



大新銀行集團有限公司

DahSingBankingGroupLimited

(大新銀行及豐明銀行之控股公司)

(The holding company of Dah Sing Bank and MEVAS Bank)

二零零四年度中期業績報告
INTERIM REPORT 2004

大新銀行集團有限公司(「本公司」)董事會欣然宣佈本公司及其附屬公司(「本集團」)截至二零零四年六月三十日止六個月未經審核之簡明中期業績報告。

The Directors of Dah Sing Banking Group Limited (the “Company”) are pleased to present the Interim Report and condensed accounts of the Company and its subsidiaries (the “Group”) for the six months ended 30th June 2004.

截至二零零四年六月三十日止六個月未經審核之股東應佔溢利為五億三千八百九十萬港元。

The unaudited profit attributable to shareholders was HK\$538.9 million for the six months ended 30th June 2004.

未經審核之中期業績報告

此等未經審核之簡明中期財務報表乃按照香港會計師公會所發出會計實務準則第二十五號之「中期財務報告」和根據下列附註一而編製。

UNAUDITED INTERIM FINANCIAL STATEMENTS

These unaudited consolidated condensed interim financial statements are prepared in accordance with Statement of Standard Accounting Practice No. 25 “Interim financial reporting” issued by the Hong Kong Society of Accountants, and on the bases set out in Note 1 below.

未經審核之綜合損益結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the six months ended 30th June

		附註 Note	2004 HK\$'000	2003 HK\$'000	變動 Variance %
利息收入	Interest income		1,151,780	1,218,708	
利息支出	Interest expense		(285,529)	(374,851)	
淨利息收入	Net interest income		866,251	843,857	2.7
其他營運收入	Other operating income	2	293,984	253,910	15.8
營運收入	Operating income		1,160,235	1,097,767	5.7
營運支出	Operating expenses	3	(399,185)	(375,144)	6.4
扣除準備前之營運溢利	Operating profit before provisions		761,050	722,623	5.3
壞賬及呆賬準備調撥	Charge for bad and doubtful debts	4			
— 持續經營業務	— Continuing operations		(143,632)	(322,842)	-55.5
— 終止經營業務	— Discontinuing operation		(9)	(14)	
扣除準備後之營運溢利	Operating profit after provisions		617,409	399,767	54.4
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	5	(514)	(69,869)	
出售非持作買賣用途的 證券淨收益	Net gain on disposal of non-trading securities		35,212	163,187	
一般業務溢利	Profit on ordinary activities		652,107	493,085	32.3
應佔共同控制實體 之業績	Share of results of jointly controlled entities		4,139	(2,100)	
終止經營業務 之其他淨貢獻	Net other contribution from discontinuing operation	1	276	289	
重組費用	Reorganisation costs	6	(10,849)	—	
除稅前溢利	Profit before taxation		645,673	491,274	31.4
稅項	Taxation	7			
— 持續經營業務	— Continuing operations		(105,318)	(77,520)	
— 終止經營業務	— Discontinuing operation		(47)	(221)	
除稅後溢利	Profit after taxation		540,308	413,533	30.7
少數股東權益	Minority interests		(1,407)	(2,797)	
股東應佔溢利	Profit attributable to shareholders		538,901	410,736	31.2
股息	Dividend				
中期股息	Interim dividend		211,561	N/A	
每股盈利	Earnings per share				
基本	Basic	8	HK\$0.66	HK\$0.51	
每股股息	Dividend per share				
中期股息	Interim dividend		HK\$0.23	N/A	

未經審核之綜合資產負債表

UNAUDITED CONSOLIDATED BALANCE SHEET

			二零零四年 六月三十日	二零零三年 十二月三十一日
			As at 30th June 2004	As at 31st Dec. 2003
		附註 Note	HK\$'000	HK\$'000
資產	ASSETS			
現金及短期資金	Cash and short-term funds	9	12,176,408	10,983,523
貿易票據	Trade bills	10	765,021	737,548
持有的存款證	Certificates of deposit held	18	200,558	204,400
持作買賣用途的證券	Trading securities	11	1,786,477	2,789,214
各項客戶貸款 及其他賬目	Advances to customers and other accounts	14	32,950,678	29,049,518
持至到期證券	Held-to-maturity securities	12	594,035	392,198
非持作買賣用途的證券	Non-trading securities	13	17,853,983	17,091,136
共同控制實體投資	Investments in jointly controlled entities		27,124	22,985
固定資產	Fixed assets		874,386	893,750
資產合計	Total assets		<u>67,228,670</u>	<u>62,164,272</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	18	262,101	161,972
客戶存款	Deposits from customers	16,18	40,970,365	40,152,196
已發行的存款證	Certificates of deposit issued	18	9,066,194	7,868,079
已發行的債務證券	Issued debt securities	18	31,199	31,052
即期及遞延稅項負債	Current and deferred tax liabilities		135,458	61,307
其他賬目及預提	Other accounts and accruals		8,759,051	7,219,689
負債合計	Total liabilities		<u>59,224,368</u>	<u>55,494,295</u>
資本來源	CAPITAL RESOURCES			
借貸資本	Loan capital		974,963	970,388
少數股東權益	Minority interests		18,768	19,120
股本	Share capital		910,000	809,900
儲備	Reserves		5,889,010	4,670,569
擬派股息	Proposed dividend		211,561	200,000
股東資金	Shareholders' funds	17	7,010,571	5,680,469
資本來源合計	Total capital resources		<u>8,004,302</u>	<u>6,669,977</u>
負債及 資本來源合計	Total liabilities and capital resources		<u>67,228,670</u>	<u>62,164,272</u>

未經審核之綜合現金流量結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
For the six months ended 30th June

		附註 Note	2004 HK\$'000	2003 HK\$'000
經營業務	OPERATING ACTIVITIES			
由經營業務產生的現金	Cash generated from operations	19	1,006,247	5,495,282
支付借貸資本及 已發行的債務證券利息	Interest paid on loan capital and debt securities issued		(7,384)	(16,514)
支付已發行的 存款證利息	Interest paid on certificates of deposit issued		(62,510)	(63,798)
已繳香港利得稅款	Hong Kong profits tax paid		(16,403)	—
經營業務現金流入淨額	Net cash inflow from operating activities		919,950	5,414,970
投資業務	INVESTING ACTIVITIES			
購置固定資產	Purchase of fixed assets		(13,626)	(9,688)
出售固定資產所得款項	Proceeds from disposal of fixed assets		1,737	52
已付重組費用	Reorganisation costs paid		(4,896)	—
出售附屬公司	Disposal of a subsidiary		(1,284)	—
投資業務現金流出淨額	Net cash outflow from investing activities		(18,069)	(9,636)
融資前現金流入淨額	Net cash inflow before financing		901,881	5,405,334
融資	FINANCING			
發行存款證	Certificates of deposit issued		1,199,290	1,731,050
贖回存款證	Certificates of deposit redeemed		(7,903)	(1,197,976)
發行普通股	Issue of ordinary shares		1,230,199	—
向附屬公司少數股東 派發股息	Dividend paid to minority shareholder of a subsidiary		(1,838)	—
派發普通股股息	Dividends paid on ordinary shares		(205,662)	(240,000)
融資現金流入淨額	Net cash inflow from financing		2,214,086	293,074
現金及等同現金項目增加	Increase in cash and cash equivalents		3,115,967	5,698,408
期初現金及 等同現金項目	Cash and cash equivalents at beginning of the period		6,825,537	3,604,564
期末現金及 等同現金項目	Cash and cash equivalents at end of the period		9,941,504	9,302,972
現金及等同現金項目 結餘之分析：	Analysis of the balance of cash and cash equivalents:			
現金及在銀行及 其他金融機構的結餘	Cash and balances with banks and other financial institutions		1,387,862	3,876,643
通知及短期存款	Money at call and short notice		5,040,894	2,509,149
原本期限為三個月以內 的國庫債券	Treasury bills with original maturity within three months		3,768,871	1,284,076
原本期限為三個月以內 在銀行及其他 金融機構的存款	Placements with banks and other financial institutions with original maturity within three months		—	1,713,000
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	Deposits and balances of banks and other financial institutions with original maturity within three months		(256,123)	(79,896)
			9,941,504	9,302,972

未經審核之綜合權益變動報表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY

For the six months ended 30th June

	附註 Note	2004 HK\$'000	2003 HK\$'000
於一月一日之權益合計	Total equity as at 1st January	5,680,469	5,378,087
非持作買賣用途的證券的公平值變動	Change in fair value of non-trading securities	(211,230)	174,174
遞延稅項負債於行產及投資重估內解除	Deferred tax liabilities released on premises and investment revaluation	14,031	845
行產減值重估	Deficit on revaluation of bank premises	—	(29,724)
投資物業減值重估	Deficit on revaluation of investment properties	—	(5,676)
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	248	—
未於損益賬確認之淨(虧損)/收益	Net (losses)/gains not recognised in the profit and loss account	(196,951)	139,619
股東應佔溢利	Profit attributable to shareholders	538,901	410,736
發行普通股	Issue of ordinary shares	1,230,199	—
派發普通股股息	Dividends paid on ordinary shares	(205,662)	(240,000)
轉撥因出售非持作買賣用途的證券之儲備至損益賬	Reserves transferred to profit and loss account upon disposal of non-trading securities	(35,212)	(163,187)
因重組而出售附屬公司所產生之儲備	Reserves pertaining to a subsidiary disposed of as part of Reorganisation	1 (1,173)	—
於六月三十日之權益合計	Total equity as at 30th June	7,010,571	5,525,255

附註：

(一) 編製基準

本公司於二零零四年三月十一日成立，作為大新金融集團之銀行相關權益之控股公司。作為最終控股公司之大新金融集團有限公司（「大新金融」）在期內完成集團重組（「重組」），據此將其銀行業務有關之附屬公司轉讓予本公司。該重組是以股份交換方式將大新金融之銀行相關權益（包括大新銀行有限公司，豐明銀行有限公司，D.A.H. Holdings Limited 及鈞寶證券有限公司）轉讓予本公司，以本公司作為銀行控股公司並於二零零四年六月十二日完成。本公司隨後於二零零四年六月三十日在香港聯交所正式上市。

作為重組之一部份，本公司之附屬公司大新銀行有限公司出售其持有大新保險代理有限公司（「大新保險代理」）全部股份之權益予最終控股公司，大新金融。

Note:

(1) Basis of preparation

The Company was established on 11th March 2004 as the holding company for the banking-related interests of the Dah Sing Financial Group. The ultimate holding company, Dah Sing Financial Holdings Limited ("DSFH"), completed a group reorganisation (the "Reorganisation") during the period whereby DSFH transferred its banking-related subsidiaries to the Company. The Reorganisation, which was completed on 12th June 2004, was effected by a share-for-share swap of DSFH's interests in the banking subsidiaries (which comprise Dah Sing Bank, Limited, MEVAS Bank Limited, D.A.H. Holdings Limited and Global Courage Securities Limited) with the Company which operates as a bank holding company. The Company was subsequently listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 30th June 2004.

As part of the Reorganisation, Dah Sing Bank, Limited, which now is a subsidiary of the Company, disposed of its interest in the entire share capital of Dah Sing Insurance Agency Limited ("DS Insurance Agency") to the ultimate holding company, DSFH.

(一) 編製基準 (續)

此等未經審核之簡明中期財務報表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。此等報表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。

根據會計實務準則第二十七號「集團重組會計法」所提及之合併會計法，在整個報告期內，本公司被視作已存在及銀行業務有關之附屬公司已成為本公司之附屬公司。因此，報告期內之綜合賬目包括本公司及其附屬銀行公司之資產，負債及業績。

呈報於此等未經審核之簡明中期財務報表的編製基準，與各間現已成為本公司附屬公司，其二零零三年年度賬目所採納之會計政策一致。

終止經營業務指截至出售日期(二零零四年六月十二日)，包括在大新銀行有限公司之綜合損益結算表之大新保險代理之業績及貢獻。

(二) 其他營運收入

截至六月三十日止六個月

服務費及佣金收入	Fees and commission income
減：服務費及佣金支出(註)	Less: Fees and commission expense (Note)
淨服務費及佣金收入	Net fees and commission income
外匯買賣淨收益	Net gain from foreign exchange trading
持作買賣用途的證券及 衍生工具淨(虧損)/收益	Net (loss)/gain from trading securities and derivatives
在股票投資之股息收入	Dividend income from investments in securities
上市投資	Listed investments
非上市投資	Unlisted investments
投資物業之租金收入總額	Gross rental income from investment properties
其他租金收入	Other rental income
其他	Others

註：在二零零三年租購貸款時付予交易商的佣金15,233,000港元已用於扣除利息收入。此重新分類與本年度之呈列一致。

(1) Basis of preparation (Continued)

These unaudited consolidated condensed interim financial statements are 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 HKSA.

On the basis of the merger accounting method set out in SSAP No. 27 "Accounting for Group Reconstructions", the consolidated accounts include the assets and liabilities, and results of the Company and the banking subsidiaries now forming the Group as if the Company had existed and these banking-related subsidiaries had been subsidiaries of the Company throughout the reporting periods.

The accounting policies used in preparing these unaudited consolidated condensed interim financial statements of the Group are consistent with those adopted by the individual companies now forming the Group in each of their 2003 accounts.

The results and contribution under "discontinuing operation" refer to those of DS Insurance Agency which have been included in the consolidated profit and loss account up to the date of disposal to DSFH, i.e. 12th June 2004, by Dah Sing Bank, Limited.

(2) Other operating income

For the six months ended 30th June

2004	2003
HK\$'000	HK\$'000
258,075	210,441
(26,337)	(23,125)
231,738	187,316
43,047	23,039
(5,194)	27,347
2,452	100
8,260	4,844
5,510	6,055
2,545	2,429
5,626	2,780
293,984	253,910

Note: Commission paid to dealers on hire purchase loans in 2003 of HK\$15,233,000 were reclassified as debit to interest income to conform with current year's presentation.

(三) 營運支出
截至六月三十日止六個月

(3) Operating expenses
For the six months ended 30th June

		2004 HK\$'000	2003 HK\$'000
人事費用 (包括董事酬金)	Staff costs (including directors' remuneration)	246,190	206,494
行產及其他固定資產費用	Premises and other fixed assets		
行產租金	Rental of premises	17,072	22,380
其他	Others	27,045	26,847
折舊	Depreciation	30,738	32,210
核數師酬金	Auditors' remuneration	1,246	1,215
其他營運支出	Other operating expenses	76,894	85,998
		<u>399,185</u>	<u>375,144</u>

經營租約內之行產之租金已減除分租予第三者所收回之租金。

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

(四) 壞賬及呆賬準備調撥
截至六月三十日止六個月

(4) Charge for bad and doubtful debts
For the six months ended 30th June

		2004 HK\$'000	2003 HK\$'000	變動 Variance %
特殊準備支出	Specific provisions charged			
- 新增準備	- new provisions	166,671	347,523	-52.0
- 撥回	- releases	(27,106)	(8,251)	228.5
- 收回	- recoveries	(29,031)	(16,127)	80.0
		<u>110,534</u>	<u>323,145</u>	-65.8
一般準備支出/(撥回)	General provisions charged/(written back)			
- 持續經營業務	- continuing operations	33,098	(303)	
- 終止經營業務	- discontinuing operation	9	14	
損益賬中淨支出	Net charge to profit and loss account	<u>143,641</u>	<u>322,856</u>	-55.5

(五) 出售固定資產及固定資產重估減值淨虧損
截至六月三十日止六個月

(5) Net loss on disposal and deficit on revaluation of fixed assets
For the six months ended 30th June

		2004 HK\$'000	2003 HK\$'000
重估減值：	Deficit on revaluation of:		
- 行產	- bank premises	—	48,626
- 投資物業	- investment properties	—	20,971
出售其他固定資產淨虧損	Net loss on disposal of other fixed assets	514	272
		<u>514</u>	<u>69,869</u>

行產及投資物業的最近獨立專業價值評估是由特許測量師萊坊(香港)有限公司在二零零三年六月及十二月進行。

Independent professional appraisals of the values of bank premises and investment properties were last conducted by Knight Frank Hong Kong Limited, a chartered surveyor, in June and December 2003.

(六) 重組費用

截至六月三十日止六個月

重組費用是指附註(一)所提及之重組而產生由本公司分擔的直接費用。

轉讓股份之印花徵稅	Stamp duty on transfers of shares
法律及專業顧問費用	Legal and professional fees
其他	Others

(6) Reorganisation costs

For the six months ended 30th June

Reorganisation costs were direct expenditure arising from the Reorganisation as set out in Note 1 above shared by the Company.

	2004 HK\$'000	2003 HK\$'000
	5,826	—
	4,484	—
	539	—
	<u>10,849</u>	<u>—</u>

(七) 稅項

截至六月三十日止六個月

於期內綜合損益賬中(撥回)/支出之稅項指：

本期稅項	Current taxation
遞延稅項	Deferred taxation

(7) Taxation

For the six months ended 30th June

The amount of taxation (credited)/charged to the consolidated profit and loss account during the period represents:

	2004 HK\$'000	2003 HK\$'000
	108,924	75,411
	(3,559)	2,330
	<u>105,365</u>	<u>77,741</u>

香港利得稅乃按照期內估計應課稅溢利以稅率17.5%(二零零三年:17.5%)提撥準備。海外稅款及按期內海外估計應課稅溢利依本集團經營業務地區之現行稅率計算。

Hong Kong profits tax has been provided at 17.5% (2003: 17.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

遞延稅項是採用負債法就暫時差異，以稅率17.5%(二零零三年:17.5%)作全數確認。附屬公司稅收損失而產生之遞延稅項資產已按未來可能有應課稅溢利抵銷稅收損失的程度確認。

Deferred taxation is calculated in full on temporary differences under the liability method using a taxation rate of 17.5% (2003: 17.5%). Deferred tax asset on tax losses incurred by a subsidiary has been recognised to the extent that it is probable that taxable profit will be available against which these tax losses can be utilised.

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：

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:

		2004 HK\$'000	2003 HK\$'000
除稅前溢利	Profit before taxation	645,673	491,274
以稅率17.5%計算	Calculated at a taxation rate of 17.5%	112,993	85,973
稅務影響源於：	Tax effect of:		
其他國家之不同稅率	Different taxation rates in other countries	(361)	(1,721)
無需徵稅之收入	Income not subject to taxation	(26,252)	(15,400)
不能作稅務扣減的支出	Expenses not deductible for taxation purposes	18,707	13,881
未確認之稅務虧損	Tax losses not recognised	(1,748)	(417)
運用前期未確認之稅務虧損	Utilisation of previously unrecognised tax losses	2,026	58
由稅率上升而引致之	Increase in opening net deferred tax assets		
期初遞延稅項資產淨值增加	resulting from an increase in tax rates	—	(4,139)
合夥投資終結回報	Terminal return on investments in partnerships	—	5,364
應佔合夥投資估計	Attributable share of estimated Hong Kong		
香港利得稅虧損	profits tax losses arising from investments		
	in partnerships	—	(31,543)
合夥投資撤銷	Investments in partnerships written off	—	25,685
稅項	Taxation charge	<u>105,365</u>	<u>77,741</u>

(八) 基本每股盈利

本公司以兩股已繳認購者股份，於二零零四年三月十一日成立。於二零零四年六月十二日，作為收購大新金融之銀行附屬公司權益之代價，本公司再發行809,899,998股份予大新金融。於二零零四年六月三十日，在完成本公司初步公開發售及在聯交所上市時，本公司發行額外100,100,000股份。

根據所採納之合併會計法，作為計算每股盈利之用途，本公司被視為在報告期內至緊接上市日前，已產生報告中之溢利及已發行809,900,000股股份。緊隨上市後，本公司股份總數增至910,000,000股。

基本每股盈利按照盈利538,901,000港元(二零零三年：410,736,000港元)及期內已發行股份加權平均數810,450,000(二零零三年：809,900,000)計算。

因期內沒有任何潛在攤薄盈利之工具餘額，故此報告沒有計算攤薄每股盈利。

(8) Basic earnings per share

The Company was incorporated on 11th March 2004 with two fully paid subscriber's shares. On 12th June 2004, the Company issued a further 809,899,998 shares to DSFH as consideration for the acquisition of the latter's interest in the banking subsidiaries. On 30th June 2004, the Company issued an additional 100,100,000 shares upon completion of its initial public offering and listing on the Stock Exchange.

For the purpose of the calculation of basic earnings per share, on the basis of the merger accounting method adopted, the Company is considered as if it had the reported profit accrued to it, and had 809,900,000 shares in issue throughout the reporting periods up to the date immediately before listing, after which its total number of shares was increased to 910,000,000.

Basic earnings per share is therefore calculated based on earnings of HK\$538,901,000 (2003: HK\$410,736,000) and the weighted average number of 810,450,000 (2003: 809,900,000) shares in issue during the period.

No calculation of diluted earnings per share is made as there are no outstanding instruments which may present a dilutive effect to basic earnings per share throughout the periods.

(九) 現金及短期資金**(9) Cash and short-term funds**

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
現金及在銀行及 其他金融機構的結餘 通知及短期存款 國庫債券(包括外匯基金票據)	Cash and balances with banks and other financial institutions Money at call and short notice Treasury bills (including Exchange Fund Bills)	1,387,862 5,040,894 5,747,652	595,685 4,996,907 5,390,931
		<u>12,176,408</u>	<u>10,983,523</u>
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	3,768,901	1,391,323
非持作買賣用途的證券，按公平值 – 非上市	Non-trading securities, at fair value – Unlisted	1,978,751	3,999,608
		<u>5,747,652</u>	<u>5,390,931</u>

(十) 貿易票據**(10) Trade bills**

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
貿易票據 一般壞賬及呆賬準備	Trade bills General provisions for bad and doubtful debts	772,748 (7,727)	744,998 (7,450)
		<u>765,021</u>	<u>737,548</u>

貿易票據包括一項在二零零四年六月三十日已逾期三個月以上至半年之結欠537,000港元(二零零三年十二月三十一日：逾期超過一年之結欠394,000港元)及其利息已撥入懸欠賬內。

Trade bills comprised an amount of HK\$537,000 which had been overdue for over three months but less than six months as at 30th June 2004 (31st December 2003: an amount of HK\$394,000 which had been overdue for over one year) and on which interest is being placed in suspense.

(十一) 持作買賣用途的證券

(11) Trading securities

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
按公平值：	At fair value:		
債務證券	Debt securities		
— 香港上市	— Listed in Hong Kong	1,365,956	2,173,363
— 非上市	— Unlisted	420,521	613,968
		<u>1,786,477</u>	<u>2,787,331</u>
權益性證券	Equity securities		
— 香港上市	— Listed in Hong Kong	—	1,883
		<u>1,786,477</u>	<u>2,789,214</u>
持作買賣用途的證券	Trading securities are analysed by issuer as follows:		
按發行機構類別分析如下：			
— 中央政府和中央銀行	— Central governments and central banks	1,342,712	2,242,304
— 公營機構	— Public sector entities	397,115	488,592
— 銀行及其他金融機構	— Banks and other financial institutions	46,650	56,527
— 企業	— Corporate entities	—	1,791
		<u>1,786,477</u>	<u>2,789,214</u>

(十二) 持至到期證券

(12) Held-to-maturity securities

		截至二零零四年 六月三十日 止六個月 Six months ended 30th June 2004 HK\$'000	截至二零零三年 十二月三十一日 止年度 Year ended 31st Dec. 2003 HK\$'000
期初/年初結存	Balance as at beginning of period/year	392,198	78,049
折讓攤銷	Amortisation of discount	888	650
增購	Additions	325,545	329,387
期/年內到期之證券	Securities matured during the period/year	(126,112)	(15,529)
滙兌差異	Exchange difference	1,516	(359)
		<u>594,035</u>	<u>392,198</u>
期末/年末結存	Balance as at end of period/year	594,035	392,198
非上市證券，按攤銷成本	Unlisted securities, at amortised cost	<u>594,035</u>	<u>392,198</u>
持至到期證券按發行機構	Held-to-maturity securities are		
類別分析如下：	analysed by issuer as follows:		
— 銀行及其他金融機構	— Banks and other financial institutions	551,608	365,556
— 企業	— Corporate entities	42,427	26,642
		<u>594,035</u>	<u>392,198</u>

(十三) 非持作買賣用途的證券

(13) Non-trading securities

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
按公平值：	At fair value:		
債務證券	Debt securities		
– 香港上市	– Listed in Hong Kong	4,197,761	1,384,656
– 香港以外上市	– Listed outside Hong Kong	7,852,145	7,650,441
– 非上市	– Unlisted	5,374,394	7,681,808
		<u>17,424,300</u>	<u>16,716,905</u>
權益性證券	Equity securities		
– 香港上市	– Listed in Hong Kong	65,401	71,723
– 非上市	– Unlisted		
– 於投資基金之權益	– Interests in investment funds	354,419	292,633
– 其他非上市公司之股票	– Shares in other unlisted companies	9,863	9,875
		<u>429,683</u>	<u>374,231</u>
		<u>17,853,983</u>	<u>17,091,136</u>
非持作買賣用途的證券 按發行機構類別分析如下：	Non-trading securities are analysed by issuer as follows:		
– 中央政府和中央銀行	– Central governments and central banks	4,323,431	3,940,712
– 公營機構	– Public sector entities	2,161,753	2,600,245
– 銀行及其他金融機構	– Banks and other financial institutions	6,574,834	6,428,815
– 企業	– Corporate entities	4,792,437	4,119,836
– 其他	– Others	1,528	1,528
		<u>17,853,983</u>	<u>17,091,136</u>

(十四) 各項客戶貸款及其他賬目

(14) Advances to customers and other accounts

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000	變動 Variance %
各項客戶貸款	Advances to customers	31,560,723	27,942,364	12.9
壞賬及 呆賬準備	Provisions for bad and doubtful debts			
– 特殊	– Specific	(186,550)	(235,747)	
– 一般	– General	(307,164)	(274,375)	
		<u>31,067,009</u>	<u>27,432,242</u>	13.2
應計利息	Accrued interest	346,233	411,867	
其他賬目	Other accounts	1,537,525	1,205,529	
其他賬目準備	Provisions against other accounts			
– 一般	– General	(89)	(120)	
		<u>1,883,669</u>	<u>1,617,276</u>	
		<u>32,950,678</u>	<u>29,049,518</u>	13.4

(十四) 各項客戶貸款及其他賬目 (續)

(14) Advances to customers and other accounts (Continued)

(甲) 客戶貸款總額—按行業分類

(a) Gross advances to customers by industry sector

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000	變動 Variance %
工商金融	Industrial, commercial and financial			
– 物業發展	– Property development	110,139	74,024	48.8
– 物業投資	– Property investment	2,750,159	2,380,652	15.5
– 金融企業	– Financial concerns	618,655	385,350	60.5
– 股票經紀	– Stockbrokers	10,013	9,065	10.5
– 批發與零售業	– Wholesale and retail trade	1,045,435	1,018,219	2.7
– 製造業	– Manufacturing	2,588,110	2,262,914	14.4
– 運輸及運輸設備	– Transport and transport equipment	2,161,553	1,903,823	13.5
– 其他	– Others	1,039,414	767,300	35.5
		<u>10,323,478</u>	<u>8,801,347</u>	17.3
個人	Individuals			
– 購買「居者有其屋計劃」 「私人參建居屋計劃」 及「租者置其屋計劃」 樓宇貸款	– Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	2,198,410	2,204,899	-0.3
– 購買其他住宅 物業貸款	– Loans for the purchase of other residential properties	9,992,550	8,801,491	13.5
– 信用卡貸款	– Credit card advances	2,184,709	2,131,724	2.5
– 其他	– Others	3,246,752	2,770,559	17.2
		<u>17,622,421</u>	<u>15,908,673</u>	10.8
在香港使用的貸款	Loans for use in Hong Kong	27,945,899	24,710,020	13.1
貿易融資	Trade finance	3,037,866	2,657,311	14.3
在香港以外使用的貸款	Loans for use outside Hong Kong	576,958	575,033	0.3
		<u>31,560,723</u>	<u>27,942,364</u>	12.9

超過九成客戶貸款之客戶皆在香港。

Over 90% of gross advances to customers were extended to customers located in Hong Kong.

(乙) 不履行貸款

(b) Non-performing loans

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	佔客戶貸款 百分比 % of Advances to Customers	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000	佔客戶貸款 百分比 % of Advances to Customers
貸款總額	Gross advances	346,917	1.10	433,346	1.55
已撥出特殊準備	Specific provisions made	(168,588)		(209,965)	
		<u>178,329</u>		<u>223,381</u>	
持有抵押品市值	Market value of securities held	<u>224,238</u>		<u>228,250</u>	
懸欠利息	Interest in suspense	<u>23,698</u>		<u>24,502</u>	

不履行貸款乃指利息已撥入懸欠或已停止累計利息的客戶貸款。

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

(十四) 各項客戶貸款及其他賬目 (續)

(14) Advances to customers and other accounts (Continued)

(丙) 逾期未償還貸款

(c) Overdue advances

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	佔客戶貸款 百分比 % of Advances to Customers	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000	佔客戶貸款 百分比 % of Advances to Customers
逾期未償還貸款總額：	Gross advances overdue for:				
三個月以上 至六個月	Six months or less but over three months	99,871	0.32	121,029	0.43
六個月以上 至一年	One year or less but over six months	33,058	0.10	68,533	0.25
一年以上	Over one year	156,426	0.50	177,266	0.63
		<u>289,355</u>	0.92	<u>366,828</u>	1.31
上述貸款之仍累計 利息部份	The amount on which interest is still being accrued	<u>40,002</u>		<u>32,111</u>	
有擔保逾期貸款所持 的抵押品市值	Market value of securities held against the secured advances	<u>216,217</u>		<u>207,073</u>	
有擔保逾期貸款	Secured overdue advances	<u>174,892</u>		<u>189,193</u>	
無擔保逾期貸款	Unsecured overdue advances	<u>114,463</u>		<u>177,635</u>	
已撥出特殊準備	Specific provisions made	<u>147,976</u>		<u>196,964</u>	

(丁) 逾期未償還貸款與不履行貸款對賬
如下：(d) Overdue advances are reconciled to non-performing loans as
follows:

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
貸款逾期 超過三個月	Advances which are overdue for more than three months	289,355	366,828
加：逾期三個月或以下 之不履行貸款	Add: non-performing loans which are overdue for three months or less	57,806	65,438
加：未逾期之 不履行貸款	Add: non-performing loans which are not yet overdue	7,998	7,985
加：經重組貸款減去 已列入逾期 貸款內之金額	Add: rescheduled advances net of amounts included in overdue advances	31,760	25,206
減：逾期超過三個月， 但仍在累計利息 之貸款	Less: advances which are overdue for more than three months and on which interest is still being accrued	<u>(40,002)</u>	<u>(32,111)</u>
不履行貸款	Non-performing loans	<u>346,917</u>	<u>433,346</u>

超過九成之不履行及逾期貸款的客戶
皆在香港。

Over 90% of non-performing loans and overdue loans were due
from customers located in Hong Kong.

(十四) 各項客戶貸款及其他賬目 (續)

(戊) 經重組貸款 (已扣除載於上述逾期超過三個月以上未償還貸款)

經重組貸款	Rescheduled advances
已撥出特殊準備	Specific provisions made

資產負債表內之「貿易票據」包括在二零零四年六月三十日已逾期三個月以上至六個月之結欠537,000港元(二零零三年十二月三十一日：逾期一年以上之結欠394,000港元)及其利息已撥入懸欠賬內。除此以外，於二零零四年六月三十日及二零零三年十二月三十一日並無貸予銀行及金融機構的貸款或其他資產被分類為不履行、逾期及經重組資產。

(己) 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損作出特殊撥備。

於二零零四年六月三十日，本集團的收回資產為44,007,000港元(二零零三年十二月三十一日：67,479,000港元)。

(14) Advances to customers and other accounts (Continued)

(e) Rescheduled advances (net of those which have been overdue for over three months and reported as part of Overdue advances above)

二零零四年 六月三十日 As at 30th June 2004 HK\$'000	估客戶貸款 百分比 % of Advances to Customers	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000	估客戶貸款 百分比 % of Advances to Customers
<u>136,199</u>	<u>0.43</u>	<u>210,515</u>	<u>0.75</u>
<u>16,137</u>		<u>12,074</u>	

Included in "Trade bills" in the balance sheet is an amount of HK\$537,000 which had been overdue for over three months but less than six months as at 30th June 2004 (31st December 2003: an amount of HK\$394,000 which had been overdue for over one year) and on which interest is being placed in suspense. Apart from this, there were no advances to banks and financial institutions nor other assets that were classified under non-performing, overdue and rescheduled assets as at 30th June 2004 and 31st December 2003.

(f) 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.

As at 30th June 2004, the repossessed assets of the Group amounted to HK\$44,007,000 (31st December 2003: HK\$67,479,000).

(十五) 壞賬及呆賬準備

(15) Provisions for bad and doubtful debts

		二零零四年六月三十日 As at 30th June, 2004		
		特殊 Specific HK\$'000	一般 General HK\$'000	合計 Total HK\$'000
二零零四年一月一日	At 1st January 2004	235,747	281,945	517,692
撇除額	Amounts written off	(188,762)	—	(188,762)
出售大新保險代理(附註一)	Disposal of DS Insurance Agency (Note 1)	—	(73)	(73)
收回已於往年撇銷之貸款	Recoveries of advances written off in previous years	29,031	—	29,031
於損益賬內支出(附註四)	Charge to profit and loss account (Note 4)	110,534	33,107	143,641
滙兌差異	Exchange difference	—	1	1
二零零四年六月三十日	At 30th June 2004	<u>186,550</u>	<u>314,980</u>	<u>501,530</u>
扣減於：	Deducted from:			
貿易票據(附註十)	Trade bills (Note 10)	—	7,727	7,727
各項客戶貸款(附註十四)	Advances to customers (Note 14)	186,550	307,164	493,714
應計利息及 其他賬目(附註十四)	Accrued interest and other accounts (Note 14)	—	89	89
		<u>186,550</u>	<u>314,980</u>	<u>501,530</u>
		二零零三年十二月三十一日 As at 31st December, 2003		
		特殊 Specific HK\$'000	一般 General HK\$'000	合計 Total HK\$'000
二零零三年一月一日	At 1st January 2003	222,299	286,811	509,110
撇除額	Amounts written off	(568,288)	—	(568,288)
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	Charge to profit and loss account	539,617	(4,863)	534,754
滙兌差異	Exchange difference	—	(3)	(3)
二零零三年 十二月三十一日	At 31st December 2003	<u>235,747</u>	<u>281,945</u>	<u>517,692</u>
扣減於：	Deducted from:			
貿易票據(附註十)	Trade bills (Note 10)	—	7,450	7,450
各項客戶貸款(附註十四)	Advances to customers (Note 14)	235,747	274,375	510,122
應計利息及 其他賬目(附註十四)	Accrued interest and other accounts (Note 14)	—	120	120
		<u>235,747</u>	<u>281,945</u>	<u>517,692</u>

(十六) 客戶存款**(16) Deposits from customers**

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
活期存款及往來存款	Demand deposits and current account	3,612,434	3,757,246
儲蓄存款	Savings deposits	7,511,075	6,924,297
定期、通知及短期存款	Time, call and notice deposits	29,846,856	29,470,653
		<u>40,970,365</u>	<u>40,152,196</u>

(十七) 股東資金**(17) Shareholders' funds**

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
股本	Share capital	<u>910,000</u>	<u>809,900</u>
儲備	Reserves		
股份溢價	Share premium	1,130,099	—
合併儲備	Merger reserve	565,785	566,958
投資物業重估儲備	Investment properties revaluation reserve	46,263	40,426
行產重估儲備	Premises revaluation reserve	230,549	236,386
投資重估儲備	Investment revaluation reserve	(151,676)	80,735
匯兌儲備	Exchange reserve	15	(233)
一般儲備	General reserve	700,254	700,254
保留盈利	Retained earnings	3,367,721	3,046,043
		<u>5,889,010</u>	<u>4,670,569</u>
擬派股息	Proposed dividend	<u>211,561</u>	<u>200,000</u>
合計	Total	<u>7,010,571</u>	<u>5,680,469</u>

(十八) 到期情況

(18) Maturity profile

		二零零四年六月三十日 As at 30th June 2004						
		即時還款	三個月 或以下	一年或 以下，但 超過三個月 1 year or less but over 3 months	五年或 以下，但 超過一年 5 years or less but over 1 year	五年以後	無註明日期	合計
		Repayable on demand	3 months or less	less but over 3 months	less but over 1 year	After 5 years	Undated	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產	Assets							
國庫債券	Treasury bills	—	692,681	5,054,971	—	—	—	5,747,652
持有的存款證	Certificates of deposit held	—	—	200,558	—	—	—	200,558
各項客戶貸款	Advances to customers	4,824,345	5,525,906	3,122,764	7,211,655	10,535,319	340,734	31,560,723
債務證券包括：	Debt securities included in:							
— 持作買賣用途的證券	— Trading securities	—	77,612	141,144	1,267,177	300,544	—	1,786,477
— 持至到期證券	— Held-to-maturity securities	—	279,367	145,441	169,227	—	—	594,035
— 非持作買賣用途的證券	— Non-trading securities	—	316,097	1,490,907	8,852,572	6,760,646	4,078	17,424,300
		<u>4,824,345</u>	<u>6,891,663</u>	<u>10,155,785</u>	<u>17,500,631</u>	<u>17,596,509</u>	<u>344,812</u>	<u>57,313,745</u>
負債	Liabilities							
銀行及其他	Deposits and balances of banks							
金融機構存款及結餘	and other financial institutions	41,607	195,236	25,258	—	—	—	262,101
客戶存款	Deposits from customers	11,548,561	27,056,478	2,138,904	226,422	—	—	40,970,365
已發行的存款證	Certificates of deposit issued	—	489,000	3,946,895	4,630,299	—	—	9,066,194
已發行的債務證券	Issued debt securities	—	—	31,199	—	—	—	31,199
		<u>11,590,168</u>	<u>27,740,714</u>	<u>6,142,256</u>	<u>4,856,721</u>	<u>—</u>	<u>—</u>	<u>50,329,859</u>
		二零零三年十二月三十一日 As at 31st Dec. 2003						
		即時還款	三個月 或以下	一年或 以下，但 超過三個月 1 year or less but over 3 months	五年或 以下，但 超過一年 5 years or less but over 1 year	五年以後	無註明日期	合計
		Repayable on demand	3 months or less	less but over 3 months	less but over 1 year	After 5 years	Undated	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
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	2,701,600	6,667,165	9,404,010	438,528	27,942,364
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	141,182	—	2,787,331
— 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
		<u>4,408,115</u>	<u>6,379,558</u>	<u>9,170,322</u>	<u>17,540,578</u>	<u>15,492,950</u>	<u>442,606</u>	<u>53,434,129</u>
負債	Liabilities							
銀行及其他	Deposits and balances of banks							
金融機構存款及結餘	and other financial institutions	141,844	16,778	3,350	—	—	—	161,972
客戶存款	Deposits from customers	10,939,309	27,427,394	1,447,893	337,600	—	—	40,152,196
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
		<u>11,081,153</u>	<u>27,444,172</u>	<u>2,866,719</u>	<u>6,821,255</u>	<u>—</u>	<u>—</u>	<u>48,213,299</u>

(十九) 扣除準備後之營運溢利與由經營業務產生的現金對賬表
截至六月三十日止六個月

(19) Reconciliation of operating profit after provisions to cash generated from operations
For the six months ended 30th June

		2004 HK\$'000	2003 HK\$'000
扣除準備後之營運溢利	Operating profit after provisions	617,409	399,767
壞賬及呆賬準備	Provisions for bad and doubtful debts	143,641	322,856
減除收回後之貸款撇除淨額	Advances written off net of recoveries	(159,804)	(299,594)
折舊	Depreciation	30,738	32,210
已發行借貸資本及債務證券之利息支出	Interest expense on loan capital and debt securities issued	14,289	15,392
已發行的存款證利息支出	Interest expense on certificates of deposit issued	82,442	63,359
終止經營業務之其他淨貢獻	Net other contribution from discontinuing operation	276	289
營運資產及負債於變動前之營運溢利	Operating profit before changes in operating assets and liabilities	728,991	534,279
三個月以上到期的國庫債券之變動	Change in treasury bills maturing beyond three months	2,020,827	(1,624,804)
貿易票據之變動	Change in trade bills	(27,750)	(32,990)
持有的存款證之變動	Change in certificates of deposit held	3,842	(6,829)
持作買賣用途的證券之變動	Change in trading securities	1,002,737	117,881
各項客戶貸款及其他賬目之變動	Change in advances to customers and other accounts	(3,884,720)	2,022,340
持至到期證券之變動	Change in held-to-maturity securities	(201,837)	(226,238)
非持作買賣用途的證券之變動	Change in non-trading securities	(960,046)	892,362
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	Change in deposits and balances of banks and other financial institutions maturing beyond three months	2,384	(2,035)
客戶存款之變動	Change in deposits from customers	818,169	2,123,350
其他賬目及預提之變動	Change in other accounts and accruals	1,491,873	1,698,195
滙兌調整	Exchange adjustments	11,777	(229)
由經營業務產生的現金	Cash generated from operations	1,006,247	5,495,282

(二十) 跨國債權

(20) Cross-border claims

二零零四年六月三十日
As at 30th June 2004

		銀行及其他 金融機構 Bank and other financial institutions	公營機構 Public sector entities	其他 Others	總額 Total
相等於百萬港元	Equivalent in HK\$ millions				
亞太區，不包括香港在內	Asia Pacific excluding Hong Kong	2,790	—	507	3,297
北美及南美	North and South America	1,748	2,148	1,825	5,721
歐洲	Europe	6,412	158	3,246	9,816
		10,950	2,306	5,578	18,834

(二十) 跨國債權 (續)

(20) Cross-border claims (Continued)

二零零三年十二月三十一日
As at 31st Dec. 2003

		銀行及其他 金融機構 Banks and other financial institutions	公營機構 Public sector entities	其他 Others	總額 Total
相等於百萬港元	Equivalent in HK\$ millions				
亞太區，不包括香港在內	Asia Pacific excluding Hong Kong	1,741	—	421	2,162
北美及南美	North and South America	649	3,096	1,994	5,739
歐洲	Europe	4,403	1,391	2,652	8,446
		<u>6,793</u>	<u>4,487</u>	<u>5,067</u>	<u>16,347</u>

跨國債權資料是在顧及風險的轉移後，根據交易對手的所在地而披露與外地交易對手最終的風險。一般而言，若交易對手的債權是由在不同國家的另一方擔保，或履行債權是一銀行的海外分行，而其總部是處於不同的國家，才會確認風險由一國家轉移至另一國家。資料的披露只限於佔跨國債權總額百分之十或以上的地區。

The information of cross-border claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any transfer of risk. In general, transfer of risk from one country to another is recognised if the claims against a counterparty are guaranteed by another party in a different country or if the claims are on an overseas branch of a bank whose head office is located in a different country. Only regions constituting 10% or more of the aggregate cross-border claims are disclosed.

(廿一) 或然負債、承擔及衍生工具

(21) Contingent liabilities, commitments and derivatives

各項重大或然負債及承擔之合約額分類如下：

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

		二零零四年 六月三十日 As at 30th June 2004 HK\$'000	二零零三年 十二月三十一日 As at 31st Dec. 2003 HK\$'000
直接信貸代替品	Direct credit substitutes	1,119,446	312,580
與交易相關之或然項目	Transaction related contingencies	11,749	15,051
與貿易相關之或然項目	Trade-related contingencies	793,337	802,388
其他承擔， 其原本期限為：	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	20,329,616	19,529,291
— 一年及以上	— 1 year and over	776,567	895,261
		<u>23,030,715</u>	<u>21,554,571</u>

(廿一) 或然負債、承擔及衍生工具 (續)

各項重大衍生工具之名義合約額分類如下：

(21) Contingent liabilities, commitments and derivatives (Continued)

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

		買賣交易		對沖交易		合計	
		Trading		Hedging		Total	
		二零零四年 六月三十日	二零零三年 十二月三十一日	二零零四年 六月三十日	二零零三年 十二月三十一日	二零零四年 六月三十日	二零零三年 十二月三十一日
		As at 30th June 2004	As at 31st Dec. 2003	As at 30th June 2004	As at 31st Dec. 2003	As at 30th June 2004	As at 31st Dec. 2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
匯率合約	Exchange rate contracts						
遠期及期貨合約	Forward and futures contracts	6,991,243	1,902,840	33,808,036	27,485,672	40,799,279	29,388,512
貨幣掉期	Currency swaps	—	—	649,026	—	649,026	—
外匯期權合約	Foreign exchange option contracts						
— 購入貨幣期權	— Currency options purchased	154,663	255,143	—	—	154,663	255,143
— 沽出貨幣期權	— Currency options written	161,615	254,890	—	—	161,615	254,890
		<u>7,307,521</u>	<u>2,412,873</u>	<u>34,457,062</u>	<u>27,485,672</u>	<u>41,764,583</u>	<u>29,898,545</u>
利率合約	Interest rate contracts						
遠期及期貨合約	Forward and futures contracts	—	1,141,550	—	—	—	1,141,550
利率掉期	Interest rate swaps	—	213,122	11,832,509	8,489,383	11,832,509	8,702,505
利率期權合約	Interest rate option contracts						
— 沽出期權	— Options written	—	261,616	2,102,019	1,859,263	2,102,019	2,120,879
		<u>—</u>	<u>1,616,288</u>	<u>13,934,528</u>	<u>10,348,646</u>	<u>13,934,528</u>	<u>11,964,934</u>
其他合約	Other contracts						
權益性期權合約	Equity option contracts						
— 購入期權	— Options purchased	158,373	199,535	—	—	158,373	199,535
— 沽出期權	— Options written	158,373	199,535	—	—	158,373	199,535
權益性期貨合約	Equity futures contracts	11,016	—	—	—	11,016	—
		<u>327,762</u>	<u>399,070</u>	<u>—</u>	<u>—</u>	<u>327,762</u>	<u>399,070</u>

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.

(廿一) 或然負債、承擔及衍生工具 (續)

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：

或然負債及承擔	Contingent liabilities and commitments
衍生工具	Derivatives
匯率合約	Exchange rate contracts
利率合約	Interest rate contracts
其他合約	Other contracts

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。

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方及各項合約到期特性。

重置成本乃指取替所有按市值估價，其價值為正數的所有合約成本(若交易對方不履行其義務時)，並以其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。

(21) Contingent liabilities, commitments and derivatives (Continued)

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:

二零零四年六月三十日 As at 30th June 2004		二零零三年十二月三十一日 As at 31st Dec. 2003	
信貸風險 加權數額 Credit risk Weighted Amount HK\$'000	重置成本 Replacement cost HK\$'000	信貸風險 加權數額 Credit risk weighted amount HK\$'000	重置成本 Replacement cost HK\$'000
892,259		780,114	
105,217	68,067	152,771	462,356
61,102	231,405	103,874	427,738
331	2,808	2,394	1,823
166,650	302,280	259,039	891,917
1,058,909		1,039,153	

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.

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.

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.

(廿二) 風險管理

本集團確認各類風險會不停蛻變之特性，並透過完善之管理架構作管理。本集團業務存在之風險主要為信貸、市場、利率及流動資金風險：

- 信貸風險之產生主要源於本集團之信貸組合，其中包括商業、批發和零售借貸、設備和租購融資及財資部和金融機構業務部之批發借貸；
- 市場風險存在於本集團外匯、債務證券及股本證券、資產負債表之持倉，以及資產負債表外之衍生持倉，並包括貸款和存款組合內在之市場風險；
- 利率風險是指因利息之不利變動而引致本集團之財政狀況面臨之風險；及
- 橫跨本集團之資產負債表之流動資金風險。

風險管理為本集團組織結構一關鍵部份。風險管理框架由董事會批准。董事會批准整體機構之風險承擔，包括本集團之風險政策及風險哲學。本集團之風險管理架構由董事會審批，讓董事會監督信貸風險、市場與流動資金風險，以及營運風險之主要風險範圍。內部審核部負責持續監督本集團之內部管理程序，並提供本集團系統之獨立評估以確保完整性。本集團政策是維持其認為穩健之資產負債表及鞏固資本基礎。

(a) 本集團之風險管理架構

董事會對所有類別之風險管理負上總體之責任。關於風險控制方面，董事會之責任包括：

- 批准總體之策略及政策以確保能在交易及組合層面妥善管理信貸及其他風險；
- 透過營運和行政控制系統作財務及非財務方面之風險管理。控制系統包括審核委員會之操作、主要業績檢討(比對預測)、營運統計和政策問題作出監控；及
- 比對預算業績檢討和分析主要非財務指標。

行政委員會被委任監察及指導由集團風險部和各功能委員會主導管理及處理之不同類型風險。

(22) Management of risks

The Group recognises the changing nature of risk and manages it through a well-developed management structure. The principal types of risk inherent in the Group's business include credit, market, interest rate and liquidity risks:

- credit risk occurs mainly in the Group's credit portfolios comprising commercial, wholesale and retail lending, equipment and hire purchase financing, and treasury and financial institutions wholesale lending;
- market risk is associated with the Group's positions in foreign exchange, debt securities and equity securities, on-balance sheet and derivative positions off-balance sheet and the market risk inherent in its loan and deposit portfolios;
- interest rate risk relates to the risk to the Group's financial condition resulting from adverse movements in interest rates; and
- liquidity risk arises across the Group's balance sheet.

Risk management is a critical part of the Group's organisational structure. The risk management framework is approved by the Board of Directors. The Board approves the overall institutional tolerance for risk, including risk policies and the risk philosophy of the Group. The Group's risk management infrastructure as approved by the Board allows oversight by the Board of the major risk areas of credit risk, market and liquidity risk, and operations risk. An internal audit function is responsible for the ongoing monitoring of the Group's internal management processes and for providing an independent assessment of the Group's systems to ensure that integrity is maintained. The Group's policy is to maintain what it considers is a conservative balance sheet and strong capital base.

(a) *The risk management structure of the Group*

The Board of Directors has the broad overall responsibility for the management of all types of risk. The responsibilities of the Board in relation to risk control are:

- the approval of the overall strategy and policies to ensure that credit and other risks are properly managed at both the transaction and portfolio levels;
- the management of risk, both financial and non-financial, conducted through operational and administrative control systems including the operation of the Audit Committee, review of key results (against forecasts), operational statistics and policy issues; and
- financial performance by analysis against approved budgets and analysis of variations in key non-financial measures.

The Executive Committee has been delegated the authority to oversee and guide the management of different risks which are more particularly managed and dealt with by Group Risk and different functional committees.

(廿二) 風險管理 (續)

(a) 本集團之風險管理架構 (續)

集團風險主管向本集團之行政委員會及本公司之行政總裁匯報，彼等整體負責管理所有類型之風險。本集團已建立政策及程序，用以識別、衡量、監督及控制信貸、流動資金、利率、外匯及市場風險。高級管理層及各業務信貸委員會定期檢討及更新政策及程序。

(b) 集團風險部

集團獨立之風險部負責確保本集團整體之政策訂立和權責。集團風險部監察並透過行政委員會向董事會匯報集團風險狀況，制定財務風險和資料完整性之標準，及確保在產品策劃和訂價之過程中，考慮財務方面之風險。集團風險部審閱及批核所有本集團之信貸及風險政策，包括批核對新市場、經濟行業、組織、信貸產品和令本集團產生信貸與相關風險之財務工具之風險。在決定信貸及風險政策時，集團風險部會考慮金管局之指引及本集團之政策。集團風險部亦列席本集團之營運部門和業務之信貸或風險委員會。

本集團風險管理之專業知識持續提升其借貸組合之總體質素，並有助本集團能應付轉變中之監管要求，在承擔信貸風險同時有信心掌握相關之風險和回報。

在集團風險主管領導下，本集團持續發展其風險管理能力，並增加專注風險策略對風險和報酬與及資本回報的影響。本集團在面對日常業務管理不同形式之風險時會採用一系列之風險衡量和分析工具。此等工具亦持續地在被改良和提升以配合不斷改變之業務需要及監管機構之要求。

(c) 業務部門信貸委員會

本集團各營業部門均擁有其信貸或風險委員會，該等委員會負責批核和推薦其業務範圍內之政策、限額和風險控制之權責。這體制反映本集團在集團風險部統籌下把風險管理之責任融入各項業務之管理運作中。故此，各業務之信貸風險功能均向其支援之業務匯報，並須遵守集團風險之指引。風險管理及監控部乃屬集團風險部之一部分，且直接向集團風險主管匯報。

(22) Management of risks (Continued)

(a) The risk management structure of the Group (Continued)

The Head of Group Risk reports to the Group's Executive Committee and the Company's Chief Executive, which have overall responsibility for the management of all types of risk. The Group has established policies and procedures for the identification, measurement, monitoring and control of credit, liquidity, interest rates, foreign exchange and market risks. The policies and procedures are regularly reviewed and updated by senior management and the respective business credit committees.

(b) Group Risk

The independent Group Risk function is responsible for ensuring that policies and mandates are established for the Group as a whole. Group Risk monitors and reports Group risk positions to the Board via the Executive Committee, sets standards for financial risks and data integrity and ensures that the financial risks are considered in the product planning and pricing process. Group Risk reviews and approves all credit and risk exposure policies for the Group including the approval of exposures to new markets, economic sectors, organisations, credit products and financial instruments which expose the Group to credit and related risks. In determining credit and risk policies, Group Risk takes into account the guidelines established by the Hong Kong Monetary Authority ("HKMA"), and the Group's strategy. Group Risk is also represented on the lending or risk committees of the Group's operating divisions and businesses.

The Group's risk management expertise continues to advance the overall quality of the Group's lending portfolios, and helps the Group to meet the changing regulatory requirements and enter into credit exposures with the confidence that it understands the associated risks and rewards.

The Group is continuing to evolve its risk management capabilities under the aegis of the Head of Group Risk, increasing the focus of its risk strategy on risk and reward and returns on capital. The Group uses a range of risk measurement and analytical tools in its management of the various risks which it faces in its day-to-day businesses and these are enhanced and upgraded from time to time to reflect changing business needs and the requirements of the regulators.

(c) Business division credit committees

Each of the operating divisions of the Group has its own credit or risk committee responsible for approving and recommending policies, limits and mandates for risk control within their respective business areas. This is consistent with the Group's approach of devolving responsibility for risk management to the individual business areas under the aegis of the Group Risk function. As such, each business credit risk function reports to the business area which it supports and is subject to the guidance of Group Risk. The Risk Management and Control function is part of Group Risk and reports directly to the Head of Group Risk.

(廿二) 風險管理 (續)

(d) 信貸風險管理

本集團之主要信貸風險為借款人或交易對手可能未能償還應付本集團之欠款。該等債務來自本集團之融資、交易活動(包括貸款形式)、作買賣用途之資產或衍生工具。

本集團每個部門均擁有信貸委員會，由若干執行董事及高級信貸職員組成，並由本公司之主席或行政總裁擔任主席一職。每個信貸委員會負責在集團風險部所訂之規格內，制定及修訂該部門之信貸政策及程序。信貸政策及程序界定貸款授信條件及指引、信貸批核及評分、檢討及監察過程，以及貸款分類及撥備之系統。

本集團基於業務、財務、市場、行業及抵押資料，評估不同類型之客戶及交易對手之信貸能力及可靠性，並根據該類型之信貸而審慎地管理信貸風險。信貸一般可按照每種產品、客戶或交易對手(倘存在)所定之限額批出，並由不同階層之管理人員根據既定之指引批核。管理層、集團風險主管及各信貸委員會定期監察及控制信貸風險、限額及資產質素。本集團內部審核師進行定期審核及檢討，協助確保本集團之信貸政策和程序，以及規管指引得以遵從。

個別業務之信貸政策亦確定新產品及活動之審批和檢討政策及程序，亦兼顧信貸等級、評分、程序和撥備政策等細節事宜。

為避免風險之集中，對個別客戶或其有關集團之大額風險均被規限於資本基礎之某個百分比。對各行業之墊款亦規管於批准限額內以求達致平衡之組合。

在適當之時候，為減低信貸風險，本集團會收取抵押品作為信貸額之擔保。認可抵押品之類型及其特性和各類借貸比率皆確定於信貸政策內。

信貸無論有否收取抵押品，一般皆取決於客戶或交易對手之現金流量情況及其還款能力。

(e) 流動資金風險管理

本集團審慎地管理流動資金以確保流動資產比率於全年度均能保持高於法定之最低要求。一如列載於下述之財務比率部份，本集團的平均流動資產比率遠高於銀行業條例最低要求的百分之二十五。

(22) Management of risks (Continued)

(d) Credit risk management

The Group's main credit risk is that borrowers or counterparties may default on their payment obligations due to the Group. These obligations arise from the Group's financing, trading activities (taking the form of loans), trading account assets or derivative instruments.

The Group has a credit committee for each division, made up of certain Executive Directors and senior credit officers and chaired by the Chairman or the Chief Executive of the Company. Each credit committee has responsibility for formulating and revising credit policies and procedures for that division with the parameters set by Group Risk Policy. Credit policies and procedures define the credit extension criteria and guidelines, credit approval and scoring, review and monitoring process and the systems of loan classification and provisioning.

The Group manages credit risk on a prudent basis by evaluating the credit worthiness of different types of customers and counterparties based on an assessment of business, financial, market, industry sector and collateral information applicable to the type of credit. Credits are extended normally within limits set for each product, customer or counterparty, where these exist, and are approved by different levels of management based on established guidelines. Actual credit exposures, limits, and asset quality are regularly monitored and controlled by management, Head of Group Risk and the respective credit committees. The Group's internal auditors conduct regular audits and reviews to help ensure compliance with the Group's credit policy and procedures and regulatory guidelines.

The individual business' credit policies also establish policies and processes for the approval and review of new products and activities, together with details of the facility grading, or credit scoring, processes and provisioning policies.

To avoid concentration of risk, large exposures to individual customers or related groups are limited to a percentage of the capital base, and advances to industry sectors are managed within approved limits to achieve a balanced portfolio.

In order to mitigate the credit risk and where appropriate, the Group will obtain collateral which is secured against the credit facility. The acceptable types of collateral and their characteristics are established within the credit policies, as are the respective margins of finance.

Irrespective of whether collateral is taken, credit decisions are generally based upon the customer's or counterparty's cashflow position and ability to repay.

(e) Liquidity risk management

The Group manages its liquidity on a prudent basis to ensure that a sufficiently high liquidity ratio relative to the statutory minimum is maintained throughout the year. As disclosed in the section headed "Financial ratios" below, the average liquidity ratio of the Group for the period was well above the 25% minimum ratio set by the Banking Ordinance.

(廿二) 風險管理 (續)

(e) 流動資金風險管理 (續)

流動資金管理旨在確保本集團之營運可符合當時之資金需求，不論是要面對到期之資金，或滿足額外借貸之需要。集中於某一日或某個資金來源之資金需求將予持續管理。

本集團資產之融資大部分來自客戶存款，包括往來及儲蓄賬戶和其他短期存款。管理層相信，該等廣泛分散類型及不同到期日之客戶存款，提供穩定之資金來源。借貸一般以相同貨幣之負債融資，而倘使用其他貨幣，外匯風險一般予以對沖。本集團於銀行同業市場為淨借出人。

本集團管理流動資金風險之方法，是保持高比例之流動資產，包括存於銀行同業資產(按類型、到期日及來源分散)、貨幣市場資產及短期客戶貸款。就較長期資產而言，本集團擁有龐大之長期資金來源，包括債務證券、存款證及票據、貨幣市場貸款及長期客戶存款。

本集團之資產及負債管理委員會定期檢討本集團之貸款及存款組合及其改變、資金需求及預測和到期錯配狀況，並持續監察本集團之流動資產比率。本集團亦對流動資金定下適當的限額及持有充足的流動資產以確保能應付所有短期資金需求。

(f) 市場風險管理

市場風險為金融工具價格轉變而引致未來盈利、公平值或未來現金流量之虧損風險。金融工具之價值可因應利率、外匯匯率、商品價格及股票價格之改變及影響對市場風險敏感之工具之其他轉變，因而有所改變。本集團之市場風險與其於資產負債表及資產負債表外之外匯、債務證券持倉及股本證券之持倉，以及包含於貸款及存款組合之市場風險相關。大部分資產負債表外衍生工具持倉源於為客戶外匯交易而作出之買賣及對本集團其他買賣交易項目及財資交易作對沖。

本集團之市場風險產生於其賬戶之交易活動及其對消費者及批發交易之金融中介者之角色。市場風險管理之目標是保障本集團之盈利及股本免於承擔過大之虧損及減少金融工具所含之波動性。本集團已設定一般限額控制其買賣活動價格之變動及波動性風險。該等風險於每個業務單位按產品類型授權限額控制。

(22) Management of risks (Continued)

(e) Liquidity risk management (Continued)

Liquidity management is directed towards ensuring that all the Group's operations can meet their current funding needs, whether to replace existing funding as it matures, or to satisfy the requirement for additional borrowings. The concentration of funding requirements at any one date or from any one source is managed continuously.

A substantial proportion of the Group's assets are funded by customer deposits, made up of current and savings accounts and other short-term deposits. Management believes that these customer deposits, which are widely diversified by type and maturity, represent a stable source of funds. Lending is normally funded by liabilities in the same currency and if other currencies are used, the foreign exchange risk is usually hedged. The Group is a net lender to the interbank market.

Liquidity risk is managed by the Group's high proportion of liquid assets, including interbank assets (which are diversified by type, maturity and source), money market assets and short-term customer loans. For longer-term assets, the Group has significant sources of longer-term funds, including debt securities, certificates of deposit and notes, money market borrowings and longer-term customer deposits.

The Group's Asset and Liability Management Committee ("ALCO") regularly reviews the Group's current loan and deposit mix, funding requirements and projections and maturity mismatches with the ongoing monitoring of the Group's liquidity ratio. Appropriate liquidity limits are set and sufficient liquid assets are held to ensure that the Group can meet all short-term funding requirements.

(f) Market risk management

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other changes that affect market risk sensitive instruments. The Group's market risk is associated with its positions in foreign exchange, debt securities and equity securities on-balance sheet and off-balance sheet positions, and the market risk inherent in its loan and deposit portfolios. Most off-balance sheet derivative positions arise from the execution of customer-related foreign exchange orders and positions taken to hedge other elements of the Group's trading book and treasury transactions.

The Group's exposure to market risk is a function of its trading activities for its own account and its role as a financial intermediary in consumer and wholesale transactions. The objective of market risk management is to avoid excessive exposure to loss of the Group's earnings and equity, and to reduce the volatility inherent in financial instruments. Limits have been generally set to control the Group's exposure to movements in prices and volatilities arising from trading activities. These exposures are controlled at each business location by product type, using delegated limits.

(廿二) 風險管理 (續)

(f) 市場風險管理 (續)

不同類型交易之市場風險承擔於資產及負債管理委員會所批准之風險限額及指引範圍內管理。風險承擔透過本金或名義價值、敏感性及止蝕限額管理。就本集團之買賣盤，本集團已實施風險數值風險管理法管理利率風險、股票風險及外匯風險。風險數值在本集團買賣盤之可能虧損超過預定水平時，提醒高級管理層。所有涉及市場風險的買賣持倉受財資部監察及管理，需要每日按市值入賬。獨立之監察、檢查及確認交易均由須向集團風險主管匯報之風險管理及監控部負責。本集團之內部審核部定期進行審閱，協助確保符合市場風險限額及指引，以及財資政策及程序。所有超越批核限額之交易須獲適當之管理層、財資風險委員會或資產及負債管理委員會審閱及批准。

市場風險數值是一種按既定信心水平估計由於外匯匯率、利率或股票價格在特定持盤時間內之變動而使風險持倉盤可能出現虧損之統計技巧。本集團計算市場風險數值之模式採用方差/協方差基準，利用過往市場利率及價格變動資料、按99%信心水平及一日持倉期之基準作推算。

於二零零四年六月三十日，本集團各項風險之市場風險數值如下：

買賣盤之利率風險值
外匯買賣盤之風險值
股票買賣盤之風險值

買賣盤之市場風險值

截至二零零四年六月三十日止六個月
內平均市場風險值

本集團在截至二零零四年六月三十日止之六個月內，從市場風險相關的庫務活動賺取的收益平均每日達309,000港元(2003: 418,000港元)，其標準差是2,699,000港元(2003: 1,787,000港元)。主要交易活動的每日平均收益及標準差分析如下：

		每日平均收益		標準差	
		Average daily revenue		Standard deviation	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
外匯交易	Foreign exchange dealing	352	190	905	676
利率交易	Interest rate dealing	(43)	224	2,711	1,652

(22) Management of risks (Continued)

(f) Market risk management (Continued)

Market risk exposure for different types of transactions is managed within risk limits and guidelines approved by the Group's ALCO. Exposures are measured and monitored via a combination of principal or notional amounts, sensitivity and stop-loss limits. A value-at-risk ("VaR") risk management methodology has been implemented with respect to the Group's trading portfolios to manage interest rate risk, equity risk and foreign exchange risk. VaR is used to alert senior management whenever the potential for losses in the Group's trading portfolios exceeds predetermined levels. All market-risk trading positions are subject to daily mark-to-market valuations which are monitored and managed by the Treasury Division. Independent monitoring, checking and trade confirmations are undertaken by the Risk Management and Control Department which reports to the Head of Group Risk. The Group's Internal Audit Division performs regular reviews to help ensure compliance with market risk limits and guidelines, and treasury policy and procedures. All exceptions to approved limits have to be reviewed and approved by the appropriate level of management, Treasury Risk Committee or ALCO.

VaR is a statistical technique which estimates the potential losses that could arise on risk positions taken due to movements in foreign exchange, interest rates or equity prices over a specified time horizon and to a given level of confidence. The model used by the Group to calculate portfolio and individual VaR on a variance/co-variance basis uses historical movements in market rates and prices, a 99% confidence level and a one-day holding period.

At 30th June 2004, the VaR of the Group for the various types of exposures are as follows:

	2004 HK\$'000
Interest rate risk trading exposures	2,746
Foreign exchange trading exposures	275
Equity trading exposures	213
Market risk trading exposures	3,234
Average VaR for the six months ended 30th June 2004	5,318

The average daily revenue earned from the Group's market risk related treasury activities in the six months ended 30th June 2004 was HK\$309,000 (2003: HK\$418,000) and the standard deviation for such daily revenue was HK\$2,699,000 (2003: HK\$1,787,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing activities:

(廿二) 風險管理 (續)

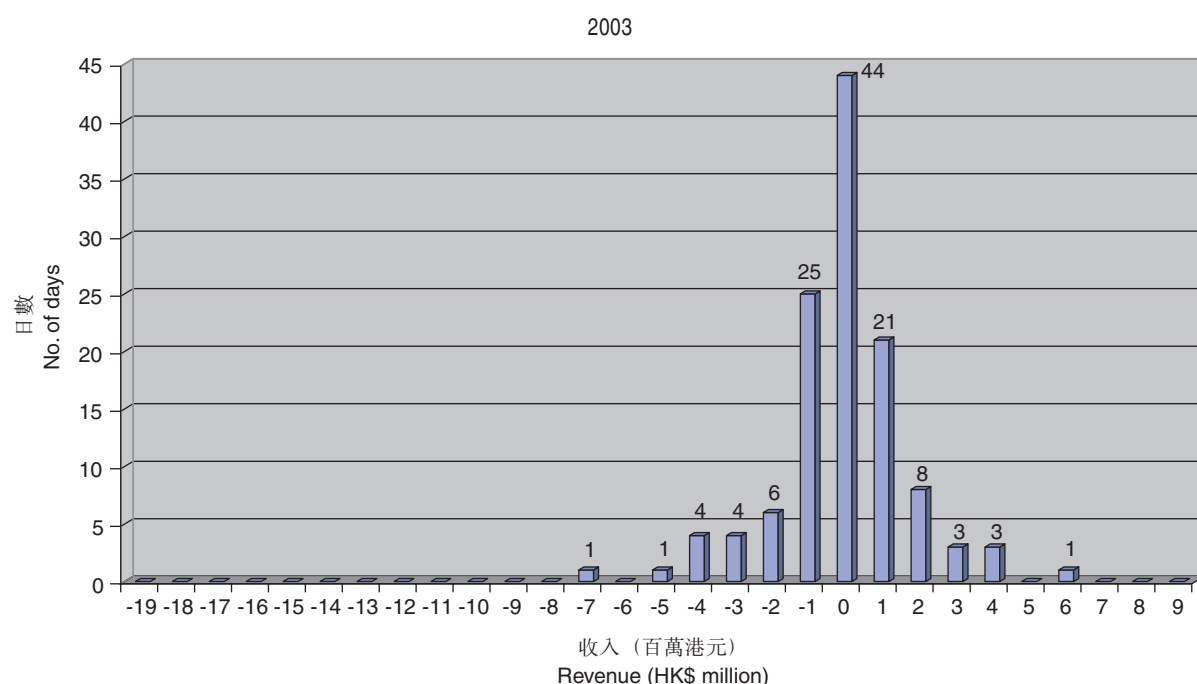
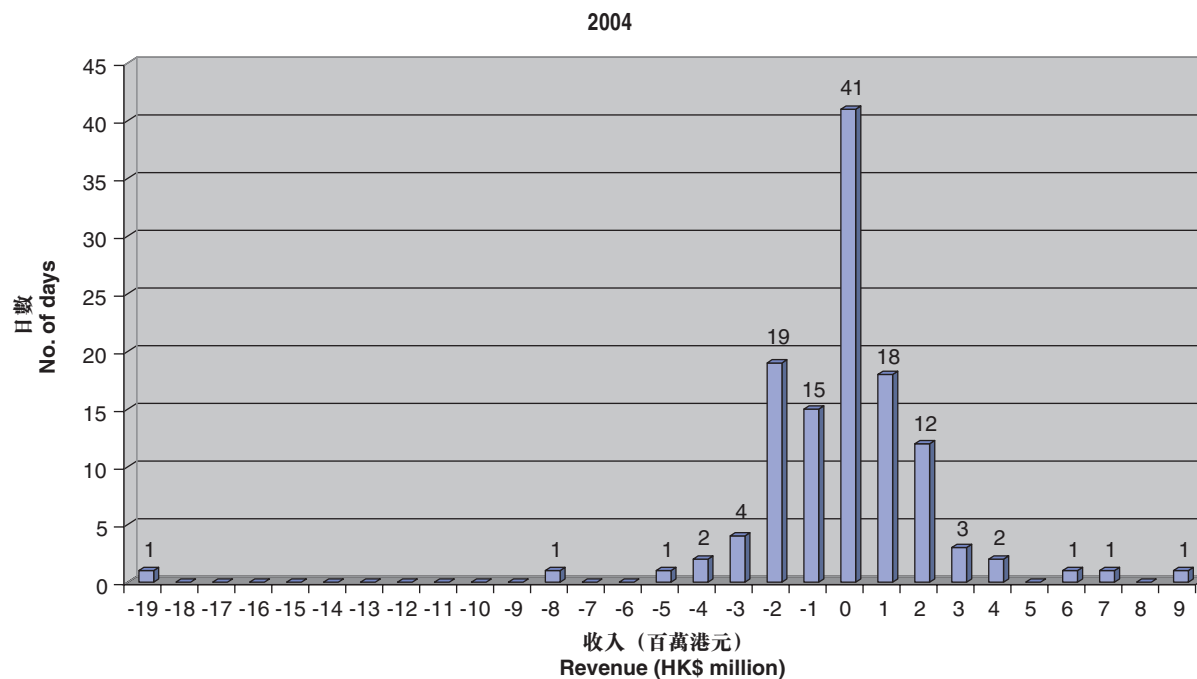
(22) Management of risks (Continued)

(f) 市場風險管理 (續)

(f) Market risk management (Continued)

下圖是與市場風險有關的每日收入分佈情況：

The following histograms show the frequency of daily revenues related to market risk activities:



截至二零零四年六月三十日止之六個月內，最高單日收益為9,691,000港元 (2003：6,662,000港元)，最大單日虧損為18,792,000港元 (2003：6,945,000港元)。

During the six months ended 30th June 2004, the highest daily gain was HK\$9,691,000 (2003: HK\$6,662,000) and the maximum daily loss was HK\$18,792,000 (2003: HK\$6,945,000).

(廿二) 風險管理 (續)

(g) 利率風險管理

本集團之利率敏感影響源於資產(例如客戶貸款)與負債(例如存款及存款證)出現不均衡,而利率定期或按不同時段改變(例如客戶貸款可能附帶固定利率,而存款可能定期重新定價)。本集團之利率風險主要來自以浮動利率存款及票據來融資作定息貸款及固定收入證券之資金。當利率上升時,利率差距及淨利息收入將受到影響,這是由於現有定息貸款及債務證券所帶來之利息不會增加。本集團處理利率變動風險之方法為密切監察賺息資產及計息負債之水平。此外,本集團已按業務及產品類型制定限額,控制利率變動之風險承擔。該等限額以有關之交易組合風險數值限額予以補充輔助,以控制本集團所承擔之整體風險。

本集團之利率風險可部份透過資產負債表外之利率對沖工具得以減低。該等對沖工具由資產及負債管理委員會根據市場及利率狀況而決定。

(h) 外匯風險管理

由於客戶交易引致之外匯持倉及外匯結存通常會與其他之客戶交易或市場交易互相抵銷,本集團承擔之外匯風險十分有限。本集團資產及負債以港元或美元為主。淨風險持倉,無論是個別貨幣或總體而言,每日皆由財資部控制在已制定之外匯限額內。

若用長期外幣資金提供港元資產融資,則通常會透過貨幣掉期或遠期外匯合約對沖而減低外匯風險。

(22) Management of risks (Continued)

(g) Interest rate risk management

In the Group, interest rate sensitivity arises where there is an imbalance between assets (e.g. customer loans) and liabilities (e.g. deposits and certificates of deposit) on which interest rates change periodically or at different intervals (e.g. customer loans may bear a fixed rate of interest, while the deposits may be repriced periodically). The Group's interest rate risk mainly arises from the funding of fixed-rate loans and fixed income securities by floating-rate deposits and notes. When interest rates rise, the interest spread and net interest income will be affected as interest income generated by the existing fixed-rate loans and debt securities will not increase. The Group addresses the risks of changes in interest rates by closely monitoring levels of interest-earning assets and interest-bearing liabilities. In addition, limits have been set by business and product type to control the Group's exposure to movements in interest rates. These limits are complemented by VaR limits in relation to the trading portfolio that control the overall quantum of risk assumed by the Group.

The Group's interest rate risk is mitigated in part by the use of off-balance sheet interest rate hedging instruments to hedge a portion of the Group's fixed-rate assets as determined by ALCO based on market and interest rate conditions.

(h) Foreign exchange risk management

The Group has limited foreign exchange exposures as foreign exchange positions and foreign currency balances arising from customer transactions are normally offset against other customer transactions or transactions with the market. The Group's assets and liabilities are primarily denominated in Hong Kong dollars or U.S. dollars. The net exposure positions, both by individual currency and in aggregate, are managed by the Treasury Division on a daily basis within established foreign exchange limits.

Long-term foreign currency funding, to the extent that this is used to fund Hong Kong dollar assets, is normally hedged using currency swaps or forward exchange agreements to reduce the foreign exchange risk.

(廿二) 風險管理 (續)**(h) 外匯風險管理 (續)**

下表載列本集團所持有外匯淨盤總額百分之十或以上之個別外匯狀況，及其等同之比較數字：

相等於百萬港元 Equivalent in HK\$ millions

現貨資產	Spot assets
現貨負債	Spot liabilities
遠期買入	Forward purchases
遠期賣出	Forward sales

長/ (短) 盤淨額 Net long/(short) position

(22) Management of risks (Continued)**(h) Foreign exchange risk management (Continued)**

The following sets out the Group's net foreign exchange position in individual currency that constitutes 10% or more of the total net position in all foreign currencies and the corresponding comparative balances:

二零零四年六月三十日
As at 30th June 2004

美元 USD	英磅 GBP	歐元 EUR	人民幣 CNY	瑞士法郎 CHF	澳元 AUD	星加坡元 SGD
18,703	111	1,468	373	278	40	3
(12,415)	(713)	(1,282)	(348)	(26)	(2,764)	(8)
15,606	740	946	—	450	2,839	75
(21,822)	(106)	(1,170)	—	(763)	(70)	—
72	32	(38)	25	(61)	45	70

二零零三年十二月三十一日
As at 31st Dec. 2003

美元 USD	英磅 GBP	歐元 EUR	人民幣 CNY	瑞士法郎 CHF	澳元 AUD	星加坡元 SGD
21,236	101	2,593	—	293	63	3
(13,578)	(666)	(1,078)	—	(28)	(2,523)	(8)
13,879	645	684	—	39	2,578	5
(20,020)	(80)	(2,201)	—	(307)	(80)	—
1,517	—	(2)	—	(3)	38	—

(i) 與衍生工具相關之風險

衍生工具為其特性及價值來自其相關金融工具、利率、匯率或指數之合約。這包括於外匯及利率市場之期貨、遠期、掉期及期權交易。衍生工具乃銀行與客戶重要之風險管理工具，用於管理價格、利率及外匯變動之風險。

本集團在其正常之業務中，進行一系列之衍生工具交易，包括在利率、外匯及股票市場進行之遠期、期貨、掉期及期權交易。衍生工具交易是為買賣及對沖目的而進行。本集團使用衍生工具的目的包括以中介人身份滿足客戶之要求，管理本集團之風險，及在可接受的規限內進行買賣以產生收入。

(i) Risks associated with derivative instruments

Derivatives are contracts whose characteristics and value are derived from underlying financial instruments, interest rates, exchange rates or indices. They include futures, forwards, swaps and options transactions in the foreign exchange and interest rate markets. Derivatives are important risk management tools for banks and their customers because they can be used to manage the risk of price, interest rate and exchange rate movements.

In the normal course of business, the Group enters into a variety of derivative transactions including forwards, futures, swaps and options transactions in the interest rate, foreign exchange and equity markets. Derivative transactions are conducted for both trading and hedging purposes. The Group's objectives in using derivative instruments are to meet customers' needs by acting as an intermediary, to manage the Group's exposure to risks and to generate revenues through trading activities within acceptable limits.

(廿二) 風險管理 (續)

(i) 與衍生工具相關之風險 (續)

i) 持作或發行作買賣用途的衍生工具

本集團替客戶進行衍生工具合約交易或應客戶的要求組合切合個別情況的衍生工具。本集團亦就其情況進行本身的交易。本集團使用的作買賣用途的衍生工具產品主要為基於利率、外匯兌換率及股票價格之櫃檯交易的衍生工具。

ii) 持作或發行作對沖用途的衍生工具

持作對沖用途的衍生工具主要包括用作管理利率及外匯風險的衍生工具或合約。此等工具全為櫃檯交易的衍生工具。

(j) 營運風險管理

營運風險為內部程序、人力資源及系統不足或失誤或外界事件而導致虧損之風險。

本集團管理委員會，包括本公司之行政總裁、所有部門主管及副主管，擔任主要管理控制角色，指導制定及執行與本集團營運及業務相關之政策及過程，協調各部門之工作、分辨項目及工作之優先次序，解決內部問題及提升營運控制。持續資訊科技保安檢討、提升及審閱有助加強核心系統及保安之可靠性。為保持高度營運效率及本集團關鍵業務及程序之持續性，本集團已採取加強保持業務持續性之規劃、反應迅速及有效性之措施。

業務單位須運用集團之業務水平標準及指標監察其營運風險。於適當時，必須向業務主管及營運部主管匯報。本集團於適當時購買保險，保障業務活動之內在營運風險。

(k) 內部審核部的角色

本集團之內部審核部是一獨立、客觀及顧問性質之部門，集中於改進和維持本集團業務及營運部門穩健之內部控制。該部門向一獨立非執行董事所主持之審核委員會作出功能上之匯報。內部審核部處理各類不同形式之內部控制活動，例如合規性審計、操作和系統覆查以確定本集團控制系統之完整性、效率和有效性。

(22) Management of risks (Continued)

(i) Risks associated with derivative instruments (Continued)

i) Derivatives held or issued for trading purposes

The Group transacts derivative contracts on behalf of customers or to address customer demands in structuring tailored derivatives. The Group also takes proprietary positions for its own accounts. Trading derivative products used by the Group are primarily over-the-counter derivatives transacted based on interest rates, foreign exchange rates and the prices of equities.

ii) Derivatives held or issued for hedging purposes

Derivatives held for hedging purposes primarily consist of derivative instruments or contracts used to manage interest rate risk and foreign exchange risk. All of these are over-the-counter derivatives.

(j) Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The Group's Management Committee, which comprises the Company's Chief Executive, all division heads and deputy division heads, provides a key management control role in guiding the initiation and implementation of policies and procedures related to the operations and activities of the Group, co-ordinating the work of the divisions, prioritising projects and tasks, resolving internal issues and enhancing operational control. Ongoing information technology security reviews, upgrades and audits help strengthen the core system and security reliability. To sustain a high degree of operational robustness and continuity for the critical businesses and processes of the Group, measures to strengthen business continuity planning, readiness and effectiveness have been adopted.

Business units are required to monitor their operational risks using Group and business level standards and indicators. Where appropriate, issues must be reported to business heads and the Head of Operations. The Group purchases insurance where appropriate to address operational risk inherent in its business activities.

(k) The role of Internal Audit

The Group's Internal Audit Division is an independent, objective assurance and consulting unit which is designed to focus on enhancing and sustaining sound internal control in all business and operational units of the Group. The Internal Audit Division reports functionally to the Audit Committee which is chaired by an independent non-executive Director. The Internal Audit Division conducts a wide variety of internal control activities such as compliance audits and operations and systems reviews to ensure the integrity, efficiency and effectiveness of the systems of controls of the Group.

(廿三) 分項報告

分項資料乃顯示本集團之分項業務情況：

(23) Segment reporting

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

截至二零零四年六月三十日止六個月
For the six months ended 30th June 2004

		個人銀行 Personal Banking HK\$'000	商業銀行 Commercial Banking HK\$'000	財資業務 Treasury HK\$'000	未分類業務 Unallocated HK\$'000	抵銷 Elimination HK\$'000	總計 Total HK\$'000
利息收入	Interest income from						
– 外界客戶	– external customers	434,411	287,943	426,327	3,099	–	1,151,780
– 跨項目	– inter-segments	166,825	18,318	–	–	(185,143)	–
利息支出	Interest expenses to						
– 外界客戶	– external customers	(160,636)	(27,706)	(92,213)	(4,974)	–	(285,529)
– 跨項目	– inter-segments	–	–	(170,479)	(14,664)	185,143	–
淨利息收入	Net interest income	440,600	278,555	163,635	(16,539)	–	866,251
其他營運收入	Other operating income	180,021	55,120	39,422	19,421	–	293,984
營運收入	Operating income	620,621	333,675	203,057	2,882	–	1,160,235
營運支出	Operating expenses	(274,207)	(66,231)	(39,334)	(19,413)	–	(399,185)
扣除準備前之營運 溢利/(虧損)	Operating profit/(loss) before provisions	346,414	267,444	163,723	(16,531)	–	761,050
壞賬及呆賬準備 (支出)/撥回	(Charge)/write-back of provisions for bad and doubtful debts	(104,028)	(40,230)	53	564	–	(143,641)
扣除準備後之營運 溢利/(虧損)	Operating profit/(loss) after provisions	242,386	227,214	163,776	(15,967)	–	617,409
出售/重估固定 資產淨 收益/(虧損)	Net gain/(loss) on disposal and deficit on revaluation of fixed assets	134	–	–	(648)	–	(514)
出售非持作買賣 用途的證券淨收益	Net gain on disposal of non-trading securities	–	–	35,212	–	–	35,212
一般業務溢利/ (虧損)	Profit/(loss) on ordinary activities	242,520	227,214	198,988	(16,615)	–	652,107
應佔共同控制實體之 業績	Share of results of jointly controlled entities	–	–	–	4,139	–	4,139
終止經營業務之 其他淨貢獻	Net other contribution from discontinuing operation	–	–	–	276	–	276
重組費用	Reorganisation costs	–	–	–	(10,849)	–	(10,849)
除稅前溢利/(虧損)	Profit/(loss) before taxation	242,520	227,214	198,988	(23,049)	–	645,673
於二零零四年 六月三十日	As at 30th June 2004						
資產合計	Total assets	18,704,784	14,953,676	32,593,080	977,130	–	67,228,670
負債合計	Total liabilities	33,663,774	8,796,351	16,262,655	501,588	–	59,224,368
截至二零零四年 六月三十日止六個月	For the six months ended 30th June 2004						
折舊	Depreciation	10,612	864	347	18,915	–	30,738
資本支出	Capital expenditure incurred	7,112	3,068	2	3,444	–	13,626

個人銀行業務包括接受個人客戶存款、住宅樓宇按揭、私人貸款、透支和信用卡服務、保險業務的銷售和投資服務。

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.

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。

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.

(廿三) 分項報告 (續)

財資業務主要包括外匯服務、中央貸存現金管理、利率風險管理、證券投資管理及集團整體之資金運用管理。

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)。

(23) Segment reporting (Continued)

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.

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

截至二零零三年六月三十日止六個月(經重列)
For the six months ended 30th June 2003 (Restated)

		個人銀行 Personal Banking HK\$'000	商業銀行 Commercial Banking HK\$'000	財資業務 Treasury HK\$'000	未分類業務 Unallocated HK\$'000	抵銷 Elimination HK\$'000	總計 Total HK\$'000
利息收入	Interest income from						
– 外界客戶	– external customers	494,135	292,663	428,337	3,573	—	1,218,708
– 跨項目	– inter-segments	165,555	—	—	9,669	(175,224)	—
利息支出	Interest expenses to						
– 外界客戶	– external customers	(191,129)	(41,338)	(137,777)	(4,607)	—	(374,851)
– 跨項目	– inter-segments	—	(24,973)	(150,251)	—	175,224	—
淨利息收入	Net interest income	468,561	226,352	140,309	8,635	—	843,857
其他營運收入	Other operating income	148,666	41,979	49,096	14,169	—	253,910
營運收入	Operating income	617,227	268,331	189,405	22,804	—	1,097,767
營運支出	Operating expenses	(251,343)	(55,181)	(32,421)	(36,199)	—	(375,144)
扣除準備前之營運 溢利/(虧損)	Operating profit/(loss) before provisions	365,884	213,150	156,984	(13,395)	—	722,623
壞賬及呆賬準備 (支出)/撥回	(Charge)/write-back of provisions for bad and doubtful debts	(270,550)	(38,780)	187	(13,713)	—	(322,856)
扣除準備後之營運 溢利/(虧損)	Operating profit after provisions	95,334	174,370	157,171	(27,108)	—	399,767
出售/重估 固定資產淨虧損	Net loss on disposal and deficit on revaluation of fixed assets	—	—	—	(69,869)	—	(69,869)
出售非持作買賣用途 的證券淨收益	Net gain on disposal of non-trading securities	—	—	163,187	—	—	163,187
一般業務溢利/ (虧損)	Profit/(loss) on ordinary activities	95,334	174,370	320,358	(96,977)	—	493,085
應佔共同控制實體 之業績	Share of results of jointly controlled entities	—	—	—	(2,100)	—	(2,100)
終止經營業務之 其他淨貢獻	Net other contribution from discontinuing operation	—	—	—	289	—	289
除稅前溢利/(虧損)	Profit/(loss) before taxation	95,334	174,370	320,358	(98,788)	—	491,274
於二零零三年 十二月三十一日	As at 31st December 2003						
資產合計	Total assets	17,272,857	13,126,303	30,962,428	802,684	—	62,164,272
負債合計	Total liabilities	31,032,259	7,911,489	15,930,004	620,543	—	55,494,295
截至二零零三年 六月三十日 止六個月	For the six months ended 30th June 2003						
折舊	Depreciation	11,915	915	494	18,886	—	32,210
資本支出	Capital expenditure incurred	5,771	48	1,237	2,632	—	9,688

(廿四) 結算日後事項

作為初步公開發售股份的一部份，本公司授予國際配售包銷商超額配股權。於二零零四年七月十九日，本公司根據包銷商行使的配股權再發行9,830,827新股份。

(24) Subsequent event

As part of its initial public offering of shares, the Company granted an over-allotment option to the underwriters of the international placing. The Company issued a further 9,830,827 new shares, on 19th July 2004 pursuant to the exercise of the option by the underwriters.

財務比率

FINANCIAL RATIOS

		截至 二零零四年 六月三十日止 之有關期間 Period ended 30th June 2004	截至 二零零三年 十二月三十一日 止之有關年度 Year ended 31st Dec. 2003	截至 二零零三年 六月三十日止 之有關期間 Period ended 30th June 2003
淨利息收入/營運收入	Net interest income/operating income	74.7%	75.9%	76.9%
成本對收入比率	Cost to income ratio	34.4%	35.2%	34.2%
平均總資產回報 (年率) (註一)	Return on average total assets (annualised) (Note 1)	1.7%	1.5%	1.2%
平均股東資金回報 (年率) (註一)	Return on average shareholders' funds (annualised) (Note 1)	16.9%	15.9%	13.5%
貸款對存款 (不包括借貸資本) 比率	Loan to deposit (excluding loan capital) ratio	62.1%	57.1%	55.1%
資本充足比率(註二)	Capital adequacy ratio (Note 2)	18.3%	20.4%	21.0%
經調整資本充足率(註三)	Adjusted capital adequacy ratio (Note 3)	18.1%	20.2%	20.8%
平均流動資產比率(註四)	Average liquidity ratio (Note 4)	56.3%	65.9%	69.7%
淨息差(年率)	Net interest margin (annualised)	3.02%	3.05%	3.12%

註：

Note:

- 一、 截至二零零四年六月三十日之盈利能力比率是以經調作正常化之應佔溢利549,800,000港元(經扣除重組費用10,800,000港元)而計算。
- 二、 資本充足比率為本集團系的附屬銀行公司於六月三十日或十二月三十一日之綜合比率。集團系內各附屬銀行公司之資本充足比率乃根據銀行業條例第三附表計算。
- 三、 經調整資本充足比率為集團系的附屬銀行公司之綜合比率。集團系內各附屬銀行公司之經調整資本充足比率乃根據香港金融管理局所發出「就市場風險維持充足資本」指引計算，是項經調整比率已顧及市場風險。
- 四、 流動資產比率為集團系的附屬銀行公司於有關期內每個曆月的平均流動資產比率的簡單平均數。集團系內各附屬銀行公司之流動資產比率是根據銀行業條例第四附表計算。

1. The normalised attributable profit of HK\$549.8 million, excluding reorganisation costs of HK\$10.8 million, is used in calculating the profitability ratios for the period ended 30th June 2004.
2. The capital adequacy ratio represents the consolidated ratio of the banking subsidiaries within the Group as at 30th June or 31st December. The capital adequacy ratio of each banking subsidiary within the Group is computed in accordance with the Third Schedule of the Banking Ordinance.
3. The adjusted capital adequacy ratio represents the consolidated ratio of the banking subsidiaries within the Group. The adjusted capital adequacy ratio of each banking subsidiary within the Group is computed in accordance with the Guideline "Maintenance of Adequate Capital Against Market Risks" issued by the Hong Kong Monetary Authority. The adjusted ratio takes into account market risk.
4. The liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio for the relevant reporting period for the banking subsidiaries within the Group. The liquidity ratio of each banking subsidiary within the Group is computed in accordance with the Fourth Schedule of the Banking Ordinance.

扣減後的資本基礎

扣減後的資本基礎及用作計算上述在六月三十日資本充足比率並向香港金融管理局呈報的分析如下：

CAPITAL BASE AFTER DEDUCTIONS

The capital base after deductions used in the calculation of the above capital adequacy ratios as at 30th June and reported to the Hong Kong Monetary Authority is analysed as follows:

		二零零四年 2004 HK\$'000	二零零三年 2003 HK\$'000
核心資本	Core capital		
繳足股款的普通股股本	Paid up ordinary share capital	1,207,749	1,207,749
儲備	Reserves	4,241,810	3,708,484
核心資本總額	Total core capital	5,449,559	4,916,233
附加資本	Supplementary capital		
土地及土地權益 價值重估的儲備	Reserve on revaluation of land and interests in land	193,769	171,201
持有非用作買賣用途的 證券的重估儲備	Reserve on revaluation of holding of securities not held for trading purposes	(151,760)	84,621
一般呆賬準備	General provisions for doubtful debts	314,890	286,362
有期後償債項	Term subordinated debts	974,963	974,769
可計算的附加資本總額	Total eligible supplementary capital	1,331,862	1,516,953
扣減前的資本基礎總額	Total capital base before deductions	6,781,421	6,433,186
資本基礎總額的扣減項目	Deductions from total capital base	(82,827)	(26,101)
扣減後的資本基礎總額	Total capital base after deductions	6,698,594	6,407,085

中期股息

董事會宣派二零零四年度中期股息每股0.23港元，將於二零零四年九月六日(星期一)或之後付予於二零零四年九月三日(星期五)辦公時間結束時載列於股東名冊內之股東。

除遇有特殊情況及未可預計事故外，董事會現擬於本公司公佈截至二零零四年十二月三十一日止全年業績時建議宣派末期股息，連同已付中期股息，總計股息約佔本公司全年可供分派溢利百分之五十。

暫停辦理股東登記

本公司將於二零零四年八月三十日(星期一)至二零零四年九月三日(星期五)(包括首尾兩天)暫停辦理股東登記。如欲符合資格享有中期股息，須於二零零四年八月二十七日(星期五)下午四時或以前將過戶表格連同有關股票送達香港皇后大道東一八三號合和中心十七樓香港中央證券登記有限公司，本公司之股東登記處辦理過戶手續。

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK\$0.23 per share for 2004 payable on or after Monday, 6th September 2004 to shareholders whose names are on the Register of Shareholders at the close of business on Friday, 3rd September 2004.

Barring any special circumstances and unforeseen events, the Directors currently intend to propose, when the Company announces full-year results for the year ending 31st December 2004, the payment of a final dividend which together with the interim dividend paid will represent, in aggregate, a total dividend of approximately 50% of the Company's distributable profit for the year.

CLOSING OF REGISTER OF SHAREHOLDERS

The Register of Shareholders will be closed from Monday, 30th August 2004 to Friday, 3rd September 2004, both days inclusive. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 27th August 2004.

集團概覽

本公司於二零零四年三月成立，乃大新金融集團有限公司（「大新金融」）之附屬公司，目的為持有大新金融之銀行及相關附屬公司。在獲取所需監管當局許可及股東批准後，集團於二零零四年六月十二日進行重組，就此，本公司發行新股予大新金融以換取其轉讓於大新銀行、豐明銀行、D.A.H. Holdings Limited（持有處於格恩西島之D.A.H. Hambros Bank (Channel Islands) Limited）及鈞寶證券有限公司之全部權益。於二零零四年六月三十日，本公司成功在香港聯合交易所有限公司獨立上市。

此份業績公佈具述本公司與其附屬公司（「本集團」）分別於二零零四年及二零零三年首六個月之綜合業績。雖然本公司於二零零四年三月始成立，惟本集團已引用會計實務準則第二十七條「集團重組會計法」之合併會計方式，將本集團視作一家已併合營運之集團，採用與集團重組時之相應基準，以確認及編製上半年期內及二零零三年相關期間之業績。

業務回顧

承自二零零三年下半年本港經濟與市場氣氛復甦，二零零四年上半年本地經營環境逐有好轉，物業價格上調、失業情況與通縮紓緩、內部消費增加。二零零四年第一季本地生產總值提升百分之六點八，第二季失業率下降至百分之六點九。

本集團主要附屬公司大新銀行於期內業績錄得增長，反映淨利息收入與非利息收益上升及呆壞賬支出減少。截至二零零四年六月三十日止六個月，大新銀行淨溢利錄得五億三千八百四十萬港元，較去年同期增長百分之三十四點七。

本集團另一以個人銀行品牌的附屬公司豐明銀行自二零零三年首次錄取盈利後，在壞賬支出減少的情形下，利潤逐步攀升，上半年錄得溢利七百七十萬港元。去年首半年則錄得三十萬港元的輕微虧損。

本集團之貸款總額在二零零四年上半年錄得增長，主要來自商業借貸、住宅按揭及貿易融資業務。個人破產宗數下降及物業價格回升導致資產質素逐見改善（尤其是消費及信用卡借貸）。

CORPORATE OVERVIEW

The Company was established in March 2004 as a subsidiary of Dah Sing Financial Holdings Limited (“DSFH”) and for the purpose of holding the banking and related subsidiaries of DSFH. After receiving all regulatory approvals and DSFH shareholders’ approval, a group reorganisation took place on 12th June 2004, whereby the Company issued new shares to DSFH in consideration for DSFH’s transfer of all of its interest in Dah Sing Bank, MEVAS Bank, D.A.H. Holdings Limited (which owns D.A.H. Hambros Bank (Channel Island) in Guernsey) and Global Courage Securities Limited to the Company. The Company achieved its separate listing on The Stock Exchange of Hong Kong Limited on 30th June 2004.

The results presented herewith reflect the consolidated results of the Company and its subsidiaries (the “Group”) for the first six months in 2004 and 2003. Although the Company was only established in March 2004, the Group has adopted the merger accounting method as set out in the Statement of Standard Accounting Practice No. 27 “Accounting for Group Reconstructions” to recognise and report its results with the effect that the Group was treated as though it had been operating as a combined group (on a basis consistent with the group reorganisation) throughout the period under review and also in the corresponding period in 2003.

BUSINESS REVIEW

Continuing with the recovery in the local economy and market sentiment since the second half of 2003, the local operating environment in the first half of 2004 further improved on the back of higher property prices, easing unemployment and deflation, and higher domestic consumption. Local GDP grew 6.8% in the first quarter whilst unemployment rate dropped to 6.9% in the second quarter of 2004.

The Group’s principal subsidiary, Dah Sing Bank, delivered stronger results in the period, reflected in higher net interest income and non-interest revenue, and a lower charge for bad and doubtful debts. The net profit of Dah Sing Bank for the six months ended 30th June 2004 amounted to HK\$538.4 million, an increase of 34.7% when compared with the same period in 2003.

After achieving its first year of profitability in 2003, the profit of MEVAS Bank, the Group’s separately branded personal banking subsidiary, steadily increased as bad debt charge eased and reported a half-year profit of HK\$7.7 million. A small loss of HK\$0.3 million loss was incurred in the first half of last year.

The Group’s loan book expanded during the first half of 2004 led by commercial lending, residential mortgages and trade finance. Asset quality, particularly in consumer and credit card lending, further improved as a result of lower personal bankruptcies and rebound in property prices.

業務回顧 (續)

本集團個人銀行業務因資產質素的提升及財富管理業務收益的增加，令期內盈利取得重大的改善。信用卡撇賬率削減，負資產住宅按揭宗數亦銳降。在接近零存款利率的環境下，客戶趨向尋求各類投資選擇，財富管理產品銷售強勁令收費收入取得較佳增長。

自本年二月下旬開展了人民幣兌換及接受存款業務後，本集團在接受人民幣存款業務上取得鼓舞性之成績。大新銀行在四月份開始人民幣信用卡收單業務，為商業客戶因接待不斷湧入之內地遊客及其接受人民幣信用卡消費，提供額外的信用卡服務。

受惠於客戶在出口及轉口業務強勁之表現，商業銀行業務亦因而獲得改善。相對二零零三年底，貿易融資及銀團貸款業務有可觀增長。

在「更緊密經貿關係安排」規範下，大新銀行已於深圳開設其首間在國內之分行，這正是本集團擴展業務地域至泛珠三角洲的第一步。

財務回顧

本集團在本港經濟持續復甦期間，錄得強勁之營運業績。截至二零零四年六月三十日止六個月之集團股東應佔溢利達五億三千九百萬港元，較二零零三年度同期上升百分之三十一點二。溢利增長主要由於呆壞賬支出減低及營運收入增加所致。

與二零零三年同期比較，淨利息收入增長百分之二點七。賺息資產結餘上升及因港元貨幣市場利率下調而引致資金成本降低令本集團之淨利息收入增加。鑑於較高息率之消費及信用卡借貸結餘減少及剩餘資金收息率下跌，淨息差由去年同期百分之三點一二略為收窄至百分之三點零二。

由於財富管理業務表現理想，其他營運收入較二零零三年同期提升百分之十五點八。

為配合集團各項業務之擴展，營運支出增加百分之六點四。在嚴謹成本控制下，部份增加的人事費用已由物業及其他營運支出節流抵銷。而成本對收入比率較去年同期百分之三十四點二，略為上調至百分之三十四點四。

BUSINESS REVIEW (Continued)

The Group's Personal Banking business achieved a substantial improvement in profitability in the period as a result of better asset quality and higher wealth management contribution. Credit card charge-offs were much lower whilst negative-equity residential mortgages also reduced significantly. Fee income was boosted by strong sales of wealth management products as customers looked for investment alternatives in an environment of near-zero deposit rates.

Since the introduction of the Renminbi ("RMB") note exchange and deposit-taking business in late February this year, the Group has achieved encouraging results in the taking of RMB deposits. In April, Dah Sing Bank launched the RMB credit card acquiring business to provide additional card service to its merchant customers in serving the increasing inflow of tourists from China, with a rising volume of RMB card spending in Hong Kong.

Commercial Banking business delivered an improved result benefiting from the strengthening exports and re-exports business performance of their customers. Solid growth was seen in trade finance and syndicated lending since the end of 2003.

Under the CEPA framework, Dah Sing Bank has recently opened its first Mainland China branch in Shenzhen. This is the first step in the expansion of the Group's business geographically to the Pearl River Delta region.

FINANCIAL REVIEW

The Group was able to achieve stronger operating results amidst the continued recovery of the local economy. Profit attributable to shareholders for the Group for the six months ended 30th June 2004, relative to the same period in 2003, increased by 31.2% to HK\$539 million. The profit growth was driven mainly by lower charge for bad and doubtful debts and stronger operating revenues.

Net interest income grew 2.7% when compared with the same period in 2003. Higher balances of interest bearing assets, together with a lower funding cost caused mainly by lower HK\$ money market rates, enabled the Group to report an increase in net interest income. The net interest margin slightly narrowed to 3.02% from 3.12% in the same period last year due to lower balance of higher yielding consumer and credit card lending, and a lower yield earned on surplus funds investments.

Other operating income grew 15.8% when compared with the same period in 2003, driven mainly by the strong performance of the wealth management business.

Operating expenses rose 6.4% in line with the expansion of various lines of business in the Group. The increase in staff costs was partially offset by savings in premises and other operating expenses as a result of our tight cost control. The cost to income ratio slightly edged up to 34.4% in the period from 34.2% in the corresponding period last year.

財務回顧 (續)

與二零零三年首半年比較，扣除準備前之營運溢利上升百分之五點三，反映集團的核心營運表現有所改善。

由於市場環境好轉，尤以個人破產個案下降及物業價格回升，加上嚴謹的信貸審批及積極追討逾期還款，期內資產質素(尤以消費及信用卡貸款)獲得重大改善。與二零零三年上半年比較，集團之呆壞賬支出削減百分之五十五點五。於二零零四年六月三十日，不履行貸款比率亦由去年十二月三十一日的百分之一點五五下調至百分之一點一。

期內扣除準備後之營運溢利為六億一千七百萬港元，較二零零三年上半年提升百分之五十四點四，乃由於收益增長及呆壞賬支出減少所致。

預料利率在二零零四年內可能調高，因此自二零零三年下半年始，集團已著手縮短證券投資項目年期以減低利率風險。本年第二季度美國中期債券息率調升及債券收益大幅波動，加上預期美國利率於下半年度將會調高，令定息收入投資面臨更多挑戰。於此市況，集團在期內出售證券獲利三千五百萬港元，遠較去年上半年度債券市場環境較利好時之收益一億六千三百萬港元為低。

期內由攤分應佔共同控制實體累計稅務虧損的遞延稅項資產帶來四百萬港元之正數收益，相對去年同期之應佔淨虧損為二百萬港元。

為預備本公司獨立上市，本公司的最終控股公司大新金融於二零零四年六月十二日完成集團重組，據此大新金融將旗下所有銀行業務相關之附屬公司整合，轉由本公司持控。重組所涉及之費用為一千零八十萬港元，已於期內報銷。

於二零零四年六月三十日，集團在扣除準備後之貸款總額為三百一十億六千七百萬港元，較去年年底上升達百分之十三點二。住宅按揭、貿易融資、銀團貸款及證券投資融資業務均錄得正增長。客戶存款總額為四百零九億七千萬港元，較二零零三年底增長百分之二。存款證增幅達百分之十五點二，達九十億六千六百萬港元，其中四十九億六百萬港元為零售存款證。作為中期資金來源，零售存款證已成為集團整體資金基礎重要的部份。

FINANCIAL REVIEW (Continued)

Operating profit before provisions was 5.3% higher than the first half of 2003, reflecting the improvement in the Group's core operating performance.

Due to improved market conditions, particularly lower personal bankruptcies and higher property prices, as well as prudent credit underwriting and rigorous collection efforts, asset quality in the period, particularly for consumer and credit card lending, improved significantly. The charge for bad and doubtful debts reduced 55.5% when compared with the first half of 2003. As at 30th June 2004, the non-performing loan ratio improved to 1.10%, down from 1.55% level as of 31st December 2003.

As a result of stronger revenue growth and lower charge for bad and doubtful debts, operating profit after provisions for the period was HK\$617 million, 54.4% higher when compared with the first half of 2003.

In anticipation of possible interest rate increase in 2004, the Group has taken action to shorten the durations of its securities investments since the second half of 2003 in order to reduce exposure to interest rate risk. The rise in US medium term bond interest rates and higher bond yield volatility since the second quarter of 2004, and the anticipated rise in US interest rate in the second half year, presented additional challenges for fixed income investments. Under these market conditions, the Group's gain on disposal of securities for the period of HK\$35 million was much lower than the gain of HK\$163 million realised in the first half of 2003, when the conditions in the bond market were more favourable.

The share of deferred tax asset on the accumulated tax losses of the jointly controlled entities resulted in a positive contribution of HK\$4 million during the period compared to the share of net losses of HK\$2 million for the same period last year.

On 12th June 2004, in preparation of the separate listing of the Company, the ultimate holding company, DSFH, completed a group reorganisation whereby DSFH consolidated its banking-related subsidiaries under the Company. Reorganisation costs of HK\$10.8 million were incurred and expensed in the period.

As at 30th June 2004, the Group's total loans net of provisions amounted to HK\$31,067 million, up 13.2% relative to the end of last year. Positive growth was recorded in residential mortgages, trade finance, syndicated loans and securities investment financing. Customers' deposits totalled HK\$40,970 million, up 2.0% since the 2003 year end. Certificates of deposits grew 15.2% to HK\$9,066 million of which retail certificates of deposit accounted for HK\$4,906 million. Retail certificates of deposit, as a source of medium-term funding, have become an important part of the Group's overall funding base.

前瞻

雖然普遍預期美國及香港的利率將於二零零四年下半年調高，但相信在未來數月並不會對全球及本港經濟增長帶來嚴峻的影響。美國聯邦儲備局主席亦已表明將會循步上調美國聯邦基金利率。

雖然失業率下降及訪港旅客增加刺激內部消費有助支持本港經濟表現，惟鑑於香港在二零零三年下半年的本地生產總值有較大升幅，預期下半年之本地生產總值較去年同期增長將有所放緩。在全球及本港經濟普遍改善之環境下，將有助集團下半年的業務表現。

本公司於本年六月份已完成首次公開發售，集團之資本來源在這成功集資後已增強。提升股東資本將有助支持本集團銀行業務的增長並促進其他擴充業務的發展。

董事權益

於二零零四年六月三十日，根據本公司依循「證券及期貨條例」第352條規定而設置之董事及最高行政人員權益及淡倉登記冊所載記錄顯示各董事按照「證券及期貨條例」第XV部界定所持有本公司及其相聯法團之股份、股本衍生工具及債券之權益及淡倉詳情如下：

PROSPECTS

Although US and Hong Kong interest rates are widely expected to rise in the second half of 2004, the impact to global and local HK economic growth in the coming few months is unlikely to be severe. The US Federal Reserve Board Chairman has confirmed that increases in the US Fed Fund rate are likely to be at a measured pace.

Against a strong rate of GDP recovery in the second half of 2003, a slower rate of year-on-year GDP growth for Hong Kong in the second half is anticipated, although increases in inbound tourism and improving domestic consumption due to a lower unemployment should help support local economic performance. A generally positive development in the global market and local economy will be conducive to our business performance in the second half of the year.

With the completion of the Company's initial public offering in June 2004, the Group's capital resources have been strengthened as a result of the new equity capital raised. The higher level of equity capital will help support the growth of the Group's banking business and facilitate other expansion initiatives.

DIRECTORS' INTERESTS

At 30th June 2004, the interests and short positions of the Directors of the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) recorded in the register of directors' and chief executive's interests and short positions required to be maintained under section 352 of the SFO were as follows:

董事	Director	持有本公司普通股份之數目 Number of ordinary shares			所持有普通股份 對已發行股本百分比 Percentage of ordinary shares held in the entire issued share capital	
		個人權益 ⁽¹⁾ Personal Interests ⁽¹⁾	法團權益 ⁽²⁾ Corporate Interests ⁽²⁾	其他權益 Other Interests	合計 Total Interests	
持有本公司每股面值一港元的普通股份	Number of ordinary shares of HK\$1 each in the Company					
王守業	David Shou-Yeh Wong	—	728,000,000 (L) ⁽³⁾ 12,285,000 (S) ⁽⁴⁾	—	728,000,000 (L) 12,285,000 (S)	80.00 1.35
持有大新金融集團有限公司 每股面值二港元的普通股份	Number of ordinary shares of HK\$2 each in Dah Sing Financial Holdings Limited					
王守業	David Shou-Yeh Wong	—	4,344,746 (L)	87,679,236 (L) ⁽⁵⁾	92,023,982 (L)	37.31
莊先進	John William Simpson	10,000 (L)	—	—	10,000 (L)	0.00
趙龍文	Lung-Man Chiu (John Chiu)	38,800 (L)	—	—	38,800 (L)	0.02

略：(L) 好倉
(S) 淡倉

Abbreviation: (L) Long position
(S) Short position

董事權益 (續)

註：

- (1) 董事所持股份之個人權益乃指其為實益擁有人(不論個人或聯名擁有而言)。
- (2) 董事之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- (3) 由於王守業於大新金融集團有限公司(「大新金融集團」)被視作擁有92,023,982股股份權益，佔相關已發行股本百分之三十七點三一，因而按證券及期貨條例第XV部的定義被視作擁有該等於本公司股份之權益。
- (4) 在本公司12,285,000股的淡倉權益乃由於王守業均持有被視為擁有權益的大新金融集團及本公司給予香港上海滙豐銀行有限公司(「滙豐」)純粹為補足國際配售之超額分配而設置之超額配股權所致。滙豐為本公司委託之全球發售股份經辦人。

(附註：滙豐在二零零四年七月十三日行使權利，以每股12.66港元增購17,874,231股本公司股份，其中包括由大新金融集團出售8,043,404股現股，及由本公司於二零零四年七月十九日發行及配發之9,830,827股新股。)

- (5) 此等股份乃由為王守業及其家屬利益而成立之全權信託受託人滙豐國際信託有限公司間接持有。

根據本公司之控股公司大新金融集團的股東於一九九五年五月十七日所通過之行政人員優先認股計劃(「該計劃」)，本公司若干董事於二零零零年四月三日獲授予按每份認股權1港元代價可認購大新金融集團股本中每股面值2港元股份之權利。認購價定於每股26.28港元，乃按大新金融集團於香港交易所買賣之股份在授予日期前五個交易日之平均收市價折讓百分之五而計算。該等認股權可於獲授予日期起計第一至第五週歲日期間按不同數額行使。

DIRECTORS' INTERESTS (Continued)

Notes:

- (1) The personal interest is in respect of shares held by the director as a/ the beneficial owner (whether individually or jointly).
- (2) The corporate interest is in respect of shares held by a company in which the director has an interest of one third or more.
- (3) Such shares represent the deemed interest of David Shou-Yeh Wong under Part XV of the SFO by virtue of his deemed interest in 92,023,982 shares of Dah Sing Financial Holdings Limited ("DSFH"), representing 37.31% of its entire share capital in issue.
- (4) The short position in 12,285,000 shares of the Company was created as a result of an over-allotment option granted by DSFH and the Company, both of which Mr. David Shou-Yeh Wong possesses a deemed controlling interest, to The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), being the appointed manager for the global offering of the Company's shares, solely to cover over-allocations in the international placing subscription.

(Remark: On 13th July 2004, HSBC exercised option to acquire additional 17,874,231 shares of the Company at HK\$12.66 each, comprising 8,043,404 existing shares sold by DSFH and 9,830,827 new shares issued and allotted by the Company on 19th July 2004.)

- (5) Such shares are indirectly held by HSBC International Trustee Limited, the trustee of a discretionary trust established for the benefit of David Shou-Yeh Wong and his family.

Pursuant to the Executive Share Option Scheme (the "Scheme") approved by the shareholders of DSFH, the parent holding company of the Company, on 17th May 1995, certain Directors of the Company were granted options on 3rd April 2000 at a consideration of HK\$1 per option to subscribe for shares of DSFH at a par value of HK\$2 each. The subscription price was fixed at HK\$26.28 per share, which was calculated at a discount of 5% relative to the average closing prices of DSFH's shares traded on the Hong Kong Stock Exchange for the 5 trading days immediately preceding the date of grant. The options can be exercised in varying amounts between the first and fifth anniversaries of the dates of grant.

董事權益 (續)

截至二零零四年六月三十日止，在該計劃下仍未行使之可認購大新金融集團股份權利結餘詳情如下：

DIRECTORS' INTERESTS (Continued)

Details of the options for subscription of DSFH shares outstanding as at 30th June 2004 which have been granted under the Scheme are as follows:

		大新金融集團認股權股份數目 Number of DSFH share options							
董事 Director	Director	於二零零四年 一月一日 所持有 Held at 1 Jan 2004	於二零零四年 一月一日 至 六月三十日 期內行使 Exercised during the period	於二零零四年 六月三十日 所持有 Held at 30 Jun 2004	行使價 Subscription price 港元 HK\$	授予日期 Grant date (日/月/年) (D/M/Y)	行使期 Exercisable period 由 From (日/月/年) (D/M/Y)		至 To (日/月/年) (D/M/Y)
		黃漢興 Hon-Hing Wong (Derek Wong)	200,000	—	200,000	26.28	3/4/2000	3/4/2004	3/4/2005
趙龍文 Lung-Man Chiu (John Chiu)	18,750	—	18,750	26.28	3/4/2000	3/4/2004	3/4/2005		

註：截至二零零四年六月三十日止之有關期間，並無授予董事認購大新金融集團股份之認股權經已行使或告失效。

Note: No options granted to the Directors of the Company for the subscription of DSFH shares were exercised or lapsed during the relevant period ended 30th June 2004.

除上述所載述外，截至二零零四年六月三十日的六個月期間本公司及其附屬公司概無簽訂任何協議，使本公司董事及其配偶與未滿十八歲之子女可藉購買本公司或任何其他法團之股份或債券而取得利益。

Apart from the above, at no time during the six months ended 30th June 2004 did the Company or its subsidiaries a party to any arrangements to enable the Directors of the Company nor their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

主要股東權益

於二零零四年六月三十日，依據「證券及期貨條例」第336條而設置之主要股東權益及淡倉登記冊，顯示本公司已接獲有關下列持有本公司發行股本及相關股份百分之五或以上權益之通知。此等權益並不包括以上據實披露之董事權益。

Substantial Shareholders' Interests

At 30th June 2004, the register of substantial shareholders' interests in shares and short positions maintained under section 336 of the SFO showed that the Company had been notified of the following interests, being 5% or more held in the share and underlying shares of the Company. These interests are in addition to those already disclosed above in respect of Directors.

股東 Shareholder	身份 Capacity	具權益的普通股份數目 (有關權益佔全部已發行股本之百分比) Number of ordinary shares interested in the Company (Percentage of interest held in the entire issued share capital)
大新金融集團有限公司 Dah Sing Financial Holdings Limited	實益權益 Beneficial interest	728,000,000 (80.00%) (L) 12,285,000 (1.35%) (S) ⁽¹⁾
滙豐國際信託有限公司 HSBC International Trustee Limited	法團權益 Corporate interest	728,000,000 (80.00%) (L) ⁽²⁾ 12,285,000 (1.35%) (S) ⁽²⁾
王嚴君琴 Christine Yen Wong	因其配偶乃本公司的主要股東，而擁有推定權益 Deemed interest by virtue of her spouse being a substantial shareholder of the Company	728,000,000 (80.00%) (L) ⁽³⁾ 12,285,000 (1.35%) (S) ⁽³⁾

略： (L) 好倉
(S) 淡倉

Abbreviation: (L) Long position
(S) Short position

註：

Notes:

(1) 在本公司12,285,000股的淡倉權益乃由於大新金融集團及本公司給予香港上海滙豐銀行有限公司(「滙豐」)純粹為補足國際配售之超額分配而設置之超額配股權所致。滙豐為本公司委託之全球發售股份經辦人。

(1) The short position in 12,285,000 shares of the Company was created as a result of an over-allotment option granted by DSFH and the Company to The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), being the appointed manager for the global offering of the Company's shares, solely to cover over-allocations in the international placing subscription.

(附註：滙豐在二零零四年七月十三日行使權利，以每股12.66港元增購17,874,231股本公司股份，其中包括由大新金融集團出售8,043,404股現股，及由本公司於二零零四年七月十九日發行及配發之9,830,827股新股。)

(Remark: On 13th July 2004, HSBC exercised option to acquire additional 17,874,231 shares of the Company at HK\$12.66 each, comprising 8,043,404 existing shares sold by DSFH and 9,830,827 new shares issued and allotted by the Company on 19th July 2004.)

(2) 鑑於滙豐國際信託有限公司(「滙豐信託」)為王守業及其家屬利益而成立之全權信託而間接持有大新金融集團的股份，因而被視為擁有大新金融集團的權益。滙豐信託須就由其受控公司持有本公司的相關股份而作出披露。此等股份已於上述董事權益有關王守業的法團權益一項中披露。

(2) By virtue of the deemed interest in DSFH shares indirectly held by HSBC International Trustee Limited ("HSBCIT") in trust for a discretionary trust established for the benefit of David Shou-Yeh Wong and his family. HSBCIT is taken to have a duty of disclosure in relation to the relevant shares of the Company held through its controlled companies. Relevant shares have been included in the "Corporate interests" of David Shou-Yeh Wong as disclosed under the heading of Directors' Interests above.

(3) 此等股份屬王嚴君琴被視作持有之權益，皆因其配偶(王守業)乃大新金融集團的主要股東並被視為持有本公司有關股本的權益，王嚴君琴因此須就其配偶之推定權益作出披露。此等權益與王守業於上述董事權益披露中所載持有之股份相同。

(3) Such shares represented deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong, being a substantial shareholder of DSFH and a deemed interest in relevant share capital of the Company. Christine Yen Wong is taken to have a duty of disclosure in relation to the deemed interest of the Company held by her spouse. This interest comprises the same interest of David Shou-Yeh Wong under the heading of "Directors' Interests" above.

符合最佳應用守則聲明

無任何董事知悉足以合理地指出本公司在本中期報表包括之會計期間內任何時間概無或曾無遵守香港聯合交易所有限公司上市規則附錄十四建議之最佳應用守則。

符合《上市發行人董事進行證券交易的標準守則》聲明

本公司已採納一套自行制定且不低於上市規則附錄十《上市發行人董事進行證券交易的標準守則》所載規定的董事進行證券交易的行為守則。經向所有董事作出特定查證後，合理顯示有關《標準守則》及董事進行證券交易的行為守則所規定的標準已完全遵行。

審核委員會

審核委員會在管理層的協助下，經已省覽集團沿用之會計準則與實務，並就有關內部監管及財務報告事宜(包括審閱截至二零零四年六月三十日止六個月未經審核中期財務報表)進行商討研究。

本公司股份買賣

截至二零零四年六月三十日止六個月期間，本公司及其任何附屬公司並無購買、出售或贖回其已上市之股份。

承董事會命
公司秘書 蘇海倫 謹啟

香港 二零零四年八月九日(星期一)

COMPLIANCE WITH CODE OF BEST PRACTICE

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by this report, in compliance with Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited.

COMPLIANCE WITH MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors (Appendix 10 of the Main Board Rules); and after having made specific enquiry to all Directors, it is reasonably indicated that the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions has been fully complied with.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited financial statements for the six months ended 30th June 2004.

DEALINGS IN THE COMPANY'S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares during the period ended 30th June 2004.

By Order of the Board
H L Soo
Company Secretary

Hong Kong, 9th August 2004 (Monday)