengthening and upgrading risk management is an ongoing emphasis and focus as we expand our businesses and compete in both domestic and new markets. The increased diversity of our businesses and risk exposures, rising competition and customer demands, and the more complex risk management standards and regulatory requirements driven by the implementation of the new Basel II capital accord and rules are operating to increase the demands on upgrading our risk management capabilities. We are continuing our effort in enhancing our risk management policies and practices, and are working to prepare to meet the requirements of Basel II, which will become effective from January 2007.

During the year, we strengthened our compliance function and took steps to upgrade our compliance effectiveness including increasing resources, monitoring and training. These, together with our increased emphasis on internal control, will assist the Group's long-term development and growth with due consideration of sound controls.

資本及流動資產

Capital and Liquidity

銀行集團	Banking Group	二零零五年 2005	二零零四年 2004
附屬銀行的資本基礎 (以百萬港元計)	Capital base of banking subsidiaries (HK\$ million)		
— 核心資本	— Core capital	6,136	5,673
— 附加資本及扣減	— Supplementary capital and deductions	3,369	1,463
扣減後的資本基礎總額	Total capital base after deductions	9,505	7,136
資本充足比率(年終)	Capital adequacy ratio (as at year end)		
— 一級資本	— Tier 1	10.7%	13.8%
— 一級和二級資本(扣減後)	— Tier 1 and Tier 2 (after deductions)	16.6%	17.3%
流動資金比率(年度平均)	Liquidity ratio (average for the year)	55.2%	57.9%

本集團於二零零五年採取措施增加大新銀行的資本基礎，以支持收購怡泰富財務及澳門商業銀行。為確保本集團的資本充足比率足以支持業務增長，大新銀行集團於二零零五年底前向大新銀行注入新股本十億港元。此外，大新銀行亦於年內發行兩項總額各為一億五千萬美元的有期後償債券，以鞏固其二級資本。這些舉措令大新銀行的資本基礎擴大，從而抵銷年內因收購產生的影響，以及準備於二零零六年三月全額贖回首批總額為一億二千五百萬美元的後償債券。

年內，由於內部增長及收購活動，銀行集團的風險加權資產大幅上升，令系內銀行集團的一級及總資本充足比率下降，惟二零零五年十二月情況仍維持穩健理想的水平。

鑒於本集團的剩餘資金儲備充裕及流動投資多元化，本集團成功將流動資產維持於穩健水平，順利完成收購怡泰富財務及澳門商業銀行，並於收購完成後悉數償還怡泰富財務的所有外部大額借款。

穆迪於二零零六年一月將大新銀行的長期信貸評級上調至「A3」。此外，惠譽亦於二零零五年確認給予大新銀行「A-」長期評級。

To support the acquisitions of Pacific Finance and BCM, we took action during 2005 to increase the capital base of DSB. To ensure that we have a sufficiently strong capital adequacy ratio to support business growth, DSBG injected HK\$1 billion new equity to DSB before the end of 2005. DSB also completed two new issues of term subordinated debt of US\$150 million each during the year to strengthen its tier 2 capital. These enabled DSB to increase its capital base to absorb the impact of the acquisitions during the year, and to position for the full redemption of its first US\$125 million subordinated debt which is callable in March 2006.

A significant growth in the risk weighted assets of the Banking Group during the year, driven by both organic growth and acquisitions, resulted in a lowering in the tier 1 and total capital adequacy ratios of our Banking Group, although the December 2005 positions remained at healthy and satisfactory levels.

With our strong pool of surplus funds and diversified liquid investments, we were able to maintain liquidity at sound levels and achieved a smooth execution of the acquisitions of Pacific Finance and BCM, and the full repayment of all external wholesale borrowing of Pacific Finance subsequent to the completion of its acquisition.

In January 2006, Moody's raised DSB's long-term credit rating to "A3". Fitch also affirmed DSB's "A-" long-term rating in 2005.

業務回顧

Review of Operations

人力資源

年內，為提升本集團員工的質素及能力，及確保向本集團前線員工（尤其是與證券及保險業務有關者）提供充足的持續專業培訓，本集團繼續提供針對不同需求的培訓計劃，並引入全新發展計劃。本集團的人力資源投資反映於本集團過往兩年推出的全新畢業生見習培訓計劃。本集團相信，這投資將為本集團帶來長遠利益。

二零零五年，本集團繼續致力提升集團內部的優質服務、團隊協作及關心文化。本集團連續四年獲香港社會服務聯會選為最關心員工的香港僱主之一，並繼續在香港管理學會舉辦之傑出推銷員獎計劃獲得佳績。

為支持本集團業務增長及符合在服務質素、風險管理及合規監督方面的更高要求，以及由於本集團的兩項收購活動，年內本集團增加僱員人數。二零零五年底，本集團的僱員總數（包括怡泰富財務及澳門商業銀行的員工）為一千七百五十三人，較二零零四年底增加四百二十五人。

資訊科技

二零零五年，本集團資訊科技發展重點之一是籌備將本集團的主機操作系統技術平台提升，整項工程將於二零零六年上半年完竣。

年內，本集團將眾多應用系統升級，並就執行全新資訊科技系統及基礎設施開發進行評估及規劃。這些投資，包括全新櫃員平台系統、財富管理系統、財資後台系統及網絡基礎設施，將於二零零六及二零零七年陸續進行。

二零零五年收購澳門商業銀行後，本集團將在管理不同系統平台方面面對全新機遇及挑戰，而經整合的平台將帶來更多協同效益，令集團的資訊科技資源運用得更為恰宜。

Human Resources

To improve the quality and skills of our staff, and to ensure sufficient continuing professional training of our front-line staff particularly in relation to securities and insurance businesses, we continued our training programmes to cater for different needs, and introduced new development programmes in the year. Our investment in human resources is reflected in our new Graduate Trainee development programme over the past two years. We believe such an investment will produce long-term benefit to the Group.

In 2005, we continued our work to improve the service excellence, teamwork and caring culture throughout the organisation. We were awarded as one of the caring companies for four consecutive years by the Hong Kong Council of Social Service, and continued to achieve good results in the Distinguished Salesperson Awards Programme organized by the Hong Kong Management Association.

To support our business growth and to meet the increased requirements relating to service quality, risk management, compliance, and as a result of our two acquisitions, our total headcount increased in the year. At the end of 2005, the total number of employees of the Group, including the staff of Pacific Finance and BCM, was 1,753, up 425 relative to the end of 2004.

Information Technology

During 2005, a key focus of our information technology development is the preparation and development for the migration of our mainframe operating system to an enhanced technology platform, which is expected to be completed in the first half of 2006.

During the year, we implemented enhancements to a number of application systems and conducted evaluations and planning for implementing new IT systems and infrastructure development. These investments, including a new teller platform system, wealth management system, treasury back-office system and network infrastructure, will be implemented over the course of 2006 and 2007.

The acquisition of BCM in 2005 will present us with new opportunities and challenges in managing different system platforms and their alignment to achieve increased synergy, and to leverage on the Group's IT resources.

企業管治報告 Corporate Governance Report

企業管治

企業管治常規

本集團銳意建立高水平之企業管治，並遵循香港聯交所上市規則（「上市規則」）附錄14企業管治常規守則（「該等守則」）載列之所有守則條文。

本報告乃遵照上市規則附錄23而編寫，並闡述本公司執行該等守則所載守則條文之情況。

董事之證券交易

本公司已採納一套董事進行證券交易之守則，其條款不遜於上市規則附錄10標準守則所規定之標準。經作出特定查詢後，本公司董事確認，彼等於二零零五年整個年度均已遵守標準守則。

董事會

(1) 董事會

董事會負責領導及監控本公司，以促進其成效及持續增長。此外，董事會亦負責確保本公司有健全之風險管理、內部監控及監管遵規制度。董事共同及個別承擔摯誠行事之責任，並以本集團之利益作出客觀決定。董事會為本公司制定業務發展目標，並負責監察本公司管理層履行該等目標之情況。

(2) 董事會之組成及會議

董事會由主席王守業先生、四位執行董事（包括行政總裁）、六位非執行董事及四位獨立非執行董事組成。董事之個人履歷載於第6頁至第9頁。

董事會會議每年最少召開四次，約每季一次，並在有需要時另外召開董事會會議。

Corporate Governance

Corporate governance practices

The Group is committed to high standards of corporate governance, and follows all of the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong (the "Listing Rules").

This report is issued in accordance with Appendix 23 of the Listing Rules, and explains how the Company applies the code provisions set out in the Code.

Directors' securities transactions

The Company has adopted a code for directors' securities transactions on terms no less exacting than the required standard set in the Model Code in Appendix 10 of the Listing Rules. Following specific enquiry, the Directors of the Company confirmed that they had complied with the Model Code throughout the year 2005.

The Board of Directors

(1) The Board

The Board is responsible for the leadership and control of the Company so as to promote its success and continued growth. The Board is also responsible for ensuring that the Company has sound systems of risk management, internal control and regulatory compliance. The Directors, collectively and individually, have a duty to act in good faith, and to take decisions objectively in the interests of the Group. The Board sets the business objectives for the Company, and monitors the execution of those objectives by the management of the Company.

(2) Board composition and meetings

The Board is made up of the Chairman, Mr. David S.Y. Wong, four executive directors including the Chief Executive, six non-executive directors, and four independent non-executive directors. Brief biographical details of the directors are set out on pages 6 to 9.

Board meetings are held at least four times each year at approximately quarterly intervals, and additional board meetings are held as necessary.

企業管治報告

Corporate Governance Report

企業管治 (續)

董事會 (續)

(2) 董事會之組成及會議 (續)

下表列載各董事出席二零零五年召開之董事會會議之紀錄：

二零零五年董事會會議次數

獨立非執行董事

Peter Gibbs Birch
史習陶
孫大倫
余國雄

非執行董事

鈴木邦雄
周忠繼
Sohei Sasaki
古川弘介
周偉偉
伍耀明

執行董事

王守業
黃漢興
安德生
王伯凌
麥曉德

平均出席率

定期召開之董事會會議通知應於最少14天前發出，以便所有董事有機會安排出席。至於其他召開之所有董事會會議，亦預先有合理通知。董事可於至少提前7天以書面形式向公司秘書提出彼等擬列入董事會定期會議議程之商討事項。公司秘書或有關委員會之秘書備存董事會及董事委員會之會議紀錄，該等會議紀錄可在任何董事提出合理通知後在任何合理時間內供查閱。

Corporate Governance (Continued)

The Board of Directors (Continued)

(2) Board composition and meetings (Continued)

The following table sets out the attendance record of each director at the board meetings held in 2005:

Number of Board meetings in 2005

10

Independent Non-Executive Directors

Peter Gibbs Birch	10/10	100%
Robert Tsai-To Sze	9/10	90%
Tai-Lun Sun (Dennis Sun)	9/10	90%
Kwok-Hung Yue (Justin Yue)	8/10	80%

Non-Executive Directors

Kunio Suzuki	0/10	0%
Chung-Kai Chow	6/10	60%
Sohei Sasaki	1/10	10%
Kosuke Furukawa	7/10	70%
John Wai-Wai Chow	8/10	80%
Yiu-Ming Ng	10/10	100%

Executive Directors

David Shou-Yeh Wong	10/10	100%
Hon-Hing Wong (Derek Wong)	10/10	100%
Roderick Stuart Anderson	10/10	100%
Gary Pak-Ling Wang	9/10	90%
Nicholas John Mayhew	8/10	80%

Average attendance rate

77%

Notice of at least 14 days is given of regular Board meetings to give all directors an opportunity to attend. For all other Board meetings, reasonable notice is given in advance. Directors may submit to the Company Secretary, in writing, and at least seven days in advance, matters that they would like to include in the agenda for regular Board meetings. Minutes of the Board and committees of the Board are kept by the Company Secretary or the secretary of the relevant committee, and are open for inspection at any reasonable time on reasonable notice by any director.

企業管治 (續)

董事會 (續)

(2) 董事會之組成及會議 (續)

董事於適當情況下，可合理要求尋求獨立專業意見，相關費用由本公司支付。倘董事認為需要獨立意見，應首先將其要求知會公司秘書或行政總裁。該等要求不得無理被拒。公司秘書或行政總裁須盡力物色及委聘合適之專業顧問，相關費用由本公司支付。

獲委任填補臨時空缺之所有董事，須於其獲委任後之首屆股東大會上由股東選任。每名董事（包括有指定任期者）均須最少每三年輪值告退一次。

董事會已將管理本集團日常事務之職責下放予執行管理層，並將處理若干事宜之職責交予多個委員會（詳情載於以下各節）。惟以下事宜須經董事會成員共同審議，且不可轉授予董事會轄下委員會或執行管理層，該等保留事宜包括：

- 涉及主要股東或任何董事有利益衝突之交易；
- 重大收購或出售事項，即款額超過本公司於相關時間之資產淨值或市值（以較低者為準）之10%；
- 重大投資或出售投資，惟日常就本集團剩餘資金調配而作出之正常投資或證券交易者則除外；
- 本集團業務性質之任何重大變動；
- 委任新董事；
- 批准相關政策；及
- 批准年度預算。

本公司已就針對其董事之法律訴訟購買適當之保險。

Corporate Governance (Continued)

The Board of Directors (Continued)

(2) Board composition and meetings (Continued)

Directors may, upon reasonable request, seek independent professional advice in appropriate circumstances, at the Company's expense. In circumstances where directors believe that independent advice is needed, they should approach the Company Secretary or the Chief Executive in the first instance with their request. No such request will be unreasonably denied, and the Company Secretary or the Chief Executive will endeavour to identify and engage an appropriate professional adviser at the expense of the Company.

All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The Board has delegated the day-to-day responsibility of running the Group to the executive management, and has delegated responsibility for certain matters to a number of committees, which are described more fully in the following sections. There are a number of matters which require the deliberation of the full Board, and may not be delegated to the committees of the Board or the executive management. These reserved matters include:

- Transactions that a substantial shareholder or a director has a conflict of interest;
- Material acquisitions or disposals (i.e. an amount that exceeds 10% of the lower of the Company's net asset value or market capitalisation at the relevant time);
- Material investments or disposal of investments (except for normal investment or dealing in securities in the ordinary course of deploying the surplus funds of the Group);
- Any material change in the nature of the Group's business;
- Appointment of new directors;
- Approval of relevant policies; and
- Approval of annual budget.

The Company maintains appropriate insurance cover in respect of legal action against its directors.

企業管治報告

Corporate Governance Report

企業管治 (續)

主席及行政總裁

本公司認為其管理包括兩個主要方面：董事會之管理及其業務之日常管理。董事會應清楚區分責任以確保權力及權限之平衡，而不致使任何個人擁有不受制約之決策權。因此，主席王守業先生與行政總裁黃漢興先生之角色及權責已予分開，並已取得董事會之批准。主席主要在董事會中擔當領導角色，以確保董事會有效運作及履行其責任，使所有關鍵及相關事宜可獲董事會及時處理。行政總裁則負責本公司之日常管理，為本集團業務之利益指導業務方向及領導業務經營，提高股東價值及確保內部監控健全。

非執行董事

本公司有六位非執行董事及四位獨立非執行董事。各獨立非執行董事均已按上市規則第3.13條之規定向本公司確認其獨立性。

非執行董事乃按指定期間而獲委任，惟可膺選連任。非執行董事之任期通常與彼等最少每三年一次之預期輪值告退日期一致。

非執行董事一如其他董事會成員，透過定期會議及積極參與公司事務，致力以其技能、專業知識及各自不同背景及資格，為董事會及其服務之任何委員會帶來貢獻。彼等出席定期及特別董事會會議，並盡量抽空出席本公司之股東週年大會及股東特別大會。非執行董事透過提供獨立、富建設性及知情之意見，為本公司之策略及政策發展作出積極貢獻。

Corporate Governance (Continued)

Chairman and Chief Executive

The Company acknowledges that there are two key aspects of its management – the management of the Board and the day-to-day management of its business, and that there should be a clear division of these responsibilities at the Board level to ensure a balance of power and authority, so that no one individual should have unfettered powers of decision. The roles and objectives of the Chairman, Mr. David Shou-Yeh Wong, and the Chief Executive, Mr. Hon-Hing Wong (Derek Wong), are therefore separated and have been approved by the Board. The Chairman mainly provides leadership for the Board to ensure that the Board works effectively and discharges its responsibilities, and all key and appropriate issues are discussed by the Board in a timely manner. The Chief Executive is responsible for the day-to-day management of the Company to provide business direction and operational leadership for the benefit of the Group's businesses, enhance shareholder value and ensure sound internal control.

Non-executive Directors

The Company has six non-executive directors and four independent non-executive directors. Each of the independent non-executive directors has provided to the Company confirmation of independence as required by Rule 3.13 of the Listing Rules.

Non-executive directors are appointed for a specific term, subject to re-election. The term of appointment of non-executive directors is normally for a term which coincides with their expected dates of retirement by rotation at least once every three years.

Non-executive directors, as equal Board members, give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They attend regular and special Board meetings, and are encouraged to attend the general or special meeting of the shareholders of the Company. The non-executive directors make a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments.

企業管治報告 Corporate Governance Report

企業管治 (續)

董事之薪酬

本公司於二零零五年八月成立薪酬委員會，並以書面訂明其具體職權範圍，列明其角色及職責。薪酬委員會(其中包括)負責批准董事及高級管理人員之薪酬。大部份成員均為獨立非執行董事。

薪酬委員會於二零零五年曾召開兩次會議。委員會現時委員名單及彼等於二零零五年之出席紀錄如下：

委員芳名

史習陶 (主席)
Peter Gibbs Birch
孫大倫
余國雄
王守業
黃漢興

薪酬委員會於二零零五年年度之工作包括：

- 檢討董事及高級管理人員之薪酬政策
- 釐定及批准執行董事及高級管理人員之花紅及薪酬水平
- 釐定新委任高級管理人員之薪酬計劃

本集團之薪酬政策乃維持與市場條件相若、公平且具競爭力之薪酬配套，並根據業務需要、專業才能、個人之素質，以及行業慣例而訂立。

就釐定支付予董事會成員之袍金水平而言，將會考慮市場的袍金水平及各董事之工作量及要求承諾等因素。釐定執行董事薪酬計劃之考慮因素如下：

- 業務需要
- 整體經濟及商業情況

Corporate Governance (Continued)

Remuneration of Directors

A Remuneration Committee was established by the Company in August 2005 with specific written Terms of Reference setting out its role and responsibilities. The Remuneration Committee, among other things, is responsible for approving the remuneration of directors and senior management. The majority of the members are independent non-executive directors.

The Remuneration Committee held two meetings in 2005. The current members of the Remuneration Committee and their attendance records in 2005 are set out below:

Name of member	出席會議次數 Number of meetings attended
Robert Tsai-To Sze (as the Chairman)	2
Peter Gibbs Birch	1
Tai-Lun Sun (Dennis Sun)	2
Kwok-Hung Yue (Justin Yue)	1
David Shou-Yeh Wong	2
Hon-Hing Wong (Derek Wong)	2

The work of the Remuneration Committee during 2005 included:

- Reviewing the Remuneration Policy for directors and senior management
- Determining and approving the bonus and remuneration levels for executive directors and senior management
- Determining the remuneration packages of newly appointed members of senior management

The Group's policy on remuneration is to maintain fair and competitive packages commensurate with market terms, and is based on business needs, expertise and quality of the individual, and industry practice.

For determining the level of fees paid to members of the Board of Directors, market rates and factors such as each directors' workload and required commitment will be taken into account. The following factors are considered when determining the remuneration packages of executive directors:

- Business needs
- The economy and business conditions in general

企業管治報告

Corporate Governance Report

企業管治 (續)

董事之薪酬 (續)

- 各個人對本集團之貢獻
- 參考與個人職責相符之市場薪酬水平
- 留任之考慮因素及各個人之潛能

於考慮過程中，董事不可參與有關其本人薪酬之決定。

董事之提名

董事會之職權範圍規定委任董事會新董事之正規、經考慮且具透明度之程序。職權範圍亦明示禁止就委任新董事之事宜上，將權力下放予董事會轄下之委員會或本公司管理層，並規定董事會全體成員須深入審議後方可作出該等委任。

年內，兩名新董事獲委任進入董事會。

核數師之獨立性及酬金

本公司已檢討並滿意本公司外聘核數師羅兵咸永道會計師事務所（「羅兵咸永道」）就對本集團財務報表進行審核之獨立性。

本公司僅在可受惠於成本效益，又能維持核數師之獨立及客觀之情況下，採用羅兵咸永道之非審核範圍之服務。否則，將採用其他核數師事務所之專業服務。

除有關審核服務外，羅兵咸永道年內提供之非審核服務如下：

- 審閱報稅表及計算結果，及提供稅務顧問服務。
- 因一項收購而被聘用提供有界定範圍和程序之工作。

年內就審核服務支付予羅兵咸永道之費用詳情載於財務報表附錄12。

Corporate Governance (Continued)

Remuneration of Directors (Continued)

- Each individual's contributions to the Group
- Reference to market pay level commensurate with the individual's responsibility
- Retention considerations and each individual's potential

During the process of consideration, no individual director will be involved in decisions relating to his/her own remuneration.

Nomination of Directors

The terms of reference of the Board sets out the requirement for a formal, considered and transparent procedure for the appointment of new directors to the Board. The terms of reference also explicitly prohibit the delegation of decisions regarding the appointment of new directors to sub-committees of the Board or to the management of the Company, and require that such appointments are made after deliberation by the full Board.

During the course of the year, two new directors were appointed to the Board.

Auditors' Independence and Remuneration

The Company has reviewed and is satisfied with the independence of the Company's external auditors, PricewaterhouseCoopers ("PwC"), for performing the audit of the Group's financial statements.

The Company will use the non-audit services of PwC only when the Company can benefit in a cost-effective manner and the independence and objectivity of the auditors can be maintained. Otherwise, professional services from other audit firms are used.

In addition to audit related services, PwC provided the following non-audit services during the year:

- Review of the tax returns and computations, and tax advisory service.
- Specified-procedures engagement following a business acquisition.

Details of the fees paid to PwC during the year for audit services are set out in note 12 to the financial statements.

企業管治報告 Corporate Governance Report

企業管治 (續)

審核委員會

由本公司董事會成立之審核委員會，負責確保財務報告之客觀性及可信性、檢討內部監控制度及遵守監管規定，批准審核計劃及審閱內部及外聘核數師之審核結果及報告，以及當公司向股東呈報業績時，董事須按法律規定以審慎、勤奮及有技能地確保遵循適當之會計及財務報告準則。

委員會向董事會就外聘核數師之選任、監察及酬金提出建議。委員會根據適用之標準檢討及監察外聘核數師之獨立性及客觀性以及審核程序之成效。

委員會審閱及監察本公司之全年度及中期財務報表是否持正，包括編製賬目時所採用之主要財務報告判斷。

委員會檢討本公司之內部監控及風險管理制度，並向董事會報告其檢討結果及提供意見。本公司內部監控制度於下文概述，至於風險管理則載於補充財務資料內之風險管理描述。

審核委員會之職權範圍可於本公司之註冊辦事處查閱。

委員會之成員為史習陶先生(主席)、Peter G. Birch先生及余國雄先生。所有委員會成員均為獨立非執行董事，於銀行、財務及業務管理具有豐富經驗。委員會主席史先生為合資格會計師，於一九九六年六月前為羅兵咸永道會計師事務所之一前身會計師事務所合夥人。委員會概無其他成員受聘於或以其他方式與本公司之前任或現任外聘核數師有聯屬關係。

委員會成員會與本公司之高級管理層、內部審核主管及外聘核數師每年最少開會兩次。二零零五年共召開了三次會議。委員會亦與外聘核數師在無管理層在場下，進行獨立討論。

Corporate Governance (Continued)

Audit Committee

The Audit Committee, established by the Board of the Company, is responsible for ensuring the objectivity and credibility of financial reporting, reviewing the internal control system and compliance with regulatory requirements, and approving audit plans and reviewing findings and reports of the internal and external auditors, and that in presenting results to the shareholders, the directors have exercised the care, diligence and skills prescribed by laws, and that appropriate accounting and financial reporting standards are followed.

The Committee makes recommendation to the Board on the selection, oversight and remuneration of external auditors. The Committee reviews and monitors the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.

The Committee reviews and monitors the integrity of the Company's annual and interim financial statements, including significant financial reporting judgements used in producing the accounts.

The Committee reviews the Company's internal controls and risk management systems and reports its finding and comments to the Board. Descriptions of the Company's internal control system is set out below, whilst for risk management, these are shown in the Supplementary Financial Information under Risk Management.

The terms of reference for the Audit Committee are available for inspection at the Company's registered office.

The members of the Committee are Mr. Robert Tsai-To Sze (Chairman), Mr. Peter Gibbs Birch and Mr. Kwok-Hung Yue (Justin Yue). All the members of the Committee are independent non-executive directors with extensive experience in banking, finance and business management. The Committee's chairman, Mr. Sze, is a qualified accountant and was a partner of a predecessor firm of PricewaterhouseCoopers up to June 1996. None of the other committee members are employed by or otherwise affiliated with the former or existing external auditors of the Company.

The Committee members meet at least twice a year with the Company's senior management, the head of internal audit and the external auditors. In 2005, a total of three meetings were convened. The Committee also held a private discussion session with external auditors without the presence of the management.

企業管治報告 Corporate Governance Report

企業管治 (續)

審核委員會 (續)

個別董事出席二零零五年審核委員會會議之出席紀錄呈列如下：

二零零五年審核委員會會議次數

獨立非執行董事

史習陶 (主席)
Peter Gibbs Birch
余國雄

平均出席率

為使董事知悉審核委員會之討論內容及決定，審核委員會之會議紀錄亦載入於派發予董事之定期董事會會議文件內。

以下為審核委員會於二零零五年履行職責之概要：

- 審閱並就批准二零零四年之業績公佈、經審核賬目，以及二零零五年中期報告向董事會提供意見及作出建議；
- 審視二零零五年度財務報表編製之進度，以符合新會計準則及財務披露要求；
- 考慮收購怡泰富財務及澳門商業銀行引發之會計處理方法上之重要事宜；
- 審閱外聘核數師之審核結果及建議；
- 審閱及批准外聘核數師之審核計劃；
- 審閱及批准內部審核計劃；
- 檢討內部審核工作、結果及建議；
- 與管理層、內部審核師及外聘核數師共同檢討內部監控制度；
- 檢討及跟進香港金融管理局之考核報告及建議；

Corporate Governance (Continued)

Audit Committee (Continued)

The attendance record of individual directors at the Audit Committee meetings in 2005 is set out below:

Number of Audit Committee meetings in 2005

3

Independent Non-Executive Directors

Robert Tsai-To Sze (as the Chairman)	3/3	100%
Peter Gibbs Birch	3/3	100%
Kwok-Hung Yue (Justin Yue)	3/3	100%

Average attendance rate

100%

To enable directors to be informed of the discussions and decisions of the Audit Committee, the minutes of the Audit Committee are included in the board papers of regular board meetings sent to directors.

The following is a summary of the work of the Audit Committee during 2005 in discharging its responsibilities:

- Review of, and providing advice and recommendation to the Board for the approval of the 2004 results announcements and audited accounts, and the 2005 Interim Report;
- Review of an update on the preparation of 2005 financial statements and compliance with new accounting standards and financial disclosure requirements;
- Consideration of major issues on accounting treatments arising from the acquisitions of Pacific Finance and Banco Comercial de Macau;
- Review of the findings and recommendations of the external auditors;
- Review and approval of the external auditors' audit plan;
- Review and approval of internal audit plan;
- Review of the internal audit's work, findings and recommendations;
- Review of the internal control system in conjunction with management and internal and external auditors;
- Review and follow up of the Hong Kong Monetary Authority examination reports and recommendations;

企業管治報告 Corporate Governance Report

企業管治 (續)

審核委員會 (續)

- j. 省覽合規及監管事宜之報告，及採納合規委員會之會議紀錄；
- k. 建議委任外聘核數師事務所，以評估本集團內部監控制度之成效，以及審閱外聘核數師事務所（非本公司之外聘核數師）所提交就風險管理及內部監控之高層次評估；及
- l. 審閱及認可審核委員會之經修訂職權範圍。

內部監控

董事會授權管理層負責制訂及維持健全之內部監控制度。內部監控制度通過管理及營運監控、風險管理制度架構之運作，使董事會可監察本集團之業務表現及財務狀況、監控及調節風險、採納健全之業務守則、合理確證對欺詐及誤差之監控、遵守適用法例及規例，以及對管理人員作出監察及指引，以達成本公司之目標。然而，本集團之內部監控程序僅可對重大誤差、損失或欺詐提供合理而非絕對之保證。

本集團已設立以維持有效內部監控之制度，其主要程序如下：

- 設立清晰之管理組織架構，具有清楚界定之權限、問責性及職責。
- 成立特設委員會，以監察及控制主要風險因素，如信貸風險、財務風險及合規風險。

Corporate Governance (Continued)

Audit Committee (Continued)

- j. Review of reports on applicable compliance and regulatory matters and adoption of the minutes of the meetings of the Compliance Committee;
- k. Recommendation of engaging an external audit firm to conduct an assessment of the effectiveness of the Group's internal control system and review of a high-level assessment on risk management and internal control submitted by an external audit firm (not being the Company's external auditors); and
- l. Review and endorsement of revised terms of reference of the Audit Committee.

Internal Controls

The Board has delegated to management the responsibilities to develop and maintain a sound internal control system. The internal control system, operating through a framework of management and operational controls, and risk management systems, is intended to allow the Board to monitor the Group's business performance and financial positions, to control and adjust risk exposures, to adopt sound business practices, to obtain reasonable assurance on controls against fraud and errors, to ensure compliance with applicable laws and regulations, and to provide oversight and guidance to management in achieving the Company's objectives. However, it should be recognized that the Group's internal control procedures can only provide reasonable, not absolute, assurance against material errors, losses or fraud.

The key procedures that the Group has established to maintain an effective internal control system are as follows:

- A clear management organizational structure is set up with well-defined lines of authority, accountability and responsibilities.
- Specialized committees are formed to oversee and control significant risk factors, such as credit risk, treasury risks and compliance risks.

企業管治報告

Corporate Governance Report

企業管治 (續)

內部監控 (續)

- 定期向高級管理人員及管理委員會(包括行政委員會)報告本公司之業務表現，密切監察實際表現結果與預算之對比。董事會每季審閱本集團之業務及財務表現。
- 制訂書面政策及程序，以促進交易過程之準確性及完整性及保護資產。有關政策及程序包括適當區分職責、賬目對賬及對業務風險之控制。
- 獨立內部審核職能，監察對管理政策及程序以及監管規定之遵守；並檢討內部監控措施之有效性。內部審核部之主管就審核及內部監控事宜直接向審核委員會匯報。
- 本集團管理層之合規委員會對法規之遵守致力維持高度警惕及問責性，並負責監督及領導合規制度、政策及慣例之制訂、維持及加強，以確保遵守所有法律規定及監管指引。本集團之法律及合規部獨立持續監察本集團對相關規則及規例之遵守情況。

Corporate Governance (Continued)

Internal Controls (Continued)

- Regular reporting of the performance of the Company's businesses to senior management and management committees including the Executive Committee. Actual performance results against budgets are closely monitored. The Board reviews the Group's business and financial performance on a quarterly basis.
- Written policies and procedures are established to facilitate accuracy and completeness of transaction processing and the safeguarding of assets. These include proper segregation of duties, reconciliation of accounts and control of business exposures.
- The independent internal audit function monitors compliance with management policies and procedures, and regulatory requirements; and conducts reviews on the effectiveness of internal control measures. The Head of Internal Audit reports directly to the Audit Committee on audit and internal control matters.
- The Group's Compliance Committee at the management level serves to uphold a high level of awareness and accountability of compliance requirements and is responsible for overseeing and guiding the development, maintenance and enhancement of compliance system, policies and practices to ensure compliance with all statutory requirements and regulatory guidelines. The Legal and Compliance Division of the Group performs an independent on-going monitoring role on the Group's compliance with relevant rules and regulations.

董事會報告書 Report of the Directors

董事會謹提呈截至二零零五年十二月三十一日止年度之報告及經審核之財務報表。

The Directors submit their report together with the audited financial statements for the year ended 31 December 2005.

主要業務及營運之分項分析

Principal Activities and Segment Analysis of Operations

大新金融集團有限公司(「本公司」)之主要業務為投資控股。而附屬公司之主要業務則見財務報表附註30。本年度按業務分項之本公司及其附屬公司(「本集團」)業績表現分析載於財務報表附註5。

The principal activity of Dah Sing Financial Holdings Limited (the "Company") is investment holding. The principal activities of the subsidiaries are shown in note 30 to the financial statements. An analysis of the performance of the Company and its subsidiaries (the "Group") for the year by business segment is set out in note 5 to the financial statements.

業績及盈餘分配

Results and Appropriations

本集團截至二零零五年十二月三十一日止年度之業績載於第61頁之綜合收益賬內。

The results of the Group for the year ended 31 December 2005 are set out in the consolidated income statement on page 61.

董事會宣派中期股息每股0.72港元，股東可選擇收取以列作繳足股款而配發之新股代替現金股息。就此，本公司發行共1,478,976股列作繳足股款新股以代替現金股息，及於二零零五年十月十二日派發共99,888,194港元的現金股息。

The Directors declared an interim dividend of HK\$0.72 per share, with an option to receive new, credited as fully paid, shares of the Company in lieu of cash dividend. As a result, 1,478,976 new shares of the Company, credited as fully paid, were issued in lieu of the cash dividend and a total of HK\$99,888,194 in cash was paid on 12 October 2005.

董事會建議派發末期股息每股1.36港元，共派340,120,000港元。

The Directors recommend the payment of a final dividend of HK\$1.36 per share, totalling HK\$340,120,000.

股本

Share Capital

本公司股本之變動詳情載於財務報表附註47。

Details of the movements in share capital of the Company are shown in note 47 to the financial statements.

儲備

Reserves

本集團及本公司是年度之儲備變動詳情載於財務報表附註48。

Movements in the reserves of the Group and of the Company during the year are set out in note 48 to the financial statements.

捐款

Donations

本集團是年度之慈善及其他捐款共達341,146港元。

During the year, the Group made charitable and other donations amounting to HK\$341,146.

固定資產

Fixed Assets

本公司並無持有任何固定資產。集團固定資產變動則詳載於財務報表附註32。

The Company does not hold any fixed assets. Details of the movements in fixed assets of the Group are shown in note 32 to the financial statements.

董事會報告書

Report of the Directors

董事會

本年度內及直至本報告日期止董事芳名：

王守業
主席

周忠繼 O.B.E. J.P.
副主席

鈴木邦雄

*Peter Gibbs Birch C.B.E.

*史習陶

*孫大倫 B.B.S. J.P.

*余國雄

Sohei Sasaki
(於二零零五年三月十五日獲委任)

古川弘介
(於二零零五年三月十五日獲委任)

周偉偉

伍耀明

黃漢興
董事總經理兼行政總裁

安德生

王伯凌

麥曉德

加藤敏文
(鈴木邦雄之替任董事)

玉越良介
(於二零零五年三月十五日辭任)

Directors

The Directors during the year and up to the date of this report are:

David Shou-Yeh Wong
Chairman

Chung-Kai Chow O.B.E. J.P.
Vice Chairman

Kunio Suzuki

*Peter Gibbs Birch C.B.E.

*Robert Tsai-To Sze

*Tai-Lun Sun (Dennis Sun) B.B.S. J.P.

*Kwok-Hung Yue (Justin Yue)

Sohei Sasaki
(*appointed on 15 March 2005*)

Kosuke Furukawa
(*appointed on 15 March 2005*)

John Wai-Wai Chow

Yiu-Ming Ng

Hon-Hing Wong (Derek Wong)
Managing Director and Chief Executive

Roderick Stuart Anderson

Gary Pak-Ling Wang

Nicholas John Mayhew

Toshifumi Kato
(*alternate to Kunio Suzuki*)

Ryosuke Tamakoshi
(*resigned on 15 March 2005*)

董事會報告書 Report of the Directors

董事會 (續)

御手洗徹

(於二零零五年三月十五日辭任)

小笠原剛

(於二零零五年三月十五日退任為玉越良介之替任董事)

金子佳喜

(於二零零五年三月十五日退任為御手洗徹之替任董事)

* 獨立非執行董事

按照本公司組織章程細則第110條規定，周忠繼、周偉偉、史習陶及伍耀明將於應屆之週年股東大會告退，但表示如再度獲選，願繼續連任。

本公司已收到各獨立非執行董事就其在任董事會期間的持續獨立性作出的年度確認函。本公司對所有獨立非執行董事的獨立性表示認同。

Directors (Continued)

Toru Mitarai

(resigned on 15 March 2005)

Takeshi Ogasawara

(ceased to act as an alternate to Ryosuke Tamakoshi on 15 March 2005)

Yoshiki Kaneko

(ceased to act as an alternate to Toru Mitarai on 15 March 2005)

* Independent non-executive Directors

In accordance with Article 110 of the Company's Articles of Association, Chung-Kai Chow, John Wai-Wai Chow, Robert Tsai-To Sze and Yiu-Ming Ng retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The Company has received an annual confirmation from each of the independent non-executive Directors as regards their continued independence while serving as members of the Board of Directors, and the Company still considers all the independent non-executive Directors to be independent.

董事會報告書 Report of the Directors

董事權益

於二零零五年十二月三十一日，根據本公司依證券及期貨條例(第571章)(「證券及期貨條例」)第352條規定而設置之董事及行政總裁權益及淡倉登記冊所載記錄顯示，各董事按「證券及期貨條例」第308條界定所持有本公司及其相聯法團之股份、股本衍生工具及債券之權益如下：

甲) 在本公司及關聯公司所持股份權益

Directors' Interests

At 31 December 2005, the interests of the Directors in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (as defined under section 308 of the Securities and Futures Ordinance (Cap. 571) (the "SFO") recorded in the register of directors' and chief executives' interests and short positions required to be maintained under section 352 of the SFO were as follows:

a) Interests in shares of the Company and associated corporation

董事 Director	持有本公司每股面值 2港元的普通股股份 Number of ordinary shares of HK\$2 each in the Company	股份數量 Number of shares				所持有普通股 股份佔本公司 已發行股本 百分比 Percentage of shares interested in the relevant share capital
		個人權益 Personal Interests	法團權益 Corporate Interests	其他權益 Other Interests	合計權益 Total Interests	
		(註)(Note) 1				
王守業	David Shou-Yeh Wong	-	4,476,219	93,524,849	98,001,068	39.19
				(註)(Note) 2		
周忠繼 O.B.E. J.P.	Chung-Kai Chow O.B.E. J.P.	661,462	8,524,272	-	9,185,734	3.67
周偉偉	John Wai-Wai Chow	821,370	-	-	821,370	0.33
Peter Gibbs Birch C.B.E.	Peter Gibbs Birch C.B.E.	50,000	-	-	50,000	0.02
安德生	Roderick Stuart Anderson	60,131	-	-	60,131	0.02
持有大新銀行集團有限公司 每股面值1港元的 普通股股份 Number of ordinary shares of HK\$1 each in Dah Sing Banking Group Limited						
王守業 (註) 3	David Shou-Yeh Wong (Note) 3	-	731,495,970	-	731,495,970	78.54
周忠繼 O.B.E. J.P.	Chung-Kai Chow O.B.E. J.P.	130,135	1,677,054	-	1,807,189	0.19
周偉偉	John Wai-Wai Chow	162,970	-	-	162,970	0.02
麥曉德(註) 4	Nicholas John Mayhew (Note) 4	20,000	-	-	20,000	0.00

董事權益 (續)

甲) 在本公司及關聯公司所持股份權益 (續)

註：

- 1) 董事之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- 2) 此等股份乃由為王守業先生及其家屬利益而成立之全權信託受託人匯豐國際信託有限公司間接持有。
- 3) 由於王守業先生於本公司擁有98,001,068股實益股份權益，佔相關已發行股本百分之三十九點一九，因而按證券及期貨條例第XV部的定義被視作擁有該等大新銀行集團股份之法團權益。

於二零零五年二月十三日，本公司配售合共33,526,800股大新銀行集團有限公司(「大新銀行集團」)股份予獨立第三者，減持大新銀行集團股份至百分之七十四點九四，並於二零零六年二月十六日完成。因此，王守業先生於大新銀行集團之法團權益亦減至百分之七十四點九四。

- 4) 除上述所披露之大新銀行集團權益外，麥曉德在DSE Investment Services Limited(「DSE」)亦擁有面值700港元之優先股份權益。DSE乃本公司全資附屬公司，現時暫無營業。

Directors' Interests (Continued)

a) Interests in shares of the Company and associated corporation (Continued)

Notes:

- 1) The corporate interest is in respect of shares held by a company in which the director has an interest of one third or more.
- 2) Such shares are indirectly held by HSBC International Trustee Limited, the trustee of a discretionary trust established for the benefit of David Shou-Yeh Wong and his family.
- 3) Such shares in DSBG represent the corporate interest of David Shou-Yeh Wong under Part XV of the SFO by virtue of his beneficial interest in 98,001,068 shares of the Company, representing 39.19% of the relevant entire share capital currently in issue.

On 13 February 2006, the Company placed an aggregate of 33,526,800 DSBG shares to independent third parties reducing its shareholding in Dah Sing Banking Group Limited ("DSBG") to 74.94%. This was completed on 16 February 2006 and accordingly the corporate interest of David Shou-Yeh Wong in DSBG was reduced to 74.94%.

- 4) In addition to his interest in DSBG, Nicholas John Mayhew is also beneficially interested in all of DSE Investment Services Limited's ("DSE") preference shares in issue totalling HK\$700. DSE, a wholly owned subsidiary of the Company, is currently dormant.

董事會報告書 Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益

i) 本公司之認股權計劃

於二零零五年四月二十八日的週年股東大會上，本公司股東通過設立認股權計劃（「新認股權計劃」），同時終止本公司於一九九五年五月十七日通過而設立之行政人員認股權計劃（「舊認股權計劃」）（與新認股權計劃合稱「該等計劃」）。舊認股權計劃的條款仍然有效，所有舊認股權計劃終止前授予之認股權仍可依章行使。截至二零零五年十二月三十一日止年度期間，本公司無再根據舊認股權計劃授予任何認股權，但在舊認股權計劃終止前授出可認購每股面值2港元本公司共2,450,000普通股股份之認股權則告失效或取消。再者，在二零零五年八月二十五日新認股權計劃下，合資格承授人獲授予可認購每股面值2港元本公司共2,150,000普通股股份之認股權。

就上市規則，新認股權計劃概括如下：

(1) 新認股權計劃的目的：

新認股權計劃的目的是為承授人之貢獻及長期努力提供誘因及/或給予報酬，令大新金融集團內的公司獲得裨益。

(2) 新認股權計劃的參與人：

任何一位大新金融集團內的公司董事、經理或擔任行政、管理或主管職位之其他僱員，或由董事會行使單獨決斷權決定新認股權計劃之合資格參與人。

Directors' Interests (Continued)

b) *Interests in options under share option schemes of the Company and associated corporation*

i) **Share option schemes of the Company**

The shareholders of the Company approved the adoption of the Share Option Scheme (the "New Option Scheme") and, at the same time, the termination of the Executive Share Option Scheme adopted by the Company on 17 May 1995 (the "Old Option Scheme") (together with the New Option Scheme, collectively referred as the "Schemes") at the annual general meeting of the Company held on 28 April 2005. The provisions of the Old Option Scheme remain in full force and effect to the extent necessary to give effect to exercise of all options granted prior to the termination of the Old Option Scheme. For the year ended 31 December 2005, there was no option granted by the Company under the Old Option Scheme, but options to subscribe for a total of 2,450,000 ordinary shares of HK\$2 each in the Company granted prior to the termination of the Old Option Scheme lapsed or were cancelled. In addition, options to subscribe for a total of 2,150,000 ordinary shares of HK\$2 each of the Company were granted to eligible grantees under the New Option Scheme on 25 August 2005.

Summary of the New Option Scheme disclosed in accordance with the Listing Rules are as follows:

(1) Purpose of the New Option Scheme:

The purpose of the New Share Option Scheme is to provide an incentive and/or reward to grantees for their contribution to, and continuing efforts to promote the interests of, the Group.

(2) Participants of the New Option Scheme:

Any director of, manager of, or other employee holding an executive, managerial or supervisory position in, the Group as the Board may in its sole discretion determine to be eligible to participate in the New Share Option Scheme.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

- (3) 新認股權計劃中可予發行的股份數目及其於二零零五年十二月三十一日佔已發行股本的百分率：

於二零零五年十二月三十一日，新認股權計劃可准予發行共2,454,411股，佔大新金融集團已發行股本百分之零點九八。

- (4) 新認股權計劃中每名參與人可獲授權益上限：

任何合資格人士不會獲授予認股權，而該等認股權被行使後導致其獲授權認購之股份，若合共給予其已發行及將發行之股份總數多於包括授予有關認股權當日及授予日起計十二個月期間已發行股本的百分之一。任何進一步授予高於上限之認購權得接受新認股權計劃之條款及不時修訂之上市規則監管。

- (5) 可根據認股權認購股份的期限：

認購期由薪酬委員會代大新金融集團董事會決定，及於授予有關認股權時闡明。所有在新認股權計劃下現有之認股權可於獲授予日期起計第一至第六周歲期間按不同數額行使。

- (6) 認股權行使之前必須持有的最短期限：

最短持有日由薪酬委員會代大新金融集團董事會決定，及於授予時闡明。新認股權計劃下之現有認股權不得於授予後一年內行使。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

i) Share option schemes of the Company (Continued)

- (3) Total number of shares available for issue under the New Option Scheme and percentage of issued share capital as of 31 December 2005:

The number of shares available for issue under the New Option Scheme is 2,454,411 shares, representing 0.98% of the issued share capital of the Company as at 31 December 2005.

- (4) Maximum entitlement of each participant under the New Option Scheme:

No options may be granted to any eligible person which, if exercised, would result in such eligible person becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him in the 12-month period up to and including the offer date of relevant options, exceed 1% of the shares in issue at such date. Any grant of further options above the limit shall be subject to the provisions of the New Option Scheme and the Listing Rules as amended from time to time.

- (5) The period within which the shares must be taken up under an option:

The exercise period is determined by the Remuneration Committee on behalf of the Board of the Company and specified when related options are granted. All the existing share options under the New Option Scheme shall be exercisable upon vesting in varying amounts between the first and sixth anniversaries from the date of grant.

- (6) The minimum period for which an option must be held before it can be exercised:

The minimum holding period is determined by the Remuneration Committee on behalf of the Board of the Company and being specified when related options are granted. None of the existing share options under the New Option Scheme shall be exercisable within one year from the date of grant.

董事會報告書

Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

- (7) 申請或接受認股權須付金額以及付款或通知付款的期限或償還申請期權貸款的期限：

接受認股權應支付金額按每份認股權1港元代價認購，及務須於授予認股權邀約日起計二十八天內或董事會不時決定之時間內繳訖。

- (8) 行使價的釐定基準：

行使價根據當時香港聯合交易所有限公司(「香港交易所」)上市規則第17.03(9)條釐定，由薪酬委員會代大新金融集團董事會決定，及以下列兩項計算所得較高者為準：(i) 大新金融集團於香港交易所買賣之股份在授予日之收市價；及(ii) 大新金融集團於香港交易所買賣之股份在授予日前五個交易日之平均收市價。

- (9) 新認股權計劃尚餘的有效期：

新認股權計劃將於二零一五年四月二十七日期滿。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

i) Share option schemes of the Company (Continued)

- (7) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purpose must be repaid;

The amount payable on acceptance of an option is HK\$1.00 and must be made within 28 days upon offer of granting of options or such period the Board may determine from time to time.

- (8) The basis of determining the exercise price:

The exercise price per option share is determined by the Remuneration Committee on behalf of the Board of the Company in accordance with Rule 17.03(9) of the Listing Rules of The Stock Exchange of Hong Kong Limited ("SEHK") and is calculated as the higher of (i) the closing price for the Company's shares traded on the SEHK on the date of grant; and (ii) the average closing prices for the Company's shares traded on the SEHK for the five trading days immediately preceding the date of grant.

- (9) The remaining life of the New Option Scheme:

The New Option Scheme will expire on 27 April 2015.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

根據本公司及其附屬公司的該等計劃，本公司及其主要營運附屬公司的若干董事獲授予認股權。截至二零零五年十二月三十一日止，在該等計劃下仍未行使之認股權結餘詳情如下：

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

i) Share option schemes of the Company (Continued)

Pursuant to the Schemes of the Company and its associated corporation, certain Directors of the Company and its major operating subsidiaries were granted options under the Schemes. Details of the share options outstanding as at 31 December 2005 which have been granted under the Schemes are as follows:

認股權股份數目
Number of shares in the options

		二零零五年內 於二零零五年					行使價	授予日	行使期	
		於二零零五年一月一日持有	二零零五年內 授予	二零零五年內 行使	失效/取消 十二月三十一日	持有			由	至
		Held at 1/1/2005	Granted during 2005	Exercised during 2005	Lapsed/ cancelled during 2005	Held at 31/12/2005	Exercise price	Grant date	From	To
							(註) (Note) 1			
							港元	(日/月/年)	(日/月/年)	(日/月/年)
							HK\$	(d/m/y)	(d/m/y)	(d/m/y)
董事	Directors									
黃漢興	Hon-Hing Wong	1,000,000	-	-	1,000,000	-	64.00	25/11/2004	25/11/2005	25/11/2010
	(Derek Wong)	-	1,000,000	-	-	1,000,000	51.71	25/8/2005	25/8/2006	25/8/2011
安德生	Roderick Stuart Anderson	200,000	-	200,000	-	-	26.28	3/4/2000	3/4/2001	3/4/2005
				(註) (Note) 2						
		250,000	-	-	250,000	-	64.00	25/11/2004	25/11/2005	25/11/2010
		-	250,000	-	-	250,000	51.71	25/8/2005	25/8/2006	25/8/2011
王伯凌	Gary Pak-Ling Wang	400,000	-	-	400,000	-	64.00	25/11/2004	25/11/2005	25/11/2010
		-	400,000	-	-	400,000	51.71	25/8/2005	25/8/2006	25/8/2011
麥曉德	Nicholas John Mayhew	250,000	-	-	250,000	-	64.00	25/11/2004	25/11/2005	25/11/2010
		-	250,000	-	-	250,000	51.71	25/8/2005	25/8/2006	25/8/2011
僱員總額	Aggregate of employees	300,000	-	-	300,000	-	54.25	23/8/2004	23/8/2005	23/8/2010
(註) 3	(Note) 3	250,000	-	-	250,000	-	64.00	25/11/2004	25/11/2005	25/11/2010
		-	250,000	-	-	250,000	51.71	25/8/2005	25/8/2006	25/8/2011

董事會報告書 Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

註：

- 除二零零零年四月三日授予認股權之行使價每股26.28港元(見以下本附註分段(a))外，其他每期授予的行使價乃根據香港交易所上市規則(「上市規則」)第17.03(9)條釐定，即(i)本公司於香港交易所買賣之股份在授予日之收市價；及(ii)本公司股份於香港交易所買賣在授予日前五個交易日之平均收市價，兩項中以較高者定為行使價。本公司股份在不同授予日前的收市價如下：

授予日期
Date of grant
(日/月/年) (d/m/y)

行使價
Exercise price
港元 HK\$

**授予前一日本公司於
香港交易所之收市價**
Closing price
of the Company's shares on the SEHK
immediately before the date of grant
港元 HK\$

23/8/2004	HK\$54.25	HK\$55.75
25/11/2004	HK\$64.00	HK\$61.00
25/8/2005	HK\$51.71	HK\$51.05

- 行使價為\$26.28港元，乃根據本公司於香港交易所買賣之股份在授予日前五個交易日之平均收市價折讓百分之五而釐定。在二零零零年四月三日授予日的前收市價為每股27.50港元。
- 行使日期為二零零五年三月三十一日。行使有關認股權當日之收市價為每股49.70港元。依據本計劃賦予之酌情權，本公司以現金支付代替配發股份。該等款額為認股權行使當日本公司股份每股收市價與其設定行使價26.28港元之溢價。支付總額為4,684,000港元，可認購200,000股之認股權則視作已全數行使。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

i) Share option schemes of the Company (Continued)

Notes:

- The exercise prices for each tranche of granting, except for the granting of share options at an exercise price of HK\$26.28 per share on 3 April 2000 (see sub-paragraph (a) in this note below), were determined in accordance with Rule 17.03(9) of the Listing Rules prevailing in force, being calculated as the higher of (i) the closing price of the Company's shares traded on the SEHK on the date of grant; and (ii) the average closing price of the Company's shares traded on the SEHK for the five preceding trading days immediately before the date of grant. The closing price of the Company's shares immediately before the respective dates of grant are set out below:

**授予前一日本公司於
香港交易所之收市價**
Closing price
of the Company's shares on the SEHK
immediately before the date of grant
港元 HK\$

23/8/2004	HK\$54.25	HK\$55.75
25/11/2004	HK\$64.00	HK\$61.00
25/8/2005	HK\$51.71	HK\$51.05

- The exercise price of HK\$26.28 was determined as 5% less than the average closing price of the Company's shares traded on the SEHK for the five preceding trading days immediately before the date of grant. The closing price of the Company's shares immediately before the date of grant on 3 April 2000 was HK\$27.50.
- The exercise date was 31 March 2005. At the date the options were exercised, the closing market price per share was HK\$49.70. Instead of allotting new shares, the Company exercised its discretion as allowed under the Old Option Scheme by making a cash payment in lieu of the required share allotment. The amount is the excess of the closing market price of the Company's shares upon exercise of the options over the predetermined exercise price of HK\$26.28 each. The aggregate payment amounted to HK\$4,684,000 and the options so granted to subscribe for 200,000 shares were deemed as having been exercised.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

i) 本公司之認股權計劃 (續)

3. 載於本分段之內容乃關於在截至二零零五年十二月三十一日止財政年度內，授予本公司兩名僱員之認股權(仍未行使)的詳情及變動。彼均為本公司主要營運附屬公司的董事，並為香港僱傭條例下「連續合約」工作的僱員。

4. 在該等計劃下，並無承授人獲授予多於其個人上限之認股權。

5. 在二零零五年十二月三十一日止年度所授予認股權的價值：

在二零零五年十二月三十一日止年度所授予認股權之價值計算方法詳載於財務報表附註52。

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃

大新銀行集團有限公司(「大新銀行集團」)之認股權計劃(「大新銀行集團認股權計劃」)於二零零四年六月十二日獲本公司以其唯一股東身份通過。大新銀行集團在獲得香港交易所批准的情況下，將其認股權計劃的資料列於首次公開招股書內，而有關計劃條款在二零零四年六月成功招股上市後仍然有效。大新銀行集團認股權計劃在截至二零零五年十二月三十一日止年度期間，並無認股權告失效或取消，而在大新銀行集團認股權計劃下，合資格承授人獲授予可認購每股面值1港元大新銀行集團共800,000普通股股份之認股權。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

i) Share option schemes of the Company (Continued)

3. Set out under this sub-paragraph are particulars and movements during the financial year ended 31 December 2005 of the Company's outstanding share options which were granted to two employees, who are/were directors of the Company's major operating subsidiaries and are/were working under employment contracts that are regarded as "continuous contracts" for the purpose of the Employment Ordinance of Hong Kong.

4. None of the grantees under the Schemes were granted share options exceeding respective individual limits.

5. Value of options granted during the year ended 31 December 2005:

Details of the computation of the value of options granted during the year are ended 31 December 2005 are shown in note 52 to the financial statements.

ii) Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company

The Share Option Scheme (the "DSBG Option Scheme") of Dah Sing Banking Group Limited ("DSBG") was initially approved by the Company, as the sole shareholder of DSBG, on 12 June 2004. With the approval of the SEHK, the terms of the DSBG Option Scheme as disclosed in DSBG's initial public offering prospectus remained valid after its public listing in June 2004. For the year ended 31 December 2005, there was no option lapsed or cancelled under the DSBG Option Scheme, and options to subscribe for a total of 800,000 ordinary shares of HK\$1 each of DSBG were granted to eligible grantees under the DSBG Option Scheme.

董事會報告書 Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃 (續)

根據上市規則，本公司附屬之大新銀行集團認股權計劃概括如下：

- (1) 大新銀行集團認股權計劃的目的：

大新銀行集團認股權計劃的目的是為招攬、獎勵及挽留高質素行政人員以助集團的業務及擴展。

- (2) 大新銀行集團認股權計劃的參與人：

大新銀行集團認股權計劃合資格參與人包括大新銀行集團及附屬公司之董事及擔任管理職位之僱員。

- (3) 大新銀行集團認股權計劃中可予發行的股份數目及其於二零零五年十二月三十一日佔已發行股本的百分率：

於二零零五年十二月三十一日，大新銀行集團認股權計劃仍有45,270,813股股份可予發行，佔大新銀行集團已發行股本百分之四點八六。

Directors' Interests (Continued)

b) *Interests in options under share option schemes of the Company and associated corporation (Continued)*

ii) **Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company (Continued)**

Summary of the DSBG Option Scheme disclosed in accordance with the Listing Rules are as follows:

- (1) Purpose of the DSBG Option Scheme:

The purpose of the DSBG Option Scheme is to attract, motivate and retain high quality executives to contribute to the Group's business and growth.

- (2) Participants of the DSBG Option Scheme:

Eligible participants of the DSBG Option Scheme included directors and employees holding supervisory positions in DSBG and its subsidiaries.

- (3) Total number of shares available for issue under the DSBG Option Scheme and percentage of issued share capital as of 31 December 2005:

The number of shares available for issue under the DSBG Option Scheme is 45,270,813 shares, representing 4.86% of the issued share capital of DSBG as at 31 December 2005.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃 (續)

- (4) 大新銀行集團認股權計劃中每名參與人可獲授權益上限：

任何合資格人士不會獲授予認股權，而該等認股權被行使後導致其獲授權認購之股份，若合共給予其已發行及將發行之股份總數多於包括授予有關認股權當日及授予以起計十二個月期間已發行股本的百分之一。任何進一步授予高於上限之認購權得接受大新銀行集團認股權計劃之條款及不時修訂之上市規則監管。

- (5) 可根據認股權認購股份的期限：

認購期由其薪酬委員會代大新銀行集團董事會決定，及於授予有關認股權時闡明，股份須於有關認股權授予以起計十年內認購。所有在大新銀行集團認股權計劃下現有之認股權可於獲授予以起計第一至第六周歲期間按不同數額行使。

- (6) 認股權行使之前必須持有的最短期限：

最短持有日由其薪酬委員會代大新銀行集團董事會決定，及於授予時闡明。大新銀行集團認股權計劃下之現有認股權不得於授予以後一年內行使。

Directors' Interests (Continued)

b) *Interests in options under share option schemes of the Company and associated corporation (Continued)*

ii) **Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company (Continued)**

- (4) Maximum entitlement of each participant under the New Option Scheme:

No options may be granted to any eligible person which, if exercised, would result in such eligible person becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him in the 12-month period up to and including the offer date of relevant options, exceed 1% of the shares in issue at such date. Any grant of further options above the limit shall be subject to the provisions of the DSBG Option Scheme and the Listing Rules as amended from time to time.

- (5) The period within which the shares must be taken up under an option:

The exercise period is determined by the Remuneration Committee on behalf of the Board of DSBG and is specified when related options are granted, but shares under the options must be taken up within 10 years from the date of grant. All the existing share options under the DSBG Option Scheme shall be exercisable upon vested in varying amounts between the first and sixth anniversaries from the date of grant.

- (6) The minimum period for which an option must be held before it can be exercised:

The minimum holding period is determined by Remuneration Committee on behalf of the Board of DSBG and is specified when related options are granted. None of the existing share options under the DSBG Option Scheme shall be exercisable within one year from the date of grant.

董事會報告書 Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃 (續)

- (7) 申請或接受認股權須付金額以及付款或通知付款的期限或償還申請期權貸款的期限：

接受認股權應支付金額按每份認股權1港元代價認購，及務須於授予認股權邀約日起計二十八天內或董事會不時決定之時間內繳訖。

- (8) 行使價的釐定基準：

行使價根據當時香港交易所上市規則第17.03(9)條釐定，由薪酬委員會代本公司董事會決定，及以下列兩項計算所得較高者為準：(i) 本公司於香港交易所買賣之股份在授予日之收市價；及(ii) 本公司於香港交易所買賣之股份在授予日前五個交易日之平均收市價。

- (9) 大新銀行集團認股權計劃尚餘的有效期：

大新銀行集團認股權計劃由二零零四年六月十二日起十年內有效，至二零一四年六月十一日屆滿。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company (Continued)

- (7) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purpose must be repaid;

The amount payable on acceptance of an option is HK\$1.00 and must be made within 28 days upon offer of granting of options or such period the Board may determine from time to time.

- (8) The basis of determining the exercise price:

The exercise price per option share is determined by the Remuneration committee on behalf of the Board of DSBG in accordance with Rule 17.03(9) of the Listing Rules and is calculated as the higher of (i) the closing price for the DSBG's shares traded on the SEHK on the date of grant; and (ii) the average closing prices for the DSBG's shares traded on the SEHK for the five trading days immediately preceding the date of grant.

- (9) The remaining life of the DSBG Option Scheme:

The DSBG Option Scheme shall be valid and effective for a period of 10 years commencing from 12 June 2004 and expiring at the close of 11 June 2014.

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃 (續)

根據大新銀行集團及其附屬公司的大新銀行集團認股權計劃，大新銀行集團及其主要營運附屬公司的若干董事獲授予認股權。截至二零零五年十二月三十一日止，在大新銀行集團認股權計劃下仍未行使之認股權結餘詳情如下：

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company (Continued)

Pursuant to the DSBG Option Scheme of DSBG and its associated corporation, certain directors of DSBG and its major operating subsidiaries were granted options under the DSBG Option Scheme. Details of the share options outstanding as at 31 December 2005 which have been granted under the DSBG Option Scheme is as follows:

認股權包含大新銀行集團股份數目

Number of DSBG shares in the options

於二零零五年一月一日持有	二零零五年內		失效/取消	於二零零五年十二月三十一日持有	行使價	授予日期	行使期	
	授予	行使					由	至
Held at 1/1/2005	Granted during 2005	Exercised during 2005	Lapsed/ cancelled during 2005	Held at 31/12/2005	Exercise price	Grant date	From	To
					(註) (Note) 1			
					港元	(日/月/年)	(日/月/年)	(日/月/年)
					HK\$	(d/m/y)	(d/m/y)	(d/m/y)

僱員總額

Aggregate of employees

(註) 2

(Note) 2

第一次	First tranche	500,000	-	-	-	500,000	16.70	25/11/2004	25/11/2005	25/11/2010
第二次	Second tranche	-	550,000	-	-	550,000	14.40	25/8/2005	25/8/2006	25/8/2011
第三次	Third tranche	-	250,000	-	-	250,000	14.32	30/12/2005	30/12/2006	30/12/2011

董事會報告書 Report of the Directors

董事權益 (續)

乙) 在本公司及關聯公司所持認股權權益 (續)

ii) 本公司主要附屬機構 — 大新銀行集團有限公司之認股權計劃 (續)

註：

1. 每期授予的行使價是根據上市規則第17.03(9)條釐定，即(i)大新銀行集團於香港交易所買賣之股份在授予日之收市價；及(ii)本公司股份於香港交易所買賣在授予日前五個交易日之平均收市價，兩項中以較高者定為行使價。大新銀行集團股份在不同授予日前的收市價如下：

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予前一日大新銀行集團於 香港交易所之收市價 Closing price of DSBG shares on the SEHK immediately before the date of grant 港元 HK\$
25/11/2004	HK\$16.70	HK\$16.60
25/8/2005	HK\$14.40	HK\$14.15
30/12/2005	HK\$14.32	HK\$14.35

2. 載於本分段之內容乃關於在截至二零零五年十二月三十一日止財政年度內，大新銀行集團授予其一名董事、及主要營運附屬機構三名董事及三名高級行政人員之認股權，彼等均為香港僱傭條例下「連續合約」工作的僱員。
3. 在大新銀行集團認股權計劃下，並無承授人獲授予多於其個人上限之認股權。

所有上述權益皆屬好倉。於二零零五年十二月三十一日，本公司依據「證券及期貨條例」而設置之董事及行政總裁權益及淡倉登記冊內並無董事持有淡倉的紀錄。

Directors' Interests (Continued)

b) Interests in options under share option schemes of the Company and associated corporation (Continued)

ii) Share option scheme of Dah Sing Banking Group Limited, a majority owned subsidiary of the Company (Continued)

Notes:

1. The exercise prices for each tranche of granting was determined in accordance with Rule 17.03(9) of the Listing Rules prevailing in force, being calculated as the higher of (i) the closing price of DSBG's shares traded on the SEHK on the date of grant; and (ii) the average closing price of DSBG's shares traded on the SEHK for the five preceding trading days immediately before the date of grant. The closing price of DSBG's shares immediately before the respective dates of grant are set out below:

授予日期 Date of grant (日/月/年) (d/m/y)	行使價 Exercise price 港元 HK\$	授予前一日大新銀行集團於 香港交易所之收市價 Closing price of DSBG shares on the SEHK immediately before the date of grant 港元 HK\$
25/11/2004	HK\$16.70	HK\$16.60
25/8/2005	HK\$14.40	HK\$14.15
30/12/2005	HK\$14.32	HK\$14.35

2. Set out under this sub-paragraph are particulars and movements during the financial year ended 31 December 2005 of the DSBG's outstanding share options which were granted to one of its directors, and three directors and three employees of the DSBG's major operating subsidiaries and are working under employment contracts that are regarded as "continuous contracts" for the purpose of the Employment Ordinance of Hong Kong.
3. None of the grantees under the DSBG Option Scheme were granted share options exceeding respective individual limits.

All the interests stated above represent long position. As at 31 December 2005, none of Directors of the Company held any short positions as defined under the SFO as recorded in the register of directors' and chief executives' interests and short positions.

董事權益(續)

除上述所載外，本年度內本公司及其附屬公司概無簽訂任何協議，使本公司董事及其配偶與未滿十八歲之子女可藉收購本公司或任何其他法人團體之股份或債券而取得利益。

各董事與本公司並無簽訂任何服務合約。

本年度內或年結時，本公司及其附屬公司概無簽訂任何有關本公司之業務而本公司董事直接或間接擁有重大權益之重要合約。

Directors' Interests (Continued)

Apart from the above, at no time during the year was the Company or its subsidiaries a party to any arrangements to enable the Directors of the Company nor their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Directors do not have any service contracts with the Company.

No contracts of significance in relation to the Company's business to which the Company or its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事會報告書

Report of the Directors

股東權益

於二零零五年十二月三十一日，依「證券及期貨條例」第336條而設置之股東股份權益及淡倉登記冊，顯示本公司已接獲下列持有本公司發行股份或相關股份百分之五或以上權益之通知，而已載於上述董事權益中據實披露之權益則不再於下述重覆。

Shareholders' Interests

At 31 December 2005, the register of shareholders' interests in shares and short positions maintained under section 336 of the SFO showed that the Company had been notified of the following interests, which are in addition to those disclosed above in respect of Directors, being 5% or more held in the shares and underlying shares of the Company.

股東 Shareholder	身份 Capacity	股份數量 Number of shares	有關股份佔全部 已發行股本之百分比 Percentage of shares held in the entire issued share capital
王嚴君琴	因其配偶擁有須具披露權益而視作其權益		
Christine Yen Wong	Deemed Interest by virtue of her spouse having a notifiable interest	98,001,068 (註) (Note) 1	39.19%*
匯豐國際信託有限公司 HSBC International Trustee Limited	信託人及法團權益 Trustee and corporate interest	92,199,482 (註) (Note) 2	37.09%*
DSI Limited	信託人及法團權益 Trustee and corporate interest	46,046,356 (註) (Note) 3	18.41%*
DSI Group Limited	信託人及法團權益 Trustee and corporate interest	35,061,750 (註) (Note) 3	14.02%*
UFJ Bank Limited (註) (Note) 4	實質權益 Beneficial interest	30,321,066	12.12%
Aberdeen Asset Management Asia Ltd.	投資經理 Investment manager	18,048,800	7.26%
Aberdeen Asset Management Plc and its associates	投資經理 Investment manager	18,048,800	7.26%
The Capital Group Companies, Inc.	投資經理 Investment manager	14,942,560	5.97%

* 以上匯豐國際信託有限公司、DSI Limited 及 DSI Group Limited各自所列之權益均屬王守業先生所持有的98,001,068股本公司股份中之部份。該等王守業先生之權益已於第44頁「董事權益」項內據實予以披露。王嚴君琴女士的權益即該等王守業先生在本公司的股份全數。因此，有關股份不可累積合計，概只屬於王守業先生所披露98,001,068股本公司股份中之部份或全部。

* Each of the interests of HSBC International Trustee Limited, DSI Limited and DSI Group Limited forms part of the 98,001,068 shares in the Company in which David Shou-Yeh Wong has an interest as disclosed in the section headed "Directors' Interests" on page 44. The interest of Christine Yen Wong represents the whole of such shares. Therefore, these shareholdings should not be aggregated, and rather form part or whole of the same interest of 98,001,068 shares in the Company disclosed by David Shou-Yeh Wong.

股東權益 (續)

註：

1. 此等股份屬王嚴君琴視作持有之權益，皆因其配偶(王守業)乃持本公司有關股本中按「證券及期貨條例」第316(1)條釋義須予申報權益之主要股東。此等權益與王守業於上述董事權益披露中所載持有之股份相同。
2. 此等股份主要為由王守業及其家族利益而成立之全權信託受託人匯豐國際信託有限公司間接持有。涉及之股份已於上述董事權益有關王守業的其他權益一項中披露。
3. 此等股份主要為由王守業及其家族利益而成立之全權信託受託人DSI Limited及DSI Group Limited間接持有。涉及之股份已於上述董事權益有關王守業的其他權益一項中披露。
4. 於二零零六年一月一日，UFJ銀行有限公司(「UFJ銀行」)與東京三菱銀行有限公司合併為三菱東京UFJ銀行有限公司(「三菱東京UFJ銀行」)，同時UFJ銀行終止擁有本公司股份，繼由三菱東京UFJ銀行承接，成為有關本公司權益之持有人。

所有上述權益皆屬好倉。於二零零五年十二月三十一日，本公司之股東權益及淡倉登記冊內並無淡倉紀錄。

購買、出售或贖回股份

本公司於年內並無贖回任何本身之股份。另本公司及各附屬公司於年內亦無購買或出售任何本公司之股份。

管理合約

本年度內，本公司並無就全盤或其中重大部份業務簽訂或存有任何管理及行政合約。

Shareholders' Interests (Continued)

Notes:

1. Such shares represent deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong, being a substantial shareholder of the Company having a notifiable interest in the relevant share capital of the Company (under the interpretation of section 316(1) of the SFO). This interest comprises the same shares held by David Shou-Yeh Wong under the heading of "Directors' Interests" above.
2. Such shares are mainly comprised of the interest indirectly held by HSBC International Trustee Limited in trust for a discretionary trust established for the benefit of David Shou-Yeh Wong and his family. Relevant shares have been included in the "Other interests" of David Shou-Yeh Wong as disclosed under the heading of "Directors' Interests" above.
3. Such shares are mainly comprised of the interests indirectly held by DSI Limited and DSI Group Limited in trust for a discretionary trust established for the benefit of David Shou-Yeh Wong and his family. Relevant shares have been included in the "Other interests" of David Shou-Yeh Wong as disclosed under the heading of "Directors' Interests" above.
4. On 1 January 2006, UFJ Bank Limited ("UFJ Bank") merged with The Bank of Tokyo-Mitsubishi, Ltd. to form The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU"), and UFJ Bank ceased to own such shares and BTMU became the holder of such interest in the Company.

All the interests stated above represent long positions. As at 31 December 2005, no short positions were recorded in the register of shareholders' interests in shares and short positions.

Purchase, Sale or Redemption of Shares

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

董事會報告書 Report of the Directors

五年財務數據

本集團過去五年之公佈業績、資產及負債已載列於本年報之「財務概要」內。

主要客戶

是年度少於百分之三十之利息收入及其他營運收入源自本集團最主要之五名客戶。

充足公眾持股量

截至本年報編製最後可行日期二零零六年三月二十七日止，本公司已發行250,088,234股每股2港元的普通股（「股份」），其中合共138,439,369股股份，即百分之五十五點三六的本公司股份，由本公司的主要股東（持有本公司已發行股本百分之十或以上）及董事所持有。在二零零六年三月二十七日就各董事所知，餘下的百分之四十四點六四的本公司股份乃由公眾（按上市規則8.24條所訂明）持有。因此，本公司在本報告日有充足公眾持股量。

核數師

本財務報表已經羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願應聘連任。在即將召開的股東週年常會中，將提請通過再聘請羅羅兵咸永道會計師事務所為本公司核數師的議案。本公司在過去三年內並無更換公司核數師。

承董事會命

王守業

主席

香港 二零零六年三月二十七日

Five Year Financial Information

The published results and the assets and liabilities of the Group for the last five years are included in the section of the annual report under “Financial Summary”.

Major Customers

During the year, the Group derived less than 30% of net interest income and other operating income from its five largest customers.

Sufficiency of Public Float

As at 27 March 2006, being the latest practicable date prior to the finalisation of this annual report, there were 250,088,234 ordinary shares of HK\$2 each (the “Shares”) in the Company in issue. Of those Shares, an aggregate of 138,439,369 Shares, representing 55.36% in the share capital of the Company, were held by substantial shareholders (holding 10% or more in the issued share capital of the Company) and Directors of the Company. Therefore, as far as the Directors are aware, the balance of 44.64% of the share capital of the Company was held by the public (as defined in Rule 8.24 of the Listing Rules) as at 27 March 2006, and therefore the Company had sufficient public float at such date.

Auditors

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditors of the Company is to be proposed at the forthcoming annual general meeting. The Company has not changed its auditors in the preceding three years.

On behalf of the Board

David Shou-Yeh Wong

Chairman

Hong Kong, 27 March 2006

綜合收益賬 Consolidated Income Statement

截至二零零五年十二月三十一日止年度 For the year ended 31 December 2005
(以港幣千元位列示) (Expressed in thousands of Hong Kong dollars)

		附註 Note	二零零五年 2005	二零零四年 2004 經重列 Restated
利息收入	Interest income		3,156,660	2,259,182
利息支出	Interest expense		(1,758,389)	(579,535)
淨利息收入	Net interest income	6	1,398,271	1,679,647
服務費及佣金收入	Fee and commission income		446,929	464,348
服務費及佣金支出	Fee and commission expense		(91,155)	(86,507)
淨服務費及佣金收入	Net fee and commission income	7	355,774	377,841
淨買賣收入	Net trading income	8	260,201	141,726
淨保費收入	Net insurance premium income	9	752,855	478,846
其他營運收入	Other operating income	10	118,885	115,231
營運收入	Operating income		2,885,986	2,793,291
保險索償淨額及對保單 持有人負債之變動	Net insurance claims and movement in liabilities to policyholders	11	(627,697)	(386,179)
扣除保險索償之營運收入 營運支出	Total operating income net of insurance claims Operating expenses	12	2,258,289 (1,000,565)	2,407,112 (897,054)
扣除貸款及墊款減值提撥/壞賬及 呆賬準備調撥前之營運溢利	Operating profit before impairment losses on loans and advances/charge for bad and doubtful debts		1,257,724	1,510,058
貸款及墊款之減值提撥	Impairment losses on loans and advances	15	(130,640)	-
壞賬及呆賬準備調撥	Charge for bad and doubtful debts		-	(208,747)
若干投資及固定資產收益前 之營運溢利	Operating profit before gains on certain investments and fixed assets		1,127,084	1,301,311
出售行產及其他固定資產之淨收益/ (虧損)/重估減值回撥	Net gain/(loss) on disposal/reversal of revaluation deficits of premises and other fixed asset	16	103,991	(474)
投資物業之公平值調整淨收益	Net gain on fair value adjustment on investment properties		83,051	52,923
出售可供出售證券淨收益	Net gain on disposal of available-for-sale securities		116,178	-
出售非持作買賣用途的證券淨收益	Net gain on disposal of non-trading securities		-	64,479
應佔共同控制實體之業績	Share of results of jointly controlled entities		3,104	4,095
應佔聯營公司之業績	Share of results of associated companies		(9,350)	-
重組費用	Reorganisation costs		-	(56,687)
出售附屬公司部份權益之溢利	Profit on partial disposal of interest in a subsidiary		-	444,806
視作出售附屬公司權益之溢利	Profit on deemed disposal of interest in a subsidiary		-	492,649
除稅前溢利	Profit before income tax		1,424,058	2,303,102
稅項	Income tax expense	17	(187,857)	(141,520)
年度溢利	Profit for the year		1,236,201	2,161,582
少數股東應佔溢利	Profit attributable to minority interests		(216,883)	(130,584)
本公司股東應佔溢利	Profit attributable to shareholders of the Company		1,019,318	2,030,998
股息	Dividends			
已派中期股息	Interim dividend paid	19	178,999	193,915
已派特別股息	Special dividend paid	19	-	197,343
擬派末期股息	Proposed final dividend	19	340,120	323,192
			519,119	714,450
每股盈利	Earnings per share			
基本	Basic	20	HK\$4.09	HK\$8.21
攤薄	Diluted	20	HK\$4.09	HK\$8.20

第67頁至第195頁之附註乃本綜合財務報表之一部分。

The notes on pages 67 to 195 are an integral part of these consolidated financial statements.

綜合資產負債表

Consolidated Balance Sheet

二零零五年十二月三十一日
(以港幣千元位列示)

As at 31 December 2005
(Expressed in thousands of Hong Kong dollars)

	附註 Note	二零零五年 2005	二零零四年 2004 經重列 Restated
資產			
現金及在銀行及其他金融機構的結餘	21	8,908,162	10,032,825
在銀行及其他金融機構一至十二個月內到期的存款		1,169,174	463,230
持作買賣用途的證券	22	7,810,993	7,906,780
以公平值列入損益賬之金融資產	22	1,379,163	-
衍生金融工具	23	166,975	-
非持作買賣用途的證券	24	-	19,155,678
各項貸款及其他賬目	25	46,739,477	34,446,576
可供出售證券	26	22,884,372	-
持至到期證券	27	647,908	1,296,927
聯營公司投資	28	48,139	-
共同控制實體投資	29	30,184	27,080
商譽	31	950,992	-
無形資產	31	254,368	-
行產及其他固定資產	32	1,389,692	678,155
投資物業	33	362,690	263,681
長期壽險業務之有效保單價值	34	745,896	663,793
預付即期稅項		-	27,616
遞延稅項資產		7,692	10,662
資產合計		93,495,877	74,973,003
負債			
銀行及其他金融機構存款		255,748	215,702
衍生金融工具	23	501,636	-
持作買賣用途的負債	36	6,311,309	6,683,573
以公平值列入損益賬之客戶存款			
客戶存款	37	1,904,280	-
已發行的存款證	38	56,202,412	43,303,011
已發行的債務證券	39	7,713,297	8,452,136
後償債務	40	2,287,095	2,332,305
其他賬目及預提	41	3,290,342	971,794
對投保人保單之長期負債	42	2,197,246	2,207,465
對保險合約保單持有人之負債		-	815,336
即期稅項負債		1,662,935	-
遞延稅項負債		48,707	2,295
	44	104,334	13,218
負債合計		82,479,341	64,996,835
權益			
少數股東權益		1,920,202	1,734,207
本公司股東應佔權益			
股本	47	500,176	497,219
保留盈利	48	6,223,550	5,625,543
其他儲備	48	2,032,488	1,796,007
擬派末期股息	19	340,120	323,192
股東資金		9,096,334	8,241,961
權益合計		11,016,536	9,976,168
權益及負債合計		93,495,877	74,973,003

董事局於二零零六年三月二十七日批准及授權發佈。

Approved and authorised for issue by the Board of Directors on 27 March 2006

王守業
董事

黃漢興
董事總經理

David Shou-Yeh Wong
Director

Hon-Hing Wong
Managing Director

第67頁至第195頁之附註乃本綜合財務報表之一部分。

The notes on pages 67 to 195 are an integral part of these consolidated financial statements.

資產負債表 Balance Sheet

二零零五年十二月三十一日
(以港幣千元位列示)

As at 31 December 2005
(Expressed in thousands of Hong Kong dollars)

			二零零五年 2005	二零零四年 2004
		附註 Note		經重列 Restated
附屬公司投資	Investments in subsidiaries	30	2,837,193	2,832,117
流動資產	Current assets			
銀行結餘	Bank balances		21,852	15,462
應收利息及其他賬目	Interest receivable and other accounts		5,404	1,042
			27,256	16,504
流動負債	Current liabilities			
預提費用及其他賬目	Accrued expenses and other accounts		11,573	19,721
淨流動資產/(負債)	Net current assets/(liabilities)		15,683	(3,217)
			2,852,876	2,828,900
權益	Equity			
股本	Share capital	47	500,176	497,219
儲備	Reserves	48	2,012,580	2,008,489
擬派末期股息	Proposed final dividend	19	340,120	323,192
權益合計	Total Equity		2,852,876	2,828,900

董事局於二零零六年三月二十七日批准及授權
發佈。

Approved and authorised for issue by the Board of Directors on 27 March
2006

王守業
董事

黃漢興
董事總經理

David Shou-Yeh Wong
Director

Hon-Hing Wong
Managing Director

第67頁至第195頁之附註乃本綜合財務報表之
一部分。

The notes on pages 67 to 195 are an integral part of these consolidated
financial statements.

綜合權益變動報表

Consolidated Statement of Changes in Equity

截至二零零五年十二月三十一日止年度 For the year ended 31 December 2005
(以港幣千元位列示) (Expressed in thousands of Hong Kong dollars)

		本公司股東應佔權益				少數股東 權益	權益合計
		Attributable to the shareholders of the Company					
		股本 Share capital	股份溢價 Share premium	其他儲備 Other reserves	保留盈利 Retained earnings	Minority interests	Total equity
二零零五年一月一日結餘 ，如下	Balance at 1 January 2005 as per below	497,219	908,163	887,844	5,948,735	1,734,207	9,976,168
採納香港會計準則第39號之期初調整	Opening adjustment for the adoption of HKAS 39	-	-	(9,664)	97,808	24,805	112,949
二零零五年一月一日結餘 ，經重列	Balance at 1 January 2005 , as restated	497,219	908,163	878,180	6,046,543	1,759,012	10,089,117
可供出售證券之公平值收益	Fair value gains on available-for-sale securities	-	-	47,842	-	12,027	59,869
出售可供出售證券	Disposal of available-for-sale securities	-	-	(90,805)	-	(25,272)	(116,077)
行產重估之公平值收益	Fair value gains on revaluation of premises	-	-	265,425	-	72,542	337,967
遞延稅項負債於行產重估內確認	Deferred tax liabilities recognised on premises revaluation	-	-	(46,456)	-	(12,696)	(59,152)
遞延稅項負債因出售可供出售證券及其公平值收益而撥回	Deferred tax liabilities released on fair value gains on and disposal of available-for-sale securities	-	-	8,428	-	2,378	10,806
海外附屬公司財務報表的匯兌差異	Exchange differences arising on translation of the financial statements of a foreign subsidiary	-	-	(94)	-	(66)	(160)
直接確認於權益之淨收入	Net income recognised directly in equity	-	-	184,340	-	48,913	233,253
年度溢利	Profit for the year	-	-	-	1,019,318	216,883	1,236,201
於二零零五年確認之總收入	Total recognised income for 2005	-	-	184,340	1,019,318	265,796	1,469,454
按以股代息計劃所發行之普通股股份	Issue of ordinary shares pursuant to scrip dividend arrangement	2,957	76,123	-	-	-	79,080
按以股代息計劃而購入之淨資產	Additional net assets acquired via scrip dividend arrangement	-	-	20,705	-	14,912	35,617
按以股代息計劃以額外金額而增持附屬公司之權益	Subscription of additional interest in a subsidiary via scrip dividend arrangement at a premium	-	-	(35,023)	-	-	(35,023)
向少數股東派發股息	Dividends paid to minority shareholders	-	-	-	-	(125,598)	(125,598)
收購附屬公司	Acquisition of subsidiaries	-	-	-	-	5,886	5,886
附屬公司少數股東對該公司之資本貢獻	Capital contribution by minority shareholder to a subsidiary	-	-	-	-	194	194
二零零四年末期股息	2004 final dividend	-	-	-	(323,192)	-	(323,192)
二零零五年中期股息	2005 interim dividend	-	-	-	(178,999)	-	(178,999)
		2,957	76,123	(14,318)	(502,191)	(104,606)	(542,035)
二零零五年十二月三十一日結餘	Balance at 31 December 2005	500,176	984,286	1,048,202	6,563,670	1,920,202	11,016,536

截至十二月三十一日止年度

Year ended 31 December

二零零五年 二零零四年

2005 2004

包括於保留盈利內之擬派末期股息 Proposed final dividends included in retained earnings **340,120** 323,192

綜合權益變動報表

Consolidated Statement of Changes in Equity

截至二零零五年十二月三十一日止年度(續) For the year ended 31 December 2005 (Continued)

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

		本公司股東應佔權益				少數股東 權益	權益合計
		Attributable to the shareholders of the Company					
		股本 Share capital	股份溢價 Share premium	其他儲備 Other reserves	保留盈利 Retained earnings		
二零零四年一月一日結餘 ，於前呈報	Balance at 1 January 2004 , as previously reported	493,358	818,860	961,651	4,514,978	54,965	6,843,812
因投資物業重估而產生之遞延稅項	Deferred tax arising from the revaluation of investment properties	-	-	(7,074)	-	-	(7,074)
採納香港財務報告準則第2號之影響	Effect of adoption of HKFRS 2	-	-	-	(6,173)	-	(6,173)
二零零四年一月一日結餘 ，經重列	Balance at 1 January 2004 , as restated	493,358	818,860	954,577	4,508,805	54,965	6,830,565
非持作買賣用途的證券之公平值收益	Fair value gains on non-trading securities	-	-	(11,991)	-	53,988	41,997
遞延稅項負債因出售非持作買賣用途的證券及其公平值收益而撥回/(確認)	Deferred tax liabilities released/(recognised) on fair value gains on and disposal of non-trading securities	-	-	2,831	-	(3,109)	(278)
出售非持作買賣用途的證券	Disposal of non-trading securities	-	-	(61,415)	-	(2,220)	(63,635)
行產重估之公平值收益	Fair value gains on revaluation of premises	-	-	2,654	-	737	3,391
遞延稅項負債於行產重估內撥回/(確認)	Deferred tax liabilities released/(recognised) on premises revaluation	-	-	1,074	-	(1,666)	(592)
海外附屬公司財務報表的匯兌差異	Exchange differences arising on translation of the financial statements of a foreign subsidiary	-	-	114	-	(13)	101
直接確認於權益之淨(支出)/收入	Net (expense)/income recognised directly in equity	-	-	(66,733)	-	47,717	(19,016)
年度溢利	Profit for the year	-	-	-	2,030,998	130,584	2,161,582
於二零零四年確認之總(支出)/收入	Total recognised (expense)/income for 2004	-	-	(66,733)	2,030,998	178,301	2,142,566
發行普通股以代替繳付現金特別股息	Issue of ordinary shares in lieu of payment of cash special dividend	3,861	89,303	-	-	-	93,164
因重組而出售一間附屬公司之部份權益	Partial disposal of interest in a subsidiary as part of reorganisation	-	-	-	-	1,550,289	1,550,289
向少數股東派發股息	Dividends paid to minority shareholders	-	-	-	-	(49,348)	(49,348)
二零零三年末期股息	2003 final dividend	-	-	-	(199,810)	-	(199,810)
二零零四年中期股息	2004 interim dividend	-	-	-	(193,915)	-	(193,915)
二零零四年特別股息	2004 special dividend	-	-	-	(197,343)	-	(197,343)
		3,861	89,303	-	(591,068)	1,500,941	1,003,037
二零零四年十二月三十一日結餘 ，經重列	Balance at 31 December 2004 , as restated	497,219	908,163	887,844	5,948,735	1,734,207	9,976,168

第67頁至第195頁之附註乃本綜合財務報表之一部分。

The notes on pages 67 to 195 are an integral part of these consolidated financial statements.

綜合現金流量結算表

Consolidated Cash Flow Statement

截至二零零五年十二月三十一日止年度
(以港幣千元位列示)

For the year ended 31 December 2005
(Expressed in thousands of Hong Kong dollars)

			二零零五年 2005	二零零四年 2004
		附註 Note		經重列 Restated
經營業務之現金流量	Cash flows from operating activities			
由經營業務(所用)/流入的現金淨額	Net cash (used in)/from operating activities	49(a)	(1,533,657)	2,634,021
投資業務之現金流量	Cash flows from investing activities			
收購附屬公司(扣除該等公司之現金及等同現金項目)	Acquisition of subsidiaries (net of cash and cash equivalents acquired)	49(b)	610,119	–
收購聯營公司	Acquisition of associated company		(57,489)	–
購置固定資產	Purchase of fixed assets		(27,406)	(34,949)
出售固定資產所得款項	Proceeds from disposal of fixed assets		379	1,931
投資合夥公司作稅務用途	Investment in limited partnership for taxation purposes		–	(57,979)
出售附屬公司權益所得款項	Proceeds from disposal of interests in a subsidiary		–	1,138,682
支付重組費用	Reorganisation costs paid		–	(47,724)
投資業務現金流入淨額	Net cash from investing activities		525,603	999,961
融資業務之現金流量	Cash flows from financing activities			
發行存款證	Certificates of deposit issued		1,976,201	1,915,658
贖回存款證	Certificates of deposit redeemed		(3,346,359)	(1,333,294)
附屬公司向其少數股東發行普通股	Issue of ordinary shares by a subsidiary to minority shareholders		–	1,349,062
支付重組費用	Reorganisation costs paid		–	(8,963)
發行後償債務	Subordinated notes issued		2,334,960	–
發行普通股股份	Issue of ordinary shares		79,080	–
發行債務證券	Debt securities issued		–	2,329,556
贖回債務證券	Debt securities redeemed		–	(31,118)
附屬公司向其少數股東派發股息	Dividend paid to minority shareholders of subsidiaries		(125,005)	(49,348)
派發普通股股息	Dividends paid on ordinary shares		(502,191)	(497,904)
融資業務現金流入淨額	Net cash from financing activities		416,686	3,673,649
現金及等同現金項目(減少)/增加	Net (decrease)/increase in cash and cash equivalents		(591,368)	7,307,631
年初現金及等同現金項目	Cash and cash equivalents at beginning of the year		14,150,590	6,842,959
年末現金及等同現金項目	Cash and cash equivalents at end of the year	49(c)	13,559,222	14,150,590

第67頁至第195頁之附註乃本綜合財務報表之一部分。

The notes on pages 67 to 195 are an integral part of these consolidated financial statements.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

1. 一般資料

大新金融集團有限公司(「本公司」)與其附屬公司(統稱「本集團」)在香港、澳門及中國提供銀行、保險、金融及其他相關服務。

本公司乃一間在香港註冊的投資控股公司，註冊地址為香港灣仔告士打道一百零八號大新金融中心三十六樓。

除另有註明外，此綜合財務報表概以港幣千元位列示，並已於二零零六年三月二十七日獲董事會批准發表。

2. 主要會計政策概要

以下為編製本財務報表所採納之主要會計政策，除另有註明外，與過往財政年度所採納者一致。

2.1 編製基準

本集團之綜合財務報表按照香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」，此包括所有適用香港財務報告準則、香港會計準則(「會計準則」)及會計實務準則(「實務準則」)及詮釋之統稱)、香港普遍採納之會計原則及香港公司條例而編製。本財務報表亦符合《香港聯合交易所有限公司證券上市規則》有關的披露規定。

此綜合財務報表乃根據歷史成本常規法編製，並就物業重估(包括投資物業)、可供出售之金融資產、持作買賣用途之金融資產及金融負債、按公平值列入損益賬之金融資產及金融負債(包括衍生工具)作出修訂。

1. General information

Dah Sing Financial Holdings Company Limited (the “Company”) and its subsidiaries (together the “Group”) provides banking, insurance, financial and other related services in Hong Kong, Macau, and the People’s Republic of China.

The Company is an investment holding company incorporated in Hong Kong. The address of its registered office is 36th Floor, Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong.

These consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 27 March 2006.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the reporting years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs” which is a collective term including all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Statements of Standard Accounting Practice (“SSAPs”) and Interpretations) issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of properties (including investment properties), available-for-sale financial assets, financial assets and financial liabilities held for trading, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準(續)

2.1 Basis of preparation (Continued)

編製符合香港財務報告準則之財務報表須使用若干重要之會計估計，亦須管理層在應用本集團會計政策之過程中作出判斷。涉及高度判斷力或較複雜之範疇，或對綜合財務報表影響重大之假設及估計，乃於附註4披露。

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

採納新增/經修訂香港財務報告準則

The adoption of new/revised HKFRS

於二零零五年，本集團採納下列與其業務經營有關之新增/經修訂香港財務報告準則。二零零四年之比較數字已根據有關規定作出所需修訂。

In 2005, the Group adopted the new/revised HKFRSs as set out below, which are relevant to its operations. The 2004 comparatives have been amended as required.

香港會計準則第1號	財務報表呈列	HKAS 1	Presentation of Financial Statements
香港會計準則第7號	現金流量結算表	HKAS 7	Cash Flow Statements
香港會計準則第8號	會計政策、會計估計變更及錯誤更正	HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
香港會計準則第10號	結算日後事項	HKAS 10	Events after the Balance Sheet Date
香港會計準則第16號	物業、廠房及設備	HKAS 16	Property, Plant and Equipment
香港會計準則第17號	租賃	HKAS 17	Leases
香港會計準則第21號	匯率變更之影響	HKAS 21	The Effects of Changes in Foreign Exchange Rates
香港會計準則第24號	有關連人士之披露	HKAS 24	Related Party Disclosures
香港會計準則第27號	綜合及獨立財務報表	HKAS 27	Consolidated and Separate Financial Statements
香港會計準則第28號	聯營公司投資	HKAS 28	Investments in Associates
香港會計準則第30號	銀行及類同金融機構財務報表中之披露	HKAS 30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
香港會計準則第32號	金融工具：披露及呈列	HKAS 32	Financial Instruments: Disclosures and Presentation
香港會計準則第33號	每股盈利	HKAS 33	Earnings Per Share
香港會計準則第36號	資產減值	HKAS 36	Impairment of Assets
香港會計準則第38號	無形資產	HKAS 38	Intangible Assets
香港會計準則第39號	金融工具：確認及計量	HKAS 39	Financial Instruments: Recognition and Measurement
香港會計準則第40號	投資物業	HKAS 40	Investment Property
香港會計準則詮釋第12號	綜合－特別用途實體	HKAS-Int 12	Scope of HKAS-Int 12 Consolidation – Special Purpose Entities
香港會計準則詮釋第15號	經營租約－優惠	HKAS-Int 15	Operating Leases – Incentives
香港會計準則詮釋第21號	收益稅－收回經重估之非折舊資產	HKAS-Int 21	Income Taxes – Recovery of Revalued Non-Depreciated Assets
香港財務報告準則第2號	以股份為基礎的支付	HKFRS 2	Share-based Payments
香港財務報告準則第3號	業務合併	HKFRS 3	Business Combinations
香港財務報告準則第4號	保險合約	HKFRS 4	Insurance contracts
香港財務報告準則第5號	持作出售用途之非流動資產及終止經營業務	HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

採納新增/經修訂香港會計準則第1、7、8、10、16、21、24、28、33號及香港會計準則詮釋第12及15號對本集團之會計政策並無帶來重大影響。總括而言：

The adoption of new/revised HKASs 1, 7, 8, 10, 16, 21, 24, 28, 33 and HKAS-Ints 12 and 15 did not result in substantial changes to the Group's accounting policies. In summary:

- 香港會計準則第1號對少數股東權益，應佔聯營公司稅後業績，以及其他披露之呈列方式構成影響。
- 根據香港會計準則第21號，各綜合機構之運作貨幣已按經修訂準則之指引重新評估。
- 香港會計準則第24號對識別有關連人士及若干其他有關連人士之披露構成影響。

- HKAS 1 has affected the presentation of minority interests, share of net after-tax results of associates and other disclosures.
- In HKAS 21, the functional currency of each of the consolidated entities has been re-evaluated based on the guidance in the revised standard.
- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

香港會計準則第27號 綜合及獨立財務報表

HKAS 27 Consolidated and Separate Financial Statements

在過往年度，在綜合人壽保險附屬公司之賬項後，本集團附屬人壽保險公司的投保人應佔之長期保險業務資產及負債在綜合報表之「其他資產」及「其他負債」項內確認。其長期保險業務之溢利則於收益賬之「其他營運收入」列示。

In prior years, on consolidation of the life insurance subsidiary, long-term assurance assets and liabilities attributable to policyholders were recognised in aggregate under “Other assets” and “Other liabilities” respectively. Profit from long-term assurance business was reported as “Other operating income” in the income statement.

在採納香港會計準則第27號後，集團人壽業務之業績按賬項基礎綜合。附屬人壽保險公司之資產及負債，將按集團綜合資產負債表所呈列個別不同類別之資產與負債列示。壽險業務之利息收入、淨服務費及佣金收入、淨保費收入、淨買賣收入、保險索償淨額及對保單持有人負債之變動、及營運支出分別於本集團之綜合收益賬內相同類別下列示。

On adoption of HKAS 27, the results of the Group's life insurance business are consolidated on a line-by-line basis. Assets and liabilities of the life insurance subsidiary are reported according to individual asset and liability categories as presented in the Group's consolidated balance sheet. Interest income, net fee and commission income, net insurance premium income, net trading income, net insurance claims and movement in policyholders' liabilities, and operating expenses attributable to the life insurance business are shown in the income statement on a basis consistent with the presentation of such income and expenses in the Group's consolidated income statement.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準(續)

2.1 Basis of preparation (Continued)

香港會計準則第30號 銀行及類同金融機構財務報表中之披露

HKAS 30 Disclosures in the Financial Statements of Banks and similar Financial Institutions

採納香港會計準則第30號導致收益賬及資產負債表上某些項目的呈列有所變更。國庫票據及持有存款證已包括在根據香港會計準則第39號之有關類別內。

The adoption of HKAS 30 has resulted in a change in the presentation of certain items on the face of the income statement and the balance sheet. Treasury bills and certificates of deposit held are now included in the respective categories of financial instruments under HKAS 39.

香港會計準則第39號 金融工具：確認及計量

HKAS 39 Financial Instruments: Recognition and Measurement

採納香港會計準則第39號導致有關按公平值列入損益賬之金融資產及負債及可作出售之金融資產之分類的會計政策變更。同時，該準則亦導致衍生金融工具按公平值確認及對沖活動之確認及計量方法變更。

The adoption of HKAS 39 has resulted in a change in the accounting policy relating to the classification of financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets. It has also resulted in the recognition of derivative financial instruments at fair value and the change in the recognition and measurement of hedging activities.

香港會計準則第40號 投資物業

HKAS 40 Investment Property

採納經修訂香港會計準則第40號導致公平值變動於收益賬列示的會計政策變更。在過往年度，投資物業估值收益撥入投資物業重估儲備，然而投資物業估值虧損先抵銷以往之儲備，繼而於收益賬內作支出。

The adoption of revised HKAS 40 has resulted in a change in the accounting policy as changes in fair values are now recorded in the income statement. In prior years, the increases in fair value were credited to the investment properties revaluation reserve. Decreases in fair values were first set off against increases over earlier valuations on a portfolio basis and thereafter were expensed in the income statement.

香港財務報告準則第2號 以股份為基礎的支付

HKFRS 2 Share-based Payments

採納香港財務報告準則第2號導致以股份為基礎支出之會計政策有所變更。據此，以現金支付並以股份為基礎作報酬負債之公平值須於各申報日期透過期權定價模式(直至交收為止)釐定。其公平值變動列入收益賬內。作為過渡性條文，此準則須追溯應用於二零零五年一月一日仍未償付之負債，據此二零零四年之比較數字已作重列。

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments pursuant to which the fair value of the liability on cash-settled share-based transactions is determined at each reporting date by way of an option pricing model until it is settled. The changes in the fair value are taken to the income statement. As a transitional provision, retrospective application to the extent the liability is still outstanding as at 1 January 2005 is made and the corresponding comparatives have been restated.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準(續)

2.1 Basis of preparation (Continued)

香港財務報告準則第4號 保險合約

HKFRS 4 Insurance Contracts

採納香港財務報告準則第4號導致保險合約之會計政策有所變更。根據香港財務報告準則第4號，本集團向另一方(保單持有人)訂立合約，同意在日後發生指定但無法確定之事件時向對方作出賠償，令本集團承受重大保險風險，會分類為保險合約。由本集團發出以轉移金融風險(無附帶重大保險風險)之合約，分類為投資合約，並根據香港會計準則第39號列為金融工具。保險合約之新會計政策詳列附註2.26。

The adoption of HKFRS 4 has resulted in a change in the accounting policy relating to insurance contracts. In accordance with HKFRS 4, a contract under which the Group accepts significant insurance risk from another party (the policyholder) is classified as an insurance contract whereas a contract issued by the Group that transfers financial risk, without significant insurance risk, is classified as an investment contract, and accounted for as a financial instrument in accordance with HKAS 39. Details of the accounting policies on insurance contracts are set out in Note 2.26.

香港會計準則詮釋第21號 收益稅－收回經重估之非折舊資產

HKAS-Int 21 Income Taxes-Recovery of Revaluated Non-Depreciated Assets

採納經修訂香港會計準則詮釋第21號導致有關因重估投資物業而產生的遞延稅項計量負債之會計政策變更。該等遞延稅項負債乃按透過使用該物業而確認的資產賬面值所產生之稅項影響為基礎計算。在過往年度，資產賬面值預期於出售時回收。

The adoption of revised HKAS-Int 21 has resulted in a change in the accounting policy relating to the measurement of deferred tax liability arising from the revaluation of investment properties. Such deferred tax liability is measured on the basis of tax consequences that would follow from recovery of the carrying amount of those assets through use. In prior years, the carrying amount of those assets was expected to be recovered through sale.

會計政策已根據各準則之過渡性條文作出變更。本集團所採納之所有準則均需追溯應用，惟下列者除外：

All changes in the accounting policies have been made in accordance with the transition provisions in the respective standards. All standards adopted by the Group require retrospective application other than:

- 香港會計準則第39號不容許依據其準則對金融資產及負債的確認、撤銷或計量作出追溯應用。本集團繼續應用以往之會計實務準則第24號「投資證券之會計方法」於其二零零四年證券投資及對沖關係之比較資料。會計實務準則第24號與香港會計準則第39號之間的會計差異所需之調整已於二零零五年一月一日釐定及確認。

- HKAS 39 does not permit recognition, derecognition and measurement of financial assets and liabilities in accordance with the standard on a retrospective basis. The Group continues to apply the previous standard, SSAP 24 "Accounting for investments in securities" to investments in securities and also to hedge relationships for the 2004 comparative information. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised at 1 January 2005.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

- 香港會計準則第40號不須本集團重列比較資料。任何調整(包括重新分類投資物業重估增值之任何金額)應於二零零五年一月一日之保留盈利中作出調整。
- 香港會計準則詮釋第15號不須本集團對二零零五年一月一日前所確認之租賃優惠作出調整。
- 香港財務報告準則第3號：於採納日期後適用。
- 香港財務報告準則第5號：於採納日期後適用。
- HKAS 40 does not require the Group to restate the comparative information, any adjustment should be made to the retained earnings as at 1 January 2005, including the reclassification of any amount held in revaluation surplus for investment property.
- HKAS-Int 15 does not require adjustment for the recognition of incentives for lease terms beginning before 1 January 2005.
- HKFRS 3: applied prospectively after the adoption date.
- HKFRS 5: applied prospectively after the adoption date.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

會計政策變更對二零零五年綜合財務報表之估計影響

Estimated effect of changes in accounting policies on the 2005 consolidated financial statements

二零零五年十二月三十一日綜合資產負債表

Consolidated Balance Sheet as at 31 December 2005

		香港會計 準則 第32號及 第39號 HKAS 32 and 39	香港財務 報告準則 第2號 HKFRS 2	香港會計 準則詮釋 第21號 HKAS Int-21	香港會計 準則 第27號 HKAS 27	合計 Total
於二零零五年十二月三十一日 資產增加/(減少)	Increase/(decrease) in assets as at 31 December 2005					
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	(22,733)	-	-	14,702	(8,031)
在銀行及其他金融機構 一至十二個月到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	(33,579)	-	-	-	(33,579)
持作買賣用途的證券	Trading securities	(7,836)	-	-	1,727,614	1,719,778
以公平值列入損益賬之金融資產	Financial assets at fair value through profit or loss	1,379,163	-	-	-	1,379,163
衍生金融工具	Derivative financial instruments	166,975	-	-	-	166,975
非持作買賣用途的證券	Non-trading securities	(22,788,475)	-	-	397,333	(22,391,142)
各項貸款及其他賬目	Advances and other accounts	198,739	(4,684)	-	71,777	265,832
可供出售證券	Available-for-sale securities	22,884,372	-	-	-	22,884,372
持至到期證券	Held-to-maturity securities	(1,695,584)	-	-	-	(1,695,584)
行產及其他固定資產	Premises and other fixed assets	-	-	-	6,028	6,028
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	-	745,896	745,896
股東應佔長期人壽保險業務價值	Value of long-term life assurance attributable to shareholders	-	-	-	(759,795)	(759,795)
投保人應佔長期基金的資產	Assets of long-term fund attributable to policyholders	-	-	-	(1,662,935)	(1,662,935)
遞延稅項資產	Deferred income tax assets	(18,262)	-	-	-	(18,262)
		62,780	(4,684)	-	540,620	598,716
於二零零五年十二月三十一日 負債增加/(減少)	Increase/(decrease) in liabilities as at 31 December 2005					
衍生金融工具	Derivative financial instruments	501,636	-	-	-	501,636
持作買賣用途的負債	Trading liabilities	2,238	-	-	-	2,238
以公平值列入損益賬之客戶存款	Deposits from customers designated at fair value through profit or loss	1,904,280	-	-	-	1,904,280
以攤銷成本列賬之客戶存款	Deposits from customers at amortised cost	(2,254,346)	-	-	(49,543)	(2,303,889)
以公平值列入損益賬 之已發行的存款證	Certificates of deposit issued and designated at fair value through profit or loss	4,525,120	-	-	-	4,525,120
以攤銷成本列賬之已發行的存款證	Certificates of deposit issued at amortised cost	(4,813,041)	-	-	-	(4,813,041)
以公平值列入損益賬 之已發行的債務證券	Issued debt securities designated at fair value through profit or loss	1,123,830	-	-	-	1,123,830
以攤銷成本列賬之已發行的債務證券	Issued debt securities at amortised cost	(1,163,265)	-	-	-	(1,163,265)
以公平值列入損益賬之後償債務	Subordinated notes designated at fair value through profit or loss	2,127,077	-	-	-	2,127,077
以攤銷成本列賬之後償債務	Subordinated notes at amortised cost	(2,132,652)	-	-	-	(2,132,652)
其他賬目及預提	Other accounts and accruals	(129)	4,702	-	590,163	594,736
即期稅項負債	Current income tax liabilities	24,079	(737)	-	-	23,342
遞延稅項負債	Deferred income tax liabilities	8,221	-	11,896	-	20,117
		(146,952)	3,965	11,896	540,620	409,529
於二零零五年十二月三十一日 權益增加/(減少)	Increase/(decrease) in equity as at 31 December 2005					
投資重估儲備	Investment revaluation reserve	38,519	-	-	-	38,519
行產重估儲備	Premises revaluation reserve	-	-	(9,359)	-	(9,359)
保留盈利	Retained earnings	97,808	(8,581)	-	-	89,227
收益賬	Income statement	45,916	(68)	(2,537)	-	43,311
少數股東權益	Minority interests	27,489	-	-	-	27,489
		209,732	(8,649)	(11,896)	-	189,187
		62,780	(4,684)	-	540,620	598,716

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

會計政策變更對二零零五年綜合財務報表之估計影響 (續)

Estimated effect of changes in accounting policies on the 2005 consolidated financial statements (Continued)

截至二零零五年十二月三十一日止年度綜合收益賬

Consolidated Income Statement for the year ended 31 December 2005

		香港會計 準則 第32號及 第39號 HKAS 32 and 39	香港財務 報告準則 第2號 HKFRS 2	香港會計 準則詮釋 第21號 HKAS Int-21	香港會計 準則 第27號 HKAS 27	合計 Total
利息收入(減少)/增加	(Decrease)/increase in interest income	(180,120)	-	-	30,603	(149,517)
利息支出減少	Decrease in interest expense	92,601	-	-	612	93,213
服務費及佣金收入減少	Decrease in fee and commission income	-	-	-	(26,240)	(26,240)
服務費及佣金支出增加	Increase in fee and commission expense	-	-	-	(19,630)	(19,630)
淨買賣收入增加	Increase in net trading income	123,085	-	-	66,561	189,646
淨保費收入增加	Increase in net insurance premium income	-	-	-	728,804	728,804
其他營運收入減少	Decrease in other operating income	-	-	-	(95,208)	(95,208)
		35,566	-	-	685,502	721,068
保險索償淨額及對保單 持有人負債之變動增加	Increase in net insurance claims and movement in liabilities to policyholders	-	-	-	(617,728)	(617,728)
營運支出增加	Increase in operating expenses	-	(609)	-	(61,527)	(62,136)
扣除貸款及墊款減值提撥前 之營運溢利增加/(減少)	Increase/(decrease) in operating profit before impairment losses on loans and advances	35,566	(609)	-	6,247	41,204
貸款及墊款之減值提撥減少	Decrease in impairment losses on loans and advances	20,231	-	-	-	20,231
除稅前溢利增加/(減少)	Increase/(decrease) in profit before income tax	55,797	(609)	-	6,247	61,435
稅項支出(增加)/減少	(Increase)/decrease in income tax expense					
— 即期稅項	- current income tax	(24,079)	541	-	(6,247)	(29,785)
— 遞延稅項	- deferred income tax	14,198	-	(2,537)	-	11,661
年度溢利增加/(減少)	Increase/(decrease) in profit for the year	45,916	(68)	(2,537)	-	43,311

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

會計政策變更對二零零四年綜合財務報表之估計影響

Estimated effect of changes in accounting policies on the 2004 consolidated financial statements

二零零四年十二月三十一日綜合資產負債表

Consolidated Balance Sheet as at 31 December 2004

		香港財務 報告準則 第2號 HKFRS 2	香港會計 準則詮釋 第21號 HKASInt-21	香港會計 準則 第27號 HKAS 27	合計 Total
於二零零四年十二月三十一日 資產增加/(減少)	Increase/(decrease) in assets as at 31 December 2004				
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	-	-	233,846	233,846
持作買賣用途的證券	Trading securities	-	-	1,302,550	1,302,550
各項貸款及其他賬目	Advances and other accounts	-	-	148,466	148,466
行產及其他固定資產	Premises and other fixed assets	-	-	9,344	9,344
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	663,793	663,793
股東應佔長期人壽保險業務價值	Value of long-term life assurance attributable to shareholders	-	-	(858,453)	(858,453)
投保人應佔長期資金的資產	Assets of long-term fund attributable to policyholders	-	-	(815,336)	(815,336)
		-	-	684,210	684,210
於二零零四年十二月三十一日 負債增加/(減少)	Increase/(decrease) in liabilities as at 31 December 2004				
客戶存款	Deposits from customers	-	-	(30,788)	(30,788)
其他賬目及預提	Other accounts and accruals	8,777	-	714,012	722,789
即期稅項負債	Current income tax liabilities	(196)	-	986	790
遞延稅項負債	Deferred income tax liabilities	-	9,359	-	9,359
		8,581	9,359	684,210	702,150
於二零零四年十二月三十一日 權益減少	Decrease in equity as at 31 December 2004				
行產重估儲備	Premises revaluation reserve	-	(7,326)	-	(7,326)
保留盈利	Retained earnings	(8,380)	-	-	(8,380)
少數股東權益	Minority interests	(201)	(2,033)	-	(2,234)
		(8,581)	(9,359)	-	(17,940)
		-	-	684,210	684,210

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準 (續)

2.1 Basis of preparation (Continued)

會計政策變更對二零零四年綜合財務報表之估計影響 (續)

Estimated effect of changes in accounting policies on the 2004 consolidated financial statements (Continued)

截至二零零四年十二月三十一日止年度綜合收益賬

Consolidated Income Statement for the year ended 31 December 2004

		香港財務 報告準則 第2號 HKFRS 2	香港會計 準則 第27號 HKAS 27	合計 Total
利息收入增加	Increase in interest income	–	21,800	21,800
利息支出減少	Decrease in interest expense	–	1,897	1,897
服務費及佣金收入減少	Decrease in fee and commission income	–	(18,706)	(18,706)
服務費及佣金支出增加	Increase in fee and commission expense	–	(19,761)	(19,761)
淨買賣收入增加	Increase in net trading income	–	53,202	53,202
淨保費收入增加	Increase in net insurance premium income	–	456,843	456,843
其他營運收入減少	Decrease in other operating income	–	(52,435)	(52,435)
		–	442,840	442,840
保險索償淨額及對保單 持有人負債之變動增加	Increase in net insurance claims and movement in liabilities to policyholders	–	(379,690)	(379,690)
營運支出增加	Increase in operating expenses	(2,604)	(59,316)	(61,920)
扣除貸款及墊款減值提撥前 之營運溢利(減少)/增加	(Decrease)/increase in operating profit before impairment losses on loans and advances	(2,604)	3,834	1,230
除稅前溢利(減少)/增加	(Decrease)/increase in profit before income tax	(2,604)	3,834	1,230
稅項支出減少/(增加) — 即期稅項	Decrease/(increase) in income tax expense current income tax	196	(3,834)	(3,638)
年度溢利減少	Decrease in profit for the year	(2,408)	–	(2,408)

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.1 編製基準(續)

2.1 Basis of preparation (Continued)

香港會計師公會已頒佈多項於二零零六年一月一日或以後開始之會計年度生效之新增及經修訂之香港財務報告準則。本集團並無提早採納下列新增準則及修訂或詮釋：

The HKICPA has issued a number of new and revised HKFRSs which are effective for accounting periods beginning on or after 1 January 2006. The Group has not early adopted the following new Standards and Amendments, or Interpretations:

香港會計準則第39號 (修訂本)	集團內公司間預測 交易現金流量對 沖之會計處理
香港會計準則第39號 (修訂本)	財務擔保合約
香港財務報告準則 第7號	金融工具：披露

HKAS 39 (Amendment)	Cash Flow Hedge Accounting and Forecast Intragroup Transactions
HKAS 39 (Amendment)	Financial Guarantee Contracts
HKFRS 7	Financial Instruments: Disclosures

本集團已開始評估該等新增香港財務報告準則之影響，但仍未能確定該等香港財務報告準則是否對本集團的營運及財務狀況有重大影響。

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these HKFRSs would have a significant impact on its results of operations and financial position.

2.2 綜合財務報告

2.2 Consolidation

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止之財務報表。

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

2.2.1 附屬公司

2.2.1 Subsidiaries

附屬公司指本公司直接或間接控制其董事會之組成、超過半數投票權或持有過半數已發行股本之公司。

Subsidiaries are those entities in which the Company, directly or indirectly, controls the composition of the Board of Directors, controls more than half the voting power or holds more than half of the issued share capital.

附屬公司自控制權轉移予本集團當日起作全面綜合計算，並自該控制權終止之日起不再綜合計算。

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

本集團以收購會計法為本集團所收購之附屬公司列賬。收購成本按於交易當日所獲資產的公平值、所發行之股權工具，以及所產生或承擔之負債，加上收購涉及之直接支出計量。在業務合併過程中取得可被認明資產及承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而不須理會任何少數股東權益。收購成本超出本集團應佔可認明之資產淨值的公平值金額，將列賬為商譽。如收購成本低於所收購附屬公司資產淨值的公平值，其差額將直接在收益賬內確認。

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.2 綜合財務報告 (續)

2.2 Consolidation (Continued)

2.2.1 附屬公司 (續)

2.2.1 Subsidiaries (Continued)

集團內公司間之交易、結餘及未變現交易收益已予抵銷。附屬公司之會計政策已作必要之變更以確保與本集團採納之政策一致。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

在本公司之資產負債表內，附屬公司投資是按成本扣除減值撥備列賬。附屬公司之業績由公司按已收及應收之股息入賬。

In the Company's balance sheet the investments in subsidiaries are stated at cost less allowances for impairment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2.2.2 聯營公司

2.2.2 Associated companies

聯營公司是指本集團可對其發揮重大影響但不能控制的公司，一般而言，擁有其介乎百份之二十至五十投票權的股份。聯營公司投資以權益會計法最初按成本入賬。

Associates are all entities over which the Group has significant influence but not control generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost.

本集團應佔聯營公司收購後的溢利或虧損在收益賬中確認，本集團應佔其在收購後儲備的變化在本集團的儲備確認。投資的賬面值按累計收購後的變化作調整。除非本集團為聯營公司承擔責任或支款，否則當本集團應佔聯營公司的虧損達至或超過本集團在聯營公司的權益(包括其他無抵押應收款)時，本集團不再確認額外的虧損。

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

在本公司之資產負債表內，聯營公司投資是按成本扣除減值撥備列賬。聯營公司業績公司按已收入及應收之股息入賬。

In the Company's balance sheet, the investments in associates are stated at cost less allowances for impairment. The results of associated companies are accounted for by the Bank on the basis of dividend received and receivable.

2.3 共同控制實體

2.3 Jointly controlled entities

共同控制實體指集團與其他人士以合約協議方式共同進行經濟活動，該活動受合營各方共同控制，任何一方均沒有單一之控制權。

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity, which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

綜合收益賬包括本集團應佔共同控制實體是年度業績，而綜合資產負債表則包括本集團應佔共同控制實體之資產淨值。

The consolidated income statement includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.4 利息收入及支出

2.4 Interest income and expense

由二零零四年一月一日至二零零四年十二月三十一日

From 1 January 2004 to 31 December 2004

利息收入及利息支出於應計時按相關合約或票息利率確認於收益賬內，惟呆賬之利息則暫停計算並於資產負債表內與及有關結餘抵銷。

Interest income and interest expense were recognised in the income statement as they accrued using the relative contract or coupon interest rates, except in the case of doubtful debts where interest was suspended and netted off in the balance sheet against the relevant balances.

由二零零五年一月一日起

From 1 January 2005 onwards

所有按攤銷成本計量之工具、可供出售證券及若干以公平值列入損益賬之金融資產/負債的利息收入及支出乃採用實際利率法列入收益賬內。

Interest income and expense are recognised in the income statement for all instruments measured at amortised cost, available-for-sale financial assets and certain financial assets/liabilities designated at fair value through profit or loss using the effective interest method.

實際利率法乃是一種用以計算金融資產或金融負債之攤銷成本及其於相關期內攤分利息收入或利息支出的方法。實際利率指可將金融工具在預計有效期間或較短期間(如適用)內之估計未來現金收支折現為該金融資產或金融負債之賬面淨值之適用折現率。在計算實際利率時，本集團按金融工具之所有合約條款(如提早清還之行使權)而估計其現金流量，但不考慮未發生之信貸損失。此計算包括所有合約內交易雙方所收取或支付能構成整體實際利息之費用及利率差價、交易成本及所有其他溢價或折讓。

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

若一項金融資產或一組金融資產的價值因減值虧損被調低，其利息收入則按計算有關減值虧損時所採用以折算未來現金流量之利率來計量確認。

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.5 服務費及佣金收入及支出

2.5 Fee and commission income and expense

銀團貸款費用於銀團貸款經已完成及本集團並無自留任何貸款組合部份或按與其他參與者按相同之實際利率保留一部份時確認為收入。在某段期間內持續提供的財富管理、財務策劃及託管服務乃於服務期間按計費方式確認。

Loan syndication fees are recognised as revenue when the syndication has been completed and the Group retained no part of the loan package for itself or retained a part at the same effective interest rate for the other participants. Wealth management, financial planning and custody services that are continuously provided over an extended period of time are recognised rateably over the period the service is provided.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.6 金融資產

2.6 Financial assets

由二零零四年一月一日至二零零四年十二月三十一日

From 1 January 2004 to 31 December 2004

所有金融資產均按成本或攤銷成本扣除減值撥備列賬，惟分類作非持作買賣用途之證券及持作買賣用途之證券投資除外。

All financial assets were stated at cost or amortised cost, net of impairment allowances, except for investments in securities classified as non-trading securities and trading securities.

甲) 非持作買賣用途之證券

(a) Non-trading securities

非持作買賣用途之證券以公平值列賬於資產負債表內。公平值乃在流動市場上活躍買賣之證券的交易市價。買賣不活躍或非上市證券，其公平值乃以各種定價技術作估計，包括現金流量折現方式及股息回報分析。

Non-trading securities were stated at fair value on the balance sheet. Fair value represented the quoted market price for securities that were actively traded in a liquid market. For securities which were not actively traded or were unlisted, fair value was estimated by way of various pricing techniques including discounted cash flow and divided yield analyses.

非持作買賣用途之證券之公平值變動在投資重估儲備中確認，直至有關證券被出售或被界定為減值為止，其累計收益或虧損，即出售所得款項淨額與有關證券賬面值之差額，連同轉撥自投資重估儲備之任何增值/減值，皆在收益賬內處理。

Changes in the fair value of non-trading securities were recognised in the investment revaluation reserve until the security was sold, or was determined to be impaired, at which time the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, was dealt with in the income statement.

乙) 持作買賣用途之證券

(b) Trading securities

持作買賣用途之證券以公平值列賬於資產負債表內。公平值乃在流動市場上活躍買賣之證券的交易市價。買賣不活躍或非上市證券，其公平值乃以各種定價技術作估計，包括現金流量折現方式及股息回報分析。

Trading securities were stated at fair value on the balance sheet. Fair value represented the quoted market price for securities that were actively traded in a liquid market. For securities which were not actively traded or were unlisted, fair value was estimated by way of various pricing techniques including discounted cash flow and dividend yield analyses.

持作買賣用途之證券之公平值變動在產生時確認於收益賬內。出售持作買賣用途之證券之溢利或虧損(指出售所得款項淨額與賬面值之差額)，於產生時確認於收益賬內。

Changes in the fair value of trading securities were recognised in the income statement as they arose. Profits and losses on disposal of trading securities, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the income statement as they arose.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.6 金融資產 (續)

2.6 Financial assets (Continued)

由二零零五年一月一日起

From 1 January 2005 onwards

本集團將其金融資產歸為以下類別：以公平值列入損益賬之金融資產、貸款及應收款項、持至到期投資及可供出售金融資產。該分類取決於購入該投資之目的。各項分類於管理層作出投資時被確認。

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

甲) 以公平值列入損益賬之金融資產

(a) Financial assets at fair value through profit or loss

此類別可細分為兩小類：持作買賣用途之金融資產及於購入時指定以公平值列入損益賬之金融資產。倘所購入之金融資產主要持作短期買賣用途或倘由管理層於購入時如此指定，則歸類為持作買賣用途。衍生工具除非指定作為對沖用途，否則亦歸類為持作買賣用途。此分類之資產按公平值計量，而所有因持有而產生之收益及虧損均於收益賬內確認。

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are measured at fair value with all holding gains and loss recognised in the income statement.

符合下列條件之金融資產一般於購入時指定歸類為以公平值列入損益賬。

A financial asset is typically classified as fair value through profit or loss at inception if it meets the following criteria:

- (i) 能消除或大幅地減低以不同基礎計量或確認資產、或確認其損益而出現不一致之情況(或稱為「會計錯配」)；或
- (ii) 根據列明之風險管理或投資策略管理一組金融資產，並以公平值為基礎評估其表現，及按相同基準向主要管理層(如董事會及行政總裁)提供有關資產的內部資料；或
- (iii) 內含衍生工具的金融資產而該內含衍生工具之特性及風險與主合約並非緊密關連的。

- (i) It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring assets or recognising the gains and losses on them on different bases; or
- (ii) A group of financial assets is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this is the basis on which information about the assets is provided internally to the key management personnel such as the Board of Directors and Chief Executive Officer; or
- (iii) Financial assets with embedded derivatives where the characteristics and risks of the embedded derivatives are not closely related to the host contracts.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.6 金融資產 (續)

2.6 Financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

乙) 貸款及應收款項

(b) Loans and receivables

貸款及應收款項為沒有活躍市場報價並具固定或可確定收款金額的非衍生金融資產。此類資產按扣除減值虧損後之攤銷成本列示。

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets in this category are carried at amortised cost less any impairment loss.

丙) 可供出售

(c) Available-for-sale

可供出售金融資產乃被指定為此類者或並無歸入任何其他類別之非衍生金融資產。可供出售投資乃指有意作無期限持有但可因應流動資金所需或利率、匯率或股票價格變動而可出售的投資。

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

丁) 持至到期

(d) Held-to-maturity

持至到期投資乃具固定或可釐定付款額及固定到期日，而本集團管理層有明確意向及能力持至到期之非衍生金融資產。此類資產按扣除減值虧損後之攤銷成本列示。

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Assets in this category are carried at amortised cost less any impairment loss.

金融資產之買賣於交易日(本集團承諾買賣該資產之日)按公平值加交易費用確認。當該等金融資產之收取現金流之權利已失效或已轉讓及本集團已轉讓所有風險及回報時，則撤銷對該等金融資產之確認。

Purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.6 金融資產 (續)

2.6 Financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

可供出售之金融資產及以公平值列入損益賬之金融資產其後以公平值列賬。貸款及應收款項及持至到期投資則採用實際利率法以攤銷成本列賬。「以公平值列入損益賬之金融資產」類別之公平值變動所產生之收益及虧損於其產生期間列入收益賬。可供出售金融資產之公平值變動而產生之未變現收益及虧損於權益賬中直接確認，直至有關金融資產被撤銷確認或減值時，以往於權益賬內確認之累積收益或虧損則必須於收益賬中確認。然而，利用實際利率法計算之利息乃於收益賬中確認。可供出售股本工具之股息在本集團確定獲派股息權利時於收益賬確認。

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity, until the financial asset is derecognised or impaired at which time the cumulative gain or loss previously recognised in equity should be recognised in the income statement. However, interest calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group’s right to receive payment is established.

上市投資公平值按現時買價計算。倘金融資產之市場並不活躍(及就非上市證券而言)，本集團會採用估值方法訂出公平值，包括採用近期之正常交易，參考其他類同的工具，現金流量折現分析及經改進以反映發行者之特殊情況之期權定價模式。

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer’s specific circumstances.

2.7 金融資產減值

2.7 Impairment of financial assets

由二零零四年一月一日至二零零四年十二月三十一日

From 1 January 2004 to 31 December 2004

當董事對其本金或利息最終能否全數收回有所懷疑時，可對特定的貸款和墊款作出準備。因應董事對該等已被認明的貸款及墊款潛在損失作出的評估，而按個別情況作出特殊準備以把資產的賬面值(扣除有關抵押品值)撇減至預期的可變現淨值。對於已收回資產之貸款及墊款，已為收回資產之預期變現所得款項及貸款結欠之虧額作出撥備。

Provisions were made against specific loans and advances as and when the directors had doubts on the ultimate recoverability of principal or interest in full. Specific provision was made to reduce the carrying value of the asset, net of any collateral, to the expected net realisable value based on the directors’ assessment of the potential losses on those identified loans and advances on a case-by-case basis. For loans and advances where assets had been repossessed, provision was made for any shortfall between the expected net realisable value of the repossessed assets and the outstanding advances.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.7 金融資產減值 (續)

2.7 Impairment of financial assets (Continued)

由二零零四年一月一日至二零零四年十二月三十一日 (續)

From 1 January 2004 to 31 December 2004 (Continued)

倘若不能可靠地估計損失，本集團會根據貸款分類程序而對貸款及墊款的無抵押部份，按設定之撥備要求作出準備。本集團內部將貸款和墊款分類為五種類別，主要是根據對借款人的償還能力和利息及/或本金的回收能力懷疑度而決定。利息及/或本金逾期時間的長短乃貸款回收能力的一項重要指標。倘對利息及/或本金能否收回存疑時，會對有關貸款及墊款作出百分之二十五至百分之一百的特殊準備。

Where it was not possible to reliably estimate the loss, the Group applied pre-determined provisioning levels to the unsecured portion of loans and advances based on the Group's loan classification procedures. The Group internally classified loans and advances into five broad categories largely based on an assessment of the borrower's capacity to repay and on the degree of doubt about the collectibility of interest and/or principal. One important indicator of collectibility was the period that payments of interest and/or principal had been overdue. A specific provision ranging from 25% to 100% was made against loans and advances where there was doubt about the collectibility of interest and/or principal.

此外，並就呆賬作出一般準備。特殊及一般準備均從資產負債表中之「客戶貸款及墊款」內扣除。

In addition, amounts had been set aside as a general provision for doubtful debts. Both specific and general provisions were deducted from "Advances and other accounts" in the balance sheet.

倘呆賬並無任何實質預期可回收，其餘額將予以撤銷。

When there was no realistic prospect of recovery, the outstanding debt was written off.

在各結算日，貸款及墊款及持作買賣用途之證券以外之金融資產均被評估，以釐定有否出現任何減值跡象。倘估計資產之可收回金額低於賬面值，則須減值至其可收回金額，其減值虧損在收益賬內確認。對於非持作買賣用途的證券，任何以前曾於投資重估儲備內確認之虧損將撥入收益賬內。

Financial assets, other than loans and advances and trading securities, were reviewed on each balance sheet date to determine whether there was any indication of impairment. If the recoverable amount of the asset was estimated to be less than the carrying amount, the carrying amount of the asset was reduced to its recoverable amount and the impairment loss was recognised in the income statement. For non-trading securities, any loss previously recognised in the investment revaluation reserve was transferred to the income statement.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.7 金融資產減值 (續)

2.7 Impairment of financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

甲) 以攤銷成本列賬之資產

(a) Assets carried at amortised cost

本集團會於各個結算日評估是否存在客觀證據證明某項金融資產或一組金融資產組別出現減值。惟當有客觀證據證明於首次確認資產後發生一宗或多宗事件導致減值出現(「虧損事件」)，而該宗(或該等)虧損事件對該項或該組金融資產之估計未來現金流量構成可合理估計的影響，有關的金融資產才算出現減值及產生減值虧損。證明某項或某組金融資產已減值的客觀證據包括集團察覺到有關以下虧損事件的明顯證據：

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

- (i) 發行人或承擔人出現重大財政困難；
- (ii) 違反合約如逾期支付或拖欠利息或本金；
- (iii) 本集團因借款人的財政困難及有關的經濟或法律理由，給予借款人一項集團在其他情況下不會考慮的優惠；
- (iv) 借款人有可能會破產或進行其他財務重組；
- (v) 因為財政困難而導致某金融資產失去活躍市場；或
- (vi) 明顯的資料顯示一組金融資產自首次確認入賬後，其估計之未來現金流量出現重大的跌幅，儘管尚未能認明有關跌幅是來自組別內哪項個別金融資產，包括：
 - 組別內借款人的付款狀況出現逆轉；或
 - 組別內資產拖欠情況與有關的國家或當地經濟狀況配合。

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payments;
- (iii) the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;
- (iv) it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- (v) the disappearance of an active market for that financial asset because of financial difficulties; or
- (vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:
 - adverse changes in the payment status of borrowers in the group; or
 - national or local economic conditions that correlate with defaults on the assets in the group.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.7 金融資產減值 (續)

2.7 Impairment of financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

甲) 以攤銷成本列賬之資產 (續)

(a) Assets carried at amortised cost (Continued)

本集團首先評估是否有客觀證據證明個別重大的金融資產出現減值，或非個別重大的金融資產個別或整體上出現減值。若集團認為不存有任何客觀證據證明個別評估的金融資產 (不論是否屬重大) 出現減值，有關資產將撥入具類同信貸風險特徵的一組金融資產內，由集團綜合評估該組資產的減值。綜合的減值評估不包括已進行個別減值評估並已確認或持續確認減值虧損的資產。

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes that asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

若有客觀證據證明按攤銷成本列賬的貸款及應收款項或持至到期投資出現減值虧損，則以資產的賬面值與按金融資產原來的實際利率折算估計之未來現金流量 (不包括未產生的日後信貸虧損) 所得的現值兩者間之差額計量虧損的金額。資產的賬面值透過使用準備賬銷減，虧損金額則於收益賬內確認。倘貸款或持至到期投資按浮動利率計息，計量任何減值虧損之折現率則為合約下釐定的即期實際利率。作為可行之權宜之計，本集團可按某工具可觀察得到之市價為公平值之基礎計量其減值。

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

計算有抵押之金融資產的預計未來現金流量的現值反映收回抵押品可能產生的現金流量減除出售抵押品 (不論抵押品是否可能被沒收) 的成本。

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

進行綜合減值評估時，金融資產按類同信貸風險特性 (即集團考慮資產類別、抵押品類別、過往逾期情況及其他相關因素) 分類。對估計該等組別資產的未來現金流量而言，能夠反映債務人按此等被評估資產的合約條款償還全部債務能力的特質將會被考慮。

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the basis of the Group's grading process that considers asset type, collateral type, overdue status and other relevant factors). Those characteristics relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets are considered.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.7 金融資產減值 (續)

2.7 Impairment of financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

甲) 以攤銷成本列賬之資產 (續)

(a) Assets carried at amortised cost (Continued)

一組共同進行減值評估的金融資產的未來現金流量乃按該組資產的合約現金流量及與該組資產具相若信貸風險特質的資產之過往虧損經驗計算。過往虧損經驗乃按現時可見的數據作出調整，以反映現有狀況，及消除於過往期間出現但現時並不存在的條件之影響。

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

估計某些資產組別之未來現金流量的改變，應反映期間相關顯示數據的改變(如失業率、物業價格、付款情況，或其他可顯示該組別損失機會及程度的改變)及一致的趨勢。集團定期檢討用作估計未來現金流量的方法及假設，以減少預計虧損及實際虧損的差異。

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

當貸款未能償還時，將與其有關之貸款減值準備抵銷。該貸款在完成所有必須程序及能確定虧損金額後撤銷。如日後收回過往已撤銷之款項，將可減低收益賬內的貸款減值撥備。

When a loan is uncollectable, it is written off against the related allowances for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowances for loan impairment in the income statement.

倘於繼後期間，減值虧損金額減少，同時客觀地與減值獲確認後發生的事項相關(例如債務人信貸評級改善)，則透過調整撥賬項將過往確認的減值虧損撥回。撥回的金額於收益賬中確認。

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.7 金融資產減值 (續)

2.7 Impairment of financial assets (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

乙) 以公平值列賬之資產

(b) Assets carried at fair value

本集團會於各結算日評估是否存在客觀證據證明某項金融資產或某組別金融資產出現減值。倘股本投資歸類為可供出售，本集團會考慮證券公平值之重大或持續下跌至低於其成本值來釐定證券有否出現減值。倘存有證據顯示可供出售金融資產出現減值，其累計虧損(收購成本與現時公平值之差額)減該金融資產以往於收益賬內確認之任何減值則於權益賬撤銷，並於收益賬內確認。於收益賬內確認的股本工具減值虧損不會透過收益賬撥回。倘於繼後期間，被分類為可供出售的債務工具的公平值增加，而該增值可客觀地與減值虧損於收益賬確認後出現的事件有關，減值虧損則於收益賬中撥回。

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

2.8 金融負債

2.8 Financial liabilities

由二零零四年一月一日至二零零四年十二月三十一日

From 1 January 2004 to 31 December 2004

除持作買賣用途之證券淡倉外，所有金融負債均以成本或攤銷成本列賬。持作買賣用途之證券淡倉以公平值列賬，任何因公平值變動產生之收益或虧損將於收益賬內確認。

Financial liabilities, except trading securities short positions, were carried at cost or amortised cost. Trading securities short positions were carried at fair value and any gains and losses from changes in fair value were recognised through the income statement.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.8 金融負債(續)

2.8 Financial liabilities (Continued)

由二零零五年一月一日起

From 1 January 2005 onwards

金融負債歸類為兩個類別：以公平值列入損益賬之金融負債及其他金融負債。所有金融負債均於產生時分類，並初步以公平值確認。

Financial liabilities are classified into two categories: financial liabilities at fair value through profit or loss and other financial liabilities. All financial liabilities are classified at inception and recognised initially at fair value.

甲) 以公平值列入損益賬之金融負債

(a) Financial liabilities at fair value through profit or loss

此類別細分為兩個小類別：持作買賣用途之金融負債及於產生時指定以公平值列入損益賬之金融負債。

This category has two sub-categories: financial liabilities held for trading, and those designated at fair value through profit and loss at inception.

倘金融負債主要為短期持有作購回用途，則歸類為持有作買賣用途。此分類之負債按公平值列示，而任何因公平值變動而產生之收益及虧損均於收益賬內確認。

A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing in the short term. It is carried at fair value and any gains and losses from changes in fair value are recognised in the income statement.

符合下列條件之金融負債一般歸類為於產生時以公平值列入損益賬：

A financial liability is typically classified as fair value through profit or loss at inception if it meets the following criteria:

- (i) 能消除或大幅地減低以不同基礎計量或確認負債、或確認其損益而出現不一致之情況(或稱為「會計錯配」)；
- (ii) 根據列明之風險管理或投資策略管理一組金融負債，並以公平值為基礎評估其表現及按相同基準向主要管理層(如董事會及行政總裁)提供有關負債的內部資料；或
- (iii) 內含衍生工具之金融負債而該內含衍生工具之特性及風險與主合約並非緊密關連的。

- (i) It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring liabilities or recognising the gains and losses on them on different bases;
- (ii) A group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this is the basis on which information about the liabilities is provided internally to the key management personnel such as the Board of Directors and Chief Executive Officer; or
- (iii) Financial liabilities with embedded derivatives where the characteristics and risks of the embedded derivatives are not closely related to the host contracts.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.8 金融負債 (續)

2.8 Financial liabilities (Continued)

甲) 以公平值列入損益賬之金融負債 (續)

(a) Financial liabilities at fair value through profit or loss (Continued)

以公平值列入損益賬之金融負債(包括發行的債務證券及若干包含衍生工具的客戶存款)，於開始時或新香港財務報告準則之過渡期內確定。以公平值列入損益賬之金融負債按公平值列示，而任何因公平值變動而產生之收益及虧損均於收益賬內確認。

Financial liabilities designated as at fair value through profit or loss, including debt securities in issue and deposits received from customers that are embedded with certain derivatives, are designated as such at inception or date of transition to the new HKFRS. Financial liabilities designated at fair value through profit or loss are carried at fair value and any gains and losses from changes in fair value are recognised in the income statement.

本集團提前採納香港會計準則第39號「金融工具：確認及計量」有關“採用公平值之選擇”之修訂，重新指定以下金融負債自二零零五年七月一日起為以公平值列入損益賬之負債。該等金融負債於本集團二零零五年八月十七日公佈截至二零零五年六月三十日止六個月之財務報表內呈列為公平值對沖之負債。

The Group has early adopted the Amendment to HKAS 39 Financial Instruments: Recognition and Measurement “The Fair Value Option” and has redesignated the following financial liabilities as at fair value through profit or loss from 1 July 2005. These financial liabilities were previously reported as fair-value hedged liabilities in the financial statements relating to the six months ended 30 June 2005 issued by the Group on 17 August 2005.

	於二零零五年 七月一日之 攤銷成本 Amortised cost as at 1 July 2005	於二零零五年 七月一日之 公平值 Fair value as at 1 July 2005
客戶存款	196,997	196,252
已發行的存款證	4,496,450	4,420,960
已發行的債務證券	1,165,785	1,153,195
後償債務	971,488	994,026
	6,830,720	6,764,433

乙) 其他金融負債

(b) Other financial liabilities

其他金融負債以攤銷成本列賬。扣除交易費用後所得款項與贖回價值兩者之差額，按實際利率法於其他有關負債期間內於收益賬確認。

Other financial liabilities are carried at amortised cost. Any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the other financial liabilities using the effective interest method.

倘本集團購買其本身債項，該債項將會自資產負債表中剝離，而負債的賬面值與已支付價格之差額包括於淨買賣收入。

If the Group purchases its own debt, it is removed from the balance sheet, and the difference between the carrying amount of a liability and the consideration paid is included in net trading income.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.9 衍生金融工具及對沖會計處理

2.9 Derivative financial instruments and hedge accounting

由二零零四年一月一日至二零零四年十二月三十一日

From 1 January 2004 to 31 December 2004

資產負債表外金融工具乃來自集團在外匯、股票、利率及其他市場上進行之期貨、遠期、掉期、及期權交易。

Off-balance sheet financial instruments arise from futures, forward, swap and option transactions undertaken by the Group in the foreign exchange, equity, interest rate, and other markets.

此等工具之記賬方法乃視乎進行該等交易的目的而定。

Accounting for these instruments is dependent upon the purpose for which the transactions are undertaken.

持作買賣用途之交易按其公平值重新計量。公平值乃定期取自不同之合適渠道，包括市場報價、現金流量折現模式及期權定價模式。買賣外匯工具產生之損益已包括在收益賬內之「外匯買賣淨收益/(虧損)」。

Transactions undertaken for trading purposes are re-measured to their fair value. Fair values are obtained periodically from various sources, including quoted market prices, discounted cash flow models and option pricing models as appropriate. The gains and losses arising from trading in foreign exchange instruments are recognised in the income statement account as "Net gain/(loss) arising from dealing in foreign currencies".

買賣利率及其他金融工具所產生之損益已包括在收益賬之其他營運收入。本集團在評估用作買賣用途的衍生工具公平值所採用之主要方法及假設已列於附註23。

The gains and losses arising from trading in interest rate and other financial instruments are recognised in the income statement account and included as part of other operating income. The major methods and assumptions used by the Group in estimating the fair value of trading derivatives are set out in note 23 to the financial statements.

按市價計量之交易未變現收益列賬於資產負債表內之「貸款及其他賬目」。按市價計量之交易未變現收益則列賬於資產負債表內之「其他賬目及預提」。

Unrealised gains on transactions which are marked to market are included in "Advances and other accounts" in the balance sheet. Unrealised losses on transactions which are marked to market are included in "Other accounts and accruals".

在訂立衍生工具合約當日，本集團或會指定某些交易為對沖交易。被分類為對沖交易的衍生工具，必須與被對沖的項目有正式的聯繫，並在交易發生時已被清楚地認明及記錄。集團風險部不時檢討及監控對沖工具對減免風險的有效性。指定為對沖交易的衍生工具是根據其所對沖之資產、負債或持倉淨額之相同基準計算價值。而所產生之盈虧亦按與相關資產、負債或持倉淨額相同基準計入收益賬內。

On the date a derivative contract is entered into, the Group may designate certain derivative transactions as hedges. Derivatives are classified as a hedge when a formal linkage between the hedging instruments and the hedged items is clearly identified and documented at the inception of the hedging transactions. The risk mitigation effectiveness of the hedging instruments is reviewed by the Group Risk Division and is monitored on an on-going basis. Transactions designated as hedges are valued on an equivalent basis to the assets, liabilities or net positions that they are hedging. Any profit or loss is recognised on the same basis as that arising from the related assets, liabilities or net positions.

當衍生工具交易不再符合以上作為對沖的條件時，則此等衍生工具將被視為持作買賣用途，並循以上所述方法入賬。

If the derivative transaction no longer meets the criteria for a hedge set out above, the derivative is deemed to be held for trading purposes and is accounted for as set out above.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.9 衍生金融工具及對沖會計處理 (續)

2.9 Derivative financial instruments and hedge accounting (Continued)

由二零零四年一月一日至二零零四年十二月三十一日 (續)

From 1 January 2004 to 31 December 2004 (Continued)

衍生工具交易只會在本集團有能力堅持以淨額方式結算時(如訂立整體性的對銷協議或其他具有法律效力的安排)，才互相對銷。要求淨額結算的或然性權利的確認，只有在本集團有能力於交易對手有違約的情況下(包括合約中任何一方資不抵債)堅持以淨額結算，並對行使此等權利毫不存疑時方被考慮。

Derivative transactions are offset only when the Group has the ability to insist on net settlement such as by means of entering into a master netting agreement or other legally enforceable arrangements. Any right to insist on a net settlement that is contingent is only taken into account when the Group is able to enforce net settlement in all situations of default by the other party or parties including insolvency of any parties to the contract, and the ability to insist on a net settlement is assured beyond doubt.

除非相關的結算貨幣均相同，或交易以在活躍市場中能夠提供自由兌換貨幣作價，否則衍生工具交易不作互相抵銷。

Derivative transactions are not offset unless the related settlement currencies are the same, or are denominated in freely convertible currencies for which quoted exchange rates are available in an active market.

由二零零五年一月一日起

From 1 January 2005 onwards

衍生工具最初於訂立衍生工具合約之日按公平值確認，其後按公平值重新計量。公平值乃根據活躍市場的報價釐定，包括最近市場交易及估值方法(包括現金流量折現模式及期權定價模式，倘適用)。當衍生工具的公平值為正數時，均作為資產入賬；當公平值為負數時，則作為負債入賬。

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

首次確認衍生工具的公平值以其交易價格(即所支付或所收取之代價的公平值)為最佳方法。

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e., the fair value of the consideration given or received).

倘當其他金融工具之內含某些衍生工具(例如可換股債券內之兌換期權)的經濟性質及風險與主合約並無密切關係時，而主合約並非以公平值列入損益賬，則作為個別衍生工具處理。此等內含之衍生工具按公平值計算，其公平值的變動於收益賬內確認。

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement.

確認公平值收益或虧損的方法取決於該衍生工具是否被指定為對沖工具，如屬者則須取決其對沖項目之性質。本集團指定若干衍生工具為已確認資產公平值的對沖工具(公平值對沖)。以此方法指定並符合若干條件的衍生工具採用對沖會計處理。

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives hedges of the fair value of recognised assets (fair value hedge). Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.9 衍生金融工具及對沖會計處理 (續)

2.9 Derivative financial instruments and hedge accounting (Continued)

由二零零五年一月一日起 (續)

From 1 January 2005 onwards (Continued)

本集團於訂立交易時需記錄對沖工具與所對沖項目的關係，並包括其風險管理目標及進行若干對沖交易的策略。本集團亦於開始對沖後持續就其用於對沖交易的衍生工具是否對抵銷公平值變動有顯著成效作出評估。

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

甲) 公平值對沖

(a) Fair value hedge

已指定並符合條件作公平值對沖的衍生工具的公平值變動，連同與對沖風險相關的對沖資產或負債的任何公平值變動，均於收益賬內入賬。

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

倘該對沖不再符合對沖會計處理的標準，則採用實際利率法釐定該被對沖項目賬面值的調整數，按到期前期間於收益賬內攤銷。

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

乙) 不符合作對沖會計處理的衍生工具

(b) Derivatives that do not qualify for hedge accounting

若干衍生工具並不符合作對沖會計處理。任何不符合作對沖會計處理的衍生工具的公平值變動即時於收益賬內確認。

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

2.10 抵銷金融工具

2.10 Offsetting financial instruments

倘有可執行法律權利抵銷某些已確認金額及有意以淨額基準結算或變現資產以同時清償負債時，金融資產及負債將互相抵銷，有關之淨款項於資產負債表內呈報。

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.11 收回資產

2.11 Repossessed assets

已收回抵押資產列於「其他資產」項下，並撤銷相關之貸款。已收回之抵押資產按賬面值及變現淨值較低者列值。

Repossessed collateral assets are reported under “Other assets” and the relevant loans are derecognised. The repossessed collateral assets are measured at lower of carrying amount and net realisable value.

2.12 分項報告

2.12 Segment reporting

按照本集團之內部財務報告政策，本集團已決定將業務分項資料作為主要報告形式，因本集團有近乎九成資產及超過九成收入皆源自香港之業務營運。

In accordance with the Group’s internal financial reporting policy, the Group has determined that business segments be presented as the primary reporting format, as over 90% of the Group’s revenues and close to 90% of the Group’s assets are originated from business operations based in Hong Kong.

2.13 外幣換算

2.13 Foreign currency translation

甲) 運作及呈列貨幣

(a) Functional and presentation currency

本集團旗下各機構之財務報表中所載項目乃採用該機構營運之主要經濟環境所使用之貨幣(「運作貨幣」)計量。綜合財務報表乃以港幣呈列。港幣乃本集團呈列及運作貨幣。

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in HK dollars, which is the Group’s presentation currency and the functional currency of the major part of the Group.

乙) 交易及結餘

(b) Transactions and balances

外幣交易按交易日現行之匯率換算為運作貨幣。該等交易結算及以外幣結算之貨幣性資產或負債按年結日之匯率換算所產生之匯兌收益及虧損，乃於收益賬內確認。

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

非貨幣性項目，如持有以公平值列入損益賬的股本工具投資，其換算差額將作為公平值收益或虧損之一部份呈報。若干非貨幣性項目，如歸類為可供出售之金融資產之證券，其換算差額則列入權益公平值儲備。

Translation differences on non-monetary items, such as investment in equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation difference on certain other non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.13 外幣換算 (續)

2.13 Foreign currency translation (Continued)

丙) 集團旗下公司

(c) Group companies

所有運作貨幣與呈列貨幣不同的集團機構 (其均非高通脹經濟之貨幣) 之業績及財務狀況按以下方式換算為呈列貨幣：

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) 各資產負債表所呈列之資產及負債按結算日之收市匯率換算；
- (ii) 各收益賬之收入及支出按平均匯率換算 (倘此平均值並非該等交易日期通行匯率的累積效果之合理約數，收入及支出則按交易日匯率換算)；及
- (iii) 所有兌換差額將確認為權益賬內一個獨立項目。

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

於綜合賬目時，換算國外機構淨投資所產生之兌換差額，列入股東權益賬內。倘國外業務被出售，該等兌換差額將列作出售所得之部份收益或虧損在收益賬內確認。

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

因收購國外機構產生之商譽及公平值調整，被當作該國外機構之資產及負債處理，並按於結算日之匯率換算。

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.14 行產及其他固定資產

2.14 Premises and other fixed assets

租賃物業包括樓宇及其所在土地。當不能可靠地估量及分割該樓宇及其所在土地應佔之賬面值時，則當作融資租賃處理及按公平值(公平值乃根據外聘獨立估值師定期(至少三年一次)之估值減累積折舊得出)列示。於重估日期，資產之賬面淨值與任何累積折舊抵銷，其淨額重列作資產之重估值。所有其他物業、廠房及設備按歷史成本減除折舊及減值虧損載列。歷史成本包括收購該等項目之直接應佔支出。成本亦可包括來自以外幣購買物業、廠房及設備之合資格現金流量對沖所產生轉撥自權益賬之任何盈利/虧損。

Leasehold properties comprising land and buildings held on which a reliable estimate is not available on the split of the carrying value attributable to each of the land and building elements are accounted for as finance leases and shown at fair value, based on periodic, and at least triennial, valuations by external independent valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

只有當與該項目可能給本集團帶來相關連之未來經濟利益，以及該項目之成本可以可靠地釐定時，後期成本列於資產之賬面值中或作為個別資產確認(視乎適合而定)。所有其他維修開支均於產生之財政期間於收益賬內扣除。

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

因重估行產產生之賬面增值計入股東權益賬下之其他儲備賬項內。用作抵銷同一資產過往增值之減值，乃直接於權益賬內之公平值儲備抵銷；所有其他減值則於收益賬內扣除。每年，以資產之重估賬面值為基準計量及於收益賬內扣除折舊與以該資產之最初成本為基準計量之折舊差額將由重估儲備轉撥到保留盈利內。

Increases in the carrying amount arising on revaluation of premises are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are expensed in the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset expensed in the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

行產及其他固定資產之折舊採用直線法計算，並按下列所示之可使用年期分攤其成本餘值或重估值：

Depreciation of premises and other fixed assets is calculated using the straight-line method to allocate cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- 行產 於剩餘租賃年期
- 傢俬、裝置、設備及汽車 於估計使用年期 (一般在五至十年之間)

- Premises Over the remaining period of lease
- Furniture, fittings, equipment and motor vehicles Over the estimated useful lives generally between 5 and 10 years

資產之剩餘價值及使用年期於每年結算日將被評估，並在合適之情況下作出調整。

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.14 行產及其他固定資產 (續)

2.14 Premises and other fixed assets (Continued)

倘資產之賬面值高於其估計可回收金額，則該資產之賬面值將即時被減值至其可回收金額 (附註2.7)。

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

2.15 投資物業

2.15 Investment properties

持作收取長期租金收益或獲取資本增值或兩者兼得且並非由集團旗下公司所佔用之物業被歸類為投資物業。

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

投資物業包括根據經營租約持有之土地及根據融資租賃持有之樓宇。

Investment property comprises land held under operating lease and buildings held under finance lease.

當根據經營租約持有之土地符合投資物業其餘定義之條件，該等土地將歸類為投資物業及據此進行會計處理。經營租約當作融資租賃進行會計處理。

Land held under operating lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

投資物業最初以成本值(包括相關交易費用)計量。

Investment property is measured initially at its cost, including related transaction costs.

經初步確認後，投資物業按公平值列賬。公平值乃以活躍市場之價格為基礎，於需要時就特定之資產性質、地點或狀況之任何差異作出調整。倘該等資料無法得到，本集團則採用替代估值法，例如按次活躍市場最近之價格或折現現金流量預測進行估值。該等估值每年由外聘估值師進行。重建並持續用作投資物業之投資物業，或其市場活躍度下降之投資物業繼續按公平值計量。

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are reviewed annually by external valuers. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

投資物業之公平值反映(其中包括)現時租賃之租金收入及按現行市況預期之未來租金收入。

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

只有當與該項目可能給本集團帶來關連之未來經濟利益及該項目之成本可被可靠地計量時，後期開支才會計入該資產之賬面值。所有其他維修支出於其產生之相關財政期間記入收益賬內。

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.15 投資物業 (續)

2.15 Investment properties (Continued)

公平值變動於收益賬內確認。

Changes in fair values are recognised in the income statement.

倘投資物業由本集團旗下公司所佔用，則重新歸類為行產及其他固定資產，其於重新歸類日期之公平值將成為其成本值。

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

倘某些行產及其他固定資產因其用途改變而轉為投資物業，根據香港會計準則第16號，該資產於轉讓日之賬面值與公平值間任何差額，將當作行產及其他固定資產之重估而確認於權益賬內。然而，倘該公平值增值抵銷過往之減值虧損，該增值則於收益賬內確認。

If an item of premises and other fixed assets becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of premises and other fixed assets under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

2.16 商譽及無形資產

2.16 Goodwill and intangible assets

商譽指收購之成本超逾本集團應佔被收購者於收購完成時可認明資產及負債公平值淨值之金額。商譽需每年就是否有減值進行測試，並按成本減任何累積減值虧損列示。商譽需被分配至各現金產生單位作為其減值測試用途。

Goodwill represents the excess of the cost of an acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the acquiree as at the completion of an acquisition. It is tested annually for impairment losses and carried at cost less any accumulated impairment losses. It is allocated to cash-generating units for the purpose of impairment testing.

倘因收購而產生之無形資產可與商譽獨立確認，或倘因合約或其他法律權利而產生之無形資產，及其價值可以可靠地估計，則無形資產與商譽分開確認。無形資產包括核心存款、合約及客戶關係無形資產，以及商標。無形資產根據預計使用年期按成本減攤銷及/或累積減值虧損列示。

Intangible assets arising from an acquisition are recognised separately from goodwill when they are separable or arise from contractual or other legal rights, and their value can be measured reliably. They include core deposits, contracts and customer relationships intangible assets, and trade names. Intangible assets are stated at cost less amortisation based on estimated useful lives, and/or accumulated impairment losses.

2.17 商譽及無形資產減值

2.17 Impairment of goodwill and intangible assets

具無使用期限之商譽及無形資產不需攤銷，但須每年進行減值測試，及倘出現顯示賬面值或不能收回之事件或環境變動時，則須就減值進行審閱。具有使用期限之無形資產須作出攤銷，及倘出現顯示賬面值可能不能收回之事件或環境變動時須就減值進行審閱。減值虧損按無形資產之賬面金額超逾其可回收金額之部分作出確認。

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation, but are tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have a finite life are subject to amortisation and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.18 遞延稅項

2.18 Deferred income tax

遞延稅項乃根據資產及負債的稅基值及其於綜合財務報表內賬面值之暫時差異按負債法全面撥備。然而，倘遞延稅項乃來自初步確認資產或負債交易(並非業務合併)，且交易時並不影響會計盈虧及應課稅溢利或虧損，則另作別論。遞延稅項採用於結算日已經或基本已經實施及預計於相關遞延稅項資產變現或遞延稅項負債清償時將適用之稅率釐定。

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

倘暫時差異可用以對銷日後有可能出現之應課稅溢利時，應列作遞延所得稅資產入賬。

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

除非暫時差異之撥回由本集團控制及該暫時差異很可能不會在可見未來撥回，本集團已就投資於附屬公司、聯營公司及共同控制實體而產生之暫時差異作出撥備。

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

按每一稅收管轄區適用之稅務法例計算按利潤須繳納的稅項，於利潤產生期內確認為支出。結轉稅項虧損的稅務影響於該等虧損可用於抵銷日後應課稅利潤時確認為資產。

Income tax payable on profits, based on the applicable tax law in each jurisdiction, is recognised as an expense in the period in which profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

與重新計量可供出售投資之公平值相關之遞延稅項，亦直接在權益賬扣除或計入權益賬，其後於有關投資變現時於收益賬內確認。

Deferred tax related to fair value re-measurement of available-for-sale investments, which is charged or credited directly to equity, is also credited or charged directly to equity and is subsequently recognised in the income statement upon the realisation of relevant investments.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.19 僱員福利

2.19 Employee benefits

甲) 退休金責任

(a) Pension obligations

集團提供一項強制性公積金及多項界定供款退休計劃，計劃之資產一般由獨立管理之基金持有。退休金計劃由集團相關公司與員工供款。

The Group offers a mandatory provident fund scheme and a number of defined contribution plans, the assets of which are generally held in separate trustee-administered funds. These pension plans are funded by payments from employees and by the relevant Group companies.

集團向強制性公積金計劃及界定供款退休計劃支付之供款在已付時當作費用支銷。除向強制性公積金供款外，集團可將員工在未全數取得既得之利益前退出計劃而被沒收之僱主供款用作扣減供款。

The Group's contributions to the mandatory provident fund schemes and defined contribution retirement schemes are expensed as incurred. Other than mandatory provident fund contribution, the Group's contributions may be reduced by contributions forfeited by those employees who leave prior to vesting fully in the contributions.

乙) 以股本為基礎支付之報酬

(b) Share-based compensation

本集團設有以現金支付、以股本作為基礎支付之報酬計劃。據此本集團須於行使日向承授人支付購股權之現金價值。於授出期間扣除之款項總額乃經參考授出之購股權公平值後釐定。於每年結算日，本集團將重新計量購股權之公平值及於該年度收益賬內確認任何變動。

The Group operates a cash-settled, share-based compensation plan, which requires the Group to pay the intrinsic value of the share option to a grantee at the date of exercise. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the Group will re-measure the fair value of the option and any change is recognised in the income statement.

丙) 僱員應享假期

(c) Employee leave entitlements

僱員應享年假和長期服務休假福利已在僱員提供服務時確認。本集團於截至結算日止已就僱員提供服務而應享之年假及長期服務休假之估計負債作出撥備。

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

丁) 獎金計劃

(d) Bonus plans

當本集團因為僱員提供服務而產生之即時或推定應付獎金責任，而有關金額須在年結後十二個月內償付並能可靠地估計時，則該獎金計劃之負債將被確認。

Liabilities for bonus plans due wholly within twelve months after the balance sheet date are recognised when the Group has a present or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.20 撥備

2.20 Provisions

倘本集團因過往事件而產生即時法律或推定責任；可能須就解除責任而導致經濟資源流失之可能性高於不會導致資源流失之可能性；及可就責任之款額作出可靠估計時，則需確認重組成本及法律索償之撥備。重組撥備包括終止租約罰金及終止聘約付款。未來經營虧損則不會確認為撥備。

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

倘有多項類同之責任時，解除該等責任導致損失之可能性按責任之類別作整體釐定。即使在同一類別責任內任何一項目導致損失之可能性可能會很小，亦需就此確認撥備。

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.21 租約

2.21 Leases

甲) 經營租約

(a) Operating leases

出租人仍保留重大風險及回報之租約歸類為經營租約。經營租約內之支出(經扣除收取自出租人之任何優惠)，於租約期間以直線法在收益賬中支銷。

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

根據經營租約，倘本集團為出租人時，訂約出租之資產在資產負債表列為固定資產。該等資產按類同之自有固定資產之基準，於其預計使用年期內折舊。租金收入扣除給予承租人之任何優惠後以直線法於租約期限內確認。

Where the Group is a lessor under operating leases, assets leased out are included in fixed assets in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned fixed assets. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

乙) 融資租賃

(b) Finance leases

倘本集團重大地保留擁有權之所有風險及回報，有關資產租約則歸類為融資租賃。融資租賃在租約開始時按租賃物業之公平值及最低租賃付款之現值中較低者作資產化。每項租賃付款在負債及融資支出間作出分配以達致未償融資餘額反映固定息率。扣除融資支出後相應之租約責任則包括於負債內。根據融資租賃而收購之投資物業按其公平值列值。

Leases of assets where the Group has substantially retained all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included as liabilities. The investment properties acquired under finance leases are carried at their fair value.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.21 租約 (續)

2.21 Leases (Continued)

乙) 融資租賃 (續)

(b) Finance leases (Continued)

倘本集團為融資租賃出租人時，租約項下之應付款項 (扣除尚未獲得之融資收益) 確認為應收賬款，並列入「各項貸款及其他賬目」賬項內。隱含在租賃應收賬款之融資收入於租約期間撥入收益賬，以達致每個會計期間就未償還之投資淨額之固定回報率。

Where the Group is a lessor under finance leases, the amounts due under the leases, net of unearned finance income, are recognised as a receivable and are included in "Advances and other accounts". Finance income implicit in rentals receivable is credited to the income statement over the lease period so as to produce a constant periodic rate of return on the net investment outstanding for each accounting period.

2.22 受託業務

2.22 Fiduciary activities

本集團一般以託管人及其他信託方式行事，代表個人、信託及其他機構持有或存置資產。由於該等資產及其所產生的收入並非本集團之資產，故不會於本集團之財務報表中列賬。

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts and other institutions. These assets are excluded from the Group's financial statements, as they are not assets of the Group.

2.23 股本

2.23 Share capital

甲) 發行股份之支出

(a) Share issue costs

發行新股份或期權 (包括因收購業務而發行新股份) 應佔之新增支出，於除稅後之實收款項內扣除，並呈列於權益賬內。

Incremental costs directly attributable to the issue of new shares or options, including those for the acquisition of a business, are shown in equity as a deduction, net of tax, from the proceeds.

乙) 普通股股份之股息

(b) Dividends on ordinary shares

普通股股息於其被集團股東批准期間確認於權益賬內。

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要(續)

2. Summary of significant accounting policies (Continued)

2.24 或然負債及或然資產

2.24 Contingent liabilities and contingent assets

或然負債指因為過往事件而可能引起之承擔，而其存在只能就集團控制範圍以外之一宗或多宗不確定未來事件之出現而被確認。或然負債亦可能是因為過往事件引致之現有承擔，但由於可能不需要有經濟資源流失，或承擔金額未能可靠衡量而未有記賬。

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

或然負債不會被確認，但會在財務報表附註中披露。假若資源流失之可能性改變而導致資源可能流失，則被確認為撥備。

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

或然資產指因為過往事件而可能產生之資產，而其存在只能就集團控制範圍以外之一宗或多宗不確定事件之出現而被確認。

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

或然資產不會被確認，但會於經濟收益有可能獲得時在財務報表附註中披露。若實質確定有收益獲得時，則被確認為資產。

A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When such inflow is virtually certain, an asset is recognised.

2.25 現金及等同現金項目

2.25 Cash and cash equivalents

就現金流量表而言，現金及等同現金項目包括由購入日起計3個月內到期的結餘，包括現金、銀行及其他金融機構結餘、國庫債券、其他合適投資票據及存款證及可即時變現而不涉及重大風險之投資證券。

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including: cash, balances with banks and other financial institutions, treasury bills, other eligible bills and certificates of deposit and investment securities which are readily convertible to cash and are subject to an insignificant risk of changes in value.

2.26 保險合約

2.26 Insurance contracts

本集團發行包含保險風險或保險及財務風險之合約。有關本集團同意於發生界定但不確定未來事件(受保事件)時向受益人作出補償而承擔重大風險之合約，被分類為保險合約。保險合約亦可轉移財務風險。

The Group issues contracts that contain insurance risk or both insurance and financial risks. Contracts under which the Group retains significant risk from another party by agreeing to compensate the beneficiary on the occurrence of a specified uncertain future event (the insured event) are classified as insurance contracts. Insurance contracts may also transfer financial risk.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 主要會計政策概要 (續)

2. Summary of significant accounting policies (Continued)

2.26 保險合約 (續)

2.26 Insurance contracts (Continued)

保險合約按如下會計方法處理：

Insurance contracts are accounted for as follows:

(i) 保費

(i) Premiums

長期保險業務保費在到期時被確認為收入。一般保險業務之保費於承擔風險開始之期間入賬。於有關會計年度承保之業務但承擔結算日後期內之風險之未賺取之保費乃按時間比例基礎計算及分配。分保保費與保費總額則按一致的會計基準處理。

Premiums for long-term insurance business are recognized as revenue when they become due. Premiums for general insurance business are accounted for in the period in which the risk commences. Unearned premium is provided and is calculated on a time-apportioned basis as the proportion of the business underwritten in the accounting year relating to the period of risk after the balance sheet date. Reinsurance premiums are accounted for on the same basis as gross premiums.

(ii) 獲得新保險合約之佣金支出乃按確認保費收入之相同基準呈列於收益賬「服務費及佣金支出」項下。

(ii) Commission expenses for securing new contracts are charged to the income statement on a basis consistent with premium revenue recognition and are presented in the income statement under “Fee and commission expense”.

(iii) 索償及利益

(iii) Claims and benefits

一般保險業務之索償包括已付索償與索償撥備之變動及有關索償手續費。對長期保險業務而言，索償及受保人應得利益於收到索償通知或當須付利益時入賬。保險合約之客戶負債為符合監管規定，並由本集團所聘用之精算師估計人壽保險合約未來之索償及利益所確認之金額。分保索償收入與索償或利益一致之會計基準處理。

Claims for general insurance business consist of paid claims and movement in provisions for outstanding claims with related claims handling expenses. For long-term insurance business, claims and benefits are accounted for on notification of claims or when benefits become payable. Liabilities to policyholders under insurance contracts are the amount recognised for future claims and benefits of life insurance contracts estimated by appointed actuary in compliance with regulatory requirements. Reinsurance recoveries are accounted for on the same basis as the related claims or benefits.

(iv) 長期壽險業務之有效保單價值

(iv) Value of in-force long-term life assurance business

長期壽險業務之有效保單價值為採用適合假設計算有效保單之預期未來盈利之現值。長期壽險業務之有效保單價值之變動呈報為其他營運收益。

The value of in-force long-term life assurance business is the present value of expected future earnings to be generated from in-force business, using appropriate assumptions. Movements in the value of in-force long-term life assurance business are reported as other operating income.

2.27 比較數字

2.27 Comparatives

比較數字已作出所需之調整以符合本年度之呈列方式變更。

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理

3. Financial risk management

3.1 採用金融工具策略

3.1 Strategy in using financial instruments

本集團接受定息或浮息及不同年期之客戶存款，並透過投資所收取之資金於高質素資產以賺取息差。本集團尋求透過整合短期資金及按較高利率借出較長期之款項以增加此等息差收入，同時並保持足夠之流動資金以應付可能須付之所有債務。

The Group accepts deposits from customers at both fixed and floating rates, and for various periods, and seeks to earn positive interest margins by investing these funds in high-quality assets. The Group seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates, while maintaining sufficient liquidity to meet all claims that might fall due.

集團亦透過向多家不同信貸級別之商業及零售借款人貸款，以獲取減除撥備後高於平均之息差，藉此提高息差。此等活動風險不單涉及資產負債表內之貸款及墊款，亦涉及本集團訂立擔保及其他承擔，例如信用證及其他承諾。

The Group also seeks to raise its interest margins by obtaining above-average margins, net of allowances, through lending to commercial and retail borrowers with a range of credit standing. Such exposures involve not just on-balance sheet loans and advances, as the Group also enters into guarantees and other commitments such as letters of credit and performance, and other bonds.

本集團亦通過交易所及場外交易買賣包括衍生工具之金融工具，藉著證券、債券、貨幣、利率及商品價格之短期波動賺取利潤。董事會制定交易限額以監控不同程度之市場持倉風險。除指定對沖安排外，有關外匯及利率之風險一般以訂立對銷持倉(包括與客戶及市場對手之交易)或利用衍生工具作對沖，藉此控制有關市場持倉套現之現金淨值。

The Group also trades in financial instruments where it takes positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements in equities and bonds and in currency, interest rate and commodity prices. The Board places trading limits on the level of exposure that can be taken in relation to market positions. Apart from specific hedging arrangements, foreign exchange and interest rate exposures are normally offset by entering into counterbalancing positions (including transactions with customers or market counterparties), or by the use of derivatives, thereby controlling the variability in the net cash amounts required to liquidate market positions.

本集團亦應用利率掉期及其他利率衍生工具以減輕因利率變動令定息資產公平值下降或定息有期負債公平值上升之利率風險。當若干金融工具被用作公平值對沖時，對沖項目之細節，包括被對沖項目、金額、利率、對沖期及目的，皆於各公平值對沖項目開始時被確定和記錄，亦於開始對沖時按預期基礎評估及不時根據實際經驗及估值重新評估對沖有效性。倘公平值對沖關係不符合對沖會計的有效性測試標準，則對沖會計方法將於此公平值對沖變失效日起停止。

The Group also uses interest rate swap and other interest rate derivatives to mitigate interest rate risk arising from changes in interest rates that will result in decrease in the fair value of fixed rate assets or increase in the fair value of fixed rate term liabilities. Certain of these financial instruments are designated as fair value hedges, and the terms of the hedge including hedged item, amount, interest rates, hedge period and purpose are determined and documented at the inception of each fair value hedge. Hedge effectiveness is assessed at inception on a prospective basis and is reassessed, on an ongoing basis, based on actual experience and valuation. Fair value hedge relationships that do not meet the effectiveness test requirement of hedge accounting are discontinued with effect from the date of ineffectiveness of the fair value hedge.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.2 信貸風險

3.2 Credit risk

本集團之主要信貸風險為借貸人或交易對手未能履行對本集團之償款責任。此等責任乃源自本集團之貸款及交易活動、及買賣金融或衍生工具活動。

The Group's main credit risk is that borrowers or counterparties may default on their payment obligations due to the Group. These obligations arise from the Group's lending and investment activities, and trading of financial or derivative instruments.

本集團設有集團信貸委員會，每部門均設有信貸委員會，由若干執行董事及高級信貸人員組成，並由行政總裁擔任主席。每個信貸委員會負責按集團風險部政策所訂下之範圍內，制訂及修訂其部門之信貸政策及程序。信貸政策及程序界定提供貸款之條件及指引、信貸批核及評分、檢討及監察過程，以及貸款分類及減值之制度。

The Group has a Group Credit Committee and for each business division a credit committee made up of certain Executive Directors and senior credit officers and chaired by the Chief Executive. Each credit committee has responsibility for formulating and revising credit policies and procedures for that division within the parameters of the Group Risk Policy and regulatory framework. Credit policies and procedures define the credit assessment and approval criteria and guidelines, use of scoring, review and monitoring process and the systems of loan classification and impairment.

本集團根據業務、財務、市場及行業風險，評估不同類型的客戶及交易對方的信貸風險值，並按信貸批核及檢討政策而審慎地管理各類型的信貸風險。不同的管理階層會基於已制定的指引而批核各種信貸產品、客戶或交易對手及信貸額。管理層、信貸委員會及集團風險部會定期監察及控制信貸風險、信貸限額及資產質素。本集團內部審核師會作定期審核及檢查以確保信貸政策、程序及規管指引得以遵從。

The Group manages all types of credit risk on a prudent basis, in accordance with credit approval and review policies, by evaluating the credit-worthiness of different types of customers and counterparties based on assessment of business, financial, market and industry risks applicable to the types of loans, collateral and counterparty dealings including dealing in or use of derivative financial instruments. Credits are extended within the parameters set out in the credit policies, and are approved by different levels of management based upon established guidelines. Credit exposures, limits and asset quality are regularly monitored and controlled by management, credit committees and Group Risk. The Group's internal auditors conduct regular reviews and audits to ensure compliance with credit policies and procedures and regulatory guidelines.

個別業務的信貸政策亦確定新產品及活動的審批政策及程序，並兼顧信貸等級、評分、程序和減值政策等細節事宜。

The individual business' credit policies also establish policies and processes for the approval and review of new products and activities, together with details of the facility grading, or credit scoring, processes and provisioning policies.

為避免風險過份集中，對個別客戶或其有關集團之大額風險均被規限於資本基礎的某個百分比。對各行業、國家及地區的貸款亦規管於批准限額內以求組合達致平衡。

To avoid concentration of risk, large exposures to individual customers or related groups are limited to a percentage of the capital base, and exposures to industry sectors and countries/regions are managed within approved limits to achieve a balanced portfolio.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.2 信貸風險 (續)

3.2 Credit risk (Continued)

在適當的時候，為減低信貸風險，本集團會收取抵押品作為信貸額的擔保。為控制因衍生工具淨盤而產生之交易對手信貸風險，本集團限制其衍生工具買賣對手為核准之財務機構，應用市場建立之慣例於信貸支援及抵押品之結算，減低對衍生工具對手之信貸風險。本集團信貸委員會參考個別對手之財務能力及信貸評價，訂立個別財務機構之信貸總額，包括其於衍生工具之市值額度及認可之抵押品類別及其特性和各類貸款與估值比率皆確定於信貸政策內。

In order to mitigate the credit risk and where appropriate, the Group will obtain collateral to support the credit facility. To control credit risk exposure to counterparty arising from derivative positions, the Group limits its derivative dealings with approved financial institutions, and uses established market practices on credit support and collateral settlement to reduce credit risk exposure to derivative counterparties. Overall credit risk limit for each financial institution counterparty, including valuation limit for derivatives, is approved by the Group Credit Committee with reference to the financial strength and credit rating of each counterparty. The acceptable types of collateral and their characteristics are established within the credit policies, as are the respective margins of finance.

所有信貸，無論有否收取抵押品，皆取決於客戶或交易對手的現金流量情況及其還款能力。

Irrespective of whether collateral is taken, all credit decisions are based upon the customer's or counterparty's cashflow position and ability to repay.

甲) 衍生工具

(a) Derivatives

本集團嚴格控制未平倉衍生合約淨額(即買賣合約之差額)之金額及期限。於任何時間，承受信貸風險之金額按有利於本集團之工具現行公平價值(即公平值為正數之該等資產)為限，此就衍生工具而言僅佔合約之一個小部分，或用以表達未償還工具數量之名義金額。信貸風險作為整體客戶借貸限度之一部分連同潛在市場變動風險一併予以管理。此等工具之信貸風險並不是經常獲得抵押品或其他抵押，惟本集團要求對手方提供保證按金之情況除外。

The Group maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e., assets where their fair values are positive), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Group requires margin deposits from counterparties.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理(續)

3. Financial risk management (Continued)

3.2 信貸風險(續)

3.2 Credit risk (Continued)

乙) 淨額結算整體安排

(b) Master netting arrangements

集團與進行大量交易的交易對方訂立淨額結算整體安排，藉此進一步減少信貸風險。淨額結算整體安排不一定會導致資產負債表上資產及債務的對銷，原因是交易通常按總額結算。然而，有利合約之相關信貸風險會借著淨額結算整體安排而降低，於拖欠發生時交易對方所有借貸將被停止及按淨額結算。

The Group further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of balance sheet assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis.

丙) 信貸承諾

(c) Credit-related commitments

該等工具之主要目的乃確保資金足夠供應給客戶在有需要時提取。擔保及備用信用證乃不可撤回的保證，表示本集團將會在客戶未能向第三方履行責任時作出償付。該等工具帶有與貸款相同之信貸風險。跟單及商業信用證為本集團書面承諾代表客戶授權第三方按訂明之條款及條件向本集團提取某一訂明金額之款項，並一般以相關之付運貨物作為抵押，因此較直接借貸之風險為低。

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit – which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties – carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions – are normally collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct borrowing.

授出信貸承諾為以貸款、擔保書及信用證等形式授權授出之信貸未動用部分。有關授出信貸承擔之信貸風險，本集團所承擔之潛在損失風險相當於未動用承諾之總額。然而，可能虧損之金額乃低於未動用承諾，因為授出之信貸大部分承諾須視乎客戶之特定信貸水平而定。本集團會控制信貸承諾之到期年期，因較長年期之承諾比一般較短期承諾存在較大程度的信貸風險。

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

反映本集團主要信貸風險之按行業分類之客戶貸款已列於補充財務資料內之附註1。

An analysis on the breakdown of the Group's principal credit risk, as reflected in the Group's loan portfolio by industry sector is set out in Note 1 of the Supplementary Financial Information.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.3 市場風險

3.3 Market risk

市場風險乃指由市場上利率及價格變化而引致對資產、負債及資產負債表外持倉之虧損風險。本集團之市場風險一般只涉及作買賣交易並在外匯、債務證券、權益性證券及衍生工具之持倉。

Market risk is the risk of losses in assets, liabilities and off-balance sheet positions arising from movements in market rates and prices. Generally, the Group's market risk is associated with its positions in foreign exchange, debt securities, equity securities and derivatives in the trading book.

各類交易之市場風險均在資產及負債管理委員會及財資風險委員會所制定之風險限額及指引內處理。整體風險限額包含利率、外匯及股票價格之不同風險類別的細分限額。風險管理及監察是透過持倉上限、止蝕限額、名義金額及本金金額、敏感限額及運用市場風險數值之各種風險管理方法執行。所有涉及市場風險的買賣持倉受財資部監察及管理，需要每日按市值入賬。獨立的監察、價值評估、檢查及確認交易均由本集團風險部之中的風險管理及監控部負責，該部門獨立於財資部。風險管理及監控部透過每日的風險監控過程，比較風險和已審批額度及提議具體行動去確保整體及個別市場風險被限制在可接受水平內。

Market risk exposure for different types of transactions is managed within risk limits and guidelines approved by the Group's Asset and Liabilities Management ("ALCO") and the Treasury Risk Committee. The overall risk limits comprise sub-limits for each of the different risk categories which are, interest rate, foreign exchange and equity prices. Exposures are managed and monitored by a combination of risk management techniques including position limits, stop-loss limits, notional and principal amounts, sensitivity limits and value-at-risk ("VaR") limits. All market risk trading positions are subject to daily mark-to-market valuation, monitored and managed by Treasury. Independent monitoring, valuation, checking and trade confirmation are undertaken by the Risk Management and Control Department ("RMCD"), which as part of Group Risk, is independent of the Treasury Division. RMCD, through the daily risk monitoring process, measures risk exposures against approved limits and initiates specific action to ensure the overall and the individual market risks are managed within an acceptable level.

本集團之內部審核部則會進行定期的獨立檢查及查核，以確保財資部和有關負責部門遵從市場風險限額與指引。所有不符合核准限額之情況均須經適當管理層或資產及負債管理委員會審查及批准。

The Group's Internal Audit function performs regular independent review and testing to ensure compliance with the market risk limits and guidelines by Treasury and other relevant units. All exceptions to approved limits have to be reviewed and sanctioned by the appropriate level of management or ALCO.

3.4 外匯風險

3.4 Currency risk

除美元及澳元外，本集團承擔的淨外匯風險十分有限，因為由客戶交易引致的外匯持倉及外匯結存，通常會與其他的客戶交易或市場交易互相抵銷。淨風險持倉，無論是個別貨幣或總體而言，每日皆由本集團財資部控制在已制定的外匯限額內。

The Group has limited net foreign exchange exposure (except for USD and AUD) as foreign exchange positions and foreign currency balances arising from customer transactions are normally offset against other customer transactions or transactions with the market. The net exposure positions, both by individual currency and in aggregate, are managed by the Treasury of the Group on a daily basis within established foreign exchange limits.

若用長期外幣資金融資港元資產，通常會透過貨幣掉換或遠期外匯合約對沖以減低外匯風險。

Long-term foreign currency funding, to the extent that this is used to fund Hong Kong dollar assets, is normally hedged using currency swaps or forward exchange agreements to reduce the foreign exchange risk.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.4 外匯風險 (續)

3.4 Currency risk (Continued)

下表概列本集團按貨幣劃分及以港幣等值列出之資產及負債金額。

The table below summarizes the Group's assets and liabilities translated into equivalent HK\$ amounts, categorized by currency.

集團 二零零五年十二月三十一日	Group As at 31 December 2005	港元 HKD	美元 USD	澳元 AUD	歐羅 EUR	日元 JPY	澳門幣 MOP	其他 Others	合計 Total
資產	Assets								
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	1,159,389	4,673,503	98,751	28,487	129,090	177,404	2,641,538	8,908,162
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	260,650	659,150	94,788	100,956	-	53,630	-	1,169,174
持作買賣用途的證券	Trading securities	5,834,576	1,846,155	-	106,504	3,816	19,942	-	7,810,993
以公平值列入損益賬之金融資產	Financial assets at fair value through profit or loss	873,839	505,324	-	-	-	-	-	1,379,163
衍生金融工具	Derivative financial instruments	83,735	80,838	-	-	-	343	2,059	166,975
各項貸款及其他賬目	Advances and other accounts	40,266,989	4,165,970	51,750	146,215	260,993	1,809,016	38,544	46,739,477
可供出售證券	Available-for-sale securities	2,834,886	15,044,908	537,778	3,136,790	76,197	1,169,338	84,475	22,884,372
持至到期證券	Held-to-maturity securities	398,872	249,036	-	-	-	-	-	647,908
聯營公司投資	Investments in associated companies	-	48,139	-	-	-	-	-	48,139
共同控制實體投資	Investments in jointly controlled entities	30,184	-	-	-	-	-	-	30,184
商譽	Goodwill	950,992	-	-	-	-	-	-	950,992
無形資產	Intangible assets	203,214	-	-	-	-	51,154	-	254,368
行產及其他固定資產	Premises and other fixed assets	1,085,224	-	-	-	-	304,216	252	1,389,692
投資物業	Investment properties	346,768	-	-	-	-	15,922	-	362,690
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	740,644	-	-	-	-	5,252	-	745,896
遞延稅項資產	Deferred income tax assets	7,692	-	-	-	-	-	-	7,692
資產合計	Total Assets	55,077,654	27,273,023	783,067	3,518,952	470,096	3,606,217	2,766,868	93,495,877
負債	Liabilities								
銀行及其他金融機構存款	Deposits from banks and other financial institutions	120,262	66,056	14,180	8,520	2,712	1,269	42,749	255,748
衍生金融工具	Derivative financial instruments	149,110	201,368	-	149,224	-	414	1,520	501,636
持作買賣用途的負債	Trading liabilities	6,311,309	-	-	-	-	-	-	6,311,309
以公平值列入損益賬之客戶存款	Deposits from customers designated at fair value through profit or loss	1,368,974	535,306	-	-	-	-	-	1,904,280
客戶存款	Deposits from customers	34,220,025	11,459,553	2,682,217	744,564	129,439	3,261,238	3,705,376	56,202,412
已發行的存款證	Certificates of deposit issued	6,337,857	1,226,491	-	-	-	148,949	-	7,713,297
已發行的債務證券	Issued debt securities	-	2,287,095	-	-	-	-	-	2,287,095
後償債務	Subordinated notes	-	3,290,342	-	-	-	-	-	3,290,342
其他賬目及預提	Other accounts and accruals	939,109	933,047	7,283	77,793	56,780	134,867	48,367	2,197,246
對保險合約保單持有人之負債	Liabilities to policyholders under insurance contracts	831,731	521,542	-	11,080	-	298,582	-	1,662,935
即期稅項負債	Current income tax liabilities	36,214	-	-	-	-	12,415	78	48,707
遞延稅項負債	Deferred income tax liabilities	101,394	-	-	-	-	2,940	-	104,334
負債合計	Total Liabilities	50,415,985	20,520,800	2,703,680	991,181	188,931	3,860,674	3,798,090	82,479,341
資產負債表上持倉淨額	Net on-balance sheet position	4,661,669	6,752,223	(1,920,613)	2,527,771	281,165	(254,457)	(1,031,222)	11,016,536
資產負債表外持倉名義淨額*	Off-balance sheet net notional position*	965,938	(3,025,761)	1,937,092	(356,342)	(466,045)	-	922,826	(22,292)
信貸承擔	Credit commitments	26,664,833	3,289,331	100,046	95,772	65,338	989,611	666,656	31,871,587

* 資產負債表外持倉名義淨額指主要用於減輕集團外匯變動之風險金融衍生工具的名義金額與其公平值之差異。

* Off-balance sheet net notional position represents the difference between the notional amounts of foreign currency derivative financial instrument, (which are principally used to reduce the Group's exposure to currency movements) and their fair values.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.4 外匯風險 (續)

3.4 Currency risk (Continued)

集團 二零零四年十二月三十一日	Group As at 31 December 2004	港元 HKD	美元 USD	澳元 AUD	歐羅 EUR	日元 JPY	其他 Others	合計 Total
資產	Assets							
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	5,456,614	2,889,628	4,611	8,042	44,989	1,628,941	10,032,825
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	230,000	233,230	-	-	-	-	463,230
持作買賣用途的證券	Trading securities	6,284,059	1,464,099	-	86,216	67,194	5,212	7,906,780
非持作買賣用途的證券	Non-trading securities	2,916,708	14,620,374	-	1,618,596	-	-	19,155,678
各項貸款及其他賬目	Advances and other accounts	30,714,354	3,147,587	9,842	190,764	290,963	93,066	34,446,576
持至到期證券	Held-to-maturity	402,684	894,243	-	-	-	-	1,296,927
共同控制實體投資	Investments in jointly controlled entities	27,080	-	-	-	-	-	27,080
行產及其他固定資產	Premises and other fixed assets	677,878	-	-	-	-	277	678,155
投資物業	Investment properties	263,681	-	-	-	-	-	263,681
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	663,793	-	-	-	-	-	663,793
預付即期稅項	Current tax prepaid	27,616	-	-	-	-	-	27,616
遞延稅項資產	Deferred income tax assets	10,662	-	-	-	-	-	10,662
資產合計	Total Assets	47,675,129	23,249,161	14,453	1,903,618	403,146	1,727,496	74,973,003
負債	Liabilities							
銀行及其他金融機構存款	Deposits from of banks and other financial institutions	69,482	101,923	9,172	6,504	1,727	26,894	215,702
持作買賣用途的負債	Trading liabilities	6,179,192	504,381	-	-	-	-	6,683,573
客戶存款	Deposits from customers	25,999,052	11,574,730	2,415,296	358,938	42,193	2,912,802	43,303,011
已發行的存款證	Certificates of deposit issued	7,059,750	1,392,386	-	-	-	-	8,452,136
已發行的債務證券	Issued debt securities	-	2,332,305	-	-	-	-	2,332,305
後償債務	Subordinated notes	-	971,794	-	-	-	-	971,794
其他賬目及預提	Other accounts and accruals	1,174,493	911,679	(798)	55,994	39,306	26,791	2,207,465
對投保人保單之長期負債	Insurance contract liabilities	813,864	1,472	-	-	-	-	815,336
即期稅項負債	Current income tax liabilities	2,118	-	-	-	-	177	2,295
遞延稅項負債	Deferred income tax liabilities	13,218	-	-	-	-	-	13,218
負債合計	Total Liabilities	41,311,169	17,790,670	2,423,670	421,436	83,226	2,966,664	64,996,835
資產負債表上持倉淨額	Net on-balance sheet position	6,363,960	5,458,491	(2,409,217)	1,482,182	319,920	(1,239,168)	9,976,168
資產負債表外持倉名義淨額	Off-balance sheet net notional position	(3,078,189)	1,109,450	2,524,199	(917,797)	(523,839)	884,840	(1,336)
信貸承擔	Credit commitments	22,293,742	1,942,463	1,737	77,639	62,660	20,588	24,398,829

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.5 利率風險

3.5 Interest rate risk

本集團承擔的利率風險，主要是源於以浮動利率存款來融資定息貸款及固定收入證券投資。當利率上升或下降時，利率差距及淨利息收入將會因定息貸款或證券所賺取的利息不會改變而受影響。市場利率的波動除影響盈利外，亦會影響集團的資產、負債及資產負債表外持倉的經濟價值，繼而影響集團的資產淨值。

The Group's interest rate risk mainly arises from the funding of fixed-rate loans and investments in fixed income securities by floating rate deposits. When interest rates rise or fall, the interest spread and net interest income will be affected as interest income generated by the existing fixed-rate loans or securities will not change. In addition to changes in earnings, the variations in market interest rates will also affect the economic values of the Group's assets, liabilities and off-balance sheet positions, which can, in turn affect the net worth of the Group.

下表概列本集團之利率風險。表內包括本集團按賬面金額計算之帶息資產及負債，並按重定息率日或到期日(以較早者為準)分類。

The table below summarises the Group's exposure to interest rate risks. Included in the table are the Group's interest-bearing assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.5 利率風險 (續)

3.5 Interest rate risk (Continued)

集團 二零零五年十二月三十一日	Group At 31 December 2005	三個月或以下 3 months or less	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	不計息 Non- Interest Bearing	合計 Total
資產	Assets						
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	8,131,906	-	-	-	776,256	8,908,162
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	1,041,495	127,679	-	-	-	1,169,174
持作買賣用途的證券	Trading securities	3,059,231	1,773,897	1,172,306	885,116	920,443	7,810,993
以公平值列入損益賬之金融資產	Financial assets at fair value through profit or loss	1,150,242	228,921	-	-	-	1,379,163
衍生金融工具	Derivatives financial instruments	-	-	-	-	166,975	166,975
各項貸款及其他賬目	Advances and other accounts	40,059,535	2,536,547	2,437,368	267,809	1,438,218	46,739,477
可供出售證券	Available-for-sales securities	6,998,539	1,978,697	4,329,182	8,366,037	1,211,917	22,884,372
持至到期證券	Held-to-maturity securities	260,701	85,338	301,869	-	-	647,908
聯營公司投資	Investments in associated companies	-	-	-	-	48,139	48,139
共同控制實體投資	Investments in jointly controlled entities	-	-	-	-	30,184	30,184
商譽	Goodwill	-	-	-	-	950,992	950,992
無形資產	Intangible asset	-	-	-	-	254,368	254,368
行產及其他固定資產	Premises and other fixed assets	-	-	-	-	1,389,692	1,389,692
投資物業	Investment properties	-	-	-	-	362,690	362,690
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	-	-	745,896	745,896
遞延稅項資產	Deferred income tax assets	-	-	-	-	7,692	7,692
資產合計	Total Assets	60,701,649	6,731,079	8,240,725	9,518,962	8,303,462	93,495,877
負債	Liabilities						
銀行及其他金融機構存款	Deposits from banks and other financial institutions	123,866	11,291	-	-	120,591	255,748
衍生金融工具	Derivative financial instruments	-	-	-	-	501,636	501,636
持作買賣用途的負債	Trading liabilities	4,308,461	1,245,019	757,829	-	-	6,311,309
以公平值列入損益賬之客戶存款	Deposits from customers at fair value through profit or loss	1,120,366	688,067	95,847	-	-	1,904,280
客戶存款	Deposits from customers	50,856,594	2,179,777	766,072	-	2,399,969	56,202,412
已發行的存款證	Certificates of deposit issued	3,080,639	709,232	3,923,426	-	-	7,713,297
已發行的債務證券	Issued debt securities	-	1,163,265	1,123,830	-	-	2,287,095
後償債務	Subordinated notes	-	2,138,954	-	1,151,388	-	3,290,342
其他賬目及預提	Other accounts and accruals	-	-	-	-	2,197,246	2,197,246
對保險合約保單持有人的負債	Liabilities to policyholders under insurance contracts	-	-	-	-	1,662,935	1,662,935
即期稅項負債	Current income tax liabilities	-	-	-	-	48,707	48,707
遞延稅項負債	Deferred income tax liabilities	-	-	-	-	104,334	104,334
負債合計	Total Liabilities	59,489,926	8,135,605	6,667,004	1,151,388	7,035,418	82,479,341
利息敏感差距*	Total interest sensitivity gap*	1,211,723	(1,404,526)	1,573,721	8,367,574		

* 上述列示之利息敏感差距並無包括因用作抵銷利率風險而訂立的利率衍生工具合約。

* The interest sensitivity gap shown above does not take into account interest rate derivative contracts entered to offset interest rate risk.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.5 利率風險 (續)

3.5 Interest rate risk (Continued)

集團	Group	三個月或以下 3 months or less	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	不計息 Non- Interest Bearing	合計 Total
二零零四年十二月三十一日	At 31 December 2004						
資產	Assets						
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	9,316,801	-	-	-	716,024	10,032,825
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	463,230	-	-	-	-	463,230
持作買賣用途的證券	Trading securities	1,056,317	3,500,053	2,198,615	604,523	547,272	7,906,780
非持作買賣用途的證券	Non-trading securities	2,921,357	4,548,071	6,019,683	5,440,703	225,864	19,155,678
各項貸款及其他賬目	Advances and other accounts	29,688,874	1,491,144	1,024,681	306,038	1,935,839	34,446,576
持至到期證券	Held-to-maturity securities	494,954	562,103	239,870	-	-	1,296,927
共同控制實體投資	Investments in jointly controlled entities	-	-	-	-	27,080	27,080
行產及其他固定資產	Premises and other fixed assets	-	-	-	-	678,155	678,155
投資物業	Investment properties	-	-	-	-	263,681	263,681
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	-	-	663,793	663,793
預付即期稅項	Current tax prepaid	-	-	-	-	27,616	27,616
遞延稅項資產	Deferred income tax assets	-	-	-	-	10,662	10,662
資產合計	Total Assets	43,941,533	10,101,371	9,482,849	6,351,264	5,095,986	74,973,003
負債	Liabilities						
銀行及其他金融機構存款	Deposits and balances from banks and other financial institutions	79,513	42,553	-	-	93,636	215,702
持作買賣用途的負債	Trading liabilities	2,890,908	1,122,275	2,365,544	304,846	-	6,683,573
客戶存款	Deposits from customers	39,066,045	2,383,441	122,794	-	1,730,731	43,303,011
已發行的存款證	Certificates of deposit issued	4,509,028	2,691,429	1,251,679	-	-	8,452,136
已發行的債務證券	Issued debt securities	-	1,166,153	1,166,152	-	-	2,332,305
後償債務	Subordinated notes	-	-	971,794	-	-	971,794
其他賬目及預提	Other accounts and accruals	-	-	-	-	2,207,465	2,207,465
對投保人保單之長期負債	Insurance contract liabilities	-	-	-	-	815,336	815,336
即期稅項負債	Current income tax liabilities	-	-	-	-	2,295	2,295
遞延稅項負債	Deferred income tax liabilities	-	-	-	-	13,218	13,218
負債合計	Total Liabilities	46,545,494	7,405,851	5,877,963	304,846	4,862,681	64,996,835
利息敏感差距	Total interest sensitivity gap	(2,603,961)	2,695,520	3,604,886	6,046,418		

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.5 利率風險 (續)

3.5 Interest rate risk (Continued)

下表概述未以公平值列入損益賬之貨幣金融工具，按主要貨幣區分之實際利率：

The table below summarises the effective interest rate by major currencies for monetary financial instruments not carried at fair value through profit or loss:

集團 二零零五年十二月三十一日	Group At 31 December 2005	港元 HKD %	美元 USD %	澳元 AUD %	歐羅 EUR %	日元 JPY %	澳門幣 MOP %	其他 Others %	合計 Total %
資產									
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	4.35%	4.24%	5.53%	2.32%	-	3.71%	4.73%	4.29%
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	3.38%	4.20%	5.49%	2.37%	-	4.13%	-	4.00%
各項貸款及其他賬目	Advances and other accounts	6.78%	6.57%	6.52%	3.62%	1.23%	6.88%	3.90%	6.74%
可供出售證券(扣除利率 掉期合約之影響)	Available-for-sale securities (net of effect of interest rate swap contracts)	3.36%	4.75%	5.82%	4.57%	-	-	3.09%	4.61%
持至到期證券	Held-to-maturity securities	3.45%	5.39%	-	-	-	-	-	3.72%
負債									
銀行及其他金融機構存款	Deposits from banks and other financial institutions	4.08%	4.31%	5.40%	2.39%	-	-	5.51%	4.01%
客戶存款	Deposits from customers	3.61%	3.81%	4.88%	1.79%	0.02%	2.87%	4.21%	3.68%
已發行的存款證	Certificates of deposit issued	4.46%	4.56%	-	-	-	-	-	4.48%
已發行的債務證券	Issued debt securities	-	4.70%	-	-	-	-	-	4.70%
後償債務	Subordinated notes	-	4.89%	-	-	-	-	-	4.89%
集團 二零零四年十二月三十一日	Group At 31 December 2004	港元 HKD %	美元 USD %	澳元 AUD %	歐羅 EUR %	日元 JPY %	澳門幣 MOP %	其他 Others %	合計 Total %
資產									
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	0.54%	2.21%	5.06%	-	-	-	4.56%	1.72%
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	0.35%	2.16%	5.06%	-	-	-	-	1.26%
非持作買賣用途的證券 (扣除利率掉期合約之影響)	Non-trading securities (net of effect of interest rate swap contracts)	0.96%	4.43%	-	4.97%	-	-	-	3.90%
各項貸款及其他賬目	Advances and other accounts	4.37%	4.35%	6.63%	3.44%	1.28%	-	3.22%	4.34%
持至到期證券	Held-to-maturity securities	6.23%	7.91%	-	-	-	-	-	7.23%
負債									
銀行及其他金融機構存款	Deposits from banks and other financial institutions	0.93%	1.40%	4.95%	1.75%	-	-	5.47%	2.18%
客戶存款	Deposits from customers	0.52%	2.17%	4.71%	1.55%	0.01%	-	3.87%	1.47%
已發行的存款證	Certificates of deposit issued	0.56%	2.26%	-	-	-	-	-	0.84%
已發行的債務證券	Issued debt securities	-	2.69%	-	-	-	-	-	2.69%
後償債務	Subordinated notes	-	3.79%	-	-	-	-	-	3.79%

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.6 流動資產風險

3.6 Liquidity risk

本集團審慎地管理流動資產以確保流動資產比率於是年度內均能保持高於法定最低要求的流動資產比率。本集團是年內平均流動資產比率遠高於銀行業條例最低要求的百分之二十五。

The Group manages its liquidity on a prudent basis to ensure that a sufficiently high liquidity ratio relative to the statutory minimum is maintained throughout the year. The average liquidity ratio of the Group during the year was well above the 25% minimum ratio set by the Banking Ordinance.

本集團的資產及負債管理委員會定期檢討現行貸款和存款的組合及變化、融資需求及預測、對到期錯配狀況及對流動資產比率作出持續監控。本集團亦對流動資產比率及到期錯配定下適當的限額並持有充足的流動資產以確保能應付所有短期資金需求。

The Group's ALCO regularly reviews the Group's current loan and deposit mix and changes, funding requirements and projections, and monitors the liquidity ratio and maturity mismatch on an ongoing basis. Appropriate limits on liquidity ratio and maturity mismatch are set and sufficient liquid assets are held to ensure that the Group can meet all short-term funding requirements.

本集團的資金主要包括客戶存款、已發行的存款證及中期票據。發行存款證及中期票據有助延長融資年期及減少到期錯配，在少數情況下，亦會吸納短期銀行同業存款。本集團乃銀行同業市場的淨放款人。

The Group's funding comprises mainly deposits of customers, certificates of deposit and medium term notes issued. The issuance of certificates of deposit and medium term notes helps lengthen the funding maturity and reduce the maturity mismatch. Short-term interbank deposits are taken on a limited basis and the Group is a net lender to the interbank market.

下表分析本集團按有關合約到期日剩餘時間分類之資產及負債。

The table on the following page analyses the Group's assets and liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.6 流動資產風險 (續)

3.6 Liquidity risk (Continued)

集團 二零零五年十二月三十一日	Group At 31 December 2005	即時到期 Repayable on demand	三個月 或以下 3 months or less	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無註明日期 Undated	合計 Total
資產	Assets							
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	4,949,739	3,958,423	-	-	-	-	8,908,162
在銀行及其他金融機構 一至十二個月內到期的存款	Placement with banks and other financial institutions maturing between one and twelve months	-	886,997	282,177	-	-	-	1,169,174
持作買賣用途的證券	Trading securities	185,408	2,824,038	1,798,892	1,180,212	902,000	920,443	7,810,993
以公平值列入損益賬之金融資產	Financial assets at fair value through profit or loss	-	1,331,772	47,391	-	-	-	1,379,163
衍生金融工具	Derivative financial instruments	689	23,398	60,630	17,998	51,746	12,514	166,975
各項貸款及其他賬目	Advances and other accounts	5,631,630	8,824,776	5,513,732	11,087,086	15,409,527	272,726	46,739,477
可供出售證券	Available-for-sale securities	233,931	3,418,337	951,395	5,599,318	11,520,184	1,161,207	22,884,372
持至到期證券	Held-to-maturity securities	-	144,694	139,276	363,938	-	-	647,908
聯營公司投資	Investments in associated companies	-	-	-	-	-	48,139	48,139
共同控制實體投資	Investments in jointly controlled entities	-	-	-	-	-	30,184	30,184
商譽	Goodwill	-	-	-	-	-	950,992	950,992
無形資產	Intangible assets	-	-	-	-	-	254,368	254,368
行產及其他固定資產	Premises and other fixed assets	-	-	-	-	-	1,389,692	1,389,692
投資物業	Investment properties	-	-	-	-	-	362,690	362,690
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	-	-	-	745,896	745,896
遞延稅項資產	Deferred income tax assets	-	-	-	7,692	-	-	7,692
資產合計	Total Assets	11,001,397	21,412,435	8,793,493	18,256,244	27,883,457	6,148,851	93,495,877
負債	Liabilities							
銀行及其他金融機構存款	Deposits from banks and other financial institutions	235,946	9,302	10,500	-	-	-	255,748
衍生金融工具	Derivative financial instruments	2,992	86,736	19,840	116,582	275,486	-	501,636
持作買賣用途的負債	Trading liabilities	-	4,308,462	1,245,018	757,829	-	-	6,311,309
以公平值列入損益賬之客戶存款	Deposits from customers designated at fair value through profit or loss	-	1,701,212	107,221	95,847	-	-	1,904,280
客戶存款	Deposits from customers	13,625,186	39,886,487	1,924,667	766,072	-	-	56,202,412
已發行的存款證	Certificates of deposit issued	-	1,352,174	2,628,175	3,732,948	-	-	7,713,297
已發行的債務證券	Issued debt securities	-	-	-	2,287,095	-	-	2,287,095
後償債務	Subordinated notes	-	975,689	-	1,163,265	1,151,388	-	3,290,342
其他賬目及預提	Other accounts and accruals	797,016	892,220	284,024	5,206	1,006	217,774	2,197,246
對保險合約保單持有人之負債	Liabilities to policyholders under insurance contracts	-	-	-	-	1,662,935	-	1,662,935
即期稅項負債	Current income tax liabilities	-	-	48,707	-	-	-	48,707
遞延稅項負債	Deferred income tax liabilities	-	-	-	104,334	-	-	104,334
負債合計	Total Liabilities	14,661,140	49,212,282	6,268,152	9,029,178	3,090,815	217,774	82,479,341
淨流動金額差	Net liquidity gap	(3,659,743)	(27,799,847)	2,525,341	9,227,066	24,792,642	5,931,077	11,016,536

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.6 流動資產風險 (續)

3.6 Liquidity risk (Continued)

集團 二零零四年十二月三十一日	Group At 31 December 2004	即時到期 Repayable on demand	三個月 或以下 3 months or less	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無註明日期 Undated	合計 Total
資產	Assets							
現金及在銀行及其他 金融機構的結餘	Cash and balances with banks and other financial institutions	1,463,448	8,569,377	-	-	-	-	10,032,825
在銀行及其他金融機構 一至十二個月內到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	-	463,230	-	-	-	-	463,230
持作買賣用途的證券	Trading securities	306,126	717,002	3,488,004	2,202,537	645,840	547,271	7,906,780
非持作買賣用途的證券	Non-trading securities	-	323,214	4,025,080	5,577,003	8,735,064	495,317	19,155,678
各項貸款及其他賬目	Advances and other accounts	4,410,345	7,578,813	4,025,502	7,793,269	10,529,655	108,992	34,446,576
持至到期證券	Held-to-maturity securities	-	15,549	735,145	546,233	-	-	1,296,927
共同控制實體投資	Investments in jointly controlled entities	-	-	-	-	-	27,080	27,080
行產及其他固定資產	Premises and other fixed assets	-	-	-	-	-	678,155	678,155
投資物業	Investment properties	-	-	-	-	-	263,681	263,681
長期壽險業務之有效保單價值	Value of in-force long-term life assurance business	-	-	-	-	-	663,793	663,793
預付即期稅項	Current tax prepaid	-	-	27,616	-	-	-	27,616
遞延稅項資產	Deferred income tax assets	-	-	-	10,662	-	-	10,662
資產合計	Total Assets	6,179,919	17,667,185	12,301,347	16,129,704	19,910,559	2,784,289	74,973,003
負債	Liabilities							
銀行及其他金融機構存款	Deposits and balances of banks and other financial institutions	62,648	138,333	14,721	-	-	-	215,702
持作買賣用途的負債	Trading liabilities	-	2,890,908	1,122,276	2,376,113	294,276	-	6,683,573
客戶存款	Deposits from customers	13,129,880	27,795,930	2,252,433	124,768	-	-	43,303,011
已發行的存款證	Certificates of deposit issued	-	1,185,090	4,013,204	3,253,842	-	-	8,452,136
已發行的債務證券	Issued debt securities	-	-	-	2,332,305	-	-	2,332,305
後償債務	Subordinated notes	-	-	-	971,794	-	-	971,794
其他賬目及預提	Other accounts and accruals	321,131	1,252,585	349,811	17,038	41,282	225,618	2,207,465
對投保人保單之長期負債	Insurance contract liabilities	-	-	-	-	-	815,336	815,336
即期稅項負債	Current income tax liabilities	-	-	2,295	-	-	-	2,295
遞延稅項負債	Deferred income tax liabilities	-	-	-	13,218	-	-	13,218
負債合計	Total Liabilities	13,513,659	33,262,846	7,754,740	9,089,078	335,558	1,040,954	64,996,835
淨流動金額差	Net liquidity gap	(7,333,740)	(15,595,661)	4,546,607	7,040,626	19,575,001	1,743,335	9,976,168

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理 (續)

3. Financial risk management (Continued)

3.6 流動資產風險 (續)

3.6 Liquidity risk (Continued)

資產與負債期限及利率的相配和受控的錯配對集團管理層至為重要。由於進行的業務交易經常期限不定，且類型也不盡相同，因此銀行做到完全相配的情況並不普遍。不相配的情況既可能提高盈利能力，也會增加虧損風險。

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

資產與負債的到期日相配和以合理的成本替代到期之計息負債的能力，是評估集團流動資金狀況及其利率及匯率變動風險的重要因素。

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

應付擔保和備用信用證項下所需款項的流動資金需求遠少於承諾的金額，因為集團一般不預期第三方會根據該協議全數動用資金。由於很多信貸承諾毋須動用資金即告期滿或終止，因此提供信貸承擔的未償付合同總金額未必等同日後的現金需求。

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment because the Group does not generally expect the third parties to fully draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

3.7 金融資產及負債之公平值

3.7 Fair values of financial assets and liabilities

於活躍市場買賣之金融工具(例如公開買賣之衍生工具、以及持作買賣用途的證券及可供出售之證券)於結算日之公平值乃根據市場價格入賬。本集團所持金融資產所用之報價為當時買入價；金融負債之適用報價為當時賣出價。

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

並非於活躍市場買賣之金融工具(例如場外衍生工具)之公平值乃使用估值技術釐定。本集團使用多種方法，並基於各結算日存在之市況作出假設。長期債項乃使用類同工具之市場價或交易商之報價。釐定其餘金融工具之公平值時則使用其他技術，例如預計貼現現金流量。利率掉期之公平值按估計未來現金流量之現值計算。遠期外匯合約之公平值則採用於結算日期外匯市場遠期匯率釐定。

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 財務風險管理(續)

3. Financial risk management (Continued)

3.7 金融資產及負債之公平值(續)

3.7 Fair values of financial assets and liabilities (Continued)

金融資產及負債之公平值之披露乃按本集團就類同金融工具可按當時市場利率將未來合約現金流量貼現而估計。

The fair value of financial assets and financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

於二零零五及二零零四年十二月三十一日，全部金融工具以公平值呈列，除下述金融工具：

All financial instruments are stated at fair value as at 31 December 2005 and 2004 except for the following:

集團	Group	賬面值		公平值	
		Carrying value		Fair value	
		二零零五年	二零零四年	二零零五年	二零零四年
		2005	2004	2005	2004
金融資產	Financial assets				
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	8,908,162	10,032,825	8,908,162	10,032,825
在銀行及其他金融機構一至十二個月內到期的存款	Placements with banks and other financial institutions	1,169,174	463,230	1,167,632	463,682
各項貸款及其他賬目	Advances and other accounts	46,739,477	34,446,576	46,658,561	34,509,275
持至到期證券	Held-to-maturity securities	647,908	1,296,927	637,058	1,281,558
金融負債	Financial liabilities				
銀行及其他金融機構存款	Deposits from banks and other financial institutions	255,748	215,702	254,916	215,832
客戶存款	Deposits from customers	56,202,412	43,303,011	56,235,518	43,344,286
已發行的存款證	Certificates of deposit issued	3,188,177	8,452,136	3,183,281	8,453,435
已發行的債務證券	Issued debt securities	1,163,265	2,332,305	1,161,520	2,332,305
後償債務	Subordinated notes	1,163,265	971,794	1,163,265	1,016,555

3.8 受信人活動

3.8 Fiduciary activities

本集團提供託管人、受託人、企業管理、投資管理及諮詢服務予第三者，當中涉及本集團就不同之金融工具作出分配及買賣決定。此等以受信身份持有之資產，並不列入本集團之財務報表。此等服務可引致本集團被追索錯誤管理之風險。

The Group provides custody, trustee, wealth management and advisory services to third parties, which involve the Group making allocation and purchase and sale decisions in relation to a variety of financial instruments. Those assets that are held in a fiduciary capacity are not included in the Group's financial statements. These services could give rise to the risk that the Group will be accused of maladministration.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

4. 重要會計估計及判斷適用會計政策

4. Critical accounting estimates, and judgements in applying accounting policies

4.1 重要會計估計及假設

4.1 Critical accounting estimates and assumptions

本集團作出之估計及假設將會影響下一財政年度內列報影響資產及負債之金額。本集團會根據過往經驗及其他因素，包括在某些情況下，對未來事項作出認為是合理的預期，並持續地評估所作出之估計及判斷。

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

甲) 貸款及墊款之減值準備

(a) Impairment allowances on loans and advances

本集團至少每季檢視其貸款組合以評估其減值。本集團會評估有任何顯著數據反映貸款組合之預計現金流量於確認為個別貸款減少前有重大的跌幅作出判斷，以確定減值虧損應否記錄於收益賬上。這證據可能包括本集團借款人之還款狀況有逆轉，或經濟情況與集團之資產拖欠相關。當反映估計未來現金流量時，管理層會按過往有相關貸款風險特性的資產損失經驗，及與類同之貸款組合客觀評估。這個用以估計未來現金流量總額及時間的方法及假設被定期檢閱，以減少預計及實際損失之差異。

The Group reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when estimating its future cash flows of recoverable amounts. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

乙) 金融工具之公平值

(b) Fair value of financial instruments

在沒有活躍市場報價的金融工具以估值方法去釐定其公平值。當採用估值方法(例如以統計模型)去決定公平值時，該等方法須由獨立於交易部門並具有相關資格的人去確認及定期檢視。所有模型在採用前須先獲得證實及模型須被確認以確保結果能反映實際數據及相對市價。在可行之範圍內，模型只會用可觀察之數據，但某些範疇如信貸風險(包括自己及交易對手)，波幅及相互關係，管理層必須作出一些估計。改變關於這些因素之假設會影響所列報的金融工具之公平值。

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example, statistical models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are subject to proper validation before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

4. 重要會計估計及判斷適用會計政策 (續)

4. Critical accounting estimates, and judgements in applying accounting policies (Continued)

4.1 重要會計估計及假設 (續)

4.1 Critical accounting estimates and assumptions (Continued)

丙) 持至到期證券

(c) Held-to-maturity securities

本集團遵循香港會計準則第39號之指引分類具有固定或可予釐定付款及固定到期日之非衍生金融資產為持至到期證券。此一分類須作出重大判斷。在作出判斷時，本集團評估其持有該等資產至到期之意向及能力。倘本集團未能持有此等投資至到期(不包括特別情況，例如在接近到期時出售少量部分)，整個類別則須重新分類為可供出售證券。該等投資將因而按其公平值而非按攤銷成本計量。

The Group follows the guidance of HKAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgment. In making this judgment, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – it will be required to reclassify the entire class as available-for-sale. The investments would therefore be measured at fair value, not amortised cost.

丁) 商譽及無形資產之評估

(d) Goodwill and intangible asset valuation

在業務合併倘一些被收購企業之無形資產可明確及公平地被計量。本集團按香港財務報告準則第3號確認被收購企業可分別認明的無形資產。在本集團認明可計量之無形資產和評估有關因素及檢閱其過往之業績及變化支持被收購企業之價值後，本集團針對此無形資產之未來業績、未來可獲取之利益及用於計算此無形資產價值之適當折現率，訂下若干假設。收購之代價與收購資產(包括無形資產)公平值之差異被分類為商譽。用於評估無形資產之變更將影響包括於綜合資產負債表內之無形資產及商譽的金額。

For business combinations, the Group follows the requirements of HKFRS 3 to recognise separately identifiable intangible asset of the acquired entity at the acquisition date if the fair value of the intangible assets can be measured reliably. Based on the Group's assessment of relevant factors and review of historical performance or behavior supporting the values of the acquired entity and after the Group had identified measurable intangible assets, the Group made certain assumptions in relation to future performance of the intangible assets, the future benefit to be derived from these intangible assets and appropriate discount rates used in arriving at the value of the intangible assets. The difference between cost of combination and the fair value of the net asset acquired including the intangible asset is classified as goodwill. The change in assumptions used in valuing intangible assets might affect the amount of intangible assets and goodwill included in the consolidated balance sheet.

繼最初確認商譽及無形資產後，任何有關用於評估無形資產未來可產生之收益假設之重大變動，包括被收購之企業之未來收益現金流量，或貼現率因市場環境及前景的重大改變，將對此資產之賬面價值作出調整。倘在某些情況下，商譽及無形資產預期可收回之金額較其賬面價值低，該可能因重大市場環境及前景改變而引致之資產減值需被確認。

Subsequent to initial recognition of goodwill and intangible assets, any major change in the assumptions in relation to future benefits to be generated from the intangible assets, including future cash flow of benefits to be generated from the acquired entities, or discount rates which could be caused by major changes in market conditions and outlook, could result in adjustments to the carrying values of such assets. In the event that the expected recoverable amounts of goodwill and intangible assets are significantly lower than their carrying values, impairment of such assets would have to be recognised.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

4. 重要會計估計及判斷適用會計政策(續)

4. Critical accounting estimates, and judgements in applying accounting policies (Continued)

4.1 重要會計估計及假設(續)

4.1 Critical accounting estimates and assumptions (Continued)

戊) 長期壽險業務之有效保單價值

(e) Value of long-term life assurance business

計算長期壽險業務之有效保單價值時須作出估計。

Estimates are made in calculating the value of long-term life assurance business.

主要之假設概述如下：

Key assumptions are summarised below:

- (i) 死亡率。選擇合適之標準死亡率表為基準，並按本公司本身之經驗作出調整。
- (ii) 折現率。折現率為10.25%，為無風險利率加適當之權益風險溢價。
- (iii) 投資回報。視乎不同投資計劃與負債之配對，投資回報假設介乎年率4.95%至7%。
- (iv) 續保支出。續保支出乃根據實際經驗和參考未來業務計劃而釐定。

- (i) Mortality. An appropriate base table of standard mortality is chosen with adjustment for the Company's own experience.
- (ii) Discount rate. A discount rate of 10.25% being the risk free rate plus an appropriate equity risk premium is applied.
- (iii) Investment return. Investment return assumption ranges from 4.95% to 7% per annum depending on risk characteristics of investments matching the liabilities of different plans.
- (iv) Renewal expenses. Renewal expenses based on actual experience and with reference to future business plan are adopted.

假設變動

Change in assumptions

本集團定期檢討所採用之假設，並根據實際經驗和新預測作出調整。

Assumptions are reviewed on a regular basis and adjusted with the actual experience and new forecasts.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

4. 重要會計估計及判斷適用會計政策(續)

4. Critical accounting estimates, and judgements in applying accounting policies (Continued)

4.1 重要會計估計及假設(續)

4.1 Critical accounting estimates and assumptions (Continued)

戊) 長期壽險業務之有效保單價值
(續)

(e) Value of long-term life assurance business (Continued)

敏感分析

Sensitivity analysis

下表載列長期壽險業務價值相對於用以估計長期壽險業務價值之主要假設變動之敏感度。

The following table represents the sensitivity of the value of long-term life assurance business to movements in the key assumptions used in the estimation of the value of long-term life assurance business.

		因素的變動 Change in variable	長期業務之價值 Value of long-term business	溢利之變動 Change in net profit
貼現率之增加	Increase in discount rate	+1%	(59,265)	(59,265)
死亡率之惡化	Worsening of mortality	+1%	(1,815)	(1,815)
投資回報之下降	Decrease in investment return	- 0.1%	(22,444)	(22,444)
續保支出之增加	Increase in renewal expense	+10%	(8,744)	(8,744)

4.2 採用集團會計政策之重大判斷

4.2 Critical judgments in applying the Group's accounting policies

投資物業與自用物業之區別

Distinction between investment properties and owner-occupied properties

本集團自行釐定物業是否符合列作投資物業的資格。在作出有關判斷時，本集團須考慮該物業是否在不受本集團所持其他資產協助下提供現金流量。業主自用物業所提供之現金流量不僅來自物業本身，亦因在生產或供應過程使用其他資產而產生。

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

本集團若干物業之一部份乃用作賺取租金或資本增值用途，而另一部份則為提供服務或用作行政用途。倘這一部份可個別出售(或根據一項融資租賃分開出租)，本集團則就不同部份分開入賬。倘不同部份不能分開出售及該物業用作提供服務或行政用途之部份極小，其將以投資物業入賬。本集團將對確定有關服務用途之部份之重要性而導致相關物業不符合為投資物業作判斷，亦會在作出判斷時，分開考慮每項物業。

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held to supply services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held to supply services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

5. 分項報告

分項資料乃顯示本集團之分項業務情況：

截至二零零五年十二月三十一日止年度

5. Segment Reporting

Segment information is presented in respect of the Group's business segments:

For the year ended 31 December 2005

		個人銀行 Personal Banking	商業銀行 Commercial Banking	財資業務 Treasury	保險業務 Insurance Business	未分類業務 Unallocated	抵銷 Elimination	合計 Total
利息收入	Interest income from							
– 外界客戶	– external customers	1,181,017	921,408	982,400	31,324	40,511	-	3,156,660
– 跨項目	– inter-segments	674,245	-	106	3,028	186,374	(863,753)	-
利息支出	Interest expense to							
– 外界客戶	– external customers	(1,018,757)	(212,032)	(513,177)	76	(14,499)	-	(1,758,389)
– 跨項目	– inter-segments	(40,302)	(249,411)	(574,077)	-	37	863,753	-
淨利息收入/(支出)	Net interest income/(expense)	796,203	459,965	(104,748)	34,428	212,423	-	1,398,271
服務費及佣金收入	Fee and commission income	359,163	87,606	10,066	16,487	11,769	(38,162)	446,929
服務費及佣金支出	Fee and commission expense	(59,165)	(91)	(6,415)	(59,980)	(37)	34,533	(91,155)
淨服務費及佣金收入/(支出)	Net fee and commission income/(expense)	299,998	87,515	3,651	(43,493)	11,732	(3,629)	355,774
淨買賣收入	Net trading income	2,021	6,257	136,596	97,281	18,046	-	260,201
淨保費收入	Net insurance premium income	-	-	-	752,855	-	-	752,855
其他營運收入	Other operating income	9,022	614	8,881	75,288	25,080	-	118,885
總營運收入	Total operating income	1,107,244	554,351	44,380	916,359	267,281	(3,629)	2,885,986
保險索償淨額及對保單 持有人負債之變動	Net insurance claims and movement in liabilities to policyholders	-	-	-	(627,697)	-	-	(627,697)
扣除保險索償之營運收入	Total operating income net of insurance claims	1,107,244	554,351	44,380	288,662	267,281	(3,629)	2,258,289
營運支出	Operating expenses	(675,058)	(161,031)	(54,006)	(75,112)	(38,987)	3,629	(1,000,565)
扣除貸款及墊款減值撥 之營運溢利/(虧損)	Operating profit/(loss) before impairment losses on loan and advances	432,186	393,320	(9,626)	213,550	228,294	-	1,257,724
貸款及墊款之減值撥 (支出)/撥回	Impairment (losses)/write-back on loans and advances	(55,484)	(75,075)	93	(63)	(111)	-	(130,640)
若干投資及固定資產收益前 之營運溢利/(虧損)	Operating profit/(loss) before gains on certain investments and fixed assets	376,702	318,245	(9,533)	213,487	228,183	-	1,127,084
出售行產及其他固定資產 之淨收益/(虧損)/重估減值回撥	Net gain/(loss) from disposal/reversal of revaluation deficits of premises and other fixed assets	(231)	(8)	-	-	104,230	-	103,991
投資物業公平值調整之淨收益	Net gain from fair value adjustment on investment properties	-	-	-	-	83,051	-	83,051
出售可供出售證券之淨 (虧損)/收益	Net (loss)/gain on disposal of available-for-sale securities	(20)	-	102,295	-	13,903	-	116,178
應佔共同控制實體之業績	Share of results of jointly controlled entities	-	-	-	-	3,104	-	3,104
應佔聯營公司之業績	Share of results of associated companies	-	-	-	-	(9,350)	-	(9,350)
除稅前溢利	Profit before income tax	376,451	318,237	92,762	213,487	423,121	-	1,424,058
於二零零五年十二月三十一日	As at 31 December 2005							
資產合計	Total assets	23,049,782	24,685,945	39,104,212	3,676,459	2,979,479	-	93,495,877
負債合計	Total liabilities	46,148,503	10,795,679	22,772,599	2,156,968	605,592	-	82,479,341
是年度折舊	Depreciation for the year	41,820	11,124	2,687	3,617	4,521	-	63,769
於年內資本支出	Capital expenditure incurred during the year	20,048	424	1,339	574	5,021	-	27,406

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

5. 分項報告(續)

5. Segment Reporting (Continued)

截至二零零四年十二月三十一日止年度(經重列)

For the year ended 31 December 2004 (Restated)

		個人銀行 Personal Banking	商業銀行 Commercial Banking	財資業務 Treasury	保險業務 Insurance Business	未分類業務 Unallocated	抵銷 Elimination	合計 Total
利息收入	Interest income from							
—外界客戶	— external customers	895,398	590,505	735,706	23,006	14,567	—	2,259,182
—跨項目	— inter-segments	335,595	25,169	—	2,326	22,540	(385,630)	—
利息支出	Interest expense to							
—外界客戶	— external customers	(387,922)	(70,115)	(112,419)	—	(9,079)	—	(579,535)
—跨項目	— inter-segments	—	—	(385,630)	—	—	385,630	—
淨利息收入	Net interest income	843,071	545,559	237,657	25,332	28,028	—	1,679,647
服務費及佣金收入	Fee and commission income	343,670	101,816	10,197	13,127	20,289	(24,751)	464,348
服務費及佣金支出	Fee and commission expense	(48,603)	—	(7,839)	(52,219)	(82)	22,236	(86,507)
淨服務費及佣金收入/(支出)	Net fee and commission income	295,067	101,816	2,358	(39,092)	20,207	(2,515)	377,841
淨買賣收入/(虧損)	Net trading income/(loss)	4,195	6,038	62,332	75,660	(6,499)	—	141,726
淨保費收入	Net insurance premium income	—	—	—	478,846	—	—	478,846
其他營運收入	Other operating income	16,099	—	12,279	68,055	18,798	—	115,231
總營運收入	Total operating income	1,158,432	653,413	314,626	608,801	60,534	(2,515)	2,793,291
保險索償淨額及對保單 持有人負債之變動	Net insurance claims and movement in liabilities to policyholders	—	—	—	(386,179)	—	—	(386,179)
扣除保險索償之營運收入	Total operating income net of insurance claims	1,158,432	653,413	314,626	222,622	60,534	(2,515)	2,407,112
營運支出	Operating expenses	(575,316)	(134,236)	(77,725)	(72,677)	(39,615)	2,515	(897,054)
扣除壞賬及呆賬準備調撥前之 營運溢利	Operating profit before charge for bad and doubtful debts	583,116	519,177	236,901	149,945	20,919	—	1,510,058
壞賬及呆賬準備(支出)/撥回	(Charge)/write back of provisions for bad and doubtful debts	(157,859)	(52,157)	156	—	1,113	—	(208,747)
若干投資及固定資產收益前 之營運溢利	Operating profit before gains on certain investments and fixed assets	425,257	467,020	237,057	149,945	22,032	—	1,301,311
出售行產及其他固定資產 之淨收益/(虧損)/重估減值撥	Net gain/(loss) on disposal and deficit on revaluation of premises and other fixed assets	179	—	—	—	(653)	—	(474)
投資物業公平值調整之淨收益	Net gain from fair value adjustment on investment properties	—	—	—	—	52,923	—	52,923
出售非持作買賣用途 的證券淨(虧損)/收益	Net (loss)/gain on disposal of non-trading securities	(5)	—	44,656	—	19,828	—	64,479
應佔共同控制實體之業績	Share of results of jointly controlled entities	—	—	—	—	4,095	—	4,095
重組費用	Reorganisation costs	—	—	—	—	(56,687)	—	(56,687)
出售附屬公司部份權益之溢利	Profit on partial disposal of interest in a subsidiary	—	—	—	—	444,806	—	444,806
視作出售附屬公司權益之溢利	Profit on deemed disposal of interest in a subsidiary	—	—	—	—	492,649	—	492,649
除稅前溢利	Profit before income tax	425,431	467,020	281,713	149,945	978,993	—	2,303,102
於二零零四年十二月三十一日 資產合計	As at 31 December 2004 Total assets	18,768,712	15,284,547	36,064,101	1,889,676	2,965,967	—	74,973,003
負債合計	Total liabilities	35,445,960	8,199,513	18,820,849	857,203	1,673,310	—	64,996,835
是年度折舊	Depreciation for the year	43,490	9,730	5,831	3,559	4,102	—	66,712
於年內資本支出	Capital expenditure incurred during the year	20,366	4,841	801	743	8,198	—	34,949

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

5. 分項報告(續)

個人銀行業務包括接受個人客戶存款、住宅樓宇按揭、私人貸款、透支和信用卡服務、保險業務的銷售和投資服務。

商業銀行業務包括接受存款、貸款、營運資金融資及貿易融資，其存款來源及融資客戶主要是工商業及機構性客戶，亦包括機械、汽車及運輸的租購及租賃。

財資業務主要包括外匯服務、中央貸存現金管理、利率風險管理、證券投資管理及集團整體之資金運用管理。

保險業務包括本集團之人壽保險及一般保險業務。本集團透過其於香港及澳門之人壽保險附屬公司提供一系列人壽保險產品及服務。而本集團的一般保險業務，則以透過其擁有百分之五十一之合營企業於香港經營及一間擁有百分之九十六於澳門營運之附屬公司。

未分類業務包括未可直接歸類任何現有業務部門之營運業績與集團投資(包括物業在內)。

緊隨於二零零五年十二月十九日收購澳門商業銀行及其附屬公司後，本集團於二零零五年十二月三十一日有相等於九十八億港元的資產及八十三億港元的負債乃源自澳門業務。截至二零零五年十二月三十一日止年度，本集團超過九成之收入及近九成資產乃源自香港之業務。

5. Segment Reporting (Continued)

Personal banking business includes the acceptance of deposits from individual customers and the extension of residential mortgage lending, personal loans, overdraft and credit card services, the provision of insurance sales and investment services.

Commercial banking business includes the acceptance of deposits from and the advance of loans and working capital finance to commercial, industrial and institutional customers, and the provision of trade financing. Hire purchase finance and leasing related to equipment, vehicle and transport financing are included.

Treasury activities are mainly the provision of foreign exchange services and centralised cash management for deposit taking and lending, interest rate risk management, management of investment in securities and the overall funding of the Group.

Insurance business includes the Group's life assurance and general insurance businesses. Through the Group's life insurance subsidiaries in Hong Kong and Macau, the Group offers a variety of life insurance products and services. The Group's general insurance business is conducted through a 51% owned joint venture operating in Hong Kong and a 96% owned subsidiary in Macau.

Unallocated items include results of operations and corporate investments (including properties) not directly identified under other business divisions.

Following the acquisition of Banco Comercial de Macau, S.A. and its subsidiaries on 19 December 2005, HK\$9.8 billion of assets and HK\$8.3 billion of liabilities as at 31 December 2005 related to operations based in Macau. For the year ended 31 December 2005, over 90% of the Group's revenues and close to 90% of the Group's assets are originated from business operations based in Hong Kong.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

6. 淨利息收入

6. Net interest income

	二零零五年 2005	二零零四年 2004 經重列 Restated
利息收入	Interest income	
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	81,384
	289,972	81,384
證券投資	Investments in securities	577,804
	833,613	577,804
各項貸款及其他賬目	Advances and other accounts	1,456,323
	2,028,185	1,456,323
其他	Other	143,671
	4,890	143,671
	3,156,660	2,259,182
利息支出	Interest expense	
銀行及其他金融機構存款/客戶存款	Deposits from banks and other financial institutions/Deposits from customers	477,411
	1,201,179	477,411
已發行的存款證	Certificates of deposit issued	63,452
	205,258	63,452
已發行的債務證券	Issued debt securities	5,269
	84,205	5,269
後償債務	Subordinated notes	29,786
	102,750	29,786
其他	Other	3,617
	164,997	3,617
	1,758,389	579,535
利息收入包括	Included within interest income	
上市投資之利息收入	Interest income on listed investments	162,749
	435,641	162,749
非上市投資之利息收入	Interest income on unlisted investments	415,055
	397,972	415,055
	833,613	577,804
未以公平值列入損益賬 之金融資產之利息收入	Interest income on financial assets not designated at fair value through profit or loss	3,074,021
	3,074,021	
減值貸款利息收入	Interest income on impaired loans	3,734
	3,734	
利息支出包括	Included within interest expenses	
未以公平值列入損益賬 之金融負債之利息支出	Interest expense on financial liabilities not designated at fair value through profit or loss	1,424,671
	1,424,671	

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

7. 淨服務費及佣金收入

7. Net fee and commission income

	二零零五年 2005	二零零四年 2004 經重列 Restated
服務費及佣金收入		
信貸有關之服務費及佣金	36,682	36,016
貿易融資	56,586	57,484
信用卡	138,879	132,913
證券及投資服務佣金	140,011	137,139
保費	28,848	41,876
其他服務費	45,923	58,920
	446,929	464,348
服務費及佣金支出		
手續費及佣金	79,923	76,471
已付其他服務費	11,232	10,036
	91,155	86,507

8. 淨買賣收入

8. Net trading income

	二零零五年 2005	二零零四年 2004 經重列 Restated
持作買賣用途的證券之股息收入		
— 上市投資	16,751	5,516
— 非上市投資	—	1,912
外匯買賣淨收益	183,024	70,076
以公平值列入損益賬之金融工具及 持作買賣用途的證券及衍生工具淨收益	60,426	64,222
	260,201	141,726

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

9. 淨保費收入

9. Net insurance premium income

		二零零五年 2005			二零零四年 2004		
		壽險 Life insurance	一般保險 General insurance	合計 Total	壽險 Life insurance	一般保險 General insurance	合計 Total
保費收入總額	Gross written premiums	736,242	30,235	766,477	463,422	28,243	491,665
未可賺取之保費變動	Movement in unearned premiums	-	3,012	3,012	-	366	366
已賺取之保費總額	Gross earned premiums	736,242	33,247	769,489	463,422	28,609	492,031
保費收入總額之分保份額	Gross written premiums ceded to reinsurers	(6,126)	(7,730)	(13,856)	(6,578)	(6,474)	(13,052)
未可賺取之保費變動之分保份額	Reinsurers' share of movement in unearned premiums	-	(2,778)	(2,778)	-	(133)	(133)
已賺取之保費總額之分保份額	Reinsurers' share of gross earned premiums	(6,126)	(10,508)	(16,634)	(6,578)	(6,607)	(13,185)
保費收入淨額	Net insurance premium income	730,116	22,739	752,855	456,844	22,002	478,846

10. 其他營運收入

10. Other operating income

		二零零五年 2005	二零零四年 2004 經重列 Restated
可供出售證券/非持作買賣用途證券投資之股息收入	Dividend income from investments in available-for-sale securities/non-trading securities		
— 上市投資	— listed investments	4,394	4,238
— 非上市投資	— unlisted investment	15,779	15,858
投資物業之租金收入總額	Gross rental income from investment properties	12,541	11,516
其他租金收入	Other rental income	6,146	5,689
長期壽險業務之有效保單價值之增加	Increase in value of in-force long-term life assurance business	75,248	67,709
其他	Others	4,777	10,221
		118,885	115,231

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

11. 保險索償淨額及對保單持有人負債之變動

11. Net insurance claims and movement in liabilities to policyholders

		二零零五年 2005			二零零四年 2004		
		壽險 Life insurance	一般保險 General insurance	合計 Total	壽險 Life insurance	一般保險 General insurance	合計 Total
已付索償利益及退保	Claims, benefits and surrenders paid	89,788	10,241	100,029	68,974	6,957	75,931
準備金變動	Movement in provisions	533,044	(1,677)	531,367	314,011	786	314,797
索償總額及對保單持有人負債之變動	Gross insurance claims and movement in liabilities to policyholders	622,832	8,564	631,396	382,985	7,743	390,728
已付索償、利益及退保之分保份額	Reinsurers' share of claims, benefits and surrenders paid	(2,342)	(1,749)	(4,091)	(3,016)	(190)	(3,206)
準備金變動之分保份額	Reinsurers' share of movement in provisions	(594)	986	392	(279)	(1,064)	(1,343)
索償額及對保單持有人負債變動之分保份額	Reinsurers' share of insurance claims and movement in liabilities to policyholders	(2,936)	(763)	(3,699)	(3,295)	(1,254)	(4,549)
保險索償淨額及對保單持有人負債之變動	Net insurance claims and movements in liabilities to policyholders	619,896	7,801	627,697	379,690	6,489	386,179

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

12. 營運支出

12. Operating expenses

		二零零五年 2005	二零零四年 2004 經重列 Restated
核數師酬金	Auditors' remuneration	6,342	4,000
廣告支出	Advertising costs	67,274	48,738
折舊支出(附註32)	Depreciation expenses (Note 32)	63,769	66,712
無形資產攤銷費用(附註31)	Amortisation expenses of intangible assets (Note 31)	2,897	–
僱員福利支出(包括董事薪酬)(附註13)	Employee benefit expenses (including directors' remuneration) (Note 13)	550,712	516,221
行產及其他固定資產支出， 不包括折舊	Premises and other fixed asset expenses, excluding depreciation		
– 行產之租金	– Rental of premises	39,156	35,808
– 其他	– Others	63,611	56,871
其他	Others	206,804	168,704
		1,000,565	897,054

13. 僱員福利支出

13. Employee benefit expenses

		二零零五年 2005	二零零四年 2004 經重列 Restated
薪酬及其他人事費用	Salaries and other staff costs	523,306	485,540
以股份支付之補償(附註52)	Share-based compensation (Note 52)	609	2,605
退休金支出－界定供款計劃	Pension costs – defined contribution plans	26,797	28,076
		550,712	516,221

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

13. 僱員福利支出 (續)

13. Employee benefit expenses (Continued)

最高酬金之五位人士：

The emoluments of the five highest paid individuals:

(甲) 酬金總計

(a) The aggregate emoluments

		二零零五年 2005	二零零四年 2004
薪金、房屋、實物利益及其他津貼	Salaries, housing, benefits in kind and other allowances	48,057	43,471
退休金福利	Pensions	1,696	1,589
		49,753	45,060

(乙) 五位最高收入人士的酬金組別如下：

(b) The emoluments of the five highest paid individuals are within the following bands:

		人數 Number of individuals	
		二零零五年 2005	二零零四年 2004
港元 HK\$			
5,000,001 – 5,500,000		–	1
6,000,001 – 6,500,000		–	1
6,500,001 – 7,000,000		–	2
8,000,000 – 8,500,000		3	–
10,500,001 – 11,000,000		1	–
14,500,001 – 15,000,000		1	–
19,500,001 – 20,000,000		–	1
		5	5

在五位最高酬金收入之人士內，有4位(二零零四年：4位)為集團董事。其相關的董事酬金已包括在附註14內。

Included in the emoluments of the five highest paid individuals were the emoluments of four (2004: four) Directors. Their respective Directors' emoluments have been included in Note 14 below.

本年內，本集團並無向任何五位最高收入人士支付酬金，作為加入或加盟本集團之獎賞或離職補償。

No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of offices during the year.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

14. 董事酬金

14. Directors' emoluments

截至十二月三十一日，各董事之薪酬如下述：

The remuneration of each Director for the year ended 31 December is set out below:

		董事袍金	薪金及 實物利益	酬情花紅	以股份為基礎 的支付	退休金 供款(註)	二零零五年 合計	二零零四年 合計
		Directors' fee	Salary, & benefits in kind	Discretionary bonuses	Share-based payment (notes 52)	Pension	2005 Total	2004 Total
主席	Chairman							
王守業先生	David Shou-Yeh Wong	160	2,400	5,600	-	12	8,172	6,372
執行董事	Executive directors							
黃漢興先生	Hon-Hing Wong (Derek Wong)	-	6,135	8,000	-	428	14,563	19,907
安德生先生	Roderick Stuart Anderson	-	3,842	1,500	4,684	716	10,742	6,721
王伯凌先生	Gary Pak-Ling Wang	-	2,660	5,200	-	240	8,100	6,840
麥曉德先生	Nicholas John Mayhew	-	2,116	2,000	-	207	4,323	2,863
非執行董事	Non-executive directors							
周忠繼先生	Chung-Kai Chow	150	-	-	-	-	150	100
鈴木邦雄先生	Kunio Suzuki	120	-	-	-	-	120	50
Sohei Sasaki先生	Sohei Sasaki	120	-	-	-	-	120	-
古川弘介先生	Kosuke Furukawa	120	-	-	-	-	120	-
周偉偉先生	John Wai-Wai Chow	120	-	-	-	-	120	50
伍耀明先生	Yiu-Ming Ng	120	-	-	-	-	120	50
獨立非執行董事	Independent non-executive directors							
Peter G. Birch先生	Peter Gibbs Birch	300	-	-	-	-	300	277
史習陶先生	Robert Tsai-To Sze	250	-	-	-	-	250	280
孫大倫先生	Tai-Lun Sun (Dennis Sun)	120	-	-	-	-	120	100
余國雄先生	Kwok-Hung Yue (Justin Yue)	120	-	-	-	-	120	-
	Total	1,700	17,153	22,300	4,684	1,603	47,440	43,610

附註：

以股份為基礎之支付乃於董事行使其認股權時股票之市場收市價與行使價之差異的現金支付。

Note:

Share-based payment represents the cash payment, being the difference between the closing market price and the exercise price of the share options on the date when a Director exercised the options granted.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

15. 貸款及墊款之減值撥備/壞賬及呆賬準備調撥

15. Impairment losses on loans and advances/charge for bad and doubtful debts

		二零零五年 2005	二零零四年 2004
貿易票據	Trade bills	847	(1,761)
客戶貸款	Advances to customers	129,696	210,516
其他資產	Other assets	97	(8)
		130,640	208,747
貸款及墊款減值撥備淨支出	Net charge of loan impairment losses on loans and advances		
— 個別評估	— Individually assessed	52,857	—
— 綜合評估	— Collectively assessed	77,783	—
壞賬及呆賬淨支出	Net charge for bad and doubtful debts		
— 特殊準備	— Specific provision	—	165,975
— 一般準備	— General provision	—	42,772
		130,640	208,747
當中包括	Of which		
— 新增準備(包括於年內直接撇銷之金額)	— new allowances (including amounts directly written off in the year)	298,779	363,062
— 回撥	— releases	(73,569)	(86,182)
— 收回	— recoveries	(94,570)	(68,133)
收益賬中淨支出	Net charge to income statement	130,640	208,747

16. 出售行產及其他固定資產及之淨收益/(虧損)/重估減值回撥

16. Net gain/(loss) on disposal/reversal of revaluation deficits of premises and other fixed assets

		二零零五年 2005	二零零四年 2004
行產重估減值回撥之淨收益	Net gain from reversal of revaluation deficits of premises	104,092	—
出售其他固定資產之淨虧損	Net loss from disposal of other fixed assets	(101)	(474)
		103,991	(474)

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

17. 稅項

香港利得稅乃按照年內估計應課稅溢利以稅率17.5% (二零零四年：17.5%) 提撥準備。海外稅款乃按年內海外估計應課稅溢利依本集團經營業務地區之現行稅率計算。

遞延稅項提採用負債法就暫時差異，根據本集團經營業務地區之現行稅率計算。因可扣稅虧損而產生之遞延稅項資產已按未來可能有應課稅溢利作抵銷被確認。

17. Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Deferred taxation is calculated in full on temporary differences under the liability method at the rates of taxation prevailing in the countries in which the Group operates. A deferred tax asset on tax losses has been recognised to the extent that it is probable that taxable profit will be available against which these tax losses can be utilised.

		二零零五年 2005	二零零四年 2004 經重列 Restated
本年度稅項：	Current taxation:		
香港利得稅	Hong Kong profits tax	168,913	174,658
應佔合夥投資之估計香港利得稅虧損	Attributable share of estimated Hong Kong profits tax losses arising from investments in partnerships	-	(80,741)
		168,913	93,917
合夥投資撤銷	Investments in partnerships written off	-	59,490
		168,913	153,407
海外稅項	Overseas taxation	1,877	407
遞延稅項 (附註44)	Deferred taxation (Note 44)	-	-
— 關於暫時差異的產生及撥回	— relating to the origination and reversal of temporary differences	17,067	(12,294)
		187,857	141,520

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

17. 稅項(續)

本集團除稅前溢利之稅項有別於綜合各公司加權平均稅率計算之理論數額如下：

17. Income tax expense (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies as follows:

		二零零五年 2005	二零零四年 2004 經重列 Restated
除稅前溢利	Profit before income tax	1,424,058	2,303,102
以稅率17.5%(二零零四年：17.5%)計算	Calculated at a taxation rate of 17.5% (2004:17.5%)	249,210	403,043
稅項調整源於：	Tax effect of:		
壽險業績之不同課稅處理	Different tax treatment of results of life insurance business	(30,905)	(21,244)
其他國家之不同稅率	Different taxation rates in other countries	(1,145)	(1,610)
無需徵稅之收入	Income not subject to taxation	(75,174)	(224,381)
不能扣減的支出	Expenses not deductible	43,769	29,655
未確認之稅務虧損	Tax losses not recognised	812	5,464
運用前期未確認之稅務虧損	Utilisation of previously unrecognised tax losses	(96)	(3,196)
確認累積稅務虧損之遞延稅項資產	Recognition of deferred tax assets on accumulated tax losses	-	(10,346)
於過往年度超額撥備	Over-provision in prior years	(382)	(17,503)
合夥投資終結回報	Terminal return on investments in partnerships	1,768	2,889
應佔合夥投資估計香港利得稅虧損	Attributable share of estimated Hong Kong profits tax losses arising from investments in partnerships	-	(80,741)
合夥投資撇銷	Investments in partnerships written off	-	59,490
稅項	Taxation charge	187,857	141,520

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

18. 股東應佔溢利

列於本公司賬內之股東應佔溢利達447,087,000港元(二零零四年: 721,988,000港元)。

19. 股息

於二零零五及二零零四年內已支付股息分別為502,191,000港元(每股2.02港元)和591,068,000港元(每股2.39港元)。二零零五年末期股息每股1.36港元,總數為340,120,000港元已於二零零六年三月二十七日建議並將於二零零六年五月十九日之股東年會提交股東批核。此擬派末期股息未被列作應付股息。

18. Profit attributable to shareholders

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$447,087,000 (2004: HK\$721,988,000).

19. Dividends

The dividends paid during the year ended 2005 and 2004 were HK\$502,191,000 (HK\$2.02 per share) and HK\$591,068,000 (HK\$2.39 per share) respectively. A final dividend in respect of 2005 of HK\$1.36 per share, amounting to a total sum of HK\$340,120,000 has been proposed on 27 March 2006 for shareholders' approval at the annual general meeting of the Company to be held on 19 May 2006. This proposed final dividend has not been reflected as dividend payable.

	二零零五年 2005	二零零四年 2004
已派中期股息, 每股普通股為0.72港元 (二零零四年: 0.78港元)	178,999	193,915
二零零四年已派特別股息, 每股普通股為0.80港元	-	197,343
擬派末期股息, 每股普通股為1.36港元 (二零零四年: 每股1.30港元)	340,120	323,192
	519,119	714,450

20. 每股盈利

20. Earnings per share

	二零零五年 2005	二零零四年 2004 經重列 Restated
每股盈利		
基本	4.09	8.21
攤薄	4.09	8.20
每股盈利 (不包括重組費用及出售與視作 出售一附屬公司部份權益之溢利)		
基本	4.09	4.65
攤薄	4.09	4.64

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

20. 每股基本及攤薄盈利(續)

每股基本盈利按照盈利1,019,318,000港元(二零零四年: 2,030,998,000港元)及年內已發行股份加權平均數248,937,469股(二零零四年: 247,390,855股)計算。

不包括重組費用及出售與視作出售附屬公司部份權益之溢利之每股基本盈利乃按照相應調整盈利1,019,318,000港元(二零零四年: 1,150,230,000港元)及年內已發行股份加權平均數248,937,469股(二零零四年: 247,390,855股)計算。

每股攤薄盈利乃按照盈利1,019,318,000港元(二零零四年: 2,030,998,000港元)及年內已發行並就所有潛在攤薄的普通股予以調整之股份加權平均數248,962,096股(二零零四年: 247,543,562股)計算。

不包括重組費用及出售與視作出售附屬公司部份權益之溢利之每股攤薄盈利乃按照相應調整盈利1,019,318,000港元(二零零四年: 1,150,230,000港元)及年內已發行並就所有潛在攤薄的普通股予以調整之股份加權平均數249,038,466股(二零零四年: 247,543,562股)計算。

21. 現金及在銀行及其他金融機構的結餘

20. Earnings per share (Continued)

The calculation of basic earnings per share is based on earnings of HK\$1,019,318,000 (2004: HK\$2,030,998,000) and the weighted average number of 248,937,469 (2004: 247,390,855) shares in issue during the year.

The calculation of basic earnings per share excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary is based on earnings of HK\$1,019,318,000 (2004: HK\$1,150,230,000) and the weighted average number of 248,937,469 (2004: 247,390,855) shares in issue during the year.

The calculation of diluted earnings per share is based on earnings of HK\$1,019,318,000 (2004: HK\$2,030,998,000) and the weighted average number of 248,962,096 (2004: 247,543,562) shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

The calculation of basic earnings per share excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary is based on earnings of HK\$1,019,318,000 (2004: HK\$1,150,230,000) and the weighted average number of 249,038,466 (2004: 247,543,562) shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

21. Cash and balances with banks and other financial institutions

集團	Group	二零零五年	二零零四年
		2005	2004 經重列 Restated
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	1,581,854	1,426,751
通知及短期存款	Money at call and short notice	7,326,308	8,606,074
		8,908,162	10,032,825

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

22. 持作買賣用途的證券及以公平值列入損益賬之金融資產

22. Trading securities and financial assets at fair value through profit or loss

集團	Group	二零零五年 2005	二零零四年 2004
持作買賣用途的證券：	Trading securities:		
債務證券：	Debt securities:		
– 香港上市	– Listed in Hong Kong	1,339,401	2,223,602
– 香港以外上市	– Listed outside Hong Kong	–	24,010
– 非上市	– Unlisted	5,551,149	5,111,896
		6,890,550	7,359,508
權益性證券：	Equity securities:		
– 香港上市	– Listed in Hong Kong	222,235	125,382
– 香港以外上市	– Listed outside Hong Kong	252,397	330,314
– 非上市	– Unlisted	445,811	91,576
		920,443	547,272
持作買賣用途的證券總額	Total trading securities	7,810,993	7,906,780
以公平值列入損益賬之金融資產：	Financial assets at fair value through profit or loss:		
債務證券：	Debt securities:		
– 香港上市	– Listed in Hong Kong	122,180	–
– 非上市	– Unlisted	1,256,983	–
以公平值列入損益賬之金融資產總額	Total financial assets at fair value through profit or loss	1,379,163	–
持作買賣用途的證券及以公平值列入損益賬之金融資產總額	Total trading securities and financial assets at fair value through profit or loss	9,190,156	7,906,780
上市證券之市場價值	Market value of listed securities	1,936,213	2,703,308
包括在債務證券：	Included within debt securities are:		
– 包括在持作買賣用途證券之政府債券	– Government bonds included in trading securities	5,917,904	4,359,910
– 持有的存款證	– Certificates of deposit held	362,694	–
– 其他債務證券	– Other debt securities	1,989,115	2,999,598
		8,269,713	7,359,508

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

22. 持作買賣用途的證券及以公平值列入損益賬之金融資產(續)

根據本集團與香港金融管理局之回購合約而抵押之證券包括於二零零五年十二月三十一日之市場價值達4,234,810,000港元(二零零四年: 1,765,407,000港元)之外匯基金債務證券。其他回購合約下之抵押品包括市場價值257,073,000港元(二零零四年: 272,698,000港元)之其他非政府債券。

包括在以公平值列入損益賬之金融資產, 主要乃內含衍生工具之結構性票據。其市場風險已大幅地被以公平值列入損益賬之客戶存款所抵銷。

本集團於二零零五年採納香港會計準則第39號。按此準則可預先採納要求, 若干金融資產及金融負債已於二零零五年一月一日被重新指定為以公平值列入損益賬之金融資產/負債。於二零零四年並無此重新指定。

以公平值列入損益賬之金融資產(包括持作買賣用途的證券)按發行機構類別分析如下:

22. Trading securities and financial assets at fair value through profit or loss (Continued)

Securities pledged under repurchase agreements with the Hong Kong Monetary Authority are Exchange Fund debt securities with a market value at 31 December 2005 of HK\$4,234,810,000 (2004: HK\$1,765,407,000). Other non-government bonds are also pledged under repurchase agreements with a market value of HK\$257,073,000 (2004: HK\$272,698,000).

Included in financial assets at fair value through profit or loss are primarily structured notes with embedded derivatives. The market risk of the structured notes is substantially offset by deposits from customers designated at fair value through profit or loss.

The Group has adopted HKAS 39 in 2005. Under the prospective adoption requirement of HKAS 39, certain financial assets and financial liabilities were re-designated as financial assets/liabilities at fair value through profit or loss on 1 January 2005. There was no such re-designation in 2004.

Financial assets at fair value through profit or loss (including trading securities) are analysed by categories of issuer as follows:

集團	Group	二零零五年 2005
— 中央政府和中央銀行	— Central governments and central banks	5,917,904
— 公營機構	— Public sector entities	389,709
— 銀行及其他金融機構	— Banks and other financial institutions	1,045,889
— 企業	— Corporate entities	1,822,355
— 其他	— Others	14,299
		9,190,156

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

23. 衍生金融工具

本集團在正常之業務中，進行一系列之衍生工具交易，包括在利率、外匯及股票市場進行之遠期、期貨、掉期及期權交易。衍生工具交易乃因為買賣及對沖目的而進行。本集團使用衍生工具之目的包括以中介人身份滿足客戶之要求，管理本集團涉及之風險，及在可接受的規限內進行買賣產生收入。

(i) 持有或發行作買賣用途的衍生工具

本集團替客戶進行衍生工具合約交易或應客戶的要求安排合適的衍生工具。本集團亦進行本身的交易。本集團使用的持作買賣用途的衍生工具主要為有關利率、外匯、信貸及股票價格之場外交易的衍生工具。

(ii) 持有或發行作對沖用途的衍生工具

持作對沖用途的衍生工具主要包括用作管理利率風險的衍生工具或合約。此等工具全為場外交易的衍生工具。

本集團應用以下衍生工具作對沖與買賣用途：

貨幣遠期指購買外匯及本地貨幣（包括無交收之現貨交易）之承擔。外匯及利率期貨為因應匯率或利率之變動而收取或支付淨額之合同責任，或於未來以指定價格於有系統之金融市場，購買或出售外匯或某些金融工具。當期貨合約以現金及可變現之證券作抵押品，及期貨合約價值之變動每天與交易所交收，其信貸風險則非常低。

23. Derivative financial instruments

In the normal course of business, the Group enters into a variety of derivative transactions including forwards, futures, swaps and options transactions in the interest rate, foreign exchange and equity markets. Derivative transactions are conducted for both trading and hedging purposes. The Group's objectives in using derivative instruments are to meet customers' needs by acting as an intermediary, to manage the Group's exposure to risks and to generate revenues through trading activities within acceptable limits.

(i) Derivatives held or issued for trading purposes

The Group transacts derivative contracts on behalf of customers or to address customer demands in structuring tailored derivatives. The Group also takes proprietary positions for its own accounts. Trading derivative products used by the Group are primarily over-the-counter derivatives transacted based on interest rates, foreign exchange rates, credit spread and the prices of equities.

(ii) Derivatives held or issued for hedging purposes

Derivatives held for hedging purposes primarily consist of derivative instruments or contracts used to manage interest rate risk. All of these are over-the-counter derivatives.

The Group uses the following derivative instruments for both hedging and trading purposes:

Currency forwards represent commitments to purchase foreign and domestic currency, including undelivered spot transactions. Foreign currency and interest rate futures are contractual obligations to receive or pay a net amount based on changes in currency rates or interest rates or to buy or sell foreign currency or a financial instrument on a future date at a specified price, established in an organised financial market. The credit risk is negligible, as futures contracts are collateralised by cash or marketable securities, and changes in the futures contract value are settled daily with the exchange.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

23. 衍生金融工具 (續)

貨幣掉換及利率掉期為以一系列現金流量換取另外一系列現金流量之承擔。掉換產生自貨幣或利率(例如：定息交換成浮息)或這些之組合(例如：貨幣交叉盤掉期)之經濟交換。除若干貨幣掉換外，本金並無交換。本集團之信貸風險為倘交易對手未能履行其責任而所需替代該掉換合約可能產生之成本。本集團不時參考合約現時之公平值，合約本金之一部份及市場之流通性，持續監管該風險。本集團應用與借貸業務相同之方法，評估交易對手，以便控制所承受之信貸風險之水平。

外匯及利率期權為賣方授予買方權利(但非責任)於或在某個日子或某一段期間按一個預先釐定的價格，購買(認購期權)或出售(認沽期權)一特定金額之外匯或金融工具。作為承擔外匯及利率風險之回報，賣方向買方收取一些費用。期權可能是於期權市場交易或本集團與客戶協商所訂立。本集團之信貸風險僅限於認購期權之賬面價值，即其公平值。

若干金融工具之名義金額提供一個與確認在資產負債表中之工具相比的基礎，但並不顯示該工具之未來現金流量或其現時之公平值，故並不代表本集團所需面對之信貸或價格風險。該衍生工具因市場利率或匯率波動，而按其條款成為有利(資產)或不利(負債)之工具。持有之衍生工具之合約或名義總額，及其有利或不利之程度，能令金融衍生工具資產及負債之公平總值不時大幅波動。

23. Derivative financial instruments (Continued)

Currency and Interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies or interest rates (for example, fixed rate for floating rate) or a combination of all these (i.e., cross-currency interest rate swaps). No exchange of principal takes place, except for certain currency swaps. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market. To control the level of credit risk taken, the Group assesses counterparties using the same techniques as for its lending activities.

Foreign currency and interest rate options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of a foreign currency or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of foreign exchange or interest rate risk. Options may be either exchange-traded or negotiated between the Group and a customer. The Group is exposed to credit risk on purchased options only, and only to the extent of their carrying amount, which is their fair value.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

23. 衍生金融工具 (續)

23. Derivative financial instruments (Continued)

於二零零五年十二月三十一日之衍生工具合約之名義本金及其公平值如下：

The notional principal amounts of outstanding derivatives contracts and their fair values as of 31 December 2005 were as follows:

集團	Group	合約/ 名義金額 Contract/ notional amount	公平值 Fair values	
			資產 Assets	負債 Liabilities
1)	持作買賣用途之衍生工具	1) Derivative held for trading		
	a) 外匯衍生工具	a) Foreign exchange derivatives		
	遠期及期貨合約	Forward and futures contracts	25,883,115	34,938
	貨幣掉換	Currency swaps	2,188,446	59,068
	購入及沽出外匯期權	Currency options purchased and written	352,730	1,331
	b) 利率衍生工具	b) Interest rate derivatives		
	利率期貨	Interest rate futures	653,367	-
	利率掉期	Interest rate swaps	13,386,198	2,247
	利率期權	Interest rate options	38,555,092	336
	c) 權益性衍生工具	c) Equity derivatives		
	購入及沽出權益性期權	Equity options purchased and written	183,073	2,968
	權益性期貨	Equity futures	12,287	123
	d) 信貸性衍生工具	d) Credit derivatives		
	信貸風險交換合約	Credit default swaps	1,124,490	3,112
	持作買賣用途之衍生工具合計	Total derivatives held for trading	82,338,798	104,123
2)	持作對沖用途之衍生工具	2) Derivative held for hedging		
	a) 以公平值對沖之衍生工具	a) Derivatives designated as fair value hedges		
	利率掉期	Interest rate swaps	9,252,272	62,852
	持作對沖用途之衍生工具合計	Total derivatives held for hedging	9,252,272	62,852
已確認之衍生金融工具合計	Total recognised derivative financial instruments		91,591,070	166,975
			501,636	

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

23. 衍生金融工具 (續)

23. Derivative financial instruments (Continued)

於二零零四年十二月三十一日之衍生工具合約之名義本金額如下：

The notional principal amounts of outstanding derivative contracts as of 31 December 2004 were as follows:

集團	Group	
貨幣遠期	Currency forwards	29,393,806
貨幣掉換	Currency swaps	551,347
貨幣期權	Currency options	243,381
貨幣期貨	Currency futures	289,595
外匯衍生工具	Foreign exchange derivatives	30,478,129
利率掉期	Interest rate swaps	13,452,224
利率期貨	Interest rate futures	157,042
利率期權	Interest rate options	773,547
利率衍生工具	Interest rate derivatives	14,382,813
權益性期權	Equity options	300,928
信貸風險交換合約	Credit default swaps	583,076
		45,744,946

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

23. 衍生金融工具 (續)

於十二月三十一日，上述資產負債表外之項目 (不包括信貸風險交換合約) 之信貸風險加權數額，未經計入本集團訂立之雙邊淨額結算安排，呈列如下：

集團	Group	二零零五年 2005	二零零四年 2004
衍生工具	Derivatives		
匯率合約	Exchange rate contracts	104,774	94,426
利率合約	Interest rate contracts	77,303	122,174
權益性合約	Equity contracts	433	1,897
		182,510	218,497

合約數額僅為顯示資產負債表結算日的交易量，並不代表風險數額。

The contract amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date, they do not represent the amounts at risk.

信貸風險加權數額乃根據銀行業條例第三附表及香港金融管理局所發出之指引計算，而計算所得之數額則視乎交易對手及各項合約到期特性。

The credit risk weighted amounts are the amounts that have been calculated in accordance with the Third Schedule of the Banking Ordinance and guidelines issued by the HKMA. The amounts calculated are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

於二零零五年十二月三十一日，信貸風險及交換合約之信貸加權風險為1,124,490,000港元 (二零零四年：583,076,000港元) 並已包含於附註46或然負債及承擔之信貸加權風險總額內。

As at 31 December 2005, the credit risk weighted amount of credit default swaps amounted to HK\$1,124,490,000 (2004: HK\$583,076,000) and is included in the total credit risk weighted amount of contingent and liabilities and commitments in Note 46.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二零零四年
2004
經重列
Restated

24. 非持作買賣用途的證券

24. Non-trading securities

集團

Group

債務證券：	Debt securities:	
– 香港上市	– Listed in Hong Kong	661,428
– 香港以外上市	– Listed outside Hong Kong	8,909,347
– 非上市	– Unlisted	9,119,578
		<u>18,690,353</u>
權益性證券：	Equity securities:	
– 香港上市	– Listed in Hong Kong	89,062
– 香港以外上市	– Listed outside Hong Kong	53,562
– 非上市	– Unlisted	
– 於投資基金之權益	– Interest in investment funds	317,741
– 於其他非上市公司之權益	– Interest in other unlisted companies	30,874
		<u>491,239</u>
非持作買賣用途的證券總額	Total non-trading securities	19,181,592
扣除：減值準備	Less: Impairment allowances	(25,914)
		<u>19,155,678</u>
上市證券之市值	Market value of listed securities	<u>9,713,399</u>
包括在債務證券有：	Included within debt securities are:	
– 國庫債券	– Treasury bills	1,493,062
– 持有的存款證	– Certificates of deposits held	195,744
– 其他債務證券	– Other debt securities	17,001,547
		<u>18,690,353</u>
非持作買賣用途的證券按發行機構類別分析如下：	Non-trading securities are analysed by categories of issuers as follows:	
– 中央政府和中央銀行	– Central governments and central banks	2,475,044
– 公營機構	– Public sector entities	2,107,925
– 銀行及其他金融機構	– Banks and other financial institutions	9,927,342
– 企業	– Corporate entities	4,643,838
– 其他	– Others	1,529
		<u>19,155,678</u>

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

25. 各項貸款及其他賬目

25. Advances and other accounts

集團	Group	二零零五年 2005	二零零四年 2004
客戶貸款總額	Gross advances to customers	44,918,618	32,528,414
銀行及其他金融機構貸款總額	Gross advances to banks and other financial institutions	389,264	15,549
貿易票據	Trade bills	653,581	568,859
其他資產(附註35)	Other assets (Note 35)	1,176,193	1,805,575
貸款及其他賬目總額	Gross advances and other accounts	47,137,656	34,918,397
扣除：減值準備/壞賬及呆賬準備	Less: Impairment allowances/provisions for bad and doubtful debts		
— 個別評估	– Individually assessed	(167,436)	–
— 綜合評估	– Collectively assessed	(230,743)	–
— 特殊準備	– Specific provision	–	(147,071)
— 一般準備	– General provision	–	(324,750)
		(398,179)	(471,821)
各項貸款及其他賬目	Advances and other accounts	46,739,477	34,446,576

集團	Group	二零零五年 2005	二零零四年 2004
減值貸款/不履行貸款分析如下：	Impaired loans/non-performing loans are analysed as follows:		
減值貸款	Impaired loans		
客戶貸款總額	Gross advances to customers	312,530	
不履行貸款	Non-performing loans		
客戶貸款總額	Gross advances to customers		311,928

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

25. 各項貸款及其他賬目(續)

25. Advances and other accounts (Continued)

集團	Group	二零零五年 2005	二零零四年 2004
減值貸款總額(附註甲)	Gross impaired loans (Note a)	312,530	
佔客戶貸款總額之百分比	As a percentage of total advances to customers	0.70%	
個別評估減值準備	Individual impairment allowances made	167,436	
持有抵押品價值	Amount of collateral held	182,604	
不履行貸款總額(附註乙)	Non-performing loans (Note b)		311,928
佔客戶貸款總額之百分比	As a percentage of total advances to customers		0.96%
特殊準備	Specific provisions made		137,258
持有抵押品價值	Amount of collateral held		248,829
懸欠利息	Amount of interest in suspense		16,356
附註：	Note:		
甲. 減值貸款乃該等如有客觀證據證明一件或多件在確認該資產後發生之事項(「損失事件」)引致其減值之貸款，而該損失事件對貸款之估計未來現金流量造成影響，並能可靠地估量。	a. Impaired loans are defined as those loans having objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the loans that can be reliably estimated.		
乙. 遵照香港金融管理局規定，不履行貸款乃客戶貸款及墊款，其利息已撥入懸欠或已停止累計利息。	b. Non-performing loans are advances to customers on which interest is being placed in suspense or on which interest accrual has ceased as required by the Hong Kong Monetary Authority.		
丙. 以上個別減值準備/特殊準備已考慮有關貸款於十二月三十一日之抵押品價值。	c. The above individual impairment allowances/specific provisions were made after taking into account the value of collateral in respect of such advances as at 31 December.		

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

25. 各項貸款及其他賬目 (續)

25. Advances and other accounts (Continued)

集團	Group	減值準備		合計 Total
		個別評估 Individual assessment	綜合評估 Collective assessment	
二零零五年一月一日， 經重列	At 1 January 2005, as restated	116,697	152,530	269,227
收購附屬公司	Acquisition of subsidiaries	61,093	63,800	124,893
於收益賬支出之減值提撥	Impairment losses charged to income statement	52,857	77,783	130,640
未能償還貸款撇除額	Loans written off as uncollectible	(81,365)	(136,052)	(217,417)
收回已於往年撇銷之貸款	Recoveries of advances written off in previous years	21,888	72,682	94,570
減值準備折現值回撥	Unwind of discount on allowance	(3,734)	–	(3,734)
		167,436	230,743	398,179
二零零五年十二月三十一日	At 31 December 2005			
扣減於：	Deducted from:			
貿易票據	Trade bills	–	6,536	6,536
客戶貸款	Advances to customers	167,436	223,181	390,617
銀行及其貸金融機構貸款	Advances to banks and other financial institutions	–	776	776
其他資產	Other assets	–	250	250
		167,436	230,743	398,179

集團	Group	壞賬及呆賬準備			懸欠利息 Suspended interest
		特殊 Specific	一般 General	合計 Total	
二零零四年一月一日	At 1 January 2004	235,747	281,978	517,725	24,502
於收益賬支出	Charge to income statement	165,975	42,772	208,747	–
未能償還貸款撇除額	Loans written off as uncollectible	(322,784)	–	(322,784)	(16,323)
收回已於往年撇銷之貸款	Recoveries of advances written off in previous years	68,133	–	68,133	–
懸欠利息	Suspended interest	–	–	–	8,177
		147,071	324,750	471,821	16,356
二零零四年十二月三十一日	At 31 December 2004				
扣減於：	Deducted from:				
貿易票據	Trade bills	–	5,689	5,689	
客戶貸款	Advances to customers	147,071	318,753	465,824	
銀行及其他金融機構貸款	Advances to banks and other financial institutions	–	155	155	
其他資產	Other assets	–	153	153	
		147,071	324,750	471,821	

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

25. 各項貸款及其他賬目 (續)

25. Advances and other accounts (Continued)

包括在客戶貸款之融資租賃應收賬：

Finance lease receivables included in loans and advances to customers:

集團	Group	二零零五年 2005	二零零四年 2004
投資在融資租賃之應收賬總額：	Gross investment in finance lease receivable:		
一年以內	Not later than 1 year	2,551,011	1,936,498
一年以上至五年	Later than 1 year and not later than 5 years	2,710,520	1,388,125
五年以上	Later than 5 years	2,338,276	1,105,662
		7,599,807	4,430,285
融資租賃之未來可入賬但未賺取之融資收入	Unearned future finance income on finance leases	(1,622,708)	(482,647)
融資租賃投資淨額	Net investment in finance leases	5,977,099	3,947,638
融資租賃投資淨額期限之分析如下：	The net investment in finance leases is analysed as follows:		
一年以內	Not later than 1 year	2,263,069	1,807,048
一年以上至五年	Later than 1 year and not later than 5 years	2,244,065	1,236,110
五年以上	Later than 5 years	1,469,965	904,480
		5,977,099	3,947,638

於二零零五年十二月三十一日於以上的融資租賃投資總額內並沒有無擔保剩餘價值(二零零四年：無)。

There is no unguaranteed residual value included in the gross investment in finance lease above as at 31 December 2005 (2004: Nil).

二零零五年十二月三十一日之集團貸款減值準備包括為不可收回之融資租賃應收賬作出的準備合計為94,579,000港元(二零零四年：貸款虧損準備為53,093,000港元)。

The allowance for uncollectible finance lease receivables included in the impairment allowances as at 31 December 2005 of the Group amounted to HK\$94,579,000 (2004: HK\$53,093,000 in the provisions for loan losses).

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

26. 可供出售證券

26. Available-for-sale securities

二零零五年
2005

集團	Group	
債務證券：	Debt securities:	
– 香港上市	– Listed in Hong Kong	1,279,905
– 香港以外上市	– Listed outside Hong Kong	8,871,301
– 非上市	– Unlisted	11,603,830
		<u>21,755,036</u>
權益性證券：	Equity securities:	
– 香港上市	– listed in Hong Kong	69,994
– 香港以外上市	– listed outside Hong Kong	30,143
– 非上市	– unlisted	
– 於投資基金之權益	– Interests in investment funds	1,024,228
– 其他	– Others	30,821
		<u>1,155,186</u>
可供出售證券總額	Total available-for-sale securities	22,910,222
扣除：減值準備	Less: impairment allowances	(25,850)
		<u>22,884,372</u>
上市證券之市值	Market value of listed securities	<u>10,249,401</u>
包括在債務證券有：	Included within debt securities are:	
– 持有的存款證	– Certificates of deposit held	124,900
– 其他債務證券	– Other debt securities	21,630,136
		<u>21,755,036</u>
可供出售證券按發行機構類別分析	Available-for-sale securities are analysed by categories of	
如下：	issuers as follows:	
– 中央政府和中央銀行	– Central governments and central banks	3,102,145
– 公營機構	– Public sector entities	532,796
– 銀行及其他金融機構	– Banks and other financial institutions	9,980,744
– 企業	– Corporate entities	9,266,909
– 其他	– Others	1,778
		<u>22,884,372</u>

根據與香港金融管理局之回購合約而抵押之外匯基金票據於二零零五年十二月三十一日之市場價值為1,844,988,000港元(二零零四年：無)。

Securities pledged under repurchase agreements with the Hong Kong Monetary Authority are Exchange Fund debt securities with a market value at 31 December 2005 of HK\$1,844,988,000 (2004: Nil).

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

27. 持至到期證券

27. Held-to-maturity securities

集團	Group	二零零五年 2005	二零零四年 2004
債務證券	Debt securities		
— 香港以外上市	— Listed outside Hong Kong	185,808	93,364
— 非上市	— Unlisted	462,100	1,203,563
		647,908	1,296,927
上市證券之市值	Market value of listed securities	185,909	93,338
包括在債務證券：	Included within debt securities are:		
— 持有的存款證	— Certificates of deposit held	215,031	—
— 其他債務證券	— Other debt securities	432,877	1,296,927
		647,908	1,296,927
持至到期證券按發行機構類別分析如下：	Held-to-maturity securities are analysed by issuer as follows:		
— 公營機構	— Public sector entities	3,686	—
— 銀行及其他金融機構	— Banks and other financial institutions	588,772	726,007
— 企業	— Corporate entities	55,450	570,920
		647,908	1,296,927

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

27. 持至到期證券 (續)

27. Held-to-maturity securities (Continued)

下表概述持至到期證券之變動：

The movement in held-to-maturity securities is summarized as follows:

集團	Group	二零零五年 2005	二零零四年 2004
一月一日	At 1 January	1,296,927	392,198
因採納香港會計準則第39號而重新指定以公平值列入損益賬之證券	Re-designation of securities at fair value through profit or loss on adoption of HKAS 39	(988,230)	–
透過收購附屬公司而增購	Addition through acquisition of subsidiaries	462,136	–
匯兌差異	Exchange differences	(819)	445
新購入	Additions	–	1,080,481
折讓攤銷	Amortisation of discount	(72)	2,903
重新分類	Reclassification	–	(1,244)
本年內到期的證券	Securities matured during the year	(122,034)	(177,856)
十二月三十一日	At 31 December	647,908	1,296,927

28. 聯營公司投資

28. Investment in associated companies

集團	Group	二零零五年 2005	二零零四年 2004
一月一日	At 1 January	–	–
投資成本	Investment cost	57,489	–
應佔業績	Share of results	(9,350)	–
十二月三十一日	At 31 December	48,139	–

本集團於其主要非上市聯營公司之權益如下述所列示：

The Group's interest in its principal associate, which is unlisted, is set out as follows:

名稱 Name	註冊地點 Country of incorporation	二零零五年 2005				應佔權益 百分比 % of interest held
		資產 Assets	負債 Liabilities	收入 Revenues	虧損 loss	
長城人壽保險股份有限公司 Great Wall Life Insurance Company Limited	中國 People's Republic of China	323,859	82,324	68,596	(46,751)	20%

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

29. 共同控制實體投資

29. Investments in jointly controlled entities

集團	Group	二零零五年 2005	二零零四年 2004
非上市股份，按成本	Unlisted shares, at cost	20,000	20,000
對一共同控制實體之貸款應收賬	Loan receivable from a jointly controlled entity	31,000	31,000
		51,000	51,000
應佔收購後儲備	Share of post-acquisition reserves	(20,816)	(23,920)
		30,184	27,080

於二零零五年十二月三十一日的共同控制實體如下：

The following are the jointly controlled entities as at 31 December 2005:

名稱 Name	註冊地點 Place of incorporation	主要業務及經營地點 Principal activities and place of operation	佔擁有權之百分比 Percentage of interest in ownership
銀聯控股有限公司 Bank Consortium Holding Limited	香港 Hong Kong	投資控股，香港 Investment holding, Hong Kong	13.333%
銀聯信託有限公司 Bank Consortium Trust Company Limited	香港 Hong Kong	受托人及退休金福利之代管人服務，香港 Trustee and custodian services for retirement fund schemes, Hong Kong	13.333%

本集團在銀聯控股有限公司之權益由集團附屬公司大新銀行有限公司持有，而銀聯信託有限公司乃銀聯控股有限公司之全資附屬公司。

The Group's interest in Bank Consortium Holding Limited is held by Dah Sing Bank, Limited, a Group subsidiary. Bank Consortium Trust Company Limited is a wholly owned subsidiary of Bank Consortium Holding Limited.

對一共同控制實體之貸款應收賬為無抵押、免息及按共同控制實體所有股東一致的決定還款。

The loan receivable from a jointly controlled entity is unsecured, interest free and repayable subject to the joint decision amongst all the shareholders of the jointly controlled entity.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

30. 附屬公司投資

30. Investments in subsidiaries

公司	Company	二零零五年 2005	二零零四年 2004
投資，按成本：	Investments at cost:		
香港上市股份	Shares listed in Hong Kong	1,620,377	1,454,787
非上市股份	Unlisted shares	287,140	287,140
		1,907,517	1,741,927
應收附屬公司款項	Amounts due from subsidiaries	969,648	1,130,162
應付附屬公司款項	Amounts due to subsidiaries	2,877,165 (39,972)	2,872,089 (39,972)
		2,837,193	2,832,117
上市股份市值	Market value of listed shares	10,314,093	11,591,301

應收/應付附屬公司之款項均為無抵押、免息及按要求還款。

The amounts due from/to subsidiaries are unsecured, interest free and are repayable on demand.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

30. 附屬公司投資 (續)

30. Investments in subsidiaries (Continued)

於二零零五年十二月三十一日之主要附屬公司
如下：

The following is a list of the principal subsidiaries as at 31 December 2005:

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
大新銀行集團有限公司* Dah Sing Banking Group Limited*	投資控股 Investment holding	香港 Hong Kong	78.5%	-	HK\$931,416,279
大新企業有限公司 Dah Sing Company Limited	投資控股 Investment holding	香港 Hong Kong	100%	-	HK\$1,000,000
Dah Sing Holdings Limited	投資控股 Investment holding	百慕達 Bermuda	100%	-	US\$100,000
Dah Sing International Limited	投資控股 Investment holding	百慕達 Bermuda	100%	-	US\$100,000
Dah Sing Life Assurance Company Limited	人壽保險 Life assurance	百慕達 Bermuda	100%	-	US\$25,000,000
大新保險代理有限公司 Dah Sing Insurance Agency Limited	保險代理 Insurance agency	香港 Hong Kong	100%	-	HK\$500,000
大新保險服務有限公司 Dah Sing Insurance Services Limited	保險服務 Insurance services	香港 Hong Kong	100%	-	HK\$20
Dah Sing Medical Science Investment Inc.	投資控股 Investment holding	英屬處女群島 British Virgin Islands	100%	-	US\$50,000
Dah Sing Secretarial Services Limited	暫無營業 Dormant	香港 Hong Kong	100%	-	HK\$2
Filey Investment Corporation	投資控股 Investment holding	巴拿馬 Panama	100%	-	US\$2
新永華投資有限公司 Newinner Investments Limited	暫無營業 Dormant	香港 Hong Kong	100%	-	HK\$2
High Standard Investment Limited	物業投資 Property investment	英屬處女群島 British Virgin Islands	100%	-	US\$2

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

30. 附屬公司投資 (續)**30. Investments in subsidiaries (Continued)**

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
WOF Escrow Limited	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$25,000,000
DSE Investment Services Limited (Note (a)) (附註(甲))	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$1,000,000
維興有限公司 World Prosper Limited	投資控股 Investment holding	香港 Hong Kong	100%	–	HK\$1
Dah Sing General Insurance Company Limited	保險業務 General insurance	百慕達 Bermuda	51%	–	HK\$70,000,000
鸞鳳置業有限公司 Luen Fung Investment Company, Limited	暫無營業 Dormant	香港 Hong Kong	–	100%	HK\$303,000
大新銀行有限公司 Dah Sing Bank, Limited	銀行 Banking	香港 Hong Kong	–	78.5%	HK\$1,800,000,000
豐明銀行有限公司 MEVAS Bank Limited	銀行 Banking	香港 Hong Kong	–	78.5%	HK\$400,000,000
大新財務有限公司 Dah Sing Finance Limited	暫無營業 Dormant	香港 Hong Kong	–	78.5%	HK\$25,000,000
Dah Sing Properties Limited	投資控股 Investment holding	香港 Hong Kong	–	78.5%	HK\$10,000
大新信託有限公司 Dah Sing Nominees Limited	代理人服務 Nominee services	香港 Hong Kong	–	78.5%	HK\$100,000
大新物業代理有限公司 Dah Sing Property Agency Limited	物業代理 Property agency	香港 Hong Kong	–	78.5%	HK\$100,000
大新保險顧問有限公司 Dah Sing Insurance Brokers Limited	保險經紀 Insurance broking	香港 Hong Kong	–	78.5%	HK\$200,000
鈞寶證券有限公司 Global Courage Securities Limited	證券買賣 Securities dealing	香港 Hong Kong	–	78.5%	HK\$10,000,000
域寶投資有限公司 Vanishing Border Investment Services Limited	物業投資 Property investment	香港 Hong Kong	–	78.5%	HK\$20

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

30. 附屬公司投資 (續)

30. Investments in subsidiaries (Continued)

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
MEVAS Nominees Limited	代理人服務 Nominee services	香港 Hong Kong	-	78.5%	HK\$50,000
D.A.H. Holdings Limited (Note (b))(附註(乙))	投資控股 Investment holding	百慕達 Bermuda	-	59.3%	US\$1,000,000
D.A.H. Hambros Bank (Channel Islands) Limited	銀行 Banking	格恩西島 Guernsey	-	59.3%	US\$8,000,000
Dah Sing MTN Financing Limited	融資(附註33) Financing (Note 33)	英屬處女群島 British Virgin Islands	-	78.5%	US\$1
Dah Sing SAR Financing Limited	暫無營業 Dormant	英屬處女群島 British Virgin Islands	-	78.5%	US\$1
怡泰富財務(香港)有限公司 Pacific Finance (Hong Kong) Limited	財務 Finance	香港 Hong Kong	-	78.5%	HK\$450,000,000
澳門商業銀行有限公司 Banco Comercial de Macau, S.A.	銀行 Banking	澳門 Macau	-	78.5%	MOP225,000,000
澳門保險有限公司 Macau Insurance Company Limited	保險業務 General Insurance	澳門 Macau	-	75.4%	MOP20,000,000
澳門人壽保險有限公司 Macau Life Insurance Company Limited	人壽保險 Life Insurance	澳門 Macau	-	75.4%	MOP30,000,000
DSB BCM (1) Limited	投資控股 Investment holding	香港 Hong Kong	-	78.5%	HK\$1
DSB BCM (2) Limited	投資控股 Investment holding	香港 Hong Kong	-	78.5%	HK\$1
Shinning Bloom Investments Limited	投資控股 Investment holding	英屬處女群島 British Virgin Islands	-	78.5%	US\$1
Upway Wealth International Limited	投資控股 Investment holding	英屬處女群島 British Virgin Islands	-	78.5%	US\$1
DSMI Group Limited	投資控股 Investment holding	英屬處女群島 British Virgin Islands	-	78.5%	US\$1

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

30. 附屬公司投資 (續)

30. Investments in subsidiaries (Continued)

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
DSLI (1) Limited	投資控股 Investment holding	英屬處女群島 British Virgin Islands	-	78.5%	US\$1
DSLI (2) Limited	投資控股 Investment holding	英屬處女群島 British Virgin Islands	-	78.5%	US\$1

* 在香港聯合交易所有限公司上市

* Listed on The Stock Exchange of Hong Kong Limited

除D. A. H. Hambros Bank (Channel Islands) Limited, 澳門商業銀行有限公司、澳門保險有限公司及澳門人壽保險有限公司外，其他公司均在香港經營。

Except for D.A.H. Hambros Bank (Channel Islands) Limited, Banco Comercial de Macau S.A., Macau Insurance Company Limited and Macau Life Insurance Company Limited, all other companies operate in Hong Kong.

除大新銀行集團有限公司及大新銀行有限公司是公眾有限公司外，上述所有公司均為私人公司或倘於香港以外地方註冊成立，其特徵與香港註冊成立之私人公司極為相似。

Except for Dah Sing Banking Group Limited and Dah Sing Bank, Limited which is a public limited company, all the above companies are private companies, or, if incorporated outside Hong Kong, have substantially the same characteristics as a Hong Kong incorporated private company.

附註：

Note:

(甲) DSE Investment Services Limited除發行普通股外，亦發行總值700港元的優先股。

(a) In addition to the ordinary shares issued by DSE Investment Services Limited, it also has preference shares in issue totalling HK\$700.

(乙) 根據本公司與SG Hambros Bank and Trust Limited (「SG Hambros」)於二零零二年十二月三十日達成之協議，本公司授予SG Hambros認沽期權，而SG Hambros亦授予本公司認購期權涉及股份達245,000股。有關股份相等於D.A.H. Holdings Limited (「DAH」，本公司持有百分之五十九點三權益的附屬公司)之百分之二十四點五已發行股本。作為重組以成立大新銀行集團有限公司 (「大新銀行集團」)之一部份，本公司移轉予大新銀行集團其於上述協議之權利和責任。若此等期權被行使時，本公司於DAH所佔之間接權益將由百分之五十九點三提升至百分之七十八點五。王守業為DAH與本公司董事。本公司主要股東王守業與SG Hambros於此項期權協議各擁有重大權益。

(b) Pursuant to an agreement entered into between the Company and SG Hambros Bank and Trust Limited ("SG Hambros") on 30th December 2002, the Company granted SG Hambros a put option and SG Hambros granted the Company a call option over 245,000 shares representing 24.5% of the issued share capital of D.A.H. Holdings Limited ("DAH"), (a 59.3% owned subsidiary of the Company). As part of the reorganisation leading to the formation of Dah Sing Banking Group Limited ("DSBG"), the Company subrogated to DSBG its rights and obligations under the above agreement. Upon exercise of the option, the Company's indirect interest in DAH would be increased from 59.3% to 78.5%. David Shou-Yeh Wong held common directorships in DAH and the Company. David Shou-Yeh Wong, a substantial shareholder of the Company, and SG Hambros held material interests in the option agreement.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

31. 商譽及無形資產

31. Goodwill and intangible assets

集團	Group	商譽 Goodwill	合約 無形資產 Contract intangibles	核心存款 無形資產 Core deposit	客戶關係 無形資產 Customer relationship	商號 Trade name	合計 Total
				intangibles	intangibles		
成本	Cost						
二零零五年一月一日	At 1 January 2005	-	-	-	-	-	-
新增	Additions	950,992	26,499	80,583	69,256	80,927	1,208,257
二零零五年十二月三十一日	At 31 Dec 2005	950,992	26,499	80,583	69,256	80,927	1,208,257
累積減值/攤銷	Accumulated impairment/amortisation						
二零零五年一月一日	At 1 January 2005	-	-	-	-	-	-
年內支出	Charge for the year	-	2,897	-	-	-	2,897
二零零五年十二月三十一日	At 31 Dec 2005	-	2,897	-	-	-	2,897
賬面值	Carrying value						
二零零五年十二月三十一日	At 31 Dec 2005	950,992	23,602	80,583	69,256	80,927	1,205,360

有使用期限之無形資產包括合約、核心存款、客戶關係無形資產將以餘額遞減法按其介乎五至十二年之可用年期攤銷。商號並無使用期限會將每年測試其減值虧損及以成本扣除累積減值虧損列示。

Intangible assets with finite life including contract intangibles, core deposit intangible and customer relationships are amortized over the their useful life ranging from 5 to 12 years using diminishing balance method. Trade name is with indefinite life and is tested annually for impairment losses. It is carried at cost less accumulated impairment loss.

商譽按不同營運域及業務分項分配至已認明之現金產生單位以作減值評估。下表概述有關商譽之分配。

Goodwill is allocated to the Group's cash-generating units identified according to country of operation and business segment for impairment losses assessment. A summary of goodwill allocation is presented below.

二零零五年十二月三十一日

As at 31 December 2005

集團	Group	商業銀行	個人銀行	財資業務	保險	合計
		Commercial Banking	Personal Banking			
香港	Hong Kong	196,478	122,189	-	-	318,667
澳門	Macau	199,140	260,408	33,475	139,302	632,325
		395,618	382,597	33,475	139,302	950,992

是年並無確認商譽及商號之減值虧損。

No impairment loss on goodwill and trade names are identified in the year.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

32. 行產及其他固定資產

32. Premises and other fixed assets

集團	Group	行產	傢俬、設備 及汽車 Furniture, equipment and motor vehicles	合計 Total
二零零四年一月一日	At 1 January 2004			
成本	Cost	571,585	286,002	857,587
累積折舊	Accumulated depreciation	–	(149,933)	(149,933)
賬面淨值	Net book amount	571,585	136,069	707,654
截至二零零四年十二月三十一日止年度	Year ended 31 December 2004			
年初賬面淨值	Opening net book amount	571,585	136,069	707,654
新增	Additions	–	34,949	34,949
重新分類	Reclassification	1,278	–	1,278
重估增值	Revaluation surplus	3,391	–	3,391
出售	Disposals	–	(2,405)	(2,405)
是年度折舊(附註12)	Depreciation charge (Note 12)	(15,661)	(51,051)	(66,712)
年末賬面淨值	Closing net book amount	560,593	117,562	678,155
二零零四年十二月三十一日	At 31 December 2004			
成本	Cost	575,754	288,959	864,713
累積折舊	Accumulated depreciation	(15,161)	(171,397)	(186,558)
賬面淨值	Net book amount	560,593	117,562	678,155
截至二零零五年十二月三十一日止年度	Year ended 31 December 2005			
年初賬面淨值	Opening net book amount	560,593	117,562	678,155
新增	Additions	–	27,406	27,406
收購附屬公司而取得之資產	Assets brought-in through acquisition of subsidiaries	280,185	26,019	306,204
出售	Disposals	–	(330)	(330)
重估增值	Revaluation surplus	442,026	–	442,026
是年度折舊(附註12)	Depreciation charge (Note 12)	(15,354)	(48,415)	(63,769)
年末賬面淨值	Closing net book amount	1,267,450	122,242	1,389,692
二零零五年十二月三十一日	At 31 December 2005			
成本/估值	Cost/valuation	1,297,965	287,603	1,585,568
累積折舊	Accumulated depreciation	(30,515)	(165,361)	(195,876)
賬面淨值	Net book amount	1,267,450	122,242	1,389,692

本集團行產最新之估值於二零零五年十二月三十一日進行。此評估由獨立專業特許測量師萊坊(香港)有限公司(就位於香港及中國之物業)及第一太平戴維斯(就位於澳門之物業)按公開市場價值基準進行。

The Group's premises were last revalued at 31 December 2005. Valuations were made on the basis of open market value by independent, professionally qualified valuers (1) Knight Frank Hong Kong Limited in respect of properties in Hong Kong and China, and (2) Savills (Hong Kong) Limited in respect of properties in Macau.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

32. 行產及其他固定資產(續)

32. Premises and other fixed assets (Continued)

倘行產按實際成本基礎列示，其金額如下：

If premises were stated on the historical cost basis, the amounts would be as follows:

集團	Group	二零零五年 2005	二零零四年 2004
成本	Cost	855,939	572,863
累積折舊	Accumulated depreciation	(30,515)	(15,661)
賬面淨值	Net book amount	825,424	557,202

以上資產於二零零五年十二月三十一日之成本或估值分析如下：

The analysis of the cost or valuation at 31 December 2005 of the above assets is as follows:

集團	Group	行產 Bank premises	傢俬、設備 及汽車 Furniture, motor vehicles	合計 Total
按成本	At cost	–	287,603	287,603
按估值 – 二零零五年	At valuation – 2005	1,297,965	–	1,297,965
		1,297,965	287,603	1,585,568

以上資產於二零零四年十二月三十一日之成本或估值分析如下：

The analysis of the cost or valuation at 31 December 2004 of the above assets is as follows:

集團	Group	行產 Bank premises	傢俬、設備 及汽車 Furniture, motor vehicles	合計 Total
按成本	At cost	–	288,959	288,959
按估值 – 二零零三年	At valuation – 2003	575,754	–	575,754
		575,754	288,959	864,713

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

33. 投資物業

33. Investment properties

集團	Group	二零零五年 2005	二零零四年 2004
一月一日	At 1 January	263,681	212,036
重新分類	Reclassification	-	(1,278)
透過收購附屬公司新增之資產	Assets brought-in through acquisition of subsidiaries	15,921	-
公平值收益/重估減值回撥	Fair value gains/deficit write-back on revaluation	83,088	52,923
十二月三十一日	At 31 December	362,690	263,681

本集團投資物業最新之估值於二零零五年十二月三十一日進行，此評估由獨立專業特許測量師萊坊(香港)有限公司(就位於香港及中國之物業)及第一太平戴維斯(就位於澳門之物業)按公開市場價值基準進行。

The Group's investment properties were last revalued at 31 December 2005. Valuations were made on the basis of open market value by independent, professionally qualified valuer (1) Knight Frank Hong Kong Limited in respect of properties in Hong Kong and China, and (2) Savills (Hong Kong) Limited in respect of properties in Macau.

34. 長期壽險業務之有效保單價值的變動

34. Movement on the value of in-force long-term life assurance business

集團	Group	二零零五年 2005
一月一日	At 1 January	663,793
透過收購附屬公司之增加	Arising from acquisition of subsidiaries	6,855
年內新保單引致之增加	Additions from current year new business	83,479
壽險業務有效保單之變動	Movement from in-force business	21,214
其他	Others	(29,445)
十二月三十一日	At 31 December	745,896

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

35. 其他資產

35. Other assets

集團	Group	二零零五年 2005	二零零四年 2004
分保資產	Reinsurance assets	77,167	14,643
應收款項及預付項目	Accounts receivable and prepayments	247,357	1,005,479
應計利息	Accrued income	605,281	413,261
其他	Others	246,388	372,192
		1,176,193	1,805,575

36. 持作買賣用途的負債

36. Trading liabilities

集團	Group	二零零五年 2005	二零零四年 2004
沽空國庫票據及國庫債券	Short sales of treasury bills and treasury notes	6,311,309	6,411,790
國庫票據售出但還未回購	Treasury bills sold not yet re-purchased	-	271,783
		6,311,309	6,683,573

37. 以公平值列入損益賬之客戶存款

37. Deposits from customers designated at fair value through profit or loss

集團	Group	二零零五年 2005	二零零四年 2004
結構性存款	Structured deposits	1,739,075	-
其他	Others	165,205	-
		1,904,280	-

利率變更以外之因素對以公平值列入損益賬之客戶存款之公平值變動之影響極小。本集團在此客戶存款到期時按合約應付的金額較以上所列之賬面值高二億四千六百萬港元。

The change in the fair value of deposits from customers designated at fair value through profit or loss not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these deposits is HK\$246 million higher than the above carrying amount.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

38. 客戶存款

38. Deposits from customers

集團	Group	二零零五年 2005	二零零四年 2004
活期存款及往來存款	Demand deposits and current accounts	4,744,941	4,420,095
儲蓄存款	Savings deposits	7,357,225	8,382,422
定期、通知及短期存款	Time, call and notice deposits	44,091,743	30,500,494
其他存款	Other deposits	8,503	–
		56,202,412	43,303,011

39. 已發行的存款證

39. Certificates of deposit issued

集團	Group	二零零五年 2005	二零零四年 2004
以公平值列入損益賬	Designated at fair value through profit or loss	4,525,120	–
按攤銷成本	At amortised cost	3,188,177	8,452,136
		7,713,297	8,452,136

利率變更以外之因素對以公平值列入損益賬之已發行的存款證之公平值變動之影響極小。本集團在此存款證到期時按合約應付的金額較以上所列之賬面值高一億一千八百萬港元。

The change in the fair value of certificates of deposit issued and designated at fair value through profit or loss not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these certificates of deposit is HK\$118 million higher than the above carrying amount.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

40. 已發行的債務證券

40. Issued debt securities

集團	Group	二零零五年 2005	二零零四年 2004
以公平值列入損益賬	Designated at fair value through profit or loss	1,123,830	–
按攤銷成本	At amortised cost	1,163,265	2,332,305
		2,287,095	2,332,305

於二零零五年十二月三十一日已發行之債務證券餘額包括大新銀行有限公司(「大新銀行」)之全資附屬公司Dah Sing MTN Financing Limited透過大新銀行之歐洲市場中期票據計劃，於二零零四年十二月一日發行並在盧森堡交易所上市之150,000,000美元定息及150,000,000美元浮息有擔保優先票據(「該票據」)。該票據由大新銀行擔保、為無抵押，最後到期日為二零零九年十二月一日，其成本透過大新銀行進行的利率掉期安排轉為浮息基準。

Issued debt securities outstanding as at 31 December 2005 represented the US\$150 million fixed rate and the US\$150 million floating rate Senior Guaranteed Notes (the “Notes”) issued by Dah Sing MTN Financing Limited (“DSMTN”), a wholly-owned subsidiary of Dah Sing Bank, Limited (“DSB”), on 1st December 2004 under DSB’s Euro Medium Term Note Programme (the “Programme”) which are listed on the Luxembourg Stock Exchange. The Notes are guaranteed by DSB, unsecured, and have a final maturity on 1st December 2009. Through interest rate swap arrangements entered into by DSB, the cost of the fixed rate Notes is determined on floating rate basis.

利率變更以外之因素對以公平值列入損益賬之已發行之債務證券之公平值變動之影響極小。本集團在此債務證券到期時按合約應付的金額較以上所列之賬面值高三千九百萬港元。

The change in the fair value of issued debt securities designated at fair value not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these issued debt securities is HK\$39 million higher than the above carrying amount.

41. 後償債務

41. Subordinated notes

集團	Group	二零零五年 2005	二零零四年 2004
125,000,000美元年息7.5%於2011年到期的後償票據(附註一)	US\$125,000,000 7.5% Subordinated Bonds due 2011 (Note 1)	975,689	971,794
150,000,000美元於2015年到期的浮息後償債務(附註二)	US\$150,000,000 Subordinated Floating Rate Notes due 2015 (Note 2)	1,163,265	–
150,000,000美元於2017年到期的定息後償債務(附註三)	US\$150,000,000 Subordinated Fixed Rate Notes due 2017 (Note 3)	1,151,388	–
		3,290,342	971,794
以公平值列入損益賬	Designated at fair value through profit or loss	2,127,077	–
按攤銷成本	At amortised cost	1,163,265	971,794
		3,290,342	971,794

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

41. 後償債務(續)

附註：

- 一. 此乃大新銀行有限公司(「大新銀行」)於二零零一年三月二十八日發行之年息7.5厘125,000,000美元在盧森堡交易所上市並被界定為二級資本的後償票據。此等票據將於二零一一年三月二十八日到期。選擇性贖還日為二零零六年三月二十九日。在二零零六年二月取得香港金融管理局之書面認可後，大新銀行已行使其購回全部票據之選擇權，於選擇性贖還日，贖回全部票據。
- 二. 此乃大新銀行於二零零五年四月二十九日發行浮息150,000,000美元在盧森堡交易所上市並被界定為二級資本的浮息後償債務(「債務」)。此等債務將於二零一五年五月六日到期。選擇性贖還日為二零一零年五月六日。由發行日至其選擇性贖還日，此債務之利息按三個月期美元銀行同業拆息加60點子，以每三個月釐訂一次。其後，倘債務未在選擇性贖還日贖回，往後的利息會重訂為按三個月期美元銀行同業拆息加160點子。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由以票面價值贖回所有(非部分)債務。
- 三. 此乃大新銀行於二零零五年八月十八日發行之150,000,000美元在盧森堡交易所上市並被界定為二級資本的定息後償債務(「債務」)。此等債務將於二零一七年八月十八日到期。選擇性贖還日為二零一二年八月十八日。由發行日至其選擇性贖還日，年息為5.451厘，每半年付息一次。其後，倘債務未在選擇性贖還日贖回，往後的利息會重訂為當時五年期美國國庫債券率加220點子。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由以票面價值贖回所有(非部分)債務。大新銀行亦已與一國際銀行訂立利率掉期合約以將債務的固定利息掉換為以美元銀行同業拆息為基礎的浮動利息付款。

採納香港會計準則第39號後，若干後償債務證券已於二零零五年十二月三十一日以公平值列入損益賬呈列，但二零零四年十二月三十一日之比較數字並無追溯調整。

利率變更以外之因素對以公平值列入損益賬之後償債務之公平值變動之影響極小，本集團在此後償債務到期時按合約應付的金額較以上所列之賬面值高五百萬港元。

41. Subordinated notes (Continued)

Note:

1. This represents US\$125,000,000 7.5% subordinated bonds qualifying as Tier 2 capital of DSB issued on 28 March 2001 (the "Bonds") which are listed on the Luxembourg Stock Exchange. The Bonds will mature on 28 March 2011 with an optional redemption date falling on 29 March 2006 ("Optional Redemption Date"). The Bank, after receiving written consent from the Hong Kong Monetary Authority ("HKMA") in February 2006, has exercised its call option for the full redemption of the Bonds and will redeem the Bonds in full on the Optional Redemption Date.
2. This represents US\$150,000,000 Subordinated Floating Rate Notes qualifying as Tier 2 capital of DSB issued on 29 April 2005 (the "Notes"), which are listed on the Luxembourg Stock Exchange. The Notes will mature on 6 May 2015 with an optional redemption date falling on 6 May 2010. Interest rate for the Notes is set on a quarterly basis based on 3-month LIBOR plus 60 basis points from the issue date to the optional redemption date. Thereafter, if the Notes are not redeemed, the interest rate will reset and the Notes will bear interest at 3 month LIBOR plus 160 basis points. DSB may, subject to receiving the prior approval of the HKMA, redeem the Notes in whole but not in part, at par either on the optional redemption date or for taxation reasons on interest payment date.
3. This represents US\$150,000,000 5.451% Subordinated Fixed Rate Notes qualifying as Tier 2 capital of DSB issued on 18 August 2005 (the "Notes"), which are listed on the Luxembourg Stock Exchange. The Notes will mature on 18 August 2017 with an optional redemption date falling on 18 August 2012. Interest at 5.451% is payable semi annually from the issue date to the optional redemption date. Thereafter, if the Notes are not redeemed, the interest rate will be reset and the Notes will bear interest at the then prevailing 5-year US Treasury rate plus 220 basis points. DSB may, subject to receiving the prior approval of the HKMA, redeem the Notes in whole but not in part, at par either on the optional redemption date or for taxation reasons on interest payment date. An interest rate swap contract to swap the fixed rate payment liability of the Notes to floating interest rate based on LIBOR has been entered into with an international bank.

Certain of the subordinated notes were designated at fair value through profit or loss as at 31 December 2005 with the adoption of HKAS 39 with no retrospective adjustment for the comparative amount as at 31 December 2004.

The change in the fair value of subordinated notes designated at fair value through profit or loss not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these subordinated notes is HK\$5 million higher than the above carrying amount.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

42. 其他賬目及預提

42. Other accounts and accruals

集團	Group	二零零五年 2005	二零零四年 2004
保險合約之其他負債	Other liabilities under insurance contracts	527,083	333,586
其他	Other	1,670,163	1,873,879
		2,197,246	2,207,465

保險合約之其他負債分析如下：

Other liabilities under insurance contracts are analysed below:

集團	Group	總額 Gross	二零零五年 2005 分保份額 Reinsurers' share	淨額 Net
一般保險	General Insurance			
可作賺取之保費儲備	Unearned premium reserve	75,261	(46,945)	28,316
已呈報之索償	Notified claims	59,370	(25,150)	34,220
已承付但未呈報之索償	Claims incurred but not reported	2,205	(1,124)	1,081
未過期風險儲備	Unexpired risk reserve	2,214	(1,330)	884
		139,050	(74,549)	64,501
壽險	Life			
保單準備金	Policy provisions	388,033	(2,430)	385,603
合計	Total	527,083	(76,979)	450,104
一般保險	General Insurance			
未滿期保費儲備	Unearned premium reserve			
一月一日	At 1 January	12,396	(303)	12,093
透過收購附屬公司而增加	Arising from acquisition of subsidiaries	65,877	(49,421)	16,456
保費收入	Written premiums	30,235	(7,729)	22,506
已賺取之保費	Earned premiums	(33,247)	10,508	(22,739)
十二月三十一日	At 31 December	75,261	(46,945)	28,316
已呈報及已承付但未呈報之索償，及未過期風險儲備	Notified and incurred but not reported claims, and unexpired risk reserve			
已呈報之索償	Notified claims	19,105	(11,503)	7,602
已承付但未呈報之索償	Claims incurred but not reported	4,049	(1,896)	2,153
一月一日	At 1 January	23,154	(13,399)	9,755
透過收購附屬公司而增加	Arising from acquisition of subsidiaries	42,312	(15,191)	27,121
已支付索償	Claims paid	(10,241)	1,749	(8,492)
已承付索償	Claims incurred	8,564	(763)	7,801
十二月三十一日	At 31 December	63,789	(27,604)	36,185
已呈報之索償	Notified claims	59,370	(25,150)	34,220
已承付但未呈報之索償	Claims incurred but not reported	2,205	(1,124)	1,081
未過期風險儲備	Unexpired risk reserve	2,214	(1,330)	884
		63,789	(27,604)	36,185
壽險	Life			
保單準備金	Policy provisions			
一月一日	At 1 January	298,790	(943)	297,847
透過收購附屬公司而增加	Arising from acquisition of subsidiaries	1,057	(834)	223
已支付索償	Claims paid	(89,788)	2,342	(87,446)
已承付索償	Claims incurred	177,974	(2,995)	174,979
十二月三十一日	At 31 December	388,033	(2,430)	385,603

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

43. 對保險合約保單持有人之負債

43. Liabilities to policyholders under insurance contracts

集團	Group	總額 Gross	二零零五年 2005 分保份額 Reinsurers' share	淨額 Net
對壽險合約保單持有人 之未來負債	Future liabilities to policyholders under life insurance contracts	1,662,935	(188)	1,662,747
一月一日	At 1 January			815,336
透過收購附屬公司而增加 已承付之索償	Arising from acquisition of subsidiaries Claims incurred			402,553
				444,858
十二月三十一日	At 31 December			1,662,747

44. 遞延稅項

44. Deferred income tax

遞延稅項資產及負債的對銷只在具有合法執行權對銷即期稅項資產和即期稅項負債時及遞延利得稅項與同一稅務機構有關時方可進行。抵銷之金額如下：

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

集團	Group	二零零五年 2005	二零零四年 2004 經重列 Restated
遞延稅項資產	Deferred income tax assets:	7,692	10,662
遞延稅項負債	Deferred income tax liabilities:	(104,334)	(13,218)
			二零零四年 2004 經重列 Restated
遞延稅項資產：	Deferred income tax assets:		
— 可在十二個月後收回之遞延稅項資產	– Deferred income tax asset to be recovered after more than 12 months	47,391	72,115
遞延稅項負債：	Deferred income tax liabilities:		
— 應在十二個月後償還之遞延稅項負債	– Deferred income tax liabilities to be settled after more than 12 months	(143,833)	(74,671)
— 應在十二個月內償還之遞延稅項負債	– Deferred income tax liabilities to be settled within 12 months	(200)	–
		(144,033)	(74,671)

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

44. 遞延稅項(續)

44. Deferred income tax (Continued)

遞延稅項總變動如下：

The gross movement on the deferred income tax account is as follows:

集團	Group	二零零五年 2005	二零零四年 2004
一月一日	At 1 January	(2,556)	(6,904)
會計政策變動之年初調整	Opening adjustment arising from changes in accounting policies	(33,315)	(7,074)
收購附屬公司	Acquisition of subsidiaries	4,642	-
於收益賬內(支出)/撥回(附註17)	Tax (charged)/credited to the income statement (Notes 17)	(17,067)	12,294
於權益賬內支出	Tax charged to equity	(48,346)	(872)
十二月三十一日	At 31 December	(96,642)	(2,556)

遞延稅項負債

Deferred income tax liabilities

遞延稅項資產及負債於本年度之變動，不包括於相同稅法管轄權下抵銷之結餘如下：

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

集團	Group	準備 Provisions	加速稅務折舊 Accelerated tax depreciation	行產重估 Premises revaluation	投資重估 Investment revaluation	其他 Others	合計 Total
二零零四年一月一日，如前呈報	At 1 January 2004, as previously reported	-	1,090	50,142	12,666	-	63,898
因香港會計準則詮釋第二十一號之年初調整	Opening adjustments in respect of HKAS-Int 21	-	-	7,074	-	-	7,074
二零零四年一月一日，經重列	At 1 January 2004, as restated	-	1,090	57,216	12,666	-	70,972
於收益賬內支出	Charged to the income statement	-	2,827	-	-	-	2,827
於權益內支出	Charged to equity	-	-	594	278	-	872
二零零四年十二月三十一日，經重列	At 31 December 2004, as restated	-	3,917	57,810	12,944	-	74,671
收購附屬公司	Acquisition of subsidiaries	2,940	-	-	-	177	3,117
於收益賬內支出	Charged to the income statement	-	17,876	-	-	23	17,899
於權益賬內支出/(撥回)	Charged/(credited) to equity	-	-	59,152	(10,806)	-	48,346
二零零五年十二月三十一日	At 31 December 2005	2,940	21,793	116,962	2,138	200	144,033

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

44. 遞延稅項(續)

44. Deferred income tax (Continued)

遞延稅項資產：

Deferred income tax assets:

集團	Group	加速稅務折舊				合計
		準備	tax	稅項虧損	其他	
		Provisions	depreciation	Tax losses	Others	Total
二零零四年一月一日	At 1 January 2004	54,392	-	-	2,602	56,994
於收益賬內撥回/(支出)	Credited/(charged) to the income statement	6,570	-	10,346	(1,795)	15,121
二零零四年十二月三十一日， 如前呈報	At 31 December 2004, as previously reported	60,962	-	10,346	807	72,115
因香港會計準則第39號之期初調整	Opening adjustments in respect of HKAS 39	(33,315)	-	-	-	(33,315)
二零零五年一月一日，經重列	At 1 January 2005, as restated	27,647	-	10,346	807	38,800
收購附屬公司	Acquisition of subsidiaries	7,205	554	-	-	7,759
於收益賬內撥回/(支出)	Credited/(charged) to the income statement	4,430	125	(2,970)	(753)	832
二零零五年十二月三十一日	At 31 December 2005	39,282	679	7,376	54	47,391

下述乃年度內權益賬內(支出)/撥回之遞延稅項：

The deferred income tax (charged)/credited to equity during the year is as follows:

集團	Group	二零零五年	二零零四年
		2005	2004
			經重列
			Restated
於股東權益之公平值儲備	Fair value reserves in shareholders' equity:		
— 行產(附註48)	— premises (Note 48)	(59,152)	(594)
— 可供出售之證券(附註48)	— available-for-sale securities (Note 48)	10,806	-
— 非持作買賣用途的證券(附註48)	— non-trading securities (Note 48)	-	(278)
		(48,346)	(872)

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

45. 集團公司之結餘

資產負債表內賬目包括與本公司一間附屬公司之結餘詳列如下：

公司	Company	二零零五年 2005	二零零四年 2004
銀行結餘	Bank balances	21,833	15,442

46. 或然負債及承擔

(甲) 資本承擔

於結算日在賬目內仍未撥準備之資本承擔如下：

集團	Group	二零零五年 2005	二零零四年 2004
已簽約但未撥準備之開支	Expenditure contracted but not provided for	34,931	16,616

45. Balances with Group companies

Included in the following balance sheet caption are balances with a subsidiary of the Company detailed as follows:

Company	2005	2004
Bank balances	21,833	15,442

46. Contingent liabilities and commitments

(a) Capital commitments

Capital expenditure at the balance sheet date but not yet incurred is as follows:

Group	2005	2004
Expenditure contracted but not provided for	34,931	16,616

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

46. 或然負債及承擔 (續)

46. Contingent liabilities and commitments (Continued)

(乙) 信貸承擔

(b) Credit commitments

本集團資產負債表外承擔提供予客戶之借貸金融工具合約金額及信貸風險加權金額如下：

The contract and credit risk weighted amounts of the Group's off-balance sheet financial instruments that commit it to extend credit to customers are as follows:

集團	Group	合約金額	
		二零零五年 2005	二零零四年 2004
直接信貸代替品	Direct credit substitutes	2,420,934	757,320
與交易相關之或然項目	Transaction related contingencies	26,872	30,961
與貿易相關之或然項目	Trade-related contingencies	951,964	790,228
其他承擔，其原本期限為： — 少於一年或可無條件取消	Other commitments with an original maturity of: — under 1 year or which are unconditionally cancellable	26,872,921	22,081,608
— 一年及以上	— 1 year and over	592,304	738,712
遠期存款	Forward deposits placed	1,006,592	—
		31,871,587	24,398,829

集團	Group	信貸風險加權金額	
		二零零五年 2005	二零零四年 2004
或然負債及承擔	Contingent liabilities and commitments	2,117,560	1,262,340

(丙) 已作抵押之資產

(c) Assets pledged

下述乃與香港金融管理局回購協議下作為抵押品之資產：

Assets pledged as collateral under repurchase agreements with the Hong Kong Monetary Authority are as follows:

集團	Group	二零零五年	二零零四年
		2005	2004
現金及短期資金	Cash and short term funds	—	4,038,687
持作買賣用途之證券	Trading securities	4,491,883	2,038,105
可供出售證券	Available-for-sale securities	1,824,988	—
		6,316,871	6,076,792

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

46. 或然負債及承擔 (續)

46. Contingent liabilities and commitments (Continued)

(丁) 經營租約承擔

(d) Operating lease commitments

如本集團為承租人，按不可取消物業經營租約而於未來需支付之最低租約付款總額如下：

Where a Group company is the lessee, the future minimum lease payments under non-cancellable building operating leases are as follows:

集團	Group	二零零五年 2005	二零零四年 2004
一年以內	Not later than 1 year	42,686	37,336
一年以後至五年	Later than 1 year and not later than 5 years	70,572	79,561
		113,258	116,897

如本集團為出租人，按不可取消物業經營租約而於未來需支付之最低租約付款總額如下：

Where a Group company is the lessor, the future minimum lease payments under non-cancellable building operating leases are as follows:

集團	Group	二零零五年 2005	二零零四年 2004
一年以內	Not later than 1 year	13,616	9,256
一年以後至五年	Later than 1 year and not later than 5 years	11,503	3,150
		25,119	12,406

47. 股本

47. Share capital

		二零零五年 2005	二零零四年 2004
法定股本：	Authorised:		
300,000,000股普通股，每股面值2港元	300,000,000 ordinary shares of HK\$2 each	600,000	600,000
		普通股每股面值2港元	
		Ordinary shares of HK\$2 each	
		股數	股本
		Number of	Share
		shares	Capital
已發行及繳足股本：	Issued and fully paid:		
二零零四年一月一日及十二月三十一日	At 1 January and 31 December 2004	248,609,258	497,219
年內發行新普通股以代替繳付股息	Issue of ordinary shares in lieu of dividends during the year	1,478,976	2,957
二零零五年十二月三十一日	At 31 December 2005	250,088,234	500,176

財務報表附註

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

47. 股本(續)

應佔合共79,110,426港元股息的股東已根據二零零五年中期股息(附註17)中以股代息計劃，選擇收取以列作繳足股款的本公司新股份，以代替現金股息。本公司按每股53.49港元的設定參考計算價，根據以股代息計劃於二零零五年十月十二日發行1,478,976股以列作繳足股款的本公司新普通股股份，代替現金股息。

遵照一九九五年五月十七日股東批准之行政人員認股計劃(「本認股權計劃」)，自該認股權計劃實行以來，110份認股權以認購10,200,000股每股面值2港元之本公司股份(包括一份在一九九七年由於有關受益人離職而失效的以認購150,000股，5份在二零零五年由於有關受益人離職而失效的以認購300,000股及25份在二零零五年取消以認購2,150,000股本公司股份的認股權)，已授予部份董事及集團的高級行政人員。

本年內由董事及高級行政人員持有之認股權中本公司股份數目變動如下：

47. Share capital (Continued)

In connection with the 2005 interim dividend (Note 17) for which shareholders may elect under the Scrip Dividend Scheme to receive an allotment of new shares of the Company credited as fully paid in lieu of cash dividend, election had been made by certain shareholders entitled to receive a total dividend of HK\$79,110,426. Based on the reference price of HK\$53.49 per share determined for the calculation of allotment of newly issued shares under the Scrip Dividend Scheme, the Company issued 1,478,976 new shares on 12 October 2005 credited as fully paid in lieu of the cash dividend.

Pursuant to the Executive Share Option Scheme (the "Scheme") approved by the shareholders on 17 May 1995, 110 options to subscribe for 10,200,000 shares of HK\$2 each of the Company (inclusive of an option for the subscription of 150,000 shares in the Company lapsed in 1997 and 5 options for the subscription of 300,000 shares in the Company lapsed in 2005 as a result of the resignation of the relevant grantee, and 25 options for the subscription of 2,150,000 share in the Company cancelled in 2005) had been granted to certain directors and senior executives of the Group since the inception of the Scheme.

Movements in the number of the Company's shares in the share options held by directors and senior executives during the year are as follows:

		認股權中股份數目	
		Number of shares in options	
		二零零五年	二零零四年
		2005	2004
一月一日	At 1 January	2,650,000	443,750
在本年內授予	Granted in the year	2,150,000	2,450,000
在本年內失效/取消	Forfeited/Cancelled in the year	(2,450,000)	–
在本年內行使	Exercised in the year	(200,000)	(243,750)
十二月三十一日	At 31 December	2,150,000	2,650,000

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

47. 股本(續)

本年內授予之認股權以代價1港元授予，並於二零零五年十二月三十一日仍未獲行使，詳列如下：

47. Share capital (Continued)

All options granted during the year were at a consideration of HK\$1.00 per option and remain outstanding as at 31 December 2005. Particulars of the share options granted in the year are as follows.

行使期 Exercise period	行使價 Exercise price	認股權數目 Number of options		認股權中股份數目 Number of shares in the options		
		二零零五年 2005	二零零四年 2004	二零零五年 2005	二零零四年 2004	
		港元 HK\$	港元 HK\$			
二零零五年八月二十三日至 二零零九年八月二十三日	23 August 2005 to 23 August 2009		54.25	1	60,000	
二零零五年十一月二十五日至 二零一零年十一月二十五日	25 November 2005 to 25 November 2010		64.00	5	430,000	
二零零六年八月二十五日至 二零一一年八月二十五日	25 August 2006 to 25 August 2011	51.71	5	430,000		
二零零六年八月二十三日至 二零零九年八月二十三日	23 August 2006 to 23 August 2009		54.25	1	60,000	
二零零六年十一月二十五日至 二零一零年十一月二十五日	25 November 2006 to 25 November 2010		64.00	5	430,000	
二零零七年八月二十五日至 二零一一年八月二十五日	25 August 2007 to 25 August 2011	51.71	5	430,000		
二零零七年八月二十三日至 二零零九年八月二十三日	23 August 2007 to 23 August 2009		54.25	1	60,000	
二零零七年十一月二十五日至 二零一零年十一月二十五日	25 November 2007 to 25 November 2010		64.00	5	430,000	
二零零八年八月二十五日至 二零一一年八月二十五日	25 August 2008 to 25 August 2011	51.71	5	430,000		
二零零八年八月二十三日至 二零零九年八月二十三日	23 August 2008 to 23 August 2009		54.25	1	60,000	
二零零八年十一月二十五日至 二零一零年十一月二十五日	25 November 2008 to 25 November 2010		64.00	5	430,000	
二零零九年八月二十五日至 二零一一年八月二十五日	25 August 2009 to 25 August 2011	51.71	5	430,000		
二零零九年八月二十三日至 二零一零年八月二十三日	23 August 2009 to 23 August 2010		54.25	1	60,000	
二零零九年十一月二十五日至 二零一零年十一月二十五日	25 November 2009 to 25 November 2010		64.00	5	430,000	
二零一零年八月二十五日至 二零一一年八月二十五日	25 August 2010 to 25 August 2011	51.71	5	430,000		
			25	30	2,150,000	2,450,000

財務報表附註

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

47. 股本(續)

47. Share capital (Continued)

本年內取消/失效之認股權詳列如下：

Particulars of the share options cancelled/forfeited during the year are as follows:

行使期	Exercise period	行使價		認股權數目		認股權中股份數目	
		Exercise price		Number of options		Number of shares	
		二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
		2005	2004	2005	2004	2005	2004
		港元	港元				
		HK\$	HK\$				
二零零五年八月二十三日至 二零零九年八月二十三日	23 August 2005 to 23 August 2009	54.25	-	1	-	60,000	-
二零零五年十一月二十五日至 二零一零年十一月二十五日	25 November 2005 to 25 November 2010	64.00	-	5	-	430,000	-
二零零六年八月二十三日至 二零零九年八月二十三日	23 August 2006 to 23 August 2009	54.25	-	1	-	60,000	-
二零零六年十一月二十五日至 二零一零年十一月二十五日	25 November 2006 to 25 November 2010	64.00	-	5	-	430,000	-
二零零七年八月二十三日至 二零零九年八月二十三日	23 August 2007 to 23 August 2009	54.25	-	1	-	60,000	-
二零零七年十一月二十五日至 二零一零年十一月二十五日	25 November 2007 to 25 November 2010	64.00	-	5	-	430,000	-
二零零八年八月二十三日至 二零零九年八月二十三日	23 August 2008 to 23 August 2009	54.25	-	1	-	60,000	-
二零零八年十一月二十五日至 二零一零年十一月二十五日	25 November 2008 to 25 November 2010	64.00	-	5	-	430,000	-
二零零九年八月二十三日至 二零一零年八月二十三日	23 August 2009 to 23 August 2010	54.25	-	1	-	60,000	-
二零零九年十一月二十五日至 二零一零年十一月二十五日	25 November 2009 to 25 November 2010	64.00	-	5	-	430,000	-
				30	-	2,450,000	-

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

47. 股本(續)

47. Share capital (Continued)

本年內獲行使之認股權詳列如下：

Particulars of the share options exercised during the year are as follows:

行使期	Exercise period	行使價		認股權數目		認股權中股份數目	
		Exercise price		Number of options		Number of shares	
		二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
		2005	2004	2005	2004	2005	2004
		港元	港元				
		HK\$	HK\$				
二零零四年四月三日至 二零零五年四月三日	3 April 2004 to 3 April 2005	26.28	26.28	4	8	200,000	243,750
				4	8	200,000	243,750

於十二月三十一日仍未獲行使之認股權詳列如下：

Particulars of the outstanding options as at 31 December are as follows:

授予日及行使價	Date of grant and exercise price	認股權數目		認股權中股份數目	
		Number of options		Number of shares	
		二零零五年	二零零四年	二零零五年	二零零四年
		2005	2004	2005	2004
二零零零年四月三日， 行使價為每股26.28港元	3 April 2000, at an exercise price of HK\$26.28 per share	-	4	-	200,000
二零零四年八月二十三日， 行使價為每股54.25 港元	23 August 2004, at an exercise price of HK\$54.25 per share	-	5	-	300,000
二零零四年十一月二十五日， 行使價為每股64.00 港元	25 November 2004, at an exercise price of HK\$64.00 per share	-	25	-	2,150,000
二零零五年八月二十五日， 行使價為每股51.71 港元	25 August 2005, at an exercise price of HK\$51.71 per share	25	-	2,150,000	-
		25	34	2,150,000	2,650,000

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

48. 其他儲備

48. Other reserves

集團	Group	股份溢價 Share Premium	投資物業 重估儲備 Investment Properties Revaluation Reserve	行產 重估儲備 Premises Revaluation Reserve	投資 重估儲備 Investment Revaluation Reserve	匯兌儲備 Exchange Reserve	一般儲備 General Reserve	保留盈利 Retained Earnings 附註(i)	合計 Total
二零零四年一月一日結餘，於前呈報	At 1 January 2004, as previously reported	818,860	40,427	236,383	96,144	(233)	588,930	4,514,978	6,295,489
因投資重估而產生之遞延稅項	Deferred tax arising from the revaluation of investment properties	-	(7,074)	-	-	-	-	-	(7,074)
採納香港財務報告準則第2號之影響	Effect of adoption of HKFRS 2	-	-	-	-	-	-	(6,173)	(6,173)
二零零四年一月一日結餘，經重列	At 1 January 2004, as restated	818,860	33,353	236,383	96,144	(233)	588,930	4,508,805	6,282,242
發行普通股股份以代替繳付現金特別股息	Issue of ordinary shares in lieu of payment of cash special dividend	89,303	-	-	-	-	-	-	89,303
非持作買賣用途的證券之公平值收益	Fair value gains on non-trading securities	-	-	-	(11,991)	-	-	-	(11,991)
遞延稅項負債因重估行產及 出售非持作買賣用途 的證券及其公平值收益 而(確認)/撥回	Deferred tax liabilities (recognised)/ released on premises revaluation and fair value gains on and disposal of non-trading securities	-	(251)	1,325	2,831	-	-	-	3,905
出售非持作買賣用途的證券 行產重估之公平值收益	Disposal of non-trading securities Fair value gains on revaluation of premises	-	-	-	(61,415)	-	-	-	(61,415)
重新分類	Reclassification	-	11,487	(11,487)	-	-	-	-	-
海外附屬公司財務報表的匯兌差異	Exchange difference arising on translation of the financial statements of a foreign subsidiary	-	-	-	-	114	-	-	114
是年度溢利	Profit for the year	-	-	-	-	-	-	2,030,998	2,030,998
二零零三年末期股息	2003 final dividend	-	-	-	-	-	-	(199,810)	(199,810)
二零零四年中期股息	2004 interim dividend	-	-	-	-	-	-	(193,915)	(193,915)
二零零四年特別股息	2004 special dividend	-	-	-	-	-	-	(197,343)	(197,343)
二零零四年十二月三十一日結餘，經重列	At 31 December 2004, as restated	908,163	44,589	228,875	25,569	(119)	588,930	5,948,735	7,744,742
二零零五年一月一日結餘，如上述列示 重新分類(附註(ii))	At 1 January 2005, as above Reclassification (Note (ii))	908,163	44,589	228,875	25,569	(119)	588,930	5,948,735	7,744,742
採納香港會計準則第39號之期初調整	Opening adjustment for adoption of HKAS 39	-	(44,589)	44,589	-	-	-	-	-
二零零五年一月一日結餘，經重列	At 1 January 2005, as restated	908,163	-	273,464	15,905	(119)	588,930	6,046,543	7,832,886
發行普通股股份 按以股代息計劃而增持附屬公司之權益	Issue of ordinary shares Increase in interest in a subsidiary via scrip dividend arrangement	76,123	-	-	-	-	-	-	76,123
海外附屬公司財務報表的匯兌差異	Exchange difference arising on translation of the financial statements of a foreign subsidiary	-	-	-	-	(94)	-	-	(94)
可供出售證券及行產重估之公平值收益	Fair value gains on available-for-sale securities and premises revaluation	-	-	265,425	47,842	-	-	-	313,267
遞延稅項負債因行產重估及出售可供出售 證券及其公平值收益而(確認)/撥回	Deferred tax liabilities (recognised)/ released on premises revaluation and fair value gains on and disposal of available-for-sale securities	-	-	(46,456)	8,428	-	-	-	(38,028)
出售可供出售證券	Disposal of available-for-sale securities	-	-	-	(90,805)	-	-	-	(90,805)
是年度溢利	Profit for the year	-	-	-	-	-	-	1,019,318	1,019,318
二零零四年末期股息	2004 final dividend	-	-	-	-	-	-	(323,192)	(323,192)
二零零五年中期股息	2005 interim dividend	-	-	-	-	-	-	(178,999)	(178,999)
二零零五年十二月三十一日	At 31 December 2005	984,286	-	492,433	(18,630)	(213)	574,612	6,563,670	8,596,158

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

48. 其他儲備(續)

48. Other reserves (Continued)

附註：

Note:

- (i) 本集團於二零零五年十二月三十一日之保留盈利包括長期人壽保險業務有效保單之價值達745,896,000港元(二零零四年：663,793,000港元)。此保留盈利數額現時未能作派發用途。
- (ii) 於二零零四年十二月三十一日之全部投資物業重估儲備重新分類為投資物業之各別行產於重新分類時應佔行產重估儲備內之金額。根據當時之會計實務準則第17號「物業、廠房及設備」之規定，此金額被凍結於「投資物業重估儲備」。按新香港財務報告準則，此金額已被重新歸類為「行產重估儲備」，以更準確地反映此儲備之實質。

- (i) Included in retained earnings of the Group at 31 December 2005 is the value of long-term life assurance policies in force totalling HK\$745,896,000 (2004: HK\$663,793,000) which is currently not available for distribution.
- (ii) The entire investment properties revaluation reserve as at 31 December 2004 was related to investment properties previously transferred from premises and represented the amount standing in the premises revaluation reserve at the time of reclassification of each individual property. In the light of the requirement of the then SSAP 17 "Property, Plant and Equipment", this amount was frozen under the heading "Investment Properties Revaluation Reserve". To better reflect the substance of this reserve under the new HKFRS, the amount is reclassified under "Premises Revaluation Reserve".

財務報表附註

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

48. 其他儲備(續)

48. Other reserves (Continued)

公司	Company	股份溢價 Share Premium	資本儲備 Capital Reserve	保留盈利 Retained Earnings	合計 Total
二零零四年一月一日，經重列	At 1 January 2004, as restated	818,860	256,027	1,036,571	2,111,458
是年度溢利	Profit for the year	–	–	721,988	721,988
二零零三年末期股息	2003 Final dividend	–	–	(199,810)	(199,810)
二零零四年中期股息	2004 Interim dividend	–	–	(193,915)	(193,915)
二零零四年特別股息	2004 Special dividend	–	–	(197,343)	(197,343)
發行普通股股份以代替 繳付現金特別股息	Issue of ordinary shares in lieu of payment of cash special dividend	89,303	–	–	89,303
二零零四年十二月三十一日， 經重列	At 31 December 2004, as restated	908,163	256,027	1,167,491	2,331,681
二零零五年一月一日， 於前呈報	At 1 January 2005, as above	908,163	256,027	1,167,491	2,331,681
按以股代息計劃所發行之 普通股股份	Issue of ordinary shares pursuant to scrip dividend arrangement	76,123	–	–	76,123
是年度溢利	Profit for the year	–	–	447,087	447,087
二零零四年末期股息	2004 Final dividend	–	–	(323,192)	(323,192)
二零零五年中期股息	2005 Interim dividend	–	–	(178,999)	(178,999)
二零零五年十二月三十一日	At 31 December 2005	984,286	256,027	1,112,387	2,352,700

按照香港公司條例第79B條計算，本公司於二零零五年十二月三十一日之可供派發儲備為1,112,387,000港元（二零零四年：1,167,491,000港元）。

Distributable reserves of the Company at 31 December 2005, calculated under section 79B of the Hong Kong Companies Ordinance, amounted to HK\$1,112,387,000. (2004: HK\$1,167,491,000)

根據一九九三年十二月一日通過之特別決議案，並隨後於一九九三年十二月二十日由香港最高法院批核，本公司股份溢價削減256,027,000港元，並轉撥至資本儲備賬內。該256,027,000港元儲備已於綜合儲備賬時與商譽抵銷。

By a special resolution passed on 1 December 1993 and subsequently approved by the Supreme Court of Hong Kong on 20 December 1993, the share premium of the Company was reduced by HK\$256,027,000 and this amount was transferred to a capital reserve account. On consolidation the reserve of HK\$256,027,000 has been applied against goodwill.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

49. 現金及等同現金項目

49. Cash and cash equivalents

(甲) 若干投資及固定資產收益前之營運溢利
與經營業務現金流入淨額對賬表

(a) Reconciliation of operating profit before gains on certain investments
and fixed assets to net cash flow from operating activities

		二零零五年 2005	二零零四年 2004
若干投資及固定資產收益前之營運溢利	Operating profit before gains on certain investments and fixed assets	1,127,084	1,301,311
淨利息收入	Net interest income	(1,398,272)	(1,679,647)
股息收益	Dividend income	(20,173)	(20,096)
貸款及墊款之減值提撥/壞賬及呆賬準備調撥	Impairment charges on loans and advances/ provisions for bad and doubtful debts	130,640	208,747
貸款減值準備之折現值撥回	Unwind of discount on loan impairment	(3,734)	–
折舊	Depreciation	63,769	66,712
無形資產之攤銷	Amortisation of intangible assets	2,896	–
減除回收後之貸款撇除淨額	Advances written off net of recoveries	(122,847)	(254,651)
利息收入	Interest received	2,964,642	2,270,044
利息支出	Interest paid	(1,132,466)	(36,469)
股息收入	Dividend received	20,173	20,096
營運資產及負債變動前之營運溢利	Operating profit before changes in operating assets and liabilities	1,631,712	1,876,047
營運資產及負債之變動	Changes in operating assets and liabilities		
持作買賣用途的證券之變動	Change in trading securities	214,133	120,406
衍生金融工具之變動	Change in derivative financial instruments	357,745	–
以公平值列入損益賬之金融資產之變動	Change in financial assets designated at fair value through profit or loss	(111,247)	–
各項客戶貸款之變動	Change in advances to customers	(5,558,344)	(4,440,460)
其他賬目之變動	Change in other accounts	712,904	(172,572)
可供出售證券/非持作買賣用途的證券之變動	Change in available-for-sale securities/ non-trading securities	(2,948,186)	2,269,955
持至到期證券之變動	Change in held-to-maturity debt securities	120,878	(904,284)
長期壽險業務之有效保單價值之變動	Change in value of in-force long-term life assurance business	(75,248)	(67,709)
銀行及其他金融機構超逾三個月到期的 存款之變動	Change in deposits from banks and other financial institutions maturing beyond three months	(2,831,120)	22,441
持作買賣用途的負債之變動	Change in trading liabilities	(103,719)	–
客戶存款之變動	Change in deposits from customers	6,502,412	3,344,206
以公平值列入損益賬之客戶存款之變動	Change in deposits from customers designated at fair value through profit or loss	1,151,748	–
其他賬目及預提之變動	Change in other accounts and accruals	(512,214)	920,872
對保險合約保單持有人之負債之變動	Change in liabilities to customers under insurance contracts	444,855	253,142
匯兌調整	Exchange adjustments	(19,052)	5,570
由經營業務(所用)/產生的現金	Cash (absorbed by)/generated from operating activities	(1,022,743)	3,227,614
支付已發行後償債務及債務證券之利息	Interest paid on subordinated notes and debt securities issued	(159,237)	(186,827)
支付已發行的存款證利息	Interest paid on certificates of deposit issued	(223,043)	(235,074)
已繳香港利得稅	Hong Kong profits tax paid	(127,568)	(171,226)
已繳海外稅款	Overseas tax paid	(1,066)	(466)
經營業務(所用)/流入現金淨額	Net cash (used in)/from operating activities	(1,533,657)	2,634,021

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

49. 現金及等同現金項目 (續)

49. Cash and cash equivalents (Continued)

(乙) 包括於綜合現金流量結算表內投資業務現金流量之收購附屬公司產生之現金流入(扣除該公司之現金及等同現金項目)之分析如下:

(b) Cash inflow arising from the acquisition of subsidiaries (net of cash and cash equivalents acquired) as included under cash flows from investment activities in the consolidated cash flow statement is analysed below:

二零零五年
2005

已支付收購代價	Purchase consideration paid	(2,619,625)
被購入附屬公司現金及等同現金項目	Cash and cash equivalents in subsidiaries acquired	3,229,744
現金流入	Cash inflow	610,119

(丙) 在現金流量表內，現金及等同現金項目包括按購置日計算少於三個月到期之結餘

(c) For the purposes of the cash flow statement, cash and cash equivalents comprises the following balances with less than three months' maturity from the date of acquisition.

二零零五年 二零零四年
2005 2004

集團	Group	2005	2004
現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	8,908,162	10,032,825
在銀行及其他金融機構的存款	Placements with banks and other financial institutions	1,169,174	463,230
持作買賣用途的證券	Trading securities	3,737,634	3,844,202
銀行及其他金融機構存款	Deposits and balances of banks and other financial institutions	(255,748)	(189,667)
		13,559,222	14,150,590

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

50. 高級人員貸款

遵照香港公司條例第161B條，貸款予高級人員之數據披露如下：

50. Loans to officers

Particulars of loans made to officers disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

	十二月三十一日結餘		年內貸款最高結餘			
	Balance outstanding at		Maximum balance			
	31 December		during the year			
	二零零五年	二零零四年	二零零五年	二零零四年		
	2005	2004	2005	2004		
本金及利息結餘總額	Aggregate amount outstanding in respect of principal and interest		40,456	63,274	63,767	89,798
擔保結餘總額	Aggregate amount outstanding in respect of guarantees		149	149	149	149

51. 有關連人士之交易

有關連人士為該等人士有能力直接或間接控制另一方，或對另一方在作出財務及營運決策方面行使重大影響力。倘若其他不同人士受到共同控制或共同重大影響時，彼等人士亦被視為有關連人士。

於二零零五及二零零四年，本集團於正常業務中曾與有關連人士進行銀行業務交易。本公司獨立非執行董事在檢閱本集團之財務報表時，已對該等屬於持續有關連之交易進行審閱。該等董事根據其檢閱及向管理層之詢問，認為全部持續有關連之交易乃屬本集團之正常業務，按公平及適當及對本公司股東有利之一般商業條款及有關協議進行。

51. Related-party transactions

Related parties are those parties, which have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

During 2005 and 2004, a number of banking connected transactions were entered into with related parties in the normal course of business of the Group. These, being continuing connected transactions, had been reviewed by the Company's independent non-executive directors in their review of the financial statements of the Group. Based on their review and enquiry with management, the Company's independent non-executive directors were satisfied that all of the continuing connected transactions were conducted in the ordinary and usual course business of the Group, on normal commercial terms, and in accordance with relevant agreements on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

51. 有關連人士之交易 (續)

51. Related-party transactions (Continued)

(甲) 與附屬公司的交易

(a) Transactions with subsidiaries

(i) 收入及支出

(i) Income and expenses

本公司及本集團全資附屬公司於年內與非全資附屬銀行公司簽訂之持續關連交易(定義見香港聯合交易所有限公司證券上市規則(「上市規則」)第14A.14段)收到及產生下列收入及支出。該等交易之總值未超過根據上市規則第14A.35(2)段及第14A.36(1)段適用於本集團之年度上限。

The Company and its wholly-owned subsidiaries within the Group received and incurred the following income and expense from the continuing connected transactions (with the definition of Rule 14A.14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) entered into with the non-wholly-owned banking subsidiaries during the year. The aggregate value of these transactions are within the respective annual caps applicable to the Group under Rule 14A.35(2) and 14A.36(1) of the Listing Rules.

集團	Group	二零零五年 2005	二零零四年 2004
已收利息(附註(i))	Interest received (Note (i))	3,064	2,399
已付銀行手續費(附註(i))	Bank charges paid (Note (i))	(3,633)	(2,515)
已付租金及相關大廈管理費及開支 (附註(ii))	Rentals and related building management fee and charges paid (Note (ii))	(3,085)	(2,463)
已付管理費(附註(iii))	Management fees paid (Note (iii))	(8,500)	(8,500)
已付保險佣金(附註(iv))	Insurance commission paid (Note (iv))	(28,104)	(21,377)
已收保險保費(附註(v))	Insurance premiums received (Note (v))	4,845	4,584

附註：

Note:

(i) 源自由非全資附屬銀行公司提供信貸融資、接受存款以及其他基本銀行服務

(i) Arising from the extension of credit facilities and provision of deposit taking and other standard banking services by non-wholly-owned banking subsidiaries

已收利息乃本公司及其附屬保險公司存放於兩間非全資的附屬銀行公司，大新銀行有限公司(「大新銀行」)及豐明銀行有限公司(「豐明銀行」)之存款的利息收入。

Interest was received by the Company and its insurance subsidiaries from two non-wholly-owned banking subsidiaries, namely Dah Sing Bank, Limited (“DSB”) and MEVAS Bank Limited (“MEVAS”), on deposits placed with them.

大新銀行及豐明銀行就提供基本銀行服務，包括支票結算、投資買賣服務等，按一般商業條款收取銀行手續費。此外，大新銀行及豐明銀行亦就大新人壽保險有限公司(「大新人壽」，本公司之附屬人壽保險公司)之客戶利用其發行之信用卡繳交保費的交易，按市場收費向大新人壽徵收商戶服務費用。該等銀行服務安排並無既定年期並可按市場慣例終止。

Bank charges were levied by DSB and MEVAS on the provision of standard banking services covering cheque clearing, investment dealing services, etc. on normal commercial terms. In addition, merchant fees were charged by DSB and MEVAS at market rates to Dah Sing Life Assurance Company Limited (“DSL”, the Company’s life insurance subsidiary) on settlement of insurance premiums by its customers using credit cards issued by DSB and MEVAS. These banking arrangements are for an indefinite term and can be terminated in accordance with market practice.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

51. 有關連人士之交易 (續)

51. Related-party transactions (Continued)

(甲) 與附屬公司的交易 (續)

(a) Transactions with subsidiaries (Continued)

- (i) 收入及支出 (續)
- (ii) 從非全資附屬銀行公司租賃及分租物業

- (i) Income and expenses (Continued)
- (ii) Lease and sub-lease of properties from non-wholly-owned banking subsidiaries

大新銀行及其另一家附屬公司域寶投資有限公司(「域寶」)已租賃及分租若干自置及租賃物業予大新人壽及本公司另外兩間附屬保險公司，大新保險服務有限公司(「大新保險服務」)及大新保險代理有限公司(「大新保險代理」)作其辦公室用途。大新銀行及域寶按所產生之實際成本向大新人壽、大新保險服務及大新保險代理收取租金、空調費、大廈管理費及其他公共設施費用。所有租賃及分租租約均在二零零四年按一般商業條款簽訂，年期不超過三年。

DSB and another subsidiary, Vanishing Border Investment Services Limited ("VB"), have leased and sub-leased certain of their owned and rented properties to DSLA and two other insurance subsidiaries of the Company, Dah Sing Insurance Services Limited ("DSIS") and Dah Sing Insurance Agency Limited ("DSIA") as their office premises. DSB and VB receive from DSLA, DSIS and DSIA the lease rentals, and air-conditioning charges, building management charges and other utilities charges based on the actual amount of costs incurred. All leases and sub-leases were entered into on normal commercial terms in 2004 with tenors not exceeding three years.

- (iii) 由大新銀行提供電腦及行政服務

- (iii) Provision of computer and administrative services by DSB

根據大新銀行與本公司所簽訂的服務協議，大新銀行須向本公司及其若干附屬保險業公司(包括大新人壽及大新保險服務)提供管理支援服務，包括零售分行及市場推廣支援、電腦服務、營運支援、自動付款服務、財資服務、風險管理支援及其他行政服務。該服務協議在二零零四年訂立，由二零零四年一月一日起生效，為期三年，每年向大新銀行繳付年費8,500,000港元。

Pursuant to a service agreement entered into between DSB and the Company, DSB is to provide to the Company and certain of its insurance subsidiaries including DSLA and DSIS management support services including retail branch and marketing support, computer services, operations support, autopay services, treasury services, risk management support and other administrative services. The service agreement entered into in 2004 is for a fixed term of three years commencing 1st January 2004 at an annual fee of HK\$8,500,000 payable to DSB.

- (iv) 與大新銀行及豐明銀行簽訂之分銷及代理協議

- (iv) Distribution and Agency Agreements with DSB and MEVAS

大新保險服務及大新保險代理與大新銀行及豐明銀行各自簽訂分銷及相關代理協議，透過大新銀行及豐明銀行之銀行分行網絡推廣及分銷人壽及一般保險產品。據此，大新保險服務及大新保險代理須向大新銀行及豐明銀行按一般商業條款繳付佣金。該等協議在二零零四年簽訂，由二零零四年一月一日起生效，為期三年。

DSIS, and DSIA have entered into distribution agreements and agency agreements with each of DSB and MEVAS for the marketing and distribution of life and general insurance products through DSB's and MEVAS' network of bank branches. DSIS and DSIA are required to pay DSB and MEVAS commissions calculated on normal commercial terms. The agreements entered into in 2004 are for a fixed term of three years commencing 1 January 2004.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

51. 有關連人士之交易 (續)

51. Related-party transactions (Continued)

(甲) 與附屬公司的交易 (續)

(a) Transactions with subsidiaries (Continued)

- (i) 收入及支出 (續)
- (v) 大新人壽及Dah Sing General Insurance Company Limited (「大新保險」，本公司附屬保險公司) 所提供之保險服務

- (i) Income and expenses (Continued)
- (v) Insurance services provided by DSLA and the Company's insurance subsidiary, Dah Sing General Insurance Limited ("DSGI")

大新人壽根據信貸壽險保單協議(其範圍包括大新銀行及豐明銀行授出之個人貸款、信用卡借貸及按揭貸款)向大新銀行及豐明銀行提供保險保障，賺取根據有關貸款之尚未償還結餘按一般商業條款計算的保險費。大新人壽亦承保包括若干貸款客戶及大新銀行和豐明銀行職員之身故及/或危疾保險。與大新人壽於二零零四年簽訂之保單，由二零零四年一月一日起生效，為期三年。在二零零五年，大新人壽向大新銀行及豐明銀行收取之保費合共為3,326,000港元(二零零四年：2,928,000港元)。

Under the Credit Life Insurance Policy Agreements which cover personal loans, credit card lending and mortgage loans extended by DSB and MEVAS, DSLA provides insurance cover to DSB and MEVAS in return for a premium which is calculated based on the outstanding balances of the relevant loans on normal commercial terms. DSLA also underwrites insurance policies to cover the death and/or critical illnesses of certain loan customers and staff of DSB and MEVAS. Policies entered into with DSLA in 2004 are for a fixed term of three years commencing 1 January 2004. Premiums received by DSLA from DSB and MEVAS in 2005 totalled HK\$3,326,000 (2004: HK\$2,928,000).

大新保險以大新銀行及銀行集團其他成員公司之名義，及以彼等為受益人提供綜合保險，保單範圍包括汽車、財產全險、公眾責任、金錢、電子設備、僱員賠償及團體個人意外。保單乃大新保險按其一般書面商業條款向銀行集團提供，並須每年重新簽訂。在二零零五年，向銀行集團收取之保費為1,519,000港元(二零零四年：1,656,000港元)。

DSGI underwrites general insurance policies in the name, and for the benefit, of DSB and other companies of the Dah Sing Banking Group Limited ("DSBG Group") including policies covering domestic motor, property all risks, public liability, money, electronic equipment, employees' compensation and group personal accident. The policies are subject to renewal annually. The policies are provided to DSBG Group on DSGI's normal, written commercial terms. Premiums received from the companies under DSBG Group in 2005 totalled HK\$1,519,000 (2004: HK\$1,656,000).

- (ii) 應收/(應付)附屬公司款項

- (ii) Amount due from/(to) subsidiaries

應收/(應付)附屬公司款項結餘呈列於附註45。

Amount due from/(to) subsidiaries are shown under Note 45.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

51. 有關連人士之交易 (續)

51. Related-party transactions (Continued)

(乙) 主要管理人員

(b) Key management personnel

- (i) 與董事及主要管理人員之重大交易及結餘

- (i) Material transactions and balances with directors and key management personnel

本集團向本公司主要管理人員，其配偶及其有重大影響力之公司提供信貸服務及收取存款。截至二零零五年十二月三十一日止年度，未償付之結餘如下：

The Group provides credit facilities to, and takes deposits from the Company's key management personnel, their spouses and companies which the key management personnel have significant influence. For the year ended 31 December, the following balances were outstanding.

集團	Group	二零零五年 2005	二零零四年 2004
貸款及墊款	Loans and advances	40,496	63,290
存款	Deposits	413,321	311,800
擔保	Guarantees	149	149
年內貸款及墊款之最高總額	Maximum aggregate amount of loans and advances during the year	63,956	88,378

- (ii) 主要管理人員酬金

- (ii) Remuneration of key management personnel

本公司主要管理人員為執行董事，其報酬已包括在及呈列於附註14。

Key management personnel of the Company are executive directors and their remunerations are included under Note 14.

- (丙) 本集團亦持有本公司一位主要股東之附屬公司所發行之若干債務證券。於二零零五年十二月三十一日，本集團並無持有該等債務證券（二零零四年：81,477,000港元，已包括在綜合資產負債表中「非持作買賣用途的證券」內）。該等證券是按一般商業條款於本集團之正常業務過程中購入。

- (c) The Group also held certain debt securities issued by a subsidiary of a substantial shareholder. As at 31 December 2005, the total amount held was nil (2004: HK\$81,477,000 was included in "Non-trading securities" in the consolidated balance sheet). These securities were acquired in the normal course of the Group's business on normal commercial terms.

52. 以股份為基礎報酬計劃

52. Share-based compensation plans

本集團透過本公司之行政人員認股權計劃（「大新金融計劃」）及其附屬公司，大新銀行集團有限公司之認股權計劃（「大新銀行集團計劃」）提供以股份為基礎報酬予其董事及高級行政人員。有關董事之以股份為基礎的報酬之細節呈列於附註14。

Share-based compensation through the Company's Executive Share Option Scheme (the "DSFH Scheme") and the Share Option Scheme of the wholly owned subsidiary, Dah Sing Banking Group Limited (the "DSBG Scheme"), is available to Directors and senior executives of the Group. Details of the share-based compensation paid to Directors are disclosed in Note 14.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

52. 以股份為基礎報酬計劃(續)

52. Share-based compensation plans (Continued)

(甲) 大新金融計劃

(a) DSFH Scheme

本公司授予其及其附屬公司若干董事及僱員認股權。當中條款允許本公司及其附屬公司在認股權行使日向其董事或僱員支付認股權的現金價值，以替代分配新發行股份。本公司已採納現金支付慣例及打算使用此慣例於現行已授予之認股權。

The Company issues to certain directors and employees of its subsidiaries share options on terms that allow the Company or its subsidiaries to make cash payments, determined based on the intrinsic value of each share option, to the directors or employees at the date of exercise instead of allotting newly issued shares. DSFH has adopted the cash settlement practice and intends to continue this practice in respect of the existing share options issued.

該等認股權乃按一九九五年五月十七日本公司股東批准之行政人員認股權計劃之條款及條件所授予。授予之認股權之行使價是根據當時香港聯合交易所有限公司(「香港交易所」)上市條例第17.03(9)條釐定，為本公司於香港交易所買賣之股份在授予日之收市價或本公司股份在授予日前五個交易日之平均收市價之為高者。該認股權之行使期一般是於獲授予日期起計第一至第六周年日，最長之行使期不超過五年又一日。

The share options are granted in accordance with the terms and conditions of the Executive Share Option Scheme established and approved by the shareholders of the Company on 17 May 1995. The exercise prices of the options granted was determined in accordance with Rule 17.03(9) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("SEHK") prevailing in force, being the higher of the closing price of the Company's shares traded on the SEHK on the date of grant, or the average closing price of the Company's shares for the five preceding trading days immediately before the date of grant. The exercise period is generally between the first and sixth anniversaries from the date of grant with the maximum exercise period not exceeding 5 years and 1 day.

(乙) 大新銀行集團計劃

(b) DSBG Scheme

大新銀行集團授予其及其附屬公司若干董事及僱員認股權。當中條款允許大新銀行集團及其附屬公司在認股權行使日向其董事或僱員支付認股權的現金價值，以替代分配新發行股份。大新銀行集團打算採用此現金支付慣例於現行已授予之認股權。

DSBG issues to certain directors and employees of its subsidiaries share options on terms that allow the DSBG or its subsidiaries to make cash payments, determined based on the intrinsic value of each share option, to the directors or employees at the date of exercise instead of allotting newly issued shares. DSBG has the intention to adopt this cash settlement practice in respect of the existing share options issued.

該等認股權乃按本計劃內之條款及條件所授予。授予之認股權之行使價是根據當時香港聯合交易所上市條例第17.03(9)條釐定，為大新銀行集團於香港交易所買賣之股份在授予日之收市價或大新銀行集團股份在授予日前五個交易日之平均收市價之較高者。該認股權之行使期一般是於獲授予日期起計第一至第六周年日，及最長之行使期不超過五年又一日。

The share options are granted in accordance to the terms and conditions of the Scheme. The exercise prices of the options granted was determined in accordance with Rule 17.03(9) of the Rules Governing the Listing of Securities on the SEHK prevailing in force, being the higher of the closing price of the DSBG's shares traded on the SEHK on the date of grant, or the average closing price of the DSBG's shares for the five preceding trading days immediately before the date of grant. The exercise period is generally between the first and sixth anniversaries from the date of grant with the maximum exercise period not exceeding 5 years and 1 day.

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

52. 以股份為基礎報酬計劃(續)

本集團已確認4,703,000港元(二零零四年: 8,778,000港元)為有關該等認股權公平值之負債。此公平值乃以三項式期權定價模式按下表所述之假設計算。本集團亦因該等認股權,於二零零五年確認總支出609,000港元(二零零四年: 2,605,000港元)。該等認股權於二零零五年十二月三十一日之現金價值為754,000港元(二零零四年: 無)。

輸入三項式期權定價模式之數據如下:

52. Share-based compensation plans (Continued)

The Group has recorded liabilities of HK\$4,703,000 (2004: HK\$8,778,000) in respect of the fair value of the share options. Such fair value is determined by using the Trinomial Pricing Model using the major assumptions set out in the following table. The Group recorded total expenses for the share options of HK\$609,000 in 2005 (2004: HK\$2,605,000). The total intrinsic value for the share option as of 31 Dec 2005 is HK\$754,000 (2004: HK\$nil).

The inputs into the Trinomial Pricing Model are as follows:

	大新金融計劃 DSFH Scheme				大新銀行集團計劃 DSBG Scheme			
	二零零五年 2005		二零零四年 2004		二零零五年 2005		二零零四年 2004	
	二零零五年 八月 二十五日 25 Aug 2005	二零零四年 十一月 二十五日 25 Nov 2004	二零零四年 八月 二十三日 23 Aug 2004	二零零零年 四月 三日 3 Apr 2000	二零零五年 十二月 三十日 30 Dec 2005	二零零五年 八月 二十五日 25 Aug 2005	二零零五年 十一月 二十五日 25 Nov 2004	二零零四年 十一月 二十五日 25 Nov 2004
授予日 Grant date								
本公司/大新銀行集團於二零零五年 十二月三十日之股價(港元) Share price of the Company/DSBG as at 30 Dec. 2005 (HK\$)	53.90	60.25	60.25	60.25	14.2	14.2	14.2	16.1
行使價(港元) Exercise price (HK\$)	51.71	64.00	54.25	26.28	14.32	14.4	16.7	16.7
預計波幅(附註1) Expected volatility (Note 1)	25.57%	29.75%	29.75%	29.75%	20.14%	20.14%	20.14%	22.59%
年期 Time to maturity	< 6 年years	< 6 年year	< 6 年years	< 1 年years	< 6 年years	< 6 年years	< 5 年years	< 6 年years
無風險利率(附註2) Risk free rate (Note 2)	4.12%	2.91%	2.91%	0.09%	4.13%	4.12%	4.11%	2.91%
預計股息率(附註3) Expected dividend rate (Note 3)	3.75%	3.45%	3.45%	3.45%	4.30%	4.30%	4.30%	3.79%

附註:

- 預期波幅是按股價於計算日之前過往一年的波幅而計算。並假設過往大新銀行集團與大新金融股價之波幅,與上表用於認股權之使用期之預計波幅,並無重大的差異。二零零四年之大新銀行集團與大新金融股價之波幅按過往九十日之波幅計算,此因大新銀行集團乃於二零零四年六月上市,故按大新金融過往一年的波幅計算二零零四年之波幅被視為不洽當。
- 無風險利率是根據有關年期之香港外匯基金票據之收益率。
- 預期股息率乃按過往股息而訂。

Notes:

- Expected volatility is determined by calculating the historical volatility of the share price during the one year period immediately preceding the measurement date and is based on the assumption that there is no material difference between the expected volatility over the whole life of the options and the historical volatility of the shares in DSBG and DSFH set out above. 90 days historical volatility was used in 2004 for both DSBG and DSFH shares since DSBG was newly listed in June 2004 and using one year DSFH's share price volatility is not considered appropriate for 2004.
- Risk free rate is the Hong Kong Exchange Fund Notes yield of relevant time to maturity.
- Expected dividend rates are based on historical dividends.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

52. 以股份為基礎報酬計劃(續)

52. Share-based compensation plans (Continued)

授予之認股權數目及其加權平均行使價如下：

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

		大新金融計劃 DSFH Scheme				大新銀行集團計劃 DSBG Scheme			
		二零零五年 2005		二零零四年 2004		二零零五年 2005		二零零四年 2004	
		大新金融集團 認股權中 股份數目 Number of DSFH shares in share options granted		大新金融集團 認股權中 股份數目 Number of DSFH shares in share options granted		大新銀行集團 認股權中 股份數目 Number of DSBG shares in share options granted		大新銀行集團 認股權中 股份數目 Number of DSBG shares in share options granted	
		加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)	加權平均 行使價 (港元) Weighted average exercise price (HK\$)
一月一日	At 1 January	2,650,000	60.05	443,750	26.28	500,000	16.70	-	-
授予	Granted	2,150,000	51.71	2,450,000	62.81	800,000	14.38	500,000	16.70
已失效/已取消	Forfeited/Cancelled	(2,450,000)	62.81	-	-	-	-	-	-
已行使	Exercised	(200,000)	26.28	(243,750)	26.28	-	-	-	-
已過期	Expired	-	-	-	-	-	-	-	-
十二月三十一日	At 31 December	2,150,000	51.71	2,650,000	60.05	1,300,000	15.27	500,000	16.70
十二月三十一日可行使	Exercisable at 31 December	-	-	200,000	26.28	100,000	16.70	-	-

本公司於二零零五年十二月三十一日未行使之認股權之行使價為51.71港元(二零零四年：介乎26.28港元至64.00港元)，及其加權平均剩餘合約行使期為5.65年(二零零四年：5.45年)。大新銀行集團於二零零五年十二月三十一日未行使之認股權之行使價介乎14.32港元至16.70港元(二零零四年：16.70港元)，及其加權平均剩餘合約行使期為5.43年(二零零四年：5.9年)。

The Company's share options outstanding as of 31 December 2005 had an exercise price of HK\$51.71 (2004: in the range of HK\$26.28 to HK\$64.00), and a weighted average remaining contractual life of 5.65 years (2004: 5.45 years). DSBG's share options outstanding as of 31 December 2005 have a range of exercise price from HK\$14.32 to HK\$16.70 (2004: HK\$16.70), and a weighted average remaining contractual life of 5.43 years (2004: 5.9 years).

本公司於年內授予之認股權之加權平均公平值為12.08港元(二零零四年：13.08港元)。大新銀行集團於年內授予之認股權之加權平均公平值為2.16港元(二零零四年：2.52港元)。

The Company's share options granted during the year had a weighted average fair value of HK\$12.08 (2004: HK\$13.08). DSBG's share options granted during the year had a weighted average fair value of HK\$2.16 (2004: HK\$2.52).

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

53. 附屬公司之收購

截至二零零五年十二月三十一日，本集團進行以下收購：

53. Acquisition of subsidiaries

For the year ended 31 December 2005, the Group made the following acquisitions:

被收購公司 Company acquired	主要業務 Principal activity	收購日期 Date of acquisition	收購權益之百分比 Proportion of shareholding acquired	收購成本 Cost of acquisition
怡泰富財務香港有限公司(「怡泰富」) Pacific Finance (Hong Kong) Limited ("PF")	財務 Finance	二零零五年九月三十日 30 September 2005	100%	936,936
澳門商業銀行有限公司(「澳商銀行」) Banco Comercial de Macau, S. A. ("BCM")	銀行 Banking	二零零五年十二月十九日 19 December 2005	100%	1,398,037
澳門保險有限公司(「澳門保險」)** Macau Insurance Company Limited ("MIC")**	保險業務 General insurance	二零零五年十二月十九日 19 December 2005	96%	158,351
澳門人壽保險有限公司(「澳門人壽」)** Macau Life Insurance Company Limited ("MLIC")**	人壽保險 Life insurance	二零零五年十二月十九日 19 December 2005	96%	122,232
合計	Total			<u>2,615,556</u>

** 在澳門保險及澳門人壽保險還未轉讓予大新金融與其附屬公司前，大新銀行集團代大新金融與其附屬公司暫時持有該等公司。此轉讓將以收購價，連用大新金融支付大新銀行集團之利息，為持有澳門保險及澳門人壽保險從二零零五年十二月十九日之期內的成本進行。因大新銀行集團並打算長期持有該等公司，其收購價呈列於大新銀行集團之綜合負債表內之「持作轉售用途之非流動資產/(負債)」。

** MIC and MLIC are being held by DSBG on behalf of DSFH Group pending their transfer to subsidiaries of DSFH. The transfer will be made at cost of acquisition, plus an interest payment from DSFH to DSBG reflecting the holding cost of MIC and MLIC for the period from 19 December 2005 to the date of transfer. Since they are not held for long term purpose under DSBG Group, their cost were included under "Non-current assets/(liabilities) held for resale" in the consolidated balance sheet of DSBG as at 31 December 2005.

財務報表附註

Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

53. 附屬公司之收購 (續)

53. Acquisition of subsidiaries (Continued)

所收購之資產及負債之公平值及所產生之商譽
細節如下：

The details of the fair value of the assets and liabilities acquired and goodwill
arising are as follows:

		怡泰富 PF	澳商銀行 BCM	澳門保險及澳門人壽 MIC and MLIC
收購之淨資產	Net assets acquired			
現金及在銀行及 其他金融機構的結餘	Cash and balances with banks and other financial institutions	4,035	1,307,893	130,137
在銀行及其他金融機構 一至十二個月內 到期的存款	Placements with banks and other financial institutions maturing between one and twelve months	–	2,751,280	–
各項貸款及其他賬目	Advances and other accounts	3,400,063	3,798,836	–
以公平值列入損益賬之證券	Securities designated as fair value through profit or loss	–	–	216,815
投資證券 (附註(甲))	Investment securities (Note (a))	–	309,083	147,454
固定資產 (附註(乙))	Fixed assets (Note (b))	1,663	301,122	20,300
轉保資產	Reinsurance assets	–	–	66,670
其他資產	Other assets	60,229	12,306	25,507
長期壽險業務之 有效保單價值	Value of in-force long-term life assurance business	–	–	6,571
銀行及其他金融機構存款	Deposits from banks and other financial institutions	(2,774,528)	(24,973)	–
客戶存款	Deposits from customers	(44,878)	(7,684,455)	–
其他負債	Other liabilities	(54,814)	(45,690)	(135,170)
對保險合約保單 持有人之負債	Liabilities to policyholders under insurance contracts	–	–	(386,111)
無形資產	Intangible assets	26,499	179,612	49,108
於收購日	At date of acquisition	618,269	905,014	141,281
商譽 (附註(丙))	Goodwill (Note (c))	318,667	493,023	139,302
收購代價 (附註(丁))	Purchase consideration (Note (d))	936,936	1,398,037	280,583

財務報表附註 Notes to the Financial Statements

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

53. 附屬公司之收購 (續)

- (甲) 投資證券包括可供出售證券及持至到期證券。
- (乙) 固定資產包括行產，投資物業及其他固定資產。
- (丙) 收購所產生之商譽包括未能按香港財務報告準則被確認為無形資產之要素。
- (丁) 收購代價包括直接費用支出。收購總代價以現金成交。

二零零四年並無任何收購。

收購怡泰富財務(香港)有限公司，澳門商業銀行有限公司，澳門保險有限公司及澳門人壽保險有限公司之綜合賬目及會計方法，包括因此收購而產生之商譽及無形資產的評估，乃按香港財務報告準則第3號「業務合併」所許可之暫時性基礎而確定。有關收購公司之無形資產之若干重要假設將可於二零零五年初步被確認後，進一步調整。本集團預料此調整對二零零五年業務合併之初步會計之處理並不重大，亦將於二零零六年六月三十日前完成。

54. 結算日後事項

於二零零六年二月十三日，本公司透過香港上海匯豐銀行有限公司(為配售代理及包銷商)，以每股15.2港元之價格配售33,526,800股大新銀行集團有限公司(「大新銀行集團」)之股份，該配售約佔大新銀行集團現行已發行股份之百分之三點六，使本公司於大新銀行集團持股量由百分之七十八點五四減至約百分之七十四點九四。

53. Acquisition of subsidiaries (Continued)

- (a) Investment securities included available-for-sale securities and held-to-maturity securities.
- (b) Fixed assets included bank premises, investment properties and other fixed assets.
- (c) Goodwill arising from the acquisitions include factors that are not recognised as intangible asset in accordance with the HKFRS.
- (d) Directly attributable acquisition costs included in the cost of acquisitions are the stamp duty on the purchase consideration. Total purchase considerations were settled in cash.

There were no acquisitions in 2004.

The accounting and consolidation of the acquisition of Pacific Finance (Hong Kong) Limited, Banco Commercial de Macau, S.A., Macau Insurance Company Limited and Macau Life Insurance Company Limited including the valuation of goodwill and intangible assets arising from these acquisitions, are determined on a provisional basis as permitted by HKFRS 3 "Business Combinations". A number of key assumptions in respect of the valuation of intangible assets in the acquired companies could be further adjusted after their initial recognition in 2005. It is currently expected that adjustments to the initial accounting for the 2005 business combinations are not material and will be completed by 30 June 2006.

54. Events after the balance sheet date

The Company placed 33,526,800 shares in Dah Sing Banking Group Limited ("DSBG"), representing approximately 3.6% of the existing issued share capital of DSBG through Hongkong and Shanghai Banking Corporation Limited, as the placing agent and underwriter, on 13 February 2006 at a price of HK\$15.2 per share. The placement reduced the Company's shareholding in DSBG from 78.54% to approximately 74.94%.

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

以下有關本集團資料披露只列作財務報表中附帶資料，並不屬於經審核財務報表之一部份。

The following information relates to the Group and is disclosed as part of the accompanying information to the financial statements and does not form part of the audited financial statements.

1. 客戶貸款及墊款

1. Loans and advances to customers:

客戶貸款總額—按行業及貸款用途分類：

Gross advances to customers by loan industry sector, classify according to the usage of the loan are:

集團	Group	二零零五年 2005	二零零四年 2004
在香港使用的貸款	Loans for use in Hong Kong		
工商金融	Industrial, commercial and financial		
— 物業發展	– Property development	191,512	179,157
— 物業投資	– Property investment	4,715,772	3,100,094
— 金融企業	– Financial concerns	528,033	537,898
— 股票經紀	– Stockbrokers	14,994	14,978
— 批發與零售業	– Wholesale and retail trade	1,256,740	1,033,707
— 製造業	– Manufacturing	3,896,158	2,756,340
— 運輸及運輸設備	– Transport and transport equipment	3,832,407	1,904,984
— 其他	– Others	1,402,141	1,009,823
		15,837,757	10,536,981
個人	Individuals		
— 購買「居者有其屋計劃」、 「私人參建居屋計劃」及 「租者置其屋計劃」樓宇 貸款	– Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	1,929,198	2,143,031
— 購買其他住宅物業貸款	– Loans for purchase of other residential properties	10,773,683	9,950,171
— 信用卡貸款	– Credit card advances	2,759,308	2,356,865
— 其他	– Others	4,641,012	3,476,438
		20,103,201	17,926,505
在香港使用的貸款	Loans for use in Hong Kong	35,940,958	28,463,486
貿易融資	Trade finance	3,914,072	3,340,369
在香港以外使用的貸款	Loans for use outside Hong Kong	5,063,588	724,559
		44,918,618	32,528,414

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 逾期未償還及經重組資產

2. Overdue and rescheduled assets

(甲) 各項貸款

(a) Advances

(i) 逾期未償還貸款總額

(i) Gross amount of overdue loans

集團	Group	佔客戶貸款 百分比 % of total of advances to customers		佔客戶貸款 百分比 % of total of advances to customers	
		二零零五年 2005	二零零四年 2004	二零零五年 2005	二零零四年 2004
未償還客戶貸款總額， 逾期：	Gross advances to customers which have been overdue for:				
— 三個月以上至六個月	– six months or less but over three months	118,065	0.26	72,042	0.22
— 六個月以上至一年	– one year or less but over six months	59,799	0.13	75,051	0.23
— 一年以上	– over one year	128,051	0.29	86,347	0.27
		305,915	0.68	233,440	0.72
上述貸款之仍累計利息 部份	The amount on which interest is still being accrued			16,378	
有擔保逾期貸款所持的 抵押品市值	Market value of securities held against the secured advances	256,219		165,013	
有擔保逾期貸款	Secured overdue advances	180,623		127,727	
無擔保逾期貸款	Unsecured overdue advances	125,292		105,713	
已撥減值準備/特殊準備	Impairment allowances/ Specific provisions made	114,365		104,429	

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 逾期未償還及經重組資產(續)

2. Overdue and rescheduled assets (Continued)

(甲) 各項貸款(續)

(a) Advances (Continued)

(ii) 經重組貸款(已扣除載於上述逾期未償還貸款)

(ii) Rescheduled advances net of amounts included in overdue advances

集團	Group	佔客戶貸款百分比 % of total advances to customers		佔客戶貸款百分比 % of total advances to customers	
		二零零五年 2005	二零零四年 2004	二零零五年 2005	二零零四年 2004
經重組貸款	Rescheduled advances	<u>181,654</u>	<u>114,762</u>	0.40	0.35
已撥減值準備/特殊準備	Impairment allowances/Specific provisions made	<u>25,123</u>	<u>12,526</u>		

於二零零五年十二月三十一日及二零零四年十二月三十一日並無貸款予銀行及其他金融機構列作減值、逾期三個月以上、或經重組之貸款。

There were no advances to banks and other financial institutions which were impaired, overdue for over 3 months or rescheduled as at 31 December 2005 and 31 December 2004.

(乙) 貿易票據

(b) Trade bills

集團	Group	二零零五年 2005	二零零四年 2004
逾期：	Overdue for:		
– 三個月以上至六個月	– six months or less but over three months	–	215
– 一年以上	– over one year	<u>363</u>	<u>–</u>
		<u>363</u>	<u>215</u>

(丙) 收回資產

(c) Repossessed assets

集團	Group	二零零五年 2005	二零零四年 2004
收回物業	Reposessed properties	<u>45,401</u>	<u>22,163</u>

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理

(甲) 集團銀行系

本集團明瞭各類風險會不停蛻變的特性並透過完善的管理架構作有效管理。

風險管理專注於五大範圍：信貸風險、市場風險、利率風險、流動資產風險及經營風險。信貸風險之產生主要源於本集團之信貸組合，其中包括商業、批發和零售借貸、機械和租購融資及財資部和金融機構業務部的批發借貸。

大部份的市場風險乃源於財資部。此主要與本集團資產負債表內之買賣交易及資產負債表外之買賣交易(包括對沖活動之有關持倉)。

利率風險指因利率的不利變動而引致本集團的財政狀況面臨的風險。

流動資產風險之產生遍佈橫跨本集團之資產負債表。

營運風險乃因內部程序、員工及系統之不足與疏忽或外來的項目而產生之直接或間接虧損之風險。

除財務報表附註三披露之財務風險管理外，其他方面之風險管理詳述如下：

(i) 集團風險管理架構

董事會對所有類別的風險管理負上總體的責任。關於風險控制方面，董事會的責任包括：

- 批准總體的策略及政策以確保能在交易及組合層面適當地管理信貸及其他風險；
- 財務和非財務方面的風險管理，透過營運和行政控制，包括集團審核委員會的操作；業績檢討(比對預測)、營運統計和政策問題作出監控；及
- 比對預算檢討業績和分析主要非財務指標。

行政委員會被委任監察及領導由集團風險部和各功能委員會主導管理及處理的不同類形風險。

3. Risk management

(A) Banking Group

The Group recognises the changing nature of risk and manages it through a well-developed management structure.

Risk management is focused on the five major areas of risk – credit risk, market risk, interest rate risk, liquidity risk and operational risk. Credit risk occurs mainly in the Group's credit portfolios comprising commercial, wholesale and retail lending, equipment and hire purchase financing, and treasury and financial institutions wholesale lending.

Market risk arises mainly in Treasury and is associated principally with the Group's on-balance sheet positions in the trading book, and off-balance sheet trading positions including positions taken to hedge elements of the trading book.

Interest rate risk means the risk to the Group's financial condition resulting from adverse movements in interest rates.

Liquidity risk arises across the Group's balance sheet.

Operational risk is the risk of loss (direct or indirect) resulting from inadequate or failed internal processes, people and systems or from external events.

Apart from the description of financial risk management disclosed in Note 3 to the financial statements, the other risk management aspects are disclosed below:

(i) The risk management structure of the Group

The Board of Directors has the broad overall responsibility for the management of all types of risk. The responsibilities of the Board in relation to risk control are:

- the approval of the overall strategy and policies to ensure that credit and other risks are properly managed at both the transaction and portfolio levels;
- the management of risk, both financial and non-financial, conducted through operational and administrative control systems including the operation of the Group Audit Committee; review of key results (against forecasts), operational statistics and policy compliance; and
- financial performance by analysis against approved budgets and analysis of variations in key non-financial measures.

The Executive Committee has been delegated the authority to oversee and guide the management of different risks which are more particularly managed and dealt with by Group Risk and different functional committees.

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理(續)

3. Risk management (Continued)

(甲) 集團銀行系(續)

(A) Banking Group (Continued)

(ii) 集團風險部

(ii) Group risk

集團的獨立風險部負責確保本集團整體的政策訂定和權責。集團風險部監察並透過行政委員會向董事會匯報集團風險狀況，制定財務風險和資料完善的標準，及確保在產品策劃和訂價的過程中，充份考慮財務方面的風險。集團風險部審閱和核定所有本集團的信貸及風險政策，包括對新市場、經濟行業、組織、信貸產品和令本集團產生信貸與相關風險的財務工具的核定。在決定信貸及風險政策時，集團風險部會考慮香港金融管理局制定的指引、業務方向及經風險調整的業務表現。集團風險部亦列席集團營運部門和業務的信貸或風險委員會。

The independent Group Risk function is responsible for ensuring that policies and mandates are established for the Group as a whole. Group Risk monitors and reports the Group risk positions to the Board via the Risk Management Committee and the Executive Committee, sets standards for financial risks and data integrity and ensures that the financial risks are fully considered in the product planning and pricing process. Group Risk reviews and approves all credit and risk exposure policies for the Group including the approval of exposures to new markets, economic sectors, organisations, credit products and financial instruments which expose the Group to different types of risks. In determining risk policies, Group Risk takes into account the guidelines established by the Hong Kong Monetary Authority, business direction, and risk adjusted performance of each business. Group Risk is also represented on the lending or risk committees of the Group's operating divisions and businesses.

本集團風險管理的專業知識持續提升借貸組合的總體質素，並促使本集團能應付改變中的監管要求和有信心地掌握與授信相關的風險和回報。

The Group's risk management expertise continues to advance the overall quality of the Group's lending portfolios, and enables the Group to meet the changing regulatory requirements and enter into credit exposures with the confidence that it understands the associated risks and rewards.

在集團風險部主管領導下，本集團持續發展其風險管理能力，並增加專注風險策略對風險和報酬與及資本回報的影響。本集團在面對日常業務管理不同形式的風險時會採用一系列的風險管理和分析工具。此等工具亦持續地在被改良和提升以配合不斷改變的業務需要和監管機構的要求。風險管理及監控部乃屬集團風險部之一部份且直接向集團風險部的主管匯報。

The Group is continuing to evolve its risk management capabilities under the aegis of the Head of Group Risk, increasing the focus of its risk strategy on risk and reward and returns on capital. The Group uses a range of risk measurement and analytical tools in its management of the various risks which it faces in its day-to-day businesses and these are continually being enhanced and upgraded to reflect the ever-changing business needs and the requirements of the regulators. The Risk Management and Control function is part of Group Risk and reports directly to the Head of Group Risk.

(iii) 業務部門信貸委員會

(iii) Business division credit committees

本集團各營運部門均擁有其信貸或風險委員會，該等委員會負責核定和建議其業務範圍內的政策、限額和風險控制的權責。這體制反映本集團在集團風險部統籌下把風險管理的責任融入各項業務之管理運作中。據此，各業務之信貸風險功能部門均向其支援的業務及集團風險部匯報。

Each of the operating divisions of the Group has its own credit or risk committee responsible for approving and recommending policies, limits and mandates for risk control within their respective business areas. This is consistent with the Group's approach of devolving responsibility for risk management to the individual business areas under the aegis of the Group Risk function. As such, each business credit risk function reports to both Group Risk and the business area which it supports.

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理(續)

3. Risk management (Continued)

(甲) 集團銀行系(續)

(A) Banking Group (Continued)

(iv) 市場風險

(iv) Market Risk

本集團應用市場風險數值,一種按既定信心水平估量由於市場匯率、利率及股票價格在特定持盤時限內之變動而使風險持倉盤可能出現虧損之統計技巧。本集團計算市場風險數值之模式採用方差/協方差基準,利用過往市場利率及價格變動資料,按百分之九十九信心水平及一日持倉期之基準作推算。

The Group uses value-at-risk ("VaR") statistical technique to estimate the potential losses that could arise on risk positions taken, due to movements in foreign exchange, interest rates and equity prices over a specified time horizon and to a given level of confidence. The model used by the Group to calculate portfolio and individual VaR on a variance/co-variance basis uses historical movements in market rates and prices, a 99% confidence level and a 1-day holding period.

在十二月三十一日,買賣倉中各項風險之市場風險數值如下:

As at 31 December, the VaR for the various types of exposures in the trading book were as follows:

		二零零五年 2005	二零零四年 2004
買賣盤之利率風險值	Interest rate risk trading exposures	1,981	2,247
外匯買賣盤之風險值	Foreign exchange trading exposures	113	2,892
股票買賣盤之風險值	Equity trading exposures	158	–
買賣盤之市場風險值	Market risk trading exposures	2,252	5,139
年度內平均市場風險值	Average VaR for the year	3,034	4,815

本集團在二零零五年內,從市場風險相關的財資活動賺取的收益平均每日達553,000港元(二零零四年:291,000港元),其標準差是4,318,000港元(二零零四年:2,037,000港元)。截至十二月三十一日止年度之主要交易活動的每日平均收益及標準差分析如下:

The average daily revenue earned from the Group's market risk related treasury activities in 2005 was HK\$553,000 (2004: HK\$291,000) and the standard deviation for such daily revenue was HK\$4,318,000 (2004: HK\$2,037,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing analysed for the years ended 31 December:

		每日平均收益		標準差	
		Average daily revenue		Standard deviation	
		二零零五年 2005	二零零四年 2004	二零零五年 2005	二零零四年 2004
外匯交易	Foreign exchange dealing	692	309	3,985	909
利率交易	Interest rate dealing	(139)	(18)	1,762	1,976

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理(續)

3. Risk management (Continued)

(甲) 集團銀行系(續)

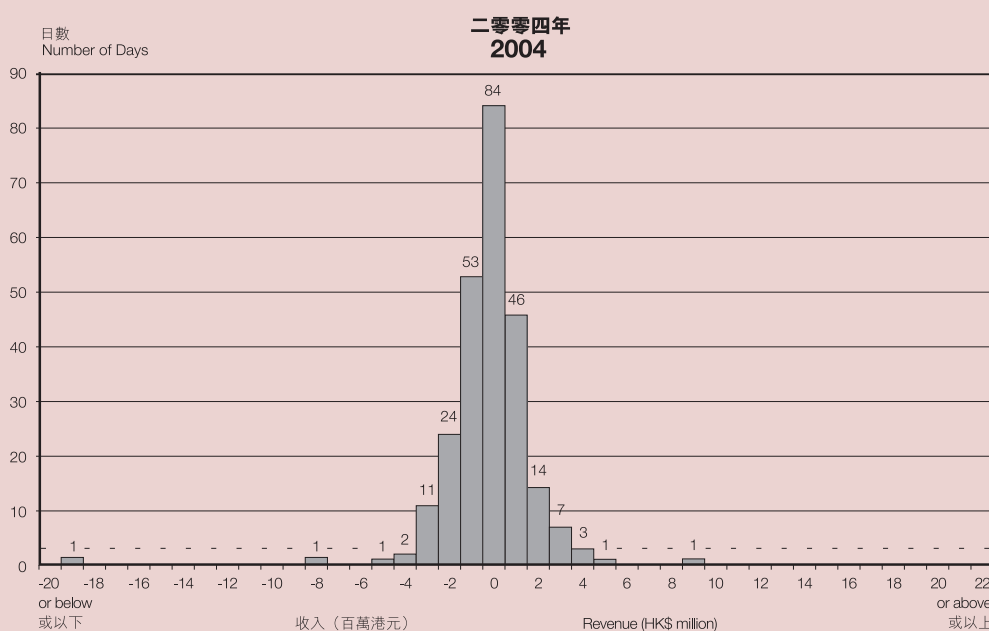
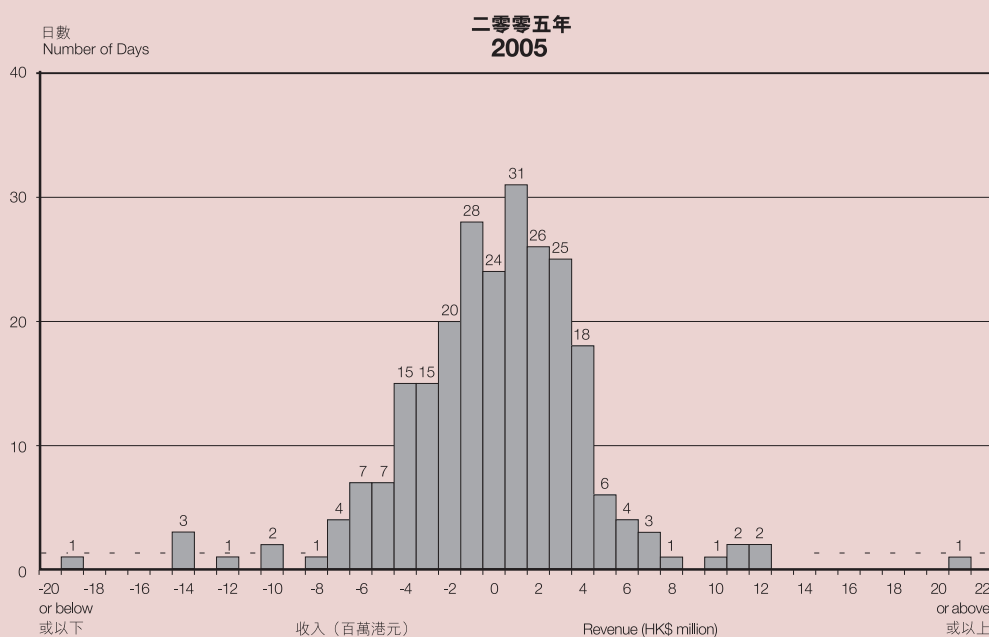
(A) Banking Group (Continued)

(iv) 市場風險(續)

(iv) Market Risk (Continued)

下圖是與市場風險有關的每日收入分佈情況：

The following histograms show the frequency of daily revenues related to market-risk activities:



本年度內，最高單日收益為21,249,000港元（二零零四年：9,860,000港元），最大單日虧損為18,108,000港元（二零零四年：18,800,000港元）。

During the year, the highest daily gain was HK\$21,249,000 (2004: HK\$9,860,000) and the maximum daily loss was HK\$18,108,000 (2004: HK\$18,800,000).

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理(續)

3. Risk management (Continued)

(甲) 集團銀行系(續)

(A) Banking Group (Continued)

(v) 營運風險

(v) Operational Risk

本集團在各業務之部門層級管理營運風險，並由營運處分部負責架構協調，然後向高級管理層匯報。自二零零三年起，本集團展開營運風險事件匯報及記錄營運損失數據。

The Group manages operational risk at department level under respective businesses within a structure coordinated by the Operations Division with reporting to senior management. Since 2003, the Group has started the operational risk incident reporting and tracking of operational loss data.

本集團已成立專責營運風險管理之功能，負責推動和執行本集團之營運風險管理項目，目的為改善營運水平、內部監控程序和符合巴塞爾II規定。該功能負責推廣營運風險控制文化，以及在各部門執行及遵守營運風險管理政策及規定上提供支援。

A dedicated operational risk management function has been established to drive and implement the operational risk project of the Group with the objective to improve operations quality, internal control process and to meet the Basel II requirements. The function is responsible for promoting the operational risk control culture, and providing support to various departments in implementing and complying with the operational risk management policy and requirements.

(乙) 集團保險系

(B) Insurance Group

本集團的保險業務涉及多種風險，包括保險風險、產品風險、投資風險及業務風險。本集團相信有效的風險管理是控制及經營保險業務的關鍵，有助維持本集團業務的盈利能力和穩健。

The Group's insurance business is exposed to multiple risks, including insurance risk, product risk, investment risk and business risks. We believe that effective risk management is an integral part of our insurance business' control process and operations, and that effective control of risks assists to maintain the profitability and stability of our business.

保險業務的主要風險及相關的控制程序如下：

The key risks of our insurance business and related risk control process are as follows:

(i) 保險風險

(i) Insurance risk

本集團的保險業務是承保有關保險的風險，而所承保之各類別或事件的風險，視乎風險的種類均設有最高保額，超額的風險將按不時檢討之各種轉保及相關協議分保。另外，保險集團亦採取分保作災難補償安排以減低因特定事件索償(可能涉及多項索償)對本集團的風險。

The Group's insurance operation is in the business of underwriting insurance risk and retains various maximum amounts per risk or event dependent on the type of risk with the excess being reinsured through various reinsurance and related agreements which are regularly reviewed. Catastrophe cover arrangements are also in place whereby a number of claims relating to a specific incident in aggregate would represent a material risk to the Group are reinsured.

承保及索償方法及程序均需記錄及檢討。外界獨立精算師亦被聘用負責衡量保險儲備是否充足。

Underwriting and claims practices and procedures are documented and reviewed. External independent actuaries are engaged to evaluate the adequacy of the insurance reserves.

補充財務資料 Supplementary Financial Information

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

3. 風險管理(續)

3. Risk management (Continued)

(乙) 集團保險系(續)

(B) Insurance Group (Continued)

(ii) 產品風險

(ii) Product risk

新產品及現有產品的重大修改須通過產品認可程序，包括檢討產品的盈利能力及如有需要交由內部及外部的獨立精算師評核。

New products and major revisions to existing products undergo a product approval process with the profitability being reviewed and where appropriate assessed by internal and external independent actuaries.

(iii) 投資風險

(iii) Investment risk

保險集團的投資方式是維持盡量平衡保險業務資產與對保單人的負債之回報、年期及貨幣的配合，並以保守投資組合盡力保持投資價值，當中考慮的因素包括相關的風險、稅務及監管規定。

Our investment practice is to maintain a conservatively invested portfolio which attempts to maintain value whilst matching assets and policyholder liabilities as appropriate, by yield, duration and currency taking account of the associated risks, taxation and regulatory requirements.

(iv) 業務風險

(iv) Business risks

大新人壽及大新保險按照本集團的政策及程序評估其業務風險，包括緊急應變及對影響業務持續營運的計劃，及為僱員及代理提供培訓，以符合保險業有關法規與監管要求。本集團新收購之附屬保險公司，澳門保險有限公司及澳門人壽保險有限公司，用其以遵守澳門有關規定之政策及程序，評估其業務風險。

DSLA and DSGI follow the policies and procedures of the Group in assessing business risk in terms of contingency and interruption planning as well as providing training for staff and agents to comply with the relevant rules and regulations covering their businesses. Macau Insurance Company Limited and Macau Life Insurance Company Limited, insurance subsidiaries newly acquired by the Group, have their own policies and procedures to comply with the relevant requirements in Macau.

(丙) 審核處的角色

(C) The role of Internal Audit

本集團之審核處是一個獨立、客觀及顧問性質的部門，集中於改進和維持本集團業務及後勤部門良好的內部控制。該處向一獨立非執行董事所主持的集團審核委員會作出功能上的匯報。審核處處理各類不同形式的內部控制活動，例如合規性審計、操作和系統覆查以確保本集團控制系統的完整性、效率和有效性。

The Group's Internal Audit Division is an independent, objective assurance and consulting unit, which is designed to focus on enhancing and sustaining sound internal control in all business and operational units of the Group. The Division reports functionally to the Group Audit Committee, which is chaired by an Independent Non-Executive Director. The Division conducts a wide variety of internal control activities such as compliance audits and operations and systems reviews to ensure the integrity, efficiency and effectiveness of the systems of control of the Group.

核數師報告書 Auditors' Report

致大新金融集團有限公司

(於香港註冊成立之有限公司)

全體股東

本核數師已完成審核第61頁至第195頁之財務報表，該等財務報表乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

香港公司條例規定董事須編製真實兼公平之財務報表。在編製該等真實兼公平之財務報表時，董事必須採用適當之會計政策，並且貫徹應用該等會計政策。

本核數師之責任是根據審核之結果，對該等財務報表出具獨立意見，並按照香港公司條例第141條僅向整體股東報告，除此之外本報告別無其他目的。本核數師不會就本報告的內容向任何其他人士負上或承擔任何責任。

意見之基礎

本核數師已按照香港會計師公會所頒佈之香港核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製財務報表時所作之重大估計和判斷，所採用之會計政策是否適合 貴公司與 貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充分憑證，就該等財務報表是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已評估該等財務報表所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為下列意見提供合理之基礎。

AUDITORS' REPORT TO THE SHAREHOLDERS OF DAH SING FINANCIAL HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

We have audited the financial statements on pages 61 to 195 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Hong Kong Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

核數師報告書 Auditors' Report

意見

本核數師認為，上述之財務報表足以真實兼公平地顯示 貴公司與 貴集團於二零零五年十二月三十一日結算時之財務狀況，及 貴集團截至該日止年度之溢利與現金流量，並按照香港公司條例妥為編製。

羅兵咸永道會計師事務所

香港執業會計師

香港 二零零六年三月二十七日

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 27 March 2006