

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策

(壹) 主要業務

本集團之主要業務為提供銀行服務、人壽保險業務、金融及其他有關服務，而本公司之主要業務為投資控股。

(貳) 編製基準

賬目乃根據歷史成本常規法編製，並就若干行產、投資物業及證券投資之重估價值予以修訂。賬目並根據香港普遍採納之會計原則及遵從由香港會計師公會所頒佈之會計實務準則編製。

於本年度，本集團採納下列由香港會計師公會發出之會計實務準則，該等會計實務準則於二零零三年一月一日或以後開始之會計期間生效：

會計實務準則第十二號(經修訂)：

「利得稅項」

會計實務準則第卅四號(經修訂)：

「僱員福利」

本集團變動之會計政策及因採納這些經修訂政策之影響列載如下。

綜合賬目主要包括銀行附屬公司及人壽保險附屬公司之賬目，並按照香港金融管理局所頒佈之「本地註冊認可機構披露財務資料」指引之要求而編列。

(參) 綜合賬目

綜合賬目包括本公司及本集團截至十二月三十一日止之賬目。附屬公司指本集團控制其董事會之組成、超過半數投票權或持有過半數發行股本之公司。在年內購入或售出之附屬公司，其業績由收購生效日起計或計至出售生效日止列入綜合損益結算表內。

所有集團內公司間之重大交易及結餘已於綜合賬目時對銷。

1. PRINCIPAL ACCOUNTING POLICIES

(a) Principal activities

The principal activities of the Group are the provision of banking, life assurance, financial and other related services. The principal activity of the Company is investment holding.

(b) Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain premises, investment properties and investments in securities, and in accordance with accounting principles generally accepted in Hong Kong and comply with Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants ("HKSA").

In the current year, the Group has adopted the following SSAPs issued by the HKSA which are effective for accounting periods commencing on or after 1st January 2003:

SSAP 12 (revised) : Income taxes

SSAP 34 (revised) : Employee benefits

The changes to the Group's accounting policies and the effect of adopting these revised policies are set out below.

The consolidated accounts, which substantially comprise the accounts of banking subsidiaries and a life assurance subsidiary, have been prepared in accordance with the requirements set out in the guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority.

(c) Consolidation

The consolidated accounts include the accounts of the Company and the Group made up to 31st December. Subsidiaries are those entities in which the Group 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. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(叁) 綜合賬目(續)

(c) Consolidation (Continued)

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

在本公司之資產負債表內，附屬公司之投資以成本扣除減值虧損準備入賬。本公司將附屬公司之業績按已收及應收股息入賬。

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

人壽保險投保人之應佔長期資產值在綜合資產負債表上已分項列賬，以便反映股東及投保人在長期人壽保險業務內之不同權益。

In order to reflect the different nature of the shareholders' and policyholders' interests in the long-term life assurance business, the assets of the long-term fund attributable to policyholders of the life assurance business are classified under a separate heading in the consolidated balance sheet.

(肆) 聯營公司

(d) Associates

聯營公司乃本集團持有其權益作為長期投資及對其管理具有重要性影響而又不屬於附屬公司之公司。

An associate is a company, not being a subsidiary, in which an equity interest is held for the long term and significant influence is exercised in its management.

綜合損益結算表包括本集團應佔聯營公司當年業績之部份。綜合資產負債表包括本集團所佔聯營公司之淨資產。

The consolidated profit and loss account includes the Group's share of the results of associates for the year. The consolidated balance sheet includes the Group's share of the net assets of the associates.

本公司資產負債表內，聯營公司投資是以成本減去減值虧損準備列賬。本公司將聯營公司之業績按已收及應收股息入賬。

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

當在聯營公司之投資賬面值減到零時，便不再採用權益會計法，除非集團就該聯營公司負有承擔或有擔保之承擔。

Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associate.

(伍) 共同控制實體

(e) 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，任何一方均沒有單方面之控制權。

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.

綜合損益結算表包括集團應佔共同控制實體當年度業績，而綜合資產負債表則包括集團應佔共同控制實體之淨資產。

The consolidated profit and loss account 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.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(陸) 收入確認基礎

甲) 利息收入

利息收入乃按應計法於損益賬內確認。當預期貸款最終未能收回，應計利息便會終止。一般情況下，如貸款逾期超過三個月，應計利息將會暫停，除(1)抵押品之可變現淨值足以抵銷未償還本金及應計利息的樓宇按揭貸款；及(2)遵照重組貸款的條款而清還之貸款。

相對(1)，若樓宇按揭貸款已拖欠超過十二個月，則不考慮其抵押品之可變現淨值而暫停應計利息。相對(2)，經重組的貸款必須嚴格遵照重組的條款償還才能計算應計利息。

以組合形式管理的信用卡應收賬或消費貸款，如貸款逾期超過三個月，應計利息將會暫停。在此之前已確認但仍未收回的利息收入便從損益賬中扣除。

乙) 服務費及佣金收入

服務費及佣金收入於應收期間記賬，而預繳之服務費則遞延至有關年期確認。

丙) 股息收入

股息收入在確認收取款項之權利時入賬。

(柒) 各項客戶貸款及其他賬目

各項客戶貸款及其他賬目按未償還結餘扣除壞賬及呆賬準備後列示於資產負債表。與住宅物業貸款有關而授予客戶的現金回贈已被列入其他賬目並按不超過三年的提早付還懲罰期以直線基礎攤銷。

向借款人墊付現金時，貸款即被確認。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Income recognition

i) Interest income

Interest income is recognised in the profit and loss account as it accrues. Interest accrual ceases when the loans have no prospect of eventual recovery. Interest accrual is typically suspended if a loan is overdue for three months except for (1) residential mortgage loans where the net realisable value of collateral is sufficient to cover the outstanding principal and accrued interest; and (2) loans that are restructured and serviced in accordance with revised credit facilities.

For (1), interest accrual is suspended if a residential mortgage loan is in arrears for more than twelve months, irrespective of the net realisable value of the collateral. For (2), interest accrual on the restructured loans will only be made if the relevant loans have been properly serviced in accordance with the terms of the restructured credit facilities.

Interest accrual for credit card receivables and consumer loans managed on a portfolio basis is suspended if the loan is overdue for three months. Any interest previously recognised and remaining uncollected is reversed from the profit and loss account.

ii) Fees and commission income

Fees and commission income are accounted for in the period when receivable, except for fees receivable in advance which are deferred and recognised over the relevant period.

iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Advances to customers and other accounts

Advances to customers and other accounts are generally reported in the balance sheet at the principal amount outstanding net of provisions for bad and doubtful debts. Cash rebates granted in relation to residential mortgage loans are capitalised and amortised on a straight line basis over the prepayment penalty period not exceeding three years.

All advances are recognised when cash is advanced to borrowers.

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Notes to the Accounts

(以港幣千元位列示)

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一、 主要會計政策 (續)

(捌) 壞賬及呆賬準備

當信貸委員會對本金或利息最終能否全數收回有所懷疑時，透過由董事會所授予的權力，可對特定的貸款和墊款作出準備。因應信貸委員會對該等已被認明的貸款及墊款潛在損失作出的評估，而作出特殊準備以把資產的賬面值(扣除有關抵押品)減至預期的可變現淨值。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的無抵押部份按設定撥備要求作出準備。

本集團內部將貸款和墊款分類為五種類別：正常、關注、次級、可疑和損失。貸款和墊款的分類主要是根據對借款人的償還能力和利息及/或本金可回收的懷疑度而決定。利息及/或本金逾期時間的長短乃貸款回收能力的重要指標。

被評定為次級貸款的逾期未償還貸款無抵押部份，會因應貸款的種類作出20%至33%的特殊準備。假如有關貸款的逾期時間延長，或更多的信貸資料顯示信貸變壞而令貸款降級，便要作進一步的特殊準備。被評定為損失貸款的逾期未償還貸款無抵押部份，將會全數作出特殊準備。

凡涉及入稟申請迫令或自願個人破產的借貸者的無抵押私人貸款均全數作出特殊準備並即時核銷其貸款結餘。

此外，亦就呆賬作出一般準備。一般準備並不特別針對任何個別貸款，而是以設定的百分比，按已扣除政府擔保及有現金作抵押的貸款而作出準備。

特殊及一般準備均從資產負債表中之「各項客戶貸款及其他賬目」和「貿易票據」內扣除。

若呆賬並無任何實質預期回收，其餘額將予以核銷。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(h) Provisions for bad and doubtful debts

Provisions are made against specific loans and advances as and when the Credit Committee with authority delegated by the Board of Directors have doubts on the ultimate recoverability of principal or interest in full. Specific provisions are made to reduce the carrying value of an asset, net of any collateral, to the expected net realisable value based on the Credit Committee's assessment of the potential losses on those identified loans and advances on a case-by-case basis. Where it is not possible to reliably estimate the loss, the Group applies predetermined provisioning levels to the unsecured portion of loans and advances based on the Group's loan classification procedures.

The Group internally classifies loans and advances into five broad categories: Pass, Special Mention, Substandard, Doubtful and Loss. The classification of loans and advances is 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 is the period that payments of interest and/or principal have been overdue.

Specific provisions ranging from 20% to 33% of the unsecured exposure of an overdue loan classified as Substandard is made depending on the type of loans. Further specific provisions are made if the relevant loans' overdue period lengthens, or if additional credit information indicates that more severe credit deterioration requires downgrading of the loans. Full specific provision is normally made against the outstanding unsecured exposure of an overdue loan classified as Loss.

In the case of unsecured personal bankruptcy loans, 100% specific provision is made whenever bankruptcy petitions are filed against or by the borrowers and the loan balance is immediately written off.

In addition, amounts have been set aside as a general provision for doubtful debts. General provision is not specifically earmarked against any individual loan and is provided based on predetermined percent of the loan book after excluding Government guaranteed loans and cash collateralised lending.

Both specific and general provisions are deducted from "Advances to customers and other accounts" and "Trade bills" in the balance sheet.

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

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(玖) 融資租賃及租購貸款

融資租賃及租購客戶之結欠均列入「各項客戶貸款」內，並以投資淨額列賬，以定息作計算基礎的合約所得收入均按逐期數字合計法入賬。

於往年，租購貸款時付予交易商的佣金按貸款期以直線法攤銷。攤銷費用包括在損益賬內之服務費及佣金支出。由二零零三年一月一日起此等佣金以收入相配法，按相關貸款每期的利息收入金額攤銷。攤銷的金額包括在淨利息收入以跟隨市場做法。此等攤銷方法及會計分類的變更對二零零二年的賬目並無重大影響，故此去年的數字並無重列。

(拾) 收回資產

已收回抵押品之貸款仍然被視作客戶貸款。於收回抵押之資產後，有關貸款將調整至該收回資產之變現淨值，此等抵押品之價值定時被重估。集團已為有關抵押品之預期變現所得款項及貸款餘額之虧額作出特殊撥備。

(拾壹) 外幣換算

外幣交易按交易日之匯率換算為港元。以外幣結算之貨幣性資產及負債均依資產負債表結算日之匯率換算。所有外幣兌換之差異已於損益賬內處理。

附屬公司以外幣列示之資產負債表均按結算日之匯率換算，而損益賬則按期內平均匯率換算。由此產生之匯兌差異作為儲備變動入賬。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(i) Finance leases and hire purchase loans

The amounts due from finance lease and hire purchase customers are included in "Advances to customers" and are stated at net investment. Income on contracts determined on a fixed interest rate basis is accrued and earned using the sum of digits method.

In previous years, commissions paid to dealers on hire purchase loans were amortised using a straight line basis over the term of the loan. The amortisation charge was included as part of fees and commission expense in the profit and loss account. With effect from 1st January 2003, such commissions are amortised using an income-matching method which matches the amortisation charge with the amount of interest income earned from the underlying loans in each period. The amortisation charge is included as part of net interest income in line with market practice. The effect of this change in amortisation basis and accounts classification to the 2002 accounts is not significant and accordingly, no restatement of the amounts reported in last year is made.

(j) Repossessed assets

Advances with repossessed collateral assets will continue to be accounted for as customer advances. Upon the repossession of collateral assets for realisation in recovering customer advances, the advances are adjusted to the net realisable value of the repossessed assets, which are revalued periodically. Specific provisions are made on the shortfall between the expected sales proceeds from realisation of the repossessed assets and the outstanding advances.

(k) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with in the profit and loss account.

The balance sheet of subsidiaries expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss account is translated at an average rate for the period. Exchange differences are dealt with as a movement in reserves.

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一、 主要會計政策 (續)

(拾貳) 遞延稅項

遞延稅項採用負債法就資產及負債之稅基與它們在賬目之賬面值兩者之暫時差異作全數確認。遞延稅項採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產按未來可能有應課稅溢利抵銷暫時差異的程度確認。

就附屬公司及聯營公司投資所引致的暫時差異，除非此等差異回撥的時間可以控制，並很有可能在可預見將來不會撥回，否則均確認為遞延稅項負債。

於往年，遞延稅項按為課稅而計算之溢利與賬目所示之溢利二者間之時差，根據預期於可預見將來須要支付負債或可收回資產的程度，以現行稅率計提。採納經修訂之會計實務準則第十二號構成會計政策之變動並已追溯至前期應用，故比較數字已重列以符合經修訂之政策。

如賬目附註卅六所詳述，二零零二年及二零零三年一月一日之年初股東資金已分別減少14,596,000港元及5,393,000港元，此為未確認之遞延稅項負債淨額。是項調整導致二零零三年十二月三十一日之遞延稅項資產及遞延稅項負債總額分別為56,994,000港元及63,898,000港元(2002: 56,606,000港元及77,177,000港元)。本集團截至二零零二年十二月三十一日之溢利已增加23,351,000港元，在權益中註銷數額為14,148,000港元。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(I) Deferred taxation

Deferred taxation is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred 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.

Deferred tax liabilities are recognised on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

In the prior year, deferred taxation was accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. The adoption of the revised SSAP 12 represents a change in accounting policy, which has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy.

As detailed in note 36 to the accounts, opening shareholders' funds at 1st January 2002 and 2003 have been reduced by HK\$14,596,000 and HK\$5,393,000 respectively, which represent the unrecognised net deferred tax liabilities. This change has resulted in deferred tax assets and deferred tax liabilities totalling HK\$56,994,000 and HK\$63,898,000 respectively at 31st December 2003 (2002: HK\$56,606,000 and HK\$77,177,000 respectively). For the year ended 31st December 2002, the profit of the Group had been increased by HK\$23,351,000 and the amount charged to equity was HK\$14,148,000.

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一、 主要會計政策 (續)

(拾叁) 固定資產

甲) 行產

行產以成本或估值減累積減值虧損和折舊入賬，折舊是以直線法按其估計可用年期以折舊率撇銷其值，方法如下：

- 租賃土地乃按照餘下之租期或至二零四七年六月三十日之餘下租約期折舊，以較短者為準。
- 樓宇均按五十年之估計總可用年期折舊。於估值時，重估之數額則以直線法按餘下之可用年期折舊。

行產的公平價值按需要由獨立專業估值師作出最少每三年一次之評估。估值是以個別物業的公開市值作為計算基準。估值會被包括於年度賬目內。重估之增值會撥入「行產重估儲備」。重估增值如用作抵銷同一資產因過去重估減值而被確認為支出的數額，則會被列作收入。減值則由先前的同一資產的估值盈餘首先抵銷，尚餘部份則於損益賬內扣除。在出售行產時，有關物業之重估儲備會由「行產重估儲備」轉撥到「保留盈利」內。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Fixed assets

i) Premises

Premises are stated at cost or valuation less accumulated impairment losses and depreciation calculated to write off the assets over their estimated useful lives on a straight line basis as follows:

- Leasehold land is depreciated over the remaining period of the lease or up to 30th June 2047 whichever is shorter.
- Buildings are depreciated over a total estimated useful life of 50 years. On revaluation, the revalued amount is depreciated on a straight line basis over the remaining portion of the useful life.

Premises are valued as necessary at fair value, and in any case at intervals of not more than three years by independent professional valuers. The valuations are on an open market value basis related to individual properties. The valuations are incorporated in the annual accounts. Increases in valuation are credited to the "Premises revaluation reserve". However, a revaluation increase is recognised as income only to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense. Decreases are first set off against increases on previous valuations of the same asset and thereafter are debited to the profit and loss account. Upon disposal of the premises, the relevant portion of the revaluation reserve realised in respect of previous valuations is released and transferred from the "Premises revaluation reserve" to "Retained earnings".

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾叁) 固定資產 (續)

乙) 投資物業

投資物業乃在建築工程已完成之土地及樓宇中所佔之權益，因其具有投資價值而持有，任何租金收入均按公平原則磋商。

持有之投資物業，若其租約尚餘年期超過二十年，皆由獨立專業估值師每年估值一次。估值是以個別物業的公開市值為計算基準，而土地及樓宇並不會分開估值。估值會被包括於年度賬目內。重估之增值會撥入「投資物業重估儲備」，減值則首先以整個組合為基礎與先前之增值對銷，然後從損益賬內扣除。其後任何增值將撥入損益賬，惟以先前扣減之金額為限。

租約尚餘二十年或以下年期之投資物業均按租約尚餘年期折舊。

在出售投資物業時，重估儲備中與先前估值有關之已變現部份，將從「投資物業重估儲備」轉撥至損益賬。

丙) 傢俬、裝置、設備及汽車

傢俬、裝置、設備及汽車以成本減累積減值虧損及折舊入賬，折舊是以直線法按一般介乎五至十年之估計可用年期撇銷。

丁) 減值與出售盈虧

在每年結算日，均須考慮內外資料以評估其行產、傢俬、裝置、設備及汽車之賬面值是否出現減值。如有跡象顯示資產出現減值，則估計資產之可收回價值，及將減值虧損入賬以將資產之賬面成本減至其可收回價值。此等減值虧損在損益表入賬。但假若資產乃按估值列賬，而減值虧損不超過該資產之重估盈餘，在此情況下則視為重估減值。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Fixed assets (Continued)

ii) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties held on leases with unexpired periods greater than 20 years are valued annually by independent professional valuers. The valuations are on an open market value basis related to individual properties and separate values are not attributed to land and buildings. The valuations are incorporated in the annual accounts. Increases in valuation are credited to the "Investment properties revaluation reserve". Decreases in valuation are first set off against increases on previous valuations on a portfolio basis and thereafter are debited to the profit and loss account. Any subsequent increases in valuation are credited to the profit and loss account to the extent of the deficit previously charged.

Investment properties held on leases with unexpired periods of 20 years or less are depreciated over the remaining portion of the leases.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the "Investment properties revaluation reserve" to the profit and loss account.

iii) Furniture, fixtures, equipment and motor vehicles

Furniture, fixtures, equipment and motor vehicles are stated at cost less accumulated impairment losses and depreciation calculated to write off the assets on a straight line basis over their estimated useful lives, which are generally between 5 and 10 years.

iv) Impairment and gain or loss on sale

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that the book value of premises, furniture, fixtures, equipment and motor vehicles are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the carrying cost of the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾叁) 固定資產 (續)

丁) 減值與出售盈虧 (續)

出售固定資產(投資物業除外)之收益或虧損指出售所得收入淨額與資產賬面值之差額，並於損益賬確認。有關資產之重估儲備結餘均轉撥至保留盈利，並列作儲備變動。

(拾肆) 證券投資

甲) 持至到期證券

持至到期證券乃本集團有清晰意向及有能力持至到期之有限期債務證券。該等證券按成本扣除非暫時性的減值準備列賬，而成本乃就收購時產生之溢價或折讓按至到期日期間作攤銷而調整。如集團預期未能收回賬面值，則撥出準備，並於產生時在損益賬中列作開支賬目。

有限期債務證券產生之溢價或折讓之攤銷已包括在利息收入中。變賣持至到期證券時之溢利或虧損，將會在產生時列於損益賬內。

乙) 持作買賣用途的證券

持作買賣用途的證券為用作在短期價格波動中賺取溢利而購入之證券，此等證券按公平值入賬。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，其公平值是透過向活躍證券交投的非關連金融機構取得之報價而估計。買賣用途的證券之公平值之變動在產生時確認於損益賬內。出售持作買賣用途的證券之溢利或虧損指出售所得款項淨額與賬面值之差額，並在產生時確認於損益賬內。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Fixed assets (Continued)

iv) Impairment and gain or loss on sale (Continued)

The gain or loss on disposal of a fixed asset other than investment properties is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account. Any revaluation reserve balance remaining attributable to the relevant asset is transferred to retained earnings and is shown as a movement in reserves.

(n) Investment in securities

i) Held-to-maturity securities

Held-to-maturity securities are dated debt securities which the Group has the expressed intention and ability to hold to maturity. These securities are stated at cost adjusted for the amortisation of premiums or discounts arising on acquisition over the periods to maturity, less provision for diminution in their value other than temporary. Provisions are made for the amount of the carrying value which the Group does not expect to recover and are recognised as an expense in the profit and loss account as they arise.

The amortisation of premiums or discounts arising on acquisition of dated debt securities is included as part of interest income. Profits or losses on realisation of held-to-maturity securities are accounted for in the profit and loss account as they arise.

ii) Trading securities

Trading securities are securities which are acquired for the purpose of generating a profit from short-term fluctuations in price and are stated at fair value. Fair value represents the quoted market price for securities that are actively traded in a liquid market. For securities which are not actively traded or are unlisted, fair value is estimated by seeking quotations from unrelated financial institutions actively dealing in the securities. Changes in the fair value of trading securities are recognised in the profit and loss account as they arise. Profits and losses on disposal of trading securities, representing the difference between the net sales proceeds and the carrying amounts, are recognised in the profit and loss account as they arise.

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾肆) 證券投資 (續)

丙) 非持作買賣用途的證券

非持作買賣用途的證券包括持有作流動資產用途之債務證券(主要為維持香港銀行業條例第四附表所界定之流動資產比率)，及其他非持作買賣用途之債務與權益性證券及於投資基金之權益。非持作買賣用途的證券以公平值於資產負債表內列賬。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，其公平值是透過向活躍證券交投的非關連金融機構取得之報價及以各種內部定價技術作估計。

非持作買賣用途的證券公平值之變動在「投資重估儲備」中列賬，直至有關證券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任何增值/減值，皆包括在損益賬內。

(拾伍) 長期人壽保險業務

股東應佔長期人壽保險業務之價值包括股東應佔人壽保險業務的有形資產淨值及估計現行有效保單可賺取之未來溢利的淨現值。該價值乃經徵詢獨立精算師後每年計算，並分列於資產負債表內。價值之變動及人壽保險業務的業績被記入損益賬中「其他營運收入」的「人壽保險業務之業績」內。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(n) Investment in securities (Continued)

iii) Non-trading securities

Non-trading securities include debt securities held for liquidity purposes which are held primarily to maintain the liquidity ratio as defined in the Fourth Schedule of the Hong Kong Banking Ordinance and other debt and equity securities and interests in investment funds which are not held for trading purposes. Non-trading securities are stated at fair value on the balance sheet. Fair value represents the quoted market price for securities that are actively traded in a liquid market. For securities which are not actively traded or are unlisted, fair value is estimated by seeking quotations from unrelated financial institutions actively dealing in the securities or by way of various pricing techniques generated internally.

Changes in the fair value of non-trading securities are recognised in the "Investment revaluation reserve" until the security is sold or determined to be impaired, at which time the cumulative gain or loss representing the difference between the net sales proceeds or the expected recoverable amount and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, is included in the profit and loss account.

(o) Long-term life assurance business

The value placed on the Group's long-term life assurance business attributable to shareholders includes the net tangible assets of the life assurance business attributable to shareholders and an estimate of the net present value of the future profits inherent in the life policies in force. The value is determined annually in consultation with an independent professional actuary and is included separately in the balance sheet. Changes in the value, together with the results of the long-term life assurance activities, are included in the profit and loss account under "Other operating income" as "Results of life assurance business".

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾陸) 經營租約

經營租約是指擁有資產之所有回報及風險基本上全部由出租公司保留之租約。根據經營租約作出之租金支出在扣除自出租公司收取之任何獎勵金後，於租約期內以直線法在損益賬中撇銷。

如本集團為出租人，租賃資產在資產負債表中列為固定資產，並與同類型自置固定資產相同的基準按可使用年期折舊。租金收入在租約期內以直線法確認。因賺取租金收入而需支出的直接前期成本於產生時在損益賬中列作開支。

(拾柒) 資產負債表外金融工具

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

此等工具之記賬方法乃視乎該等交易的目的而定。

作買賣用途之交易是以其公平值重新釐定價值。公平值是定期取自各種的渠道，包括市場報價、現金流量折讓模型及期權評價模型。買賣外匯工具產生之損益已包括在損益賬「外匯買賣淨收益/(虧損)」內。買賣利率及其他金融工具所產生之損益已包括在損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四十(丙)。

按市值計算買賣之未變現收益已記入資產負債表「各項客戶貸款及其他賬目」內。按市值計算買賣之未變現虧損則包括於「其他賬目及預提」內。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Operating leases

Leases where substantially all of the rewards and risks of ownership of the asset remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases net of any incentives received from the lessor are charged to the profit and loss account on a straight line basis over the lease term.

Where the Group is the lessor, the assets subject to the lease 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 from operating leases is recognised on a straight line basis over the lease term. Initial direct costs incurred specifically to earn revenue from an operating lease are recognised as an expense in the profit and loss account in the period in which they are incurred.

(q) Off-balance sheet financial instruments

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

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

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 profit and loss account as "Net gain/(loss) from foreign exchange trading". The gains and losses arising from trading in interest rate and other financial instruments are recognised in the profit and loss 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 40(c) to the accounts.

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

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾柒) 資產負債表外金融工具 (續)

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確定及記錄。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。而所產生之盈虧亦根據相關資產、負債或持倉淨額產生盈虧之相同基準計入損益賬內。

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。

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（如達成總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力的確認，只有在本集團有能力於交易對手所有違約的情況下（包括合約中任何一方資不抵債）堅持以淨額結算，並毫不存疑的可以行使此等權力時才被考慮。

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到自由兌換貨幣作價，否則衍生工具交易不作互相抵銷。

(拾捌) 準備

當本集團因過往事件須承擔現有之法律或推定責任，而在解除責任時有可能令到資源流出及可靠地估計其金額時，則會確認準備。

當本集團重組業務之正式詳細計劃已在執行中或其詳情已向受影響之人仕展述，本集團會為相關的成本作出準備。重組撥備主要包括解僱員工之遣散費。當經濟利益有可能流出的情況產生，而金額又能夠可靠地被估計時，則會悉數作出準備。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(q) Off-balance sheet financial instruments (Continued)

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.

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.

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.

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.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation which, as a result of past events, makes it probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

The Group provides for costs related to restructuring of the Group's operations which are subject to detailed formal plans that are under implementation or have been communicated to those affected by the plans. Restructuring provisions mainly comprise employee termination payments. Provision is made when it is probable that an outflow of economic benefits will arise and the amounts can be reliably estimated.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾玖) 僱員福利

甲) 僱員應享假期

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。集團於截至結算日止僱員已提供之服務而應得之年假及長期服務休假之估計負債已撥出準備。

乙) 獎金計劃

當本集團因為僱員已提供服務而產生的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及又能可靠地估計時，則將預期獎金計劃之負債入賬。

丙) 退休金責任

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。

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作為費用支銷。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。

丁) 權益補償福利

本公司根據行政人員優先認股計劃授予董事及高級行政人員認股權。

按低於可向第三者發行票據之公平值向集團僱員發行認股權所得之權益補償福利，不在集團賬目中確認。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(s) Employee benefits

i) Employee leave entitlements

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.

ii) Bonus plans

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.

iii) Pension obligations

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 generally funded by payments from employees and by the relevant Group companies.

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.

iv) Equity compensation benefits

Share options of the Company are granted to directors and senior executives under the Executive Share Option Scheme.

Equity compensation benefits resulting from the issue of share options to the Group's employees at less than the fair value at which those instruments would be issued to a third party are not recognised in the Group's accounts.

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(貳拾) 或然負債及或然資產

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出，或承擔金額未能可靠衡量而未有記賬。

或然負債不會被確認，但會在賬目附註中披露。假若資源流出之可能性改變而導致資源可能流出，則被確認為負債。

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。

或然資產不會被確認，但會於經濟收益有可能流入時在賬目附註中披露。若實質確定有收益流入，則被確認為資產。

(貳拾一) 分項報告

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。而本集團超過九成之資產及收入，皆源自香港的業務決策及營運。

(貳拾二) 現金及等同現金項目

就綜合現金流量結算表而言，現金及等同現金項目包括持作買賣用途的國庫債券及由購買日起三個月內到期之款項，包括現金、銀行及金融機構結存、國庫債券及存款證。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(t) Contingent liabilities and contingent assets

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.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

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.

A contingent asset is not recognised but is disclosed in the notes to the accounts when an inflow of economic benefits is probable. When such inflow is virtually certain, an asset is recognised.

(u) Segment reporting

In accordance with the Group's internal financial reporting policy, the Group has determined that business segments be presented as the primary reporting format. Over 90% of the Group's revenue and assets are originated from business decisions and operations based in Hong Kong.

(v) Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise treasury bills held for trading purposes and balances with less than three months' maturity from the date of acquisition including cash, balances with banks and other financial institutions, treasury bills and certificates of deposit.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二、 利息收入

2. INTEREST INCOME

		2003	2002
上市投資利息收入	Interest income on listed investments	219,981	178,595
非上市投資利息收入	Interest income on unlisted investments	411,358	418,560
其他利息收入	Other interest income	1,730,018	1,972,144
		2,361,357	2,569,299

利息支出包括長期借貸負債之利息 2,828,000港元 (2002: 4,471,000 港元)。

Interest expense includes interest amounting to HK\$2,828,000 (2002: HK\$4,471,000) on the loan comprising the long-term liability.

三、 其他營運收入

3. OTHER OPERATING INCOME

		2003	2002
服務費及佣金收入	Fees and commission income	489,860	494,061
減除：服務費及佣金支出(附註)	Less: Fees and commission expense (Note)	(56,645)	(96,735)
淨服務費及佣金收入	Net fees and commission income	433,215	397,326
外匯買賣淨收益	Net gain from foreign exchange trading	25,105	35,311
持作買賣用途的證券及衍生工具淨收益	Net gain from trading securities and derivatives	73,817	81,483
在股票投資之股息收入	Dividend income from investments in securities		
上市投資	Listed investments	3,961	2,327
非上市投資	Unlisted investments	9,738	14,661
投資物業之租金收入總額	Gross rental income from investment properties	12,589	17,841
其他租金收入	Other rental income	5,417	4,669
人壽保險業務之業績	Results of life assurance business	95,583	79,440
其他	Others	5,409	7,065
		664,834	640,123

附註：

於往年，租購貸款時付予交易商的佣金是按貸款期以直線法攤銷。二零零二年的攤銷金額26,990,000港元已包括在服務費及佣金支出內。由二零零三年一月一日起此等佣金以收入相配法，按相關貸款每期的利息收入金額攤銷。攤銷的金額包括在淨利息收入以跟隨市場做法。此等攤銷方法及會計分類的變更對二零零二年的賬目並無重大影響，故此去年的數字並無重列。

Note:

In previous years, commissions paid to dealers on hire purchase loans were amortised using a straight line basis over the term of the loan. The amortisation charge in 2002 of HK\$26,990,000 was included as part of fees and commission expense. With effect from 1st January 2003, such commissions are amortised using an income-matching method which matches the amortisation charge with the amount of interest income earned from the underlying loans in each period. The amortisation charge is included as part of net interest income in line with market practice. The effect of this change in amortisation basis and accounts classification to the 2002 accounts is not significant and accordingly, no restatement of the amounts reported in last year is made.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四、 營運支出

4. OPERATING EXPENSES

		2003	2002
人事費用(包括董事酬金)(附註五)	Staff costs (including directors' remuneration) (Note 5)	446,691	500,511
行產及其他固定資產	Premises and other fixed assets		
行產之租金	Rental of premises	44,281	43,435
其他	Others	55,612	63,657
折舊(附註廿五)	Depreciation (Note 25)	63,009	66,962
核數師酬金	Auditors' remuneration	3,088	3,305
其他營運支出	Other operating expenses	180,898	203,241
		793,579	881,111

經營租約內行產之租金已減除分租予第三者時所收回之租金。

Rental of premises under operating leases is stated net of rental income received from sub-lease agreements with third parties.

五、 人事費用

5. STAFF COSTS

		2003	2002
薪酬及工資	Wages and salaries	423,455	468,722
解僱補償	Termination benefits	-	4,412
退休金—界定供款計劃(附註十)	Pension costs – defined contribution plans (Note 10)	23,236	27,377
		446,691	500,511

最高酬金之五位人士：

The emoluments of the five highest paid individuals:

(甲) 酬金總計

(i) The aggregate emoluments

		2003	2002
薪金、房屋、實物利益及其他津貼	Salaries, housing, benefits in kind and other allowances	41,794	45,734
退休金福利	Pensions	1,967	1,762
		43,761	47,496

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

五、 人事費用 (續)

(乙) 五位最高收入人士的酬金組別如下：

港元 HK\$	人數 Number of individuals	
	2003	2002
5,000,001 – 5,500,000	2	–
5,500,001 – 6,000,000	1	1
6,500,001 – 7,000,000	–	1
7,000,001 – 7,500,000	–	1
8,000,001 – 8,500,000	–	1
10,500,001 – 11,000,000	1	–
16,500,001 – 17,000,000	1	–
19,500,001 – 20,000,000	–	1
	5	5

在五位最高酬金收入之人士內，有四位 (2002：三位) 為集團董事。其相關的董事酬金已包括在附註九內。

5. STAFF COSTS (Continued)

(ii) The numbers of the five highest paid individuals whose emoluments fell within the following bands were:

Included in the emoluments of the five highest paid individuals were the emoluments of four (2002: three) Directors. Their respective Directors' emoluments have been included in note 9 below.

六、 壞賬及呆賬準備調撥

	2003	2002
壞賬及呆賬淨準備調撥		
特殊準備調撥		
– 新增準備	609,598	728,217
– 回撥	(27,862)	(14,440)
– 收回	(42,119)	(27,754)
	539,617	686,023
一般準備 (撥回)/支出	(4,919)	18,115
損益賬中淨支出 (附註二十)	534,698	704,138

6. CHARGE FOR BAD AND DOUBTFUL DEBTS

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

七、 出售固定資產及固定資產 重估減值淨虧損

7. NET LOSS ON DISPOSAL AND DEFICIT ON REVALUATION OF FIXED ASSETS

		2003	2002
投資物業重估減值	Deficit on revaluation of investment properties	(22,107)	(39,515)
行產重估減值	Deficit on revaluation of premises	(45,187)	–
出售投資物業及行產收益	Gain on disposal of investment properties and premises	590	8,015
出售其他固定資產虧損	Loss on disposal of other fixed assets	(860)	(5,604)
		<u>(67,564)</u>	<u>(37,104)</u>

八、 出售非持作買賣用途及持 至到期的證券淨收益

8. NET GAIN ON DISPOSAL OF NON-TRADING AND HELD-TO-MATURITY SECURITIES

		2003	2002
出售非持作買賣用途的證券淨收益	Net gain on disposal of non-trading securities	196,418	9,503
出售持至到期證券淨虧損	Net loss on disposal of held-to-maturity securities	–	(1,303)
將持至到期證券轉換至非持作買賣用途的 證券淨收益(附註)	Net gain on transfer of held-to-maturity securities to non-trading securities (note)	–	74,230
		<u>196,418</u>	<u>82,430</u>

附註：

本集團在考慮市場情況之變化後，因改變投資策略而重整投資組合，以致改變其持有證券至到期的意向，而出售及轉移持至到期證券。除於短期銀行同業市場賬中所持之持至到期證券(反映在「現金及短期資金」(附註十五)中之國庫債券)，所有在轉移時在投資賬中剩留之持至到期證券，已重新指定為非持作買賣用途的證券。

Note:

The disposal and transfer of held-to-maturity securities in 2002 were brought about by changes in the Group's intention of holding the securities to maturity as a result of restructuring of the investment portfolio due to change in investment strategy, after taking into consideration changes in market conditions. All remaining holdings in the held-to-maturity securities portfolio kept in the investment book but excluding those held in the short-term money market book (as reflected in Treasury bills under "Cash and short-term funds" (Note 15)) were redesignated as non-trading securities at the time of transfer.

九、 董事酬金

9. DIRECTORS' EMOLUMENTS

		2003	2002
執行及非執行董事：	Executive and non-executive directors:		
袍金	Fees	1,667	1,166
薪金、房屋、實物利益 及其他津貼	Salaries, housing, benefits in kind and other allowances	31,345	40,194
退休金福利	Pensions	1,423	929
		<u>34,435</u>	<u>42,289</u>

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

九、董事酬金 (續)

以上董事酬金包括向獨立非執行董事支付之袍金 947,000港元 (2002 : 801,000 港元)。

上述的實物利益包括行使認股權之獲益，並按於本公司股份之行使認股權當日之收市價與認股權之設定行使價之差額釐定。本年內，本集團一位 (2002 : 三位) 董事獲得金額共 3,484,000 港元 (2002 : 10,395,000 港元) 股份認購權利益。

董事酬金組別如下：

港元 HK\$	董事人數 Number of Directors	
	2003	2002
無 – 1,000,000	20	19
2,500,001 – 3,000,000	–	1
5,000,001 – 5,500,000	2	1
5,500,001 – 6,000,000	1	–
6,500,001 – 7,000,000	–	1
7,000,001 – 7,500,000	–	1
16,500,001 – 17,000,000	1	–
19,500,001 – 20,000,000	–	1
	24	24

以上分析已包括本年度本集團最高酬金之四位 (2002 : 三位) 人士。

除上述董事酬金外，若干董事二零零零年四月三日獲授予認購本公司股份之認股權，於二零零三年十二月三十一日，仍有可認購股份 400,000 股 (2002 : 600,000 股) 之認股權未獲行使。此等認股權可於獲授予日起計之第一至第五個周歲日期間按不同數額行使，而該等認股權之行使價為每股 26.28 港元。

9. DIRECTORS' EMOLUMENTS (Continued)

Included in the above directors' emoluments are fees amounting to HK\$947,000 (2002: HK\$801,000) payable to independent non-executive directors.

The benefits arising from the exercise of share options are included in the above as benefits in kind and are determined based on the difference between the closing market price of the Company's shares upon exercise of the options and the predetermined exercise price of the option shares. During the year, share option benefits amounting to HK\$3,484,000 (2002: HK\$10,395,000) had been received by one Director (2002: three Directors) of the Group.

The emoluments of the directors fell within the following bands:

The above analysis includes the four (2002: three) individuals whose emoluments were the highest in the Group for the year.

In addition to the above emoluments, options to purchase 400,000 (2002: 600,000) shares of the Company granted to certain Directors on 3rd April 2000 remained outstanding as at 31st December 2003. These options are exercisable at various amounts between the first and fifth anniversaries of the dates of grant and have an exercise price of HK\$26.28 per share.

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十、退休金支出

僱主於強制性公積金計劃及其他界定供款退休計劃的供款介乎僱員月薪百分之五至十五。記入損益賬內之退休金支出為本集團對界定供款退休計劃之供款(附註五)。

本年底應付供款合計1,181,000港元(2002: 3,881,000港元)已包括在「其他賬目及預提」內，年內沒收之供款共6,432,000港元(2002: 5,112,000港元)已被全數應用。於年結時並無任何被沒收而未應用之供款可用作減低將來之供款(2002: 無)。

十一、稅項

香港利得稅乃按照本年度估計應課稅溢利依稅率17.5%(2002: 16%)提撥準備。於二零零三年，香港政府立法把利得稅率自16%更改為二零零三年/二零零四年年度的17.5%。

於二零零三年十二月三十一日，本集團內某些附屬公司尚有估計累積稅務虧損為123,000,000港元(2002: 159,000,000港元)，可作抵銷未來應課稅溢利。二零零三年之估計累積稅務虧損的減少，主要由於一附屬公司，豐明銀行有限公司，出售固定資產令可扣除虧損回撥所致。

本集團只在預期由附屬公司所獲得的稅務虧損可能沖減應課稅溢利的情況下，才確認為遞延稅項資產。根據董事的意見，由於尚未肯定在可預見的將來，有關的附屬公司的未來盈利能力可以足夠運用此等稅務虧損，基於保守立場，董事認為不宜在遞延稅項資產內確認本年度之123,000,000港元(2002: 128,000,000港元)未確認稅務虧損。倘若稅務虧損被確認的話，本集團的股東資金將會增加21,503,000港元(2002: 20,416,000港元)。在下一個年終結算日，倘若這些附屬公司可在未來產生足夠應課稅溢利來運用累積稅務虧損的條件得以明朗化，將會重新評估此未被確認之遞延稅務資產。

10. PENSION COSTS

Employer's contributions to the mandatory provident fund scheme and a number of defined contribution plans are made at rates ranging from 5% to 15% of employees' monthly salaries. The pension costs charged to the profit and loss account represent contributions paid and payable by the Group to defined contribution retirement schemes (Note 5).

Contributions totalling HK\$1,181,000 (2002: HK\$3,881,000) were payable to the schemes at the year end and are included in "Other accounts and accruals". Forfeited contributions totalling HK\$6,432,000 (2002: HK\$5,112,000) were utilised during the year. No unutilised forfeited contributions were available at the year end (2002: Nil) to reduce future contributions.

11. TAXATION

Hong Kong profits tax has been calculated at the rate of 17.5% (2002: 16%) on the estimated assessable profit for the year. In 2003, the Hong Kong Government enacted a change in the profits tax rate from 16% to 17.5% for the fiscal year 2003/2004.

As at 31st December 2003, certain subsidiaries of the Group had estimated accumulated tax losses of HK\$123 million (2002: HK\$159 million) which are available for set-off against future assessable profit. The reduction in estimated accumulated tax losses in 2003 was largely caused by the sales of assets and a corresponding write-back of deductible losses by a subsidiary, MEVAS Bank Limited.

The Group has recognised deferred tax asset on tax losses attained by subsidiaries to the extent that it is probable that taxable profit will be available against which these tax losses can be utilised. In the opinion of the Directors, there are uncertainties on the future profitability of the relevant subsidiaries sufficient to utilise the tax losses in the foreseeable future. The Directors, as a matter of prudence, do not consider it appropriate to recognise the deferred tax asset relating to unrecognised tax losses of HK\$123 million in the current year (2002: HK\$128 million), which would otherwise have the effect of increasing the Group's shareholders' funds by HK\$21,503,000 (2002: HK\$20,416,000). The unrecognised deferred tax asset will be re-assessed in the next balance sheet date for recognition if the uncertainties on these subsidiaries' abilities to generate sufficient taxable profit in the future to utilise the accumulated tax losses are reduced.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十一、 稅項 (續)

於綜合損益賬中支出之稅項指：

11. TAXATION (Continued)

The amount of taxation charged to the consolidated profit and loss account represents:

		2003	2002
本年度估計應課香港 利得稅	Hong Kong profits tax on estimated assessable profit for the year	149,839	116,712
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	(69,591)	(116,264)
		80,248	448
合夥投資撇銷	Investments in partnerships written off	53,287	91,248
		133,535	91,696
海外稅款	Overseas taxation	1,005	513
於往年度超額撥備	Over-provision in prior years	(8)	(15,184)
遞延稅項 (附註三十)	Deferred taxation (Note 30)		
— 關於暫時差異的產生及撥回	— relating to the origination and reversal of temporary differences	(7,619)	(8,173)
— 稅率上升所致	— resulting from an increase in tax rate	(4,139)	—
		122,774	68,852

本集團之合夥投資將於獲取及運用來自該等投資之稅務利益之同年撇銷。海外稅款按本年度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。

The Group's investments in partnerships are written off in the same year as the taxation benefits resulting from those investments are received and utilised. 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.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十一、 稅項 (續)

本集團除稅前溢利之稅項有別於運用香港適用稅率計算之理論數目如下：

	2003	2002
除稅前溢利	1,123,381	924,360
以稅率 17.5% (2002 : 16%) 計算		
稅務影響源於：		
人壽保險業務之不同稅務處理	(20,152)	(12,987)
其他國家之不同稅率	(1,228)	(712)
無需徵稅之收入	(60,192)	(58,798)
不能作稅務扣減之支出	21,277	22,611
未確認之稅務虧損	1,234	7,603
運用前期未確認之稅務虧損	(1,286)	(1,942)
由稅率上升而引致之期初遞延稅項		
資產淨值增加	(4,139)	-
於往年度超額撥備	(8)	(15,184)
合夥投資終結回報	6,980	5,379
應佔合夥投資估計香港利得稅虧損	(69,591)	(116,264)
合夥投資撇銷	53,287	91,248
稅項	122,774	68,852

11. TAXATION (Continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

十二、 股東應佔溢利

列於本公司賬內之股東應佔溢利達 549,935,000 港元 (2002 : 443,348,000 港元)。

12. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$549,935,000 (2002: HK\$443,348,000).

十三、 股息

	2003	2002
已派中期股息，每股 0.52 港元 (2002 : 0.52 港元)	128,273	128,221
二零零四年三月二日擬派末期股息， 每股 0.81 港元 (2002 : 二零零三年 三月四日擬派末期股息 每股 0.60 港元)	199,810	148,007
	328,083	276,228

13. DIVIDENDS

Interim, paid, of HK\$0.52 (2002: HK\$0.52) per share

Final, proposed on 2nd March 2004 of HK\$0.81 per share (2002: proposed on 4th March 2003 of HK\$0.60 per share)

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十四、 每股基本及攤薄盈利

每股基本盈利按照盈利992,611,000港元(2002: 852,341,000港元)及年內已發行股份加權平均數246,678,802股(2002: 246,605,377股)計算。

每股攤薄盈利乃按照盈利992,611,000港元(2002: 852,341,000港元)及年內已發行股份加權平均數246,805,216股(2002: 246,746,589股)並就所有潛在攤薄的普通股予以調整計算。

14. BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share is based on earnings of HK\$992,611,000 (2002: HK\$852,341,000) and the weighted average number of 246,678,802 (2002: 246,605,377) shares in issue during the year.

The calculation of diluted earnings per share is based on earnings of HK\$992,611,000 (2002: HK\$852,341,000) and the weighted average number of 246,805,216 (2002: 246,746,589) shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

十五、 現金及短期資金

集團	Group	2003	2002
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	595,975	597,334
通知及短期存款	Money at call and short notice	4,998,509	2,864,060
國庫債券(包括外匯基金票據)(附註卅七)	Treasury bills (including Exchange Fund Bills) (Note 37)	5,390,931	5,595,710
		10,985,415	9,057,104
持有之國庫債券分析如下:	An analysis of treasury bills held is as follows:		
持作買賣用途的證券, 按公平值 — 非上市	Trading securities, at fair value – Unlisted	1,391,323	248,680
非持作買賣用途的證券, 按公平值 — 非上市	Non-trading securities, at fair value – Unlisted	3,999,608	–
持至到期證券, 按攤銷成本 — 非上市	Held-to-maturity securities, at amortised cost – Unlisted	–	5,347,030
		5,390,931	5,595,710

十六、 貿易票據

集團	Group	2003	2002
貿易票據	Trade bills	744,998	582,268
一般準備(附註二十)	General provisions (Note 20)	(7,450)	(5,822)
		737,548	576,446

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十七、 持有的存款證

17. CERTIFICATES OF DEPOSIT HELD

集團	Group	2003	2002
非持作買賣用途的證券，按公平值 (附註卅七)	Non-trading securities, at fair value (Note 37)		
– 非上市	– Unlisted	204,400	455,137

十八、 持作買賣用途的證券

18. TRADING SECURITIES

集團	Group	2003	2002
按公平值：	At fair value:		
債務證券(附註卅七)	Debt securities (Note 37)		
– 香港上市	– Listed in Hong Kong	2,173,363	1,198,309
– 香港以外上市	– Listed outside Hong Kong	23,791	57,012
		2,197,154	1,255,321
– 非上市	– Unlisted	613,968	1,299,554
		2,811,122	2,554,875
權益性證券	Equity securities		
– 香港上市	– Listed in Hong Kong	46,447	36,899
– 香港以外上市	– Listed outside Hong Kong	38,759	28,822
		85,206	65,721
– 非上市	– Unlisted	62,553	28,923
		147,759	94,644
		2,958,881	2,649,519
持作買賣用途的證券按發行機構類別 分析如下：	Trading securities are analysed by issuer as follows:		
– 中央政府和中央銀行	– Central governments and central banks	2,242,304	1,209,838
– 公營機構	– Public sector entities	488,623	1,219,997
– 銀行及其他金融機構	– Banks and other financial institutions	96,831	134,940
– 企業	– Corporate entities	131,123	55,821
– 其他	– Others	–	28,923
		2,958,881	2,649,519

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十九、各項客戶貸款及其他賬目

(甲) 各項客戶貸款及其他賬目：

集團	Group	2003	2002
各項客戶貸款(附註卅七)	Advances to customers (Note 37)	27,927,364	28,138,907
壞賬及呆賬準備	Provisions for bad and doubtful debts		
特殊(附註二十)	Specific (Note 20)	(235,747)	(222,299)
一般(附註二十)	General (Note 20)	(274,376)	(280,904)
		27,417,241	27,635,704
應計利息	Accrued interest	412,212	404,248
其他賬目	Other accounts	1,227,687	1,277,372
其他賬目準備	Provisions against other accounts		
特殊(附註二十)	Specific (Note 20)	–	(36,396)
一般(附註二十)	General (Note 20)	(152)	(174)
		1,639,747	1,645,050
		29,056,988	29,280,754

(乙) 客戶的不履行貸款分析如下：

(b) Non-performing loans to customers are analysed as follows:

集團	Group	2003	2002
客戶的不履行貸款	Non-performing loans to customers	433,346	469,082
特殊準備	Specific provisions	(209,965)	(202,763)
		223,381	266,319
撥入懸欠利息	Amount of interest in suspense	24,502	34,653

不履行貸款乃客戶的貸款及墊款之利息已撥入懸欠或已停止累計利息的貸款。

Non-performing loans are loans and advances to customers on which interest is being placed in suspense or on which interest accrual has ceased.

客戶的不履行貸款佔本集團之各項客戶貸款總額1.55%(2002: 1.67%)。

Non-performing loans to customers represent 1.55% (2002: 1.67%) of total advances to customers of the Group.

以上特殊準備已考慮有關貸款之抵押品於十二月三十一日之價值。

The above specific provisions were made after taking into account the value of collateral in respect of such advances at 31st December.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十九、各項客戶貸款及其他賬目 (續)

19. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS (Continued)

(丙) 各項客戶貸款包括融資租賃應收賬，分析如下：

(c) Advances to customers include finance lease receivables, analysed as follows:

集團	Group	2003	2002
投資在融資租賃之應收賬總額：	Gross investment in finance leases, receivable:		
一年以內	Not later than one year	1,344,141	1,400,569
一年以上至五年	Later than one year and not later than five years	1,545,659	1,677,620
五年以上	Later than five years	1,576,555	1,774,732
		4,466,355	4,852,921
融資租賃之遞延未來融資收入	Unearned future finance income on finance leases	(830,789)	(999,260)
融資租賃淨投資	Net investment in finance leases	3,635,566	3,853,661
融資租賃淨投資期限之分析如下：	The maturity of net investment in finance leases is analysed as follows:		
一年以內	Not later than one year	1,180,353	1,197,423
一年以上至五年	Later than one year and not later than five years	1,263,323	1,339,191
五年以上	Later than five years	1,191,890	1,317,047
		3,635,566	3,853,661

於二零零三年十二月三十一日包括在以上的融資租賃之投資總額內並無擔保剩餘價值(2002：無)。

There is no unguaranteed residual value included in the gross investment in finance leases above as at 31st December 2003 (2002: Nil).

二零零三年十二月三十一日貸款虧損準備包括為融資租賃不可收回的應收賬作的準備合計為29,673,000港元(2002：29,166,000港元)。

The allowance for uncollectable finance lease receivables included in the provision for loan losses amounted to HK\$29,673,000 as at 31st December 2003 (2002: HK\$29,166,000).

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二十、 壞賬及呆賬準備

20. PROVISIONS FOR BAD AND DOUBTFUL DEBTS

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	
二零零三年一月一日	At 1st January 2003	258,695	286,900	545,595	34,653
撇除額	Amounts written off	(604,684)	–	(604,684)	(20,607)
收回已於往年撇銷 之貸款	Recoveries of advances written off in previous years	42,119	–	42,119	–
於損益賬內支出/(撥回) (附註六)	Charge/(write back) to profit and loss account (Note 6)	539,617	(4,919)	534,698	–
匯兌差異	Exchange difference	–	(3)	(3)	–
年內懸欠利息	Interest suspended during the year	–	–	–	10,456
二零零三年十二月三十一日	At 31st December 2003	235,747	281,978	517,725	24,502
扣減於：	Deducted from:				
貿易票據(附註十六)	Trade bills (Note 16)	–	7,450	7,450	
各項客戶貸款 (附註十九(甲))	Advances to customers (Note 19(a))	235,747	274,376	510,123	
應計利息及其他賬目 (附註十九(甲))	Accrued interest and other accounts (Note 19(a))	–	152	152	
		235,747	281,978	517,725	

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二十、 壞賬及呆賬準備 (續)

20. PROVISIONS FOR BAD AND DOUBTFUL DEBTS (Continued)

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	
二零零二年一月一日	At 1st January 2002	344,538	268,785	613,323	53,147
撇除額	Amounts written off	(799,620)	–	(799,620)	(27,026)
收回已於往年撇銷 之貸款	Recoveries of advances written off in previous years	27,754	–	27,754	–
於損益賬內支出 (附註六)	Charge to profit and loss account (Note 6)	686,023	18,115	704,138	–
年內懸欠利息	Interest suspended during the year	–	–	–	8,532
二零零二年十二月三十一日	At 31st December 2002	<u>258,695</u>	<u>286,900</u>	<u>545,595</u>	<u>34,653</u>
扣減於：	Deducted from:				
貿易票據 (附註十六)	Trade bills (Note 16)	–	5,822	5,822	
各項客戶貸款 (附註十九(甲))	Advances to customers (Note 19(a))	222,299	280,904	503,203	
應計利息及其他賬目 (附註十九(甲))	Accrued interest and other accounts (Note 19(a))	36,396	174	36,570	
		<u>258,695</u>	<u>286,900</u>	<u>545,595</u>	

廿一、 持至到期證券

21. HELD-TO-MATURITY SECURITIES

集團	Group	2003	2002
一月一日結存	Balance as at 1st January	78,049	4,597,102
折讓攤銷	Amortisation of discount	650	8,094
增購	Additions	329,387	3,905,897
償還	Repayments	–	(685,806)
本年內出售的證券	Securities sold during the year	–	(7,747,238)
本年內到期的證券	Securities matured during the year	(15,529)	–
匯兌差異	Exchange difference	(359)	–
十二月三十一日結存	Balance as at 31st December	<u>392,198</u>	<u>78,049</u>
非上市證券，按攤銷成本：	Unlisted securities, at amortised cost:	<u>392,198</u>	<u>78,049</u>
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:		
— 銀行及其他金融機構	– Banks and other financial institutions	365,556	78,049
— 企業	– Corporate entities	26,642	–
		<u>392,198</u>	<u>78,049</u>

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿二、非持作買賣用途的證券

22. NON-TRADING SECURITIES

集團	Group	2003	2002
按公平值：	At fair value:		
債務證券(附註卅七)	Debt securities (Note 37)		
– 香港上市	– Listed in Hong Kong	1,384,656	2,343,957
– 香港以外上市	– Listed outside Hong Kong	7,650,441	6,146,886
– 非上市	– Unlisted	7,681,808	7,366,763
		16,716,905	15,857,606
權益性證券	Equity securities		
– 香港上市	– Listed in Hong Kong	134,695	6,058
– 非上市	– Unlisted		
– 於投資基金之權益	– Interests in investment funds	292,633	–
– 其他非上市公司之股票	– Shares in other unlisted companies	34,551	36,615
		461,879	42,673
		17,178,784	15,900,279
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 issuer as follows:		
– 中央政府和中央銀行	– Central governments and central banks	3,940,712	6,729,179
– 公營機構	– Public sector entities	2,600,245	1,740,652
– 銀行及其他金融機構	– Banks and other financial institutions	6,490,065	4,404,484
– 企業	– Corporate entities	4,146,232	2,994,599
– 其他	– Others	1,530	31,365
		17,178,784	15,900,279

廿三、共同控制實體投資

23. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

集團	Group	2003	2002
非上市股份，按成本	Unlisted shares, at cost	20,000	20,000
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	(28,015)	(26,000)
		22,985	25,000

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿三、 共同控制實體投資 (續)

23. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (Continued)

於二零零三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 31st December 2003:

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 subsidiary of the Company. Bank Consortium Trust Company Limited is a wholly owned subsidiary of Bank Consortium Holding Limited.

廿四、 附屬公司投資

24. INVESTMENTS IN SUBSIDIARIES

公司	Company	2003	2002
非上市股份，按成本	Unlisted shares, at cost	2,687,326	2,687,326
減除：商譽撇銷	Less: Goodwill written off	(172,083)	(172,083)
自收購前之溢利派發之股息	Dividends paid out of pre-acquisition profit	(592,040)	(592,040)
		1,923,203	1,923,203
應收附屬公司款項	Amounts due from subsidiaries	695,245	665,716
		2,618,448	2,588,919
應付附屬公司款項	Amounts due to subsidiaries	(40,746)	(41,181)
		2,577,702	2,547,738

應收/應付附屬公司之款項均為無抵押，免息及無既定還款條件。

The amounts due from/to subsidiaries are unsecured, interest free and have no fixed repayment terms.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿四、 附屬公司投資 (續)

24. INVESTMENTS IN SUBSIDIARIES (Continued)

於二零零三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 31st December 2003:

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	
大新銀行有限公司 Dah Sing Bank, Limited	銀行 Banking	香港 Hong Kong	100%	–	HK\$800,000,000
豐明銀行有限公司 MEVAS Bank Limited	銀行 Banking	香港 Hong Kong	100%	–	HK\$400,000,000
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
鈞寶證券有限公司 Global Courage Securities Limited	證券買賣 Securities dealing	香港 Hong Kong	100%	–	HK\$10,000,000
WOF Escrow Limited	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$25,000,000
DSE Investment Services Limited (Note) (註)	投資管理 Investment management	香港 Hong Kong	100%	–	HK\$1,000,000

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿四、 附屬公司投資 (續)

24. 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	
Dah Sing General Insurance Company Limited	保險業務 General insurance	百慕達 Bermuda	51%	–	HK\$70,000,000
D.A.H. Holdings Limited (Note)(註)	投資控股 Investment holding	百慕達 Bermuda	75.5%	–	US\$1,000,000
大新財務有限公司 Dah Sing Finance Limited	暫無營業 Dormant	香港 Hong Kong	–	100%	HK\$25,000,000
Dah Sing Properties Limited	投資控股 Investment holding	香港 Hong Kong	–	100%	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	–	100%	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	–	100%	HK\$100,000
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
大新保險顧問有限公司 Dah Sing Insurance Brokers Limited	保險經紀 Insurance broking	香港 Hong Kong	–	100%	HK\$200,000
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
域寶投資有限公司 Vanishing Border Investment Services Limited	物業投資 Property investment	香港 Hong Kong	–	100%	HK\$20
MEVAS Nominees Limited	代理人服務 Nominee services	香港 Hong Kong	–	100%	HK\$50,000
D.A.H. Hambros Bank (Channel Islands) Limited	銀行 Banking	格恩西島 Guernsey	–	75.5%	US\$8,000,000
Dah Sing MTN Financing Limited	暫無營業 Dormant	英屬處女群島 British Virgin Islands	–	100%	US\$1
Dah Sing SAR Financing Limited	暫無營業 Dormant	英屬處女群島 British Virgin Islands	–	100%	US\$1

註：

除 D. A. H. Hambros Bank (Channel Islands) Limited 外，其他公司均在香港經營。DSE Investment Services Limited 除發行普通股外，亦發行總值 700 港元的優先股。

Note:

Except for D.A.H. Hambros Bank (Channel Islands) Limited, all other companies operate in Hong Kong. In addition to the ordinary shares issued by DSE Investment Services Limited, it also has preference shares in issue totalling HK\$700.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿四、 附屬公司投資 (續)

註：

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逾245,000股。有關股份相等於本公司擁有百分之七十五點五股權之附屬公司D.A.H. Holdings Limited (「DAH」)之百分之二十四點五已發行股本。行使此等期權時，本公司於DAH所佔之權益將由七十五點五增至百分之一百。王守業、莊先進及韓以德均為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。

24. INVESTMENTS IN SUBSIDIARIES (Continued)

Note:

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 75.5% owned subsidiary of the Company. Upon exercise of the option, the Company's interest in DAH would be increased from 75.5% to 100%. David Shou-Yeh Wong, John William Simpson and David Richard Hinde 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.

廿五、 固定資產

25. FIXED ASSETS

集團	Group	投資物業 Investment Properties	行產 Premises	傢俬、裝置 及設備	汽車	合計 Total
				Furniture, Fixtures & Equipment	Motor Vehicles	
成本或估值	Cost or valuation					
二零零三年一月一日	At 1st January 2003	218,097	672,750	276,907	2,328	1,170,082
增置	Additions	-	-	23,168	239	23,407
重新分類	Reclassification	21,646	(21,646)	-	-	-
出售/撇銷	Disposals/written off	(5,600)	-	(34,091)	-	(39,691)
重估減值	Deficit on revaluation	(22,107)	(79,519)	-	-	(101,626)
二零零三年十二月三十一日	At 31st December 2003	212,036	571,585	265,984	2,567	1,052,172
累積折舊	Accumulated depreciation					
二零零三年一月一日	At 1st January 2003	-	17,305	128,871	1,242	147,418
是年度折舊(附註四)	Charge for the year (Note 4)	-	15,863	46,634	512	63,009
出售/撇銷	Disposals/written off	-	-	(33,100)	-	(33,100)
重估回撥	Write back on revaluation	-	(33,168)	-	-	(33,168)
二零零三年十二月三十一日	At 31st December 2003	-	-	142,405	1,754	144,159
賬面淨值	Net book value					
二零零三年十二月三十一日	At 31st December 2003	212,036	571,585	123,579	813	908,013
二零零二年十二月三十一日	At 31st December 2002	218,097	655,445	148,036	1,086	1,022,664

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿五、 固定資產 (續)

以上資產之成本或估值分析如下：

25. FIXED ASSETS (Continued)

The analysis of cost or valuation of the above assets is as follows:

集團	Group	投資物業 Investment Properties	行產 Premises	傢俬、裝置 及設備 Furniture, Fixtures & Equipment	汽車 Motor Vehicles	合計 Total
二零零三年十二月三十一日	At 31st December 2003					
按成本	At cost	-	-	265,984	2,567	268,551
按專業估值	At professional valuation					
二零零三年	In 2003	212,036	571,585	-	-	783,621
		212,036	571,585	265,984	2,567	1,052,172
二零零二年十二月三十一日	At 31st December 2002					
按成本	At cost	-	-	276,907	2,328	279,235
按專業估值	At professional valuation					
二零零二年	In 2002	218,097	-	-	-	218,097
二零零一年	In 2001	-	672,750	-	-	672,750
		218,097	672,750	276,907	2,328	1,170,082

投資物業及行產由獨立專業特許測量師萊坊(香港)有限公司於二零零三年十二月三十一日按公開市值作出重估。

Investment properties and premises were revalued on 31st December 2003 on an open market value basis by an independent professional chartered surveyor, Knight Frank Hong Kong Limited.

假若本集團之行產以成本值減累積折舊列賬，其賬面值應為430,892,000港元(2002：472,457,000港元)。

Had the premises of the Group been stated at cost less accumulated depreciation, the carrying amount of the premises would have been HK\$430,892,000 (2002: HK\$472,457,000).

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿五、 固定資產 (續)

投資物業及行產之賬面淨值包括：

25. FIXED ASSETS (Continued)

The net book value of investment properties and premises comprises:

集團	Group	2003		2002	
		投資物業 Investment Properties	行產 Premises	投資物業 Investment Properties	行產 Premises
租約業權	Leaseholds				
在香港中期租約 (十至五十年)	Held in Hong Kong on medium-term lease (between 10– 50 years)	211,420	570,801	217,481	654,671
在香港以外中期租約 (十至五十年)	Held outside Hong Kong on medium-term lease (between 10– 50 years)	616	784	616	774
		212,036	571,585	218,097	655,445

廿六、 股東應佔長期人壽保險 業務價值

26. VALUE OF LONG-TERM LIFE ASSURANCE BUSINESS ATTRIBUTABLE TO SHAREHOLDERS

集團	Group	2003	2002
在集團之綜合資產負債表 內股東應佔長期 人壽保險業務包括：	The long-term life assurance business attributable to shareholders included in the consolidated balance sheet of the Group is made up of:		
長期人壽保險業務有形 資產淨值(附註廿七)	Net tangible assets of the long-term life assurance business (Note 27)	152,244	90,586
有效保單之價值	Value of policies in force	596,084	571,427
		748,328	662,013

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿七、 投保人應佔長期資產值 及長期負債

27. ASSETS OF LONG-TERM FUND AND LONG-TERM LIABILITIES ATTRIBUTABLE TO POLICYHOLDERS

集團	Group	2003	2002
投保人應佔長期資產值	The assets of the long-term fund held to meet		
包括：	long-term liabilities to policyholders are:		
現金及短期資金	Cash and short-term funds	52,046	30,788
證券投資	Investments in securities	1,224,103	675,138
固定資產	Fixed assets	11,680	14,949
流動負債淨值	Net current liabilities	<u>(573,391)</u>	<u>(208,121)</u>
		714,438	512,754
股東應佔長期人壽保險業務內之 有形資產淨值(附註廿六)	Net tangible assets of the long-term life assurance business attributable to shareholders (Note 26)	<u>(152,244)</u>	<u>(90,586)</u>
		562,194	422,168

廿八、 客戶存款

28. DEPOSITS FROM CUSTOMERS

集團	Group	2003	2002
活期存款及往來存款	Demand deposits and current account	3,726,099	2,512,234
儲蓄存款	Savings deposits	6,882,453	5,368,950
定期、通知及短期存款	Time, call and notice deposits	<u>29,391,311</u>	<u>29,405,236</u>
		39,999,863	37,286,420

廿九、 其他賬目及預提

29. OTHER ACCOUNTS AND ACCRUALS

於二零零三年十二月三十一日之「其他賬目及預提」內包括沽空國庫債券、國庫票據及其他公營債券總數為 6,379,969,000 港元 (2002 : 5,290,428,000 港元) (附註卅三)。

Included in "Other accounts and accruals" of the Group as at 31st December 2003 is a short position in treasury bills, treasury notes and other public sector debt securities totalling HK\$6,379,969,000 (2002: HK\$5,290,428,000) (Note 33).

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三十、 即期及遞延稅項負債

30. CURRENT AND DEFERRED TAX LIABILITIES

集團	Group	2003	2002
即期稅項(附註(甲))	Current tax (Note (a))	54,530	(9,844)
遞延稅項(附註(乙))	Deferred tax (Note (b))	6,904	20,571
		61,434	10,727

(甲) 即期稅項

(a) Current tax

集團	Group	2003	2002
香港利得稅	Hong Kong profits tax	53,685	(11,029)
海外稅項	Overseas tax	845	1,185
		54,530	(9,844)

(乙) 遞延稅項

(b) Deferred tax

遞延稅項是就暫時差異，根據主要稅率17.5% (2002: 16%) 按負債法計算。

Deferred tax is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2002:16%)

遞延稅項負債/(資產)變動如下：

The movement on the deferred tax liabilities/(assets) account is as follows:

集團	Group	2003	2002
一月一日	At 1st January	20,571	14,596
於損益賬內撥回的遞延稅項 (附註十一)	Deferred taxation credited to profit and loss account (Note 11)	(11,758)	(8,173)
於權益中(撥回)/扣除的稅項(附註卅六)	Taxation (credited)/ charged to equity (Note 36)	(1,909)	14,148
十二月三十一日	At 31st December	6,904	20,571

在年內，於權益中扣除/(撥回)之遞延稅項如下：

The deferred tax charged/(credited) to equity during the year is as follows:

集團	Group	2003	2002
在股東權益內之公平值儲備	Fair value reserve in shareholders' equity		
— 行產(附註卅六)	— premises (Note 36)	1,369	(524)
— 非持作買賣用途的證券(附註卅六)	— non-trading securities (Note 36)	(3,278)	14,672
		(1,909)	14,148

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三十、 即期及遞延稅項負債 (續)

在年內，遞延稅項資產及負債變動(未對銷於同一課稅地域之結餘)如下：

遞延稅項負債：

集團	Group	加速稅務折舊		行產重估		投資重估		合計	
		2003	2002	2003	2002	2003	2002	2003	2002
一月一日	At 1st January	12,460	14,754	48,773	49,297	15,944	1,272	77,177	65,323
於損益賬內撥回	Credited to profit and loss account	(11,370)	(2,294)	-	-	-	-	(11,370)	(2,294)
於權益內支出/(撥回)	Charged/(credited) to equity	-	-	1,369	(524)	(3,278)	14,672	(1,909)	14,148
十二月三十一日	At 31st December	1,090	12,460	50,142	48,773	12,666	15,944	63,898	77,177

遞延稅項資產：

集團	Group	準備		稅務虧損		其他		合計	
		2003	2002	2003	2002	2003	2002	2003	2002
一月一日	At 1st January	49,989	46,033	5,023	5,126	1,594	(432)	56,606	50,727
於損益賬內撥回/(支出)	Credited/(charged) to profit and loss account	4,403	3,956	(5,023)	(103)	1,008	2,026	388	5,879
十二月三十一日	At 31st December	54,392	49,989	-	5,023	2,602	1,594	56,994	56,606

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。以下金額，經合適的對銷後，於綜合資產負債表內列示。

30. CURRENT AND DEFERRED TAX LIABILITIES (Continued)

The movements in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred tax liabilities:

集團	Group	Accelerated tax depreciation		Premises revaluation		Investment revaluation		Total	
		2003	2002	2003	2002	2003	2002	2003	2002
一月一日	At 1st January	12,460	14,754	48,773	49,297	15,944	1,272	77,177	65,323
於損益賬內撥回	Credited to profit and loss account	(11,370)	(2,294)	-	-	-	-	(11,370)	(2,294)
於權益內支出/(撥回)	Charged/(credited) to equity	-	-	1,369	(524)	(3,278)	14,672	(1,909)	14,148
十二月三十一日	At 31st December	1,090	12,460	50,142	48,773	12,666	15,944	63,898	77,177

Deferred tax assets:

集團	Group	Provisions		Tax losses		Others		Total	
		2003	2002	2003	2002	2003	2002	2003	2002
一月一日	At 1st January	49,989	46,033	5,023	5,126	1,594	(432)	56,606	50,727
於損益賬內撥回/(支出)	Credited/(charged) to profit and loss account	4,403	3,956	(5,023)	(103)	1,008	2,026	388	5,879
十二月三十一日	At 31st December	54,392	49,989	-	5,023	2,602	1,594	56,994	56,606

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet.

集團	Group	2003	2002
遞延稅項資產	Deferred tax assets	(56,994)	(56,606)
遞延稅項負債	Deferred tax liabilities	63,898	77,177
		6,904	20,571

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

三十、 即期及遞延稅項負債(續)

資產負債表內包括以下各項：

集團	Group	2003	2002
可收回之遞延稅項資產	Deferred tax assets to be recovered		
– 在未來十二個月內	– Within the next 12 months	–	(5,023)
– 在十二個月之後	– After more than 12 months	(56,994)	(51,583)
應償還之遞延稅項負債	Deferred tax liabilities to be settled		
– 在未來十二個月內	– Within the next 12 months	–	5,023
– 在十二個月之後	– After more than 12 months	63,898	72,154
		6,904	20,571

卅一、 長期負債

有關在一九九九年由一無關連金融機構提供之400,000,000港元信貸，其餘款200,000,000港元已於年內全數償還。

卅二、 已發行的債務證券

於二零零三年十一月十二日，本公司之附屬公司，大新銀行有限公司(「大新銀行」)透過其歐洲市場中期票據計劃，私人配售及發行價值四百萬美元之結構性票據(「票據」)。該票據為無抵押，其成本透過利息掉期後轉為浮息基準。該票據之最後到期日為二零零八年十一月十二日，但當付予票據持有人之累計利息支出到達該票據面值之百分之五後，大新銀行有權贖回。此等可贖回安排的最早行使日期為二零零四年十一月十二日。

30. CURRENT AND DEFERRED TAX LIABILITIES (Continued)

The amounts shown in the balance sheet include the following:

31. LONG-TERM LIABILITY

The amount related to a HK\$400,000,000 loan facility granted by an unrelated financial institution to the Company in 1999. The outstanding balance of HK\$200,000,000 has been fully repaid in the year.

32. ISSUED DEBT SECURITIES

On 12th November 2003, a subsidiary, Dah Sing Bank, Limited (“DSB”), issued a US\$4,000,000 structured note (the “Note”) under its Euro Medium Term Note Program by way of a private placement. The Note is unsecured and through an interest rate swap, the cost of the Note is determined on floating rate basis. The Note has a final maturity date on 12th November 2008 but is callable by DSB when the cumulative interest paid to noteholders reaches 5% of the Note amount. The earliest date on which such callable arrangement may be triggered is 12th November 2004.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅三、 已作抵押之資產

以下為資產負債表項目中由本集團因應銷售及回購協議而沽空國庫債券及其他公營機構債券用作抵押之資產(附註廿九)：

集團	Group	2003	2002
現金及短期資金(附註十五)	Cash and short-term funds (Note 15)	5,328,118	240,189
持作買賣用途的證券(附註十八)	Trading securities (Note 18)	1,857,013	1,843,696
非持作買賣用途的證券(附註廿二)	Non-trading securities (Note 22)	289,384	5,344,741
		<u>7,474,515</u>	<u>7,428,626</u>

卅四、 借貸資本

集團	Group	2003	2002
年息7.5% 於2011 年到期的後償票據	7.5% fixed rate subordinated bonds due 2011	<u>970,388</u>	<u>974,831</u>

由本公司之一間附屬公司，大新銀行有限公司(「大新銀行」)籌集的原本期限在五年以上的借貸資本乃用於發展及開拓其業務。

The loan capital having an original maturity of more than five years is raised by a subsidiary, Dah Sing Bank, Limited ("DSB"), for the development and expansion of its business.

借貸資本是大新銀行於二零零一年三月二十八日發行年息七點五厘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。由發行日至選擇性贖還日，年息為七點五厘，每年付息一次。如票據並未在選擇性贖還日贖回，往後五年的年利息會重訂為當時美元五年國庫債券息率加三百六十九點七五點子。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贖回所有(但非部份)票據。大新銀行亦已與一國際銀行成立利息掉期合約以將票據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債務。

Loan capital represents US\$125,000,000 7.5% subordinated bonds qualifying as Tier 2 capital of DSB issued on 28th March 2001 which are listed on the Luxembourg Stock Exchange. The bonds will mature on 28th March 2011 with an optional redemption date falling on 29th March 2006. Interest at 7.5% is payable annually from the issue date to the optional redemption date. Thereafter, if the bonds are not redeemed, the interest rate will be reset and the bonds will bear interest at the then prevailing 5-year US Treasury rate plus 369.75 basis points. DSB may, subject to the prior approval of the Hong Kong Monetary Authority, redeem the bonds in whole but not in part, at par either on the optional redemption date or for taxation reasons. An interest rate swap contract to swap the fixed interest rate payment liability of the bonds to floating interest rate based on LIBOR has been entered into with an international bank.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅五、 股本

35. SHARE CAPITAL

		2003	2002
法定股本：	Authorised:		
300,000,000 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:		
二零零三年十二月三十一日及	At 31st December 2002 and		
二零零二年十二月三十一日	31st December 2003	246,678,802	493,358

遵照一九九五年五月十七日股東大會通過之行政人員優先認股計劃，五十五項認股權已授予部份集團董事及高級行政人員，以認購5,450,000股每股面值2港元之本公司股份。二零零三年十二月三十一日之認股權結餘詳列如下：

Pursuant to the Executive Share Option Scheme approved by the shareholders on 17th May 1995, 55 options to subscribe for 5,450,000 shares of HK\$2 each of the Company were granted to certain Directors and senior executives of the Group. Particulars of the outstanding options as at 31st December 2003 are as follows:

授予日期	Date of grant	認股權數目		股份數目	
		2003	2002	2003	2002
二零零零年四月三日	3rd April 2000, at a consideration of				
認股權行使價	HK\$26.28 per share	8*	14	443,750	750,000
每股26.28港元					
二零零零年六月十二日	12th June 2000, at a consideration of				
認股權行使價	HK\$30.41 per share	-	3	-	150,000
每股30.41港元					
		8	17	443,750	900,000

* 包括於二零零三年內已部份行使之一認股權。

* including an option which has been partly exercised in 2003.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 儲備

36. RESERVES

二零零三年 集團	2003 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	合計 Total
二零零三年一月一日， 於前呈報	At 1st January 2003, as previously reported	818,860	23,288	304,828	125,178	-	588,930	3,739,323	5,600,407
會計政策變動之影響 (附註一(貳))	Effect of change in accounting policy (Note 1(b))	-	-	(48,773)	(15,944)	-	-	59,324	(5,393)
二零零三年一月一日， 經重列	At 1st January 2003, as restated	818,860	23,288	256,055	109,234	-	588,930	3,798,647	5,595,014
非持作買賣用途的證券 公平值之變動	Change in fair value of non-trading securities	-	-	-	153,247	-	-	-	153,247
轉撥因撥備非持作買賣用途 證券之儲備至損益賬	Reserves transferred to profit and loss account upon provisioning on non-trading securities	-	-	-	26,803	-	-	-	26,803
出售非持作買賣用途的證券	Disposal of non-trading securities	-	-	-	(196,418)	-	-	-	(196,418)
重新分類	Reclassification	-	17,139	(17,139)	-	-	-	-	-
行產重估虧損	Deficit on revaluation of premises	-	-	(1,164)	-	-	-	-	(1,164)
海外附屬公司財務賬目 的匯兌差異	Exchange differences arising from translation of the financial statements of a foreign subsidiary	-	-	-	-	(233)	-	-	(233)
遞延稅項負債於行產及 投資重估內(確認)/ 撥回(附註三十)	Deferred tax liabilities (recognised)/ released on premises and investment revaluation (Note 30)	-	-	(1,369)	3,278	-	-	-	1,909
是年度溢利	Profit for the year	-	-	-	-	-	-	992,611	992,611
二零零二年已派末期股息 (附註十三)	2002 final dividend paid (Note 13)	-	-	-	-	-	-	(148,007)	(148,007)
二零零三年已派中期股息 (附註十三)	2003 interim dividend paid (Note 13)	-	-	-	-	-	-	(128,273)	(128,273)
二零零三年十二月三十一日	At 31st December 2003	818,860	40,427	236,383	96,144	(233)	588,930	4,514,978	6,295,489
表示於：	Representing:								
二零零三年十二月三十一日 保留盈利	Retained earnings at 31st December 2003							4,315,168	
二零零三年擬派末期股息 (附註十三)	2003 final dividend proposed (Note 13)							199,810	
二零零三年十二月三十一日	At 31st December 2003							4,514,978	
公司及附屬公司 共同控制實體	Company and subsidiaries Jointly controlled entities	818,860	40,427	236,383	96,144	(233)	588,930	4,542,993	6,323,504
		-	-	-	-	-	-	(28,015)	(28,015)
二零零三年十二月三十一日	At 31st December 2003	818,860	40,427	236,383	96,144	(233)	588,930	4,514,978	6,295,489

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 儲備 (續)

36. RESERVES (Continued)

二零零二年 集團	2002 Group	股份溢價 Share Premium	資本儲備 Capital Reserve	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	一般儲備 General Reserve	保留盈利 Retained Earnings	合計 Total
二零零二年一月一日， 於前呈報	At 1st January 2002, as previously reported	817,703	5,072	25,165	311,707	(3,912)	588,930	3,179,622	4,924,287
會計政策變動之影響 (附註一(貳))	Effect of change in accounting policy (Note 1(b))	-	-	-	(49,297)	(1,272)	-	35,973	(14,596)
二零零二年一月一日， 經重列	At 1st January 2002, as restated	817,703	5,072	25,165	262,410	(5,184)	588,930	3,215,595	4,909,691
發行股份溢價	Premium on issue of shares	1,157	-	-	-	-	-	-	1,157
非持作買賣用途的 證券公平值之變動	Change in fair value of non-trading securities	-	-	-	-	138,593	-	-	138,593
出售非持作買賣用途 的證券	Disposal of non-trading securities	-	-	-	-	(9,503)	-	-	(9,503)
出售聯營公司	Disposal of associates	-	(5,072)	-	-	-	-	-	(5,072)
轉撥因出售行產之儲備至 保留盈利	Reserves transferred to retained earnings upon disposal of premises	-	-	-	(6,879)	-	-	6,879	-
出售投資物業	Disposal of investment properties	-	-	(1,877)	-	-	-	-	(1,877)
遞延稅項負債於行產及 投資重估內撥回/ (確認) (附註三十)	Deferred tax liabilities released/(recognised) on premises and investment revaluation (Note 30)	-	-	-	524	(14,672)	-	-	(14,148)
是年度溢利	Profit for the year	-	-	-	-	-	-	852,341	852,341
二零零一年已派末期股息	2001 final dividend paid	-	-	-	-	-	-	(147,947)	(147,947)
二零零二年已派中期股息 (附註十三)	2002 interim dividend paid (Note 13)	-	-	-	-	-	-	(128,221)	(128,221)
二零零二年十二月三十一日	At 31st December 2002	818,860	-	23,288	256,055	109,234	588,930	3,798,647	5,595,014
表示於：	Representing:								
二零零二年十二月三十一日 保留盈利	Retained earnings at 31st December 2002							3,650,640	
二零零二年擬派末期股息 (附註十三)	2002 final dividend proposed (Note 13)							148,007	
二零零二年十二月三十一日	At 31st December 2002							3,798,647	
公司及附屬公司	Company and subsidiaries	818,860	-	23,288	256,055	109,234	588,930	3,824,647	5,621,014
共同控制實體	Jointly controlled entities	-	-	-	-	-	-	(26,000)	(26,000)
二零零二年十二月三十一日	At 31st December 2002	818,860	-	23,288	256,055	109,234	588,930	3,798,647	5,595,014

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 儲備 (續)

本集團於二零零三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596,084,000港元(2002: 571,427,000港元)。此保留盈利數額現時未能作派發用途。

上述之資本儲備乃聯營公司行產重估儲備和投資重估儲備之總和，而一般儲備乃從往年之保留盈利中轉撥而成。

36. RESERVES (Continued)

Included in retained earnings of the Group at 31st December 2003 is the value of long-term life assurance business in force totalling HK\$596,084,000 (2002: HK\$571,427,000) which is currently not available for distribution.

The above capital reserve was created by aggregating the premises revaluation reserve and investment revaluation reserve booked in associates and the general reserve is transferred from retained earnings in previous years.

二零零三年 公司	2003 Company	股份溢價 Share Premium	資本儲備 Capital Reserve	保留盈利 Retained Earnings	合計 Total
二零零三年一月一日	At 1st January 2003	818,860	256,027	762,916	1,837,803
是年度溢利(附註十二)	Profit for the year (Note 12)	-	-	549,935	549,935
二零零二年已派末期股息 (附註十三)	2002 final dividend paid (Note 13)	-	-	(148,007)	(148,007)
二零零三年已派中期股息 (附註十三)	2003 interim dividend paid (Note 13)	-	-	(128,273)	(128,273)
二零零三年十二月三十一日	At 31st December 2003	818,860	256,027	1,036,571	2,111,458
表示於：	Representing:				
二零零三年十二月三十一日 保留盈利	Retained earnings at 31st December 2003			836,761	
二零零三年擬派末期股息 (附註十三)	2003 final dividend proposed (Note 13)			199,810	
二零零三年十二月三十一日	At 31st December 2003			1,036,571	

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 儲備(續)

36. RESERVES (Continued)

二零零二年 公司	2002 Company	股份溢價 Share Premium	資本儲備 Capital Reserve	保留盈利 Retained Earnings	合計 Total
二零零二年一月一日	At 1st January 2002	817,703	256,027	595,736	1,669,466
發行股份溢價	Premium on issue of shares	1,157	–	–	1,157
是年度溢利(附註十二)	Profit for the year (Note 12)	–	–	443,348	443,348
二零零一年已派末期股息	2001 final dividend paid	–	–	(147,947)	(147,947)
二零零二年已派中期股息 (附註十三)	2002 interim dividend paid (Note 13)	–	–	(128,221)	(128,221)
二零零二年十二月三十一日	At 31st December 2002	818,860	256,027	762,916	1,837,803
表示於：	Representing:				
二零零二年十二月三十一日 保留盈利	Retained earnings at 31st December 2002			614,909	
二零零二年擬派末期股息 (附註十三)	2002 final dividend proposed (Note 13)			148,007	
二零零二年十二月三十一日	At 31st December 2002			762,916	

按照公司條例第79B條計算，本公司於二零零三年十二月三十一日之可供派發儲備為1,036,571,000港元(2002：762,916,000港元)。

Distributable reserves of the Company at 31st December 2003, calculated under section 79B of the Companies Ordinance, amounted to HK\$1,036,571,000 (2002: HK\$762,916,000).

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港元儲備已於綜合賬內與商譽對沖。

By a special resolution passed on 1st December 1993 and subsequently approved by the Supreme Court of Hong Kong on 20th 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.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、 到期情況

37. MATURITY PROFILE

二零零三年 集團	2003 Group	即時還款	三個月或以下	一年或以下， 但超過三個月	五年或以下， 但超過一年	五年以後	無註明日期 Undated	合計 Total
		Repayable on demand	3 months or less	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years		
資產		Assets						
國庫債券	Treasury bills	-	1,004,442	4,386,489	-	-	-	5,390,931
持有的存款證	Certificates of deposit held	-	-	204,400	-	-	-	204,400
各項客戶貸款	Advances to customers	4,408,115	4,322,946	2,686,600	6,667,165	9,404,010	438,528	27,927,364
債務證券包括：	Debt securities included in:							
– 持作買賣用途的證券*	– Trading securities*	-	343,300	150,256	2,152,593	164,973	-	2,811,122
– 持至到期證券*	– Held-to-maturity securities*	-	48,063	113,565	230,570	-	-	392,198
– 非持作買賣用途的證券*	– Non-trading securities*	-	660,807	1,614,012	8,490,250	5,947,758	4,078	16,716,905
		4,408,115	6,379,558	9,155,322	17,540,578	15,516,741	442,606	53,442,920
負債		Liabilities						
銀行及其他金融機構存款 及結餘	Deposits and balances of banks and other financial institutions	141,844	16,778	3,350	-	-	-	161,972
客戶存款	Deposits from customers	10,855,604	27,358,766	1,447,893	337,600	-	-	39,999,863
已發行的存款證	Certificates of deposit issued	-	-	1,384,424	6,483,655	-	-	7,868,079
已發行的債務證券	Issued debt securities	-	-	31,052	-	-	-	31,052
		10,997,448	27,375,544	2,866,719	6,821,255	-	-	48,060,966

* 於二零零三年十二月三十一日，剩餘期限超過一年的債務證券的其中21%(2002: 19%)屬浮息資產並包括可調整利率的債務證券。

* As at 31st December 2003, 21% (2002: 19%) of the debt securities with a remaining term to maturity of over 1 year were floating rate assets which included adjustable rate debt securities.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、到期情況(續)

37. MATURITY PROFILE (Continued)

二零零二年 集團	2002 Group	即時還款	三個月或以下	一年或以下， 但超過三個月	五年或以下， 但超過一年	五年以後	無註明日期 Undated	合計 Total
		Repayable on demand	3 months or less	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years		
資產		Assets						
國庫債券	Treasury bills	-	635,961	4,959,749	-	-	-	5,595,710
持有的存款證	Certificates of deposit held	-	-	355,137	100,000	-	-	455,137
各項客戶貸款	Advances to customers	5,047,889	3,623,145	2,515,913	6,774,549	9,661,961	515,450	28,138,907
債務證券包括：		Debt securities included in:						
- 持作買賣用途的證券	- Trading securities	-	50,700	487,243	1,908,339	108,593	-	2,554,875
- 持至到期證券	- Held-to-maturity securities	-	-	-	78,049	-	-	78,049
- 非持作買賣用途的證券	- Non-trading securities	-	1,353,723	1,811,318	9,193,657	3,494,831	4,077	15,857,606
		<u>5,047,889</u>	<u>5,663,529</u>	<u>10,129,360</u>	<u>18,054,594</u>	<u>13,265,385</u>	<u>519,527</u>	<u>52,680,284</u>
負債		Liabilities						
銀行及其他金融機構存款 及結餘	Deposits and balances of banks and other financial institutions	54,166	8,257	-	-	-	-	62,423
客戶存款	Deposits from customers	7,979,826	27,031,368	2,048,516	226,710	-	-	37,286,420
已發行的存款證	Certificates of deposit issued	-	366,980	3,000,770	3,520,477	-	-	6,888,227
		<u>8,033,992</u>	<u>27,406,605</u>	<u>5,049,286</u>	<u>3,747,187</u>	<u>-</u>	<u>-</u>	<u>44,237,070</u>

卅八、集團公司之結餘

資產負債表內賬目包括與本公司之一附屬公司之結餘詳列如下：

38. BALANCES WITH GROUP COMPANY

Included in the following balance sheet caption are balances with a subsidiary of the Company detailed as follows:

公司	Company	2003	2002
銀行結餘	Bank balances	<u>30,893</u>	<u>5,832</u>
銀行貸款	Bank loan	-	18,000
預提費用及其他賬目	Accrued expenses and other accounts	-	9
		<u>-</u>	<u>18,009</u>

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅九、高級人員貸款

遵照香港公司條例第 161B(4C)條，貸款予高級人員之細節披露如下：

39. LOANS TO OFFICERS

Particulars of loans to officers disclosed pursuant to section 161B(4C) 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 31st December		Maximum balance during the year			
	2003	2002	2003	2002		
本金及利息結餘總額	Aggregate amount outstanding in respect of principal and interest		88,360	114,704	102,967	164,161

四十、資產負債表外之項目

(甲) 或然負債及承擔

各項重大或然負債及承擔之合約額分類如下：

40. OFF-BALANCE SHEET EXPOSURES

(a) Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment:

集團	Group	2003	2002
直接信貸代替品	Direct credit substitutes	312,580	146,004
與交易相關之或然項目	Transaction related contingencies	15,051	40,018
與貿易相關之或然項目	Trade-related contingencies	802,388	732,334
其他承擔，其原定期限為：	Other commitments with an original maturity of:		
— 少於一年或可無條件取消	— under 1 year or which are unconditionally cancellable	19,529,291	18,220,680
— 一年及以上	— 1 year and over	895,261	899,695
		21,554,571	20,038,731

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十、資產負債表外之項目 (續)

(乙) 衍生工具

各項重大衍生工具之名義合約額分類如下：

40. OFF-BALANCE SHEET EXPOSURES (Continued)

(b) Derivatives

The following is a summary of the aggregate notional contract amounts of each significant type of derivatives:

集團	Group	買賣交易		對沖交易		合計	
		Trading		Hedging		Total	
		2003	2002	2003	2002	2003	2002
匯率合約	Exchange rate contracts						
遠期及期貨合約	Forward and future contracts	1,902,840	1,825,076	27,485,672	27,655,528	29,388,512	29,480,604
貨幣掉期	Currency swaps	-	-	-	38,993	-	38,993
外匯期權合約	Foreign exchange option contracts						
- 購入貨幣期權	- Currency options purchased	255,143	301,073	-	-	255,143	301,073
- 沽出貨幣期權	- Currency options written	254,890	300,662	-	-	254,890	300,662
		2,412,873	2,426,811	27,485,672	27,694,521	29,898,545	30,121,332
利率合約	Interest rate contracts						
遠期及期貨合約	Forward and futures contracts	1,141,550	292,703	-	-	1,141,550	292,703
利率掉期	Interest rate swaps	213,122	-	8,489,383	6,962,073	8,702,505	6,962,073
利率期權合約	Interest rate option contracts						
- 沽出期權	- Options written	261,616	8,164	1,859,263	1,875,575	2,120,879	1,883,739
		1,616,288	300,867	10,348,646	8,837,648	11,964,934	9,138,515
其他合約	Other contracts						
權益性期權合約	Equity option contracts						
- 購入期權	- Options purchased	199,535	270,676	-	-	199,535	270,676
- 沽出期權	- Options written	199,535	270,676	-	-	199,535	270,676
		399,070	541,352	-	-	399,070	541,352

買賣交易包括為執行客戶買賣指令或對沖此等持倉交易而持有的金融工具盤。

The trading transactions include positions arising from the execution of trade orders from customers or transactions taken to hedge these positions.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十、 資產負債表外之項目 (續)

(乙) 衍生工具 (續)

於十二月三十一日，上述資產負債表外之項目之信貸風險加權數額及重置成本，未經計入本集團訂立之雙邊淨額結算安排如下：

40. OFF-BALANCE SHEET EXPOSURES (Continued)

(b) Derivatives (Continued)

As at 31st December, the credit risk weighted amounts and replacement costs of the above off-balance sheet exposures, without taking into account the effect of bilateral netting arrangements that the Group entered into, are as follows:

集團	Group	2003		2002	
		信貸風險 加權數額 Credit risk weighted amount	重置成本 Replacement Cost	信貸風險 加權數額 Credit risk weighted amount	重置成本 Replacement cost
或然負債及承擔	Contingent liabilities and commitments	780,114		728,484	
衍生工具	Derivatives				
匯率合約	Exchange rate contracts	152,771	462,356	114,092	263,728
利率合約	Interest rate contracts	103,874	427,738	64,536	249,582
其他合約	Other contracts	2,394	1,823	541	2,140
		259,039	891,917	179,169	515,450
		1,039,153		907,653	

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 which have been calculated in accordance with the Third Schedule of the Banking Ordinance and guidelines issued by the Hong Kong Monetary Authority. The amounts calculated are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

重置成本乃指取替所有按市值估價，其價值為正數的合約成本（若交易對手不履行其義務時），並以價值為正數的合約按市值計算。重置成本亦被視為於結算日接近該等合約數額的信貸風險約數。

Replacement cost is the cost of replacing all contracts which have a positive value when marked to market (should the counterparty default on its obligations) and is obtained by marking to market contracts with a positive value. Replacement cost is considered to be a close approximation of the credit risk for these contracts at the balance sheet date.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十、 資產負債表外之項目 (續)

(丙) 作買賣用途的衍生工具的公平值之釐定

作買賣用途的衍生工具的公平值乃根據該工具在有相關知識及願意的交易對手之間以公平基礎而能夠交換或結算得到的金額而釐定。當可以從市場取得報價或觀察到價格時，便會使用此等價格用作釐定公平值。當未能取得此等價格時，公平值就以一系列方法及因應各種不同的金融工具風險特質、貼現率、未來現金流量之估計、未來預期損失之經驗及其他因素作有關之假設來估計。假設之改變可以高度影響公平值之估值。

40. OFF-BALANCE SHEET EXPOSURES (Continued)

(c) Determination of fair value of trading derivatives

The fair value of a derivative is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Where available, quoted and observable market prices are used as the measure of fair value. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors. Changes in the assumptions could materially affect the resulting fair value estimates.

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、綜合現金流量結算表附註

41. NOTES TO CONSOLIDATED CASH FLOW STATEMENT

(甲) 扣除準備後之營運溢利與經營業務現金流入/(流出)淨額對賬表

(a) Reconciliation of operating profit after provisions to net cash inflow/(outflow) from operating activities

	2003	2002
扣除準備後之營運溢利	1,023,345	883,421
壞賬及呆賬準備	534,698	704,138
減除收回後之貸款撇除淨額	(562,565)	(775,522)
折舊	63,009	66,962
已發行借貸資本及債務證券之利息支出	29,476	38,660
已發行的存款證利息支出	112,574	150,236
營運資產及負債於變動前之營運溢利	1,200,537	1,067,895
三個月以上到期的國庫債券之變動	1,347,422	(3,085,303)
貿易票據之變動	(162,730)	(41,212)
持有的存款證之變動	250,737	69,629
持作買賣用途的證券之變動	(309,362)	523,786
各項客戶貸款及其他賬目之變動	244,147	870,927
持至到期證券之變動	(314,508)	(3,066,517)
非持作買賣用途的證券之變動	(1,125,258)	(1,868,212)
聯營公司結餘之變動	-	(4,998)
共同控制實體應收貸款之變動	-	(4,000)
股東應佔長期人壽保險業務價值之變動	(86,315)	(68,984)
三個月以上到期的銀行及其他金融機構存款及結餘之變動	565	1,742
客戶存款之變動	2,713,443	4,255,695
其他賬目及預提之變動	(879,314)	(33,071)
匯兌調整	(11,551)	407
由經營業務產生/(耗用)的現金	2,867,813	(1,382,216)
借貸資本及已發行的債務證券之利息付出	(30,837)	(40,886)
已發行的存款證利息付出	(122,042)	(146,163)
已繳香港利得稅	(15,525)	(37,221)
已繳海外稅款	(1,346)	(342)
經營業務現金流入/(流出)淨額	2,698,063	(1,606,828)

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、綜合現金流量結算表附註(續)

(乙) 年內融資變動分析

41. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Analysis of changes in financing during the year

		少數 股東權益 Minority Interests	借貸資本 Loan Capital	已發行 債務證券 Debt Securities issued	長期負債 (包括一年內 應償還額) Long-term Liability (including current portion)	已發行的 存款證 Certificates of Deposit issued
二零零三年一月一日	At 1st January 2003	48,882	974,831	–	200,000	6,888,227
融資現金流入/ (流出)淨額	Net cash inflow/(outflow) from financing	–	–	31,052	(200,000)	987,008
少數股東應佔溢利	Minority interests' share of profits	7,996	–	–	–	–
少數股東應佔匯兌儲備	Minority interests' share of exchange reserve	(75)	–	–	–	–
支付予附屬公司 少數股東的股息	Dividend paid to minority shareholder of a subsidiary	(1,838)	–	–	–	–
匯率變動之影響	Effect of foreign exchange rate changes	–	(4,443)	–	–	(7,156)
二零零三年十二月三十一日	At 31st December 2003	54,965	970,388	31,052	–	7,868,079
		股本(包括溢價) Share Capital (including premium)	少數股東 權益 Minority Interests	借貸資本 Loan Capital	長期負債 Long-term Liability	已發行的 存款證 Certificates of Deposit issued
二零零二年一月一日	At 1st January 2002	1,310,861	78,312	974,719	430,000	5,652,190
融資現金流入/ (流出)淨額	Net cash inflow/(outflow) from financing	1,357	(14,700)	–	(230,000)	1,235,742
少數股東應佔溢利	Minority interests' share of profits	–	3,167	–	–	–
購入附屬公司	Purchase of a subsidiary	–	(17,897)	–	–	–
匯率變動之影響	Effect of foreign exchange rate changes	–	–	112	–	295
二零零二年十二月三十一日	At 31st December 2002	1,312,218	48,882	974,831	200,000	6,888,227

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、綜合現金流量結算表附註(續)

(丙) 現金及等同現金項目結餘之分析

	2003	2002
現金及在銀行及其他 金融機構的結餘	595,975	597,334
通知及短期存款	4,998,509	2,864,060
原本期限為三個月以內的國庫債券	1,391,323	248,680
原本期限為三個月以 內的銀行及其他 金融機構存款及結餘	(158,378)	(59,394)
	6,827,429	3,650,680

四十二、資本及租約承擔

(甲) 資本承擔

於十二月三十一日在賬目內仍未撥準備之資本承擔如下：

集團	Group	2003	2002
已簽約但未撥準備	Contracted but not provided for	21,393	21,441
已批准但未簽約	Authorised but not contracted for	1,437	892
		22,830	22,333

於二零零三年十二月三十一日本公司並無任何資本承擔(二零零二年：無)。

41. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(c) Analysis of the balances of cash and cash equivalents

	2003	2002
Cash and balances with banks and other financial institutions	595,975	597,334
Money at call and short notice	4,998,509	2,864,060
Treasury bills with original maturity within three months	1,391,323	248,680
Deposits and balances of banks and other financial institutions with original maturity within three months	(158,378)	(59,394)
	6,827,429	3,650,680

42. CAPITAL AND LEASE COMMITMENTS

(a) Capital commitments

Capital commitments outstanding as at 31st December not provided for in the accounts were as follows:

	2003	2002
Contracted but not provided for	21,393	21,441
Authorised but not contracted for	1,437	892
	22,830	22,333

At 31st December 2003, the Company had no capital commitments (2002: Nil).

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十二、資本及租約承擔 (續)

(乙) 租約承擔

本集團為承租人

本集團於十二月三十一日的不可取消經營租約，而於未來支付之最低租約付款總額如下：

集團	Group	2003	2002
土地樓房	Land and buildings		
— 一年以內	– Not later than one year	33,453	47,510
— 一年以後至五年	– Later than one year and not later than five years	81,378	16,862
— 五年以後	– Later than five years	13,451	546
		128,282	64,918

本集團為出租人

本集團於十二月三十一日與租客已簽訂合約的未來最低應收租金如下：

集團	Group	2003	2002
土地樓房	Land and buildings		
— 一年以內	– Not later than one year	10,072	15,948
— 一年以後至五年	– Later than one year and not later than five years	7,259	13,656
		17,331	29,604

於二零零三年十二月三十一日本公司並無任何租約承擔 (2002: 無)。

At 31st December 2003, the Company had no lease commitments (2002: Nil).

賬目附註 Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十三、分項資料

分項資料乃顯示本集團之分項業務情況：

43. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business segments:

個人銀行	2003	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	總計 Total
利息收入	Interest income from							
– 外界客戶	– external customers	950,603	578,781	819,834	6,433	5,706	–	2,361,357
– 跨項目	– inter-segments	319,523	–	–	–	–	(319,523)	–
利息支出	Interest expense to							
– 外界客戶	– external customers	(358,210)	(75,071)	(230,220)	–	(11,068)	–	(674,569)
– 跨項目	– inter-segments	–	(26,505)	(283,802)	–	(9,216)	319,523	–
淨利息收入/(支出)	Net interest income/(expense)	911,916	477,205	305,812	6,433	(14,578)	–	1,686,788
其他營運收入	Other operating income	329,174	93,499	83,199	123,387	35,575	–	664,834
營運收入	Operating income	1,241,090	570,704	389,011	129,820	20,997	–	2,351,622
營運支出	Operating expenses	(552,103)	(118,967)	(69,316)	(4,279)	(48,914)	–	(793,579)
扣除準備前之營運 溢利/(虧損)	Operating profit/(loss) before provisions	688,987	451,737	319,695	125,541	(27,917)	–	1,558,043
壞賬及呆賬準備 (支出)/撥回	(Charge)/write back of provisions for bad and doubtful debts	(456,934)	(79,881)	879	56	1,182	–	(534,698)
扣除準備後之營運 溢利/(虧損)	Operating profit/(loss) after provisions	232,053	371,856	320,574	125,597	(26,735)	–	1,023,345
出售固定資產及固定資產重估 減值淨虧損	Net loss on disposal and deficit on revaluation of fixed assets	–	–	–	–	(67,564)	–	(67,564)
出售非持作買賣用途及持至到期 及的證券淨收益	Net gain on disposal of non-trading and held-to-maturity securities	–	–	195,918	–	500	–	196,418
非持作買賣用途的證券 準備調撥	Provisions on non-trading securities	–	–	(25,877)	–	(926)	–	(26,803)
應佔共同控制實體淨虧損	Share of net losses of jointly controlled entities	–	–	–	–	(2,015)	–	(2,015)
除稅前溢利/(虧損)	Profit/(loss) before taxation	232,053	371,856	490,615	125,597	(96,740)	–	1,123,381
資產合計	Total assets	19,185,987	13,126,303	31,454,300	1,622,923	1,350,784	(2,984,563)	63,755,734
負債合計	Total liabilities	31,336,320	7,911,489	18,369,349	601,926	707,013	(2,984,563)	55,941,534
本年度折舊	Depreciation for the year	31,257	1,754	862	–	29,136	–	63,009
本年內資本支出	Capital expenditure incurred during the year	7,232	143	230	–	15,802	–	23,407

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十三、分項資料(續)

43. SEGMENTAL INFORMATION (Continued)

二零零二年(經重列)*	2002 (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	總計 Total
利息收入	Interest income from							
– 外界客戶	– external customers	1,136,375	684,786	734,970	6,044	7,124	–	2,569,299
– 跨項目	– inter-segments	253,562	–	–	–	32,203	(285,765)	–
利息支出	Interest expense to							
– 外界客戶	– external customers	(391,054)	(100,250)	(237,322)	–	(12,126)	–	(740,752)
– 跨項目	– inter-segments	–	(92,593)	(193,172)	–	–	285,765	–
淨利息收入	Net interest income	998,883	491,943	304,476	6,044	27,201	–	1,828,547
其他營運收入	Other operating income	325,880	68,419	129,343	78,984	37,497	–	640,123
營運收入	Operating income	1,324,763	560,362	433,819	85,028	64,698	–	2,468,670
營運支出	Operating expenses	(606,153)	(124,074)	(72,709)	(3,932)	(74,243)	–	(881,111)
扣除準備前之營運 溢利/(虧損)	Operating profit/(loss) before provisions	718,610	436,288	361,110	81,096	(9,545)	–	1,587,559
壞賬及呆賬準備 (支出)/撥回	(Charge)/write back of provisions for bad and doubtful debts	(608,280)	(100,724)	712	(17)	4,171	–	(704,138)
扣除準備後之營運 溢利/(虧損)	Operating profit/(loss) after provisions	110,330	335,564	361,822	81,079	(5,374)	–	883,421
出售固定資產及固定資產重估 減值淨虧損	Net loss on disposal and deficit on revaluation of fixed assets	(1,263)	–	–	–	(35,841)	–	(37,104)
出售聯營公司淨收益	Net gain on disposal of associates	–	–	–	–	1,613	–	1,613
出售非持作買賣用途及持至到期 及的證券淨收益/ (虧損)	Net gain/ (loss) on disposal of non-trading and held-to-maturity securities	–	–	83,164	–	(734)	–	82,430
應佔共同控制實體淨虧損	Share of net losses of jointly controlled entities	–	–	–	–	(6,000)	–	(6,000)
除稅前溢利/(虧損)	Profit/(loss) before taxation	109,067	335,564	444,986	81,079	(46,336)	–	924,360
資產合計	Total assets	19,002,688	13,177,715	28,546,708	1,358,581	981,678	(2,938,237)	60,129,133
負債合計	Total liabilities	28,410,597	7,341,694	16,976,592	453,166	2,773,236	(2,938,237)	53,017,048
本年度折舊	Depreciation for the year	33,692	1,803	1,297	–	30,170	–	66,962
本年內資本支出	Capital expenditure incurred during the year	37,406	1,340	330	–	6,737	–	45,813

* 重列反映會計政策改變後之調整(附註一(貳))

* Restated to take account of the effect of change in accounting policy (Note 1(b))

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十三、 分項資料(續)

個人銀行業務包括接受個別客戶存款，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、貿易融資及應收賬貼現融資，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。

財務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。

保險業務包括集團人壽保險與綜合保險業務。透過集團全資附屬機構提供廣泛人壽保險產品服務。集團透過持有與Aviva合資的實體百分之五十一股權在港經營綜合保險業務。

未分類業務包括未可直接歸類任何現有業務部門之營運結果與集團投資(包括物業在內)。

本集團超過九成之資產及收入，皆源自香港的業務決策及營運，故並無區域分佈資料提供。

43. SEGMENTAL INFORMATION (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 and receivable 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 wholly owned life assurance subsidiary, 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 with Aviva operating in Hong Kong.

Unallocated items include results of operations and corporate investments (including properties) not directly identified under other business divisions.

No geographical reporting is provided as over 90% of the Group's revenues and assets are originated from business decisions and operations based in Hong Kong.

賬目附註

Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十四、有關連人士之交易

在正常業務中曾與有關連人士進行的銀行業務交易。

提供信用及接受存款服務

本集團曾向本公司股東或董事所控制或具有重大影響力的公司提供信貸融資。截至二零零三年十二月三十一日，向該等公司提供之貸款總額為35,000,000港元（2002：36,271,000港元）。年內平均貸款額為35,225,000港元（2002：35,919,000港元）。

本集團亦持有一主要股東之附屬公司所發行的若干債務證券。截至二零零三年十二月三十一日，持有的總額為77,631,000港元（2002：245,899,000港元），已包括在資產負債表之「非持作買賣用途的證券」內。

本集團亦有從由董事及受董事所控制或具有重大影響力之公司接納存款。截至二零零三年十二月三十一日，從該等公司收取的存款總額為135,196,000港元（2002：114,081,000港元）。年內平均存款額為158,085,000港元（2002：150,736,000港元）。

四十五、賬目通過

本賬目已於二零零四年三月二日經董事會通過。

44. RELATED PARTY TRANSACTIONS

A number of banking transactions were entered into with related parties in the normal course of business.

Extension of credit facilities and deposit taking

The Group has provided credit facilities to companies controlled or significantly influenced by the shareholders or Directors of the Company. As at 31st December 2003, the total amount of loans provided to these companies was HK\$35,000,000 (2002: HK\$36,271,000) and the average amount provided during the year was HK\$35,225,000 (2002: HK\$35,919,000).

The Group also holds certain debt securities issued by a subsidiary of a substantial shareholder. As at 31st December 2003, the total amount held was HK\$77,631,000 (2002: HK\$245,899,000) and was included in "Non-trading securities" in the balance sheet.

Deposits were also taken by the Group from Directors and companies controlled or significantly influenced by Directors of the Group. The total amount of deposits received from these companies as at 31st December 2003 was HK\$135,196,000 (2002: HK\$114,081,000) and the average amount of deposits during the year was HK\$158,085,000 (2002: HK\$150,736,000).

45. APPROVAL OF ACCOUNTS

The accounts were approved by the Board of Directors on 2nd March 2004.