

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策

(壹) 主要業務

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

(貳) 編製基準

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

於二零零四年六月十二日，本公司完成集團重組（「重組」），據此將其銀行業務有關之附屬公司轉讓予一間新註冊成立之附屬公司，大新銀行集團有限公司（「大新銀行集團」）。重組是以本公司之附屬銀行公司股份與大新銀行集團股份作交換方式進行。大新銀行集團隨後於二零零四年六月三十日在香港聯合交易所有限公司正式上市。

本集團之綜合賬目包括大新銀行集團截至其上市前，於二零零四年六月二十九日的100%之業績及上市後確認少數股東應佔大新銀行集團業績之部份。綜合賬目主要包括附屬銀行公司及附屬人壽保險公司之賬目，並按照上市條例附錄十六有關財資企業集團披露財務資料的規定而編列。

香港會計師公會已更新及頒佈多項新的香港財務報告準則及香港會計準則（「新會計準則」），並於二零零五年一月一日或以後開始之會計年度生效。本集團並無提早在截至二零零四年十二月三十一日止年度之賬目內採納此等新會計準則。本集團已開始評估該等新會計準則的影響，但未能確定有關準則是否對本集團的營運及財務狀況有重大影響。

1. PRINCIPAL ACCOUNTING POLICIES

(a) Principal activities

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

(b) Basis of preparation

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

The Company completed a group reorganisation (the "Reorganisation") on 12th June 2004 whereby it transferred its banking-related subsidiaries to a newly incorporated subsidiary, Dah Sing Banking Group Limited ("DSBG"). The Reorganisation was effected by a share-for-share swap of the Company's interests in the banking subsidiaries with DSBG. DSBG was subsequently listed on The Stock Exchange of Hong Kong Limited on 30th June 2004.

The consolidated accounts include the results of 100% of DSBG up to the date immediately before DSBG's listing i.e. 29th June 2004, after which the minority interest's share in DSBG's results is recognised. The consolidated accounts, which substantially comprise the accounts of banking subsidiaries and a life assurance subsidiary, have been prepared in accordance with the requirements set out in Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") regarding disclosure of financial information of financial conglomerates.

HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (the "new HKFRSs") which are effective for accounting periods beginning on or after 1st January 2005. The Group has not early adopted these new HKFRSs in the accounts for the year ended 31st December 2004. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

一、 主要會計政策 (續)

(叁) 綜合賬目

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

所有集團內公司間之重大交易及結餘已於綜合賬目時對銷。

出售附屬公司之收益或虧損指出售所得之收入與集團應佔該公司資產淨值之差額。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

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

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

(肆) 共同控制實體

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

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

(Expressed in thousands of Hong Kong dollars)

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Consolidation

The consolidated accounts include the accounts of the Company and the Group made up to 31st December. Subsidiaries are those entities in which the Group controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets.

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

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

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

(d) Jointly controlled entities

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)**1. PRINCIPAL ACCOUNTING POLICIES (Continued)****(伍) 收入確認基礎****(e) Income recognition****甲) 利息收入****i) Interest income**

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

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

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

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

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

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

乙) 服務費及佣金收入**ii) Fees and commission income**

服務費及佣金收入於應收期間記賬，而預繳之服務費則遞延至有關年期確認。

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

丙) 股息收入**iii) Dividend income**

股息收入在確認收取款項之權利時入賬。

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

(陸) 各項貸款及其他賬目**(f) Advances and other accounts**

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

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

向借款人墊付現金時，貸款即被確認。

All advances are recognised when cash is advanced to borrowers.

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一、 主要會計政策 (續)

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(柒) 壞賬及呆賬準備

(g) Provisions for bad and doubtful debts

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

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

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

The Group internally classifies loans and advances into five broad categories: Pass, Special Mention, Substandard, Doubtful and Loss. The classification of loans and advances is largely based on an assessment of the borrower's capacity to repay and on the degree of doubt about the collectibility of interest and/or principal. One important indicator of collectibility is the period that payments of interest and/or principal have been overdue.

被評定為次級貸款的逾期未償還貸款無抵押部份，會因應貸款的種類作出25%至50%的特殊準備。假如有關貸款的逾期時間延長，或更多的信貸資料顯示信貸變壞而令貸款降級，便要作進一步的特殊準備。被評定為損失貸款的逾期未償還貸款無抵押部份，將會全數作出特殊準備。

Specific provisions ranging from 25% to 50% of the unsecured exposure of an overdue loan classified as Substandard is made depending on the type of loans. Further specific provisions are made if the relevant loans' overdue period lengthens, or if additional credit information indicates that more severe credit deterioration requires downgrading of the loans. Full specific provision is normally made against the outstanding unsecured exposure of an overdue loan classified as Loss.

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

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

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

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

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

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

若呆賬並無任何實質預期回收，其餘額將予以核銷。

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

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(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)**1. PRINCIPAL ACCOUNTING POLICIES (Continued)****(捌) 融資租賃及租購貸款****(h) Finance leases and hire purchase loans**

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

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

租購貸款付予交易商之佣金主要是按不超過三年期以直線法攤銷。攤銷之金額包括在淨利息收入以跟隨市場做法。

Commissions paid to dealers on hire purchase loans are amortised on straight line basis mainly not exceeding three years. The amortisation charge is included as part of net interest income in line with market practice.

(玖) 收回資產**(i) Repossessed assets**

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

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.

(拾) 外幣換算**(j) Translation of foreign currencies**

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

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

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

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

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一、 主要會計政策 (續)

(拾壹) 遞延稅項

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

遞延稅項資產按未來可能有應課稅溢利抵銷暫時差異的程度確認。

(拾貳) 固定資產

甲) 行產

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

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

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

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(k) Deferred taxation

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

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

(l) Fixed assets

i) Premises

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

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

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

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾貳) 固定資產 (續)

乙) 投資物業

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

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

租約尚餘二十年或以下年期之投資物業均按租約尚餘年期折舊。

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

丙) 傢俬、裝置、設備及汽車

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

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(I) Fixed assets (Continued)

ii) Investment properties

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

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

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

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

iii) Furniture, fixtures, equipment and motor vehicles

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(拾貳) 固定資產 (續)

(l) Fixed assets (Continued)

丁) 減值與出售盈虧

iv) Impairment and gain or loss on sale

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

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

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

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

(拾參) 證券投資

(m) Investment in securities

甲) 持至到期證券

i) Held-to-maturity securities

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

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

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

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

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)**(拾叁) 證券投資 (續)****乙) 持作買賣用途的證券**

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

丙) 非持作買賣用途的證券

非持作買賣用途的證券包括持有作流動資產用途之債務證券(主要為維持香港銀行業條例第四附表所界定之流動資產比率)，及其他非持作買賣用途之債務與權益性證券及於投資基金之權益。非持作買賣用途的證券以公平值於資產負債表內列賬。公平值乃在流動市場上活躍買賣之證券的交易市價。買賣不活躍或非上市證券，其公平值是透過向活躍證券交投的非關連金融機構取得之報價及以各種內部定價技術或外界資訊作估計。

非持作買賣用途的證券公平值之變動在「投資重估儲備」中列賬，直至有關證券出售或被界定為減值為止，其累計收益或虧損，即出售所得款項淨額與有關證券賬面值之差額，連同轉撥自投資重估儲備任何增值/減值，皆包括在損益賬內。

1. PRINCIPAL ACCOUNTING POLICIES (Continued)**(m) Investment in securities (Continued)****ii) Trading securities**

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

iii) Non-trading securities

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

一、 主要會計政策 (續)**(拾肆) 長期人壽保險業務**

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

(拾伍) 經營租約

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

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

(拾陸) 資產負債表外金融工具

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

此等工具之記賬方法乃視乎該等交易的目的而定。

(Expressed in thousands of Hong Kong dollars)

1. PRINCIPAL ACCOUNTING POLICIES (Continued)**(n) Long-term life assurance business**

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

(o) Operating leases

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

Where the Group is the lessor, the assets subject to the lease are included in fixed assets in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned fixed assets. Rental income from operating leases is recognised on a straight line basis over the lease term. Initial direct costs incurred specifically to earn revenue from an operating lease are recognised as an expense in the profit and loss account in the period in which they are incurred.

(p) Off-balance sheet financial instruments

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)**(拾陸) 資產負債表外金融工具 (續)**

作買賣用途之交易是以其公平值重新釐定價值。公平值是定期取自各種的渠道，包括市場報價、現金流量折讓模式及期權定價模式。買賣外匯工具產生之損益已包括在損益賬「外匯買賣淨收益/(虧損)」內。買賣利率及其他金融工具所產生之損益已包括在損益賬之其他營運收入。本集團在評估用作買賣用途的衍生工具公平值所採用之主要方法及假設已列於附註四十一(丙)。

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

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

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

衍生工具交易只會在本集團有能力堅持以淨額方式結算時(如達成總體性的對銷協議或其他具有法律效力的安排)，才互相對銷。要求淨額結算的或然性權力的確認，只有在本集團有能力於交易對手所有違約的情況下(包括合約中任何一方資不抵債)堅持以淨額結算，並毫不存疑的可以行使此等權力時才被考慮。

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

1. PRINCIPAL ACCOUNTING POLICIES (Continued)**(p) Off-balance sheet financial instruments (Continued)**

Transactions undertaken for trading purposes are re-measured to their fair value. Fair values are obtained periodically from various sources, including quoted market prices, discounted cash flow models and option pricing models as appropriate. The gains and losses arising from trading in foreign exchange instruments are recognised in the profit and loss account as "Net gain/(loss) from foreign exchange trading". The gains and losses arising from trading in interest rate and other financial instruments are recognised in the profit and loss account and included as part of other operating income. The major methods and assumptions used by the Group in estimating the fair value of trading derivatives are set out in note 41(c) to the accounts.

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

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

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

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)

(拾柒) 準備

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

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

(拾捌) 僱員福利

甲) 僱員應享假期

僱員應享年假和長期服務休假福利已在僱員提供服務時確認。集團於截至結算日止僱員已提供之服務而應得之年假及長期服務休假之估計負債已撥出準備。

乙) 獎金計劃

當本集團因為僱員已提供服務而產生的即時或推定應付獎金責任，而有關金額須在年結後十二個月內償付及又能可靠地估計時，則將預期獎金計劃之負債入賬。

丙) 退休金責任

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

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

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(q) Provisions

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

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

(r) Employee benefits

i) Employee leave entitlements

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

ii) Bonus plans

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

iii) Pension obligations

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

一、 主要會計政策 (續)**(拾捌) 僱員福利 (續)****丁) 權益補償福利**

本公司及大新銀行集團分別根據其認股權計劃授予董事及高級行政人員認股權。

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

(拾玖) 或然負債及或然資產

或然負債指因為過往事件而可能引起之承擔，而其存在只能就集團控制範圍以外之一宗或多宗不確定未來事件之出現而被確認。或然負債亦可能是因為過往事件引致之現有承擔，但由於可能不需要有經濟資源流出，或承擔金額未能可靠衡量而未有記賬。

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

或然資產指因為過往事件而可能產生之資產，而其存在只能就集團控制範圍以外之一宗或多宗不確定事件之出現而被確認。

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

(貳拾) 分項報告

按照本集團之內部財務報告政策，本集團已決定將業務分項資料作為主要報告形式。而本集團超過九成之資產及收入，皆源自香港的業務決策及營運。

(貳拾壹) 現金及等同現金項目

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

1. PRINCIPAL ACCOUNTING POLICIES (Continued)**(r) Employee benefits (Continued)****iv) Equity compensation benefits**

Share options of the Company and DSBG are granted to directors and senior executives under the share option scheme of respective companies.

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

(s) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

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

(t) Segment reporting

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

(u) Cash and cash equivalents

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二、 利息收入

2. INTEREST INCOME

		2004	2003
上市投資利息收入	Interest income on listed investments	163,953	219,981
非上市投資利息收入	Interest income on unlisted investments	395,323	411,358
其他利息收入	Other interest income	1,678,106	1,730,018
		2,237,382	2,361,357

三、 其他營運收入

3. OTHER OPERATING INCOME

		2004	2003
服務費及佣金收入	Fees and commission income	499,056	489,860
減除：服務費及佣金支出	Less: Fees and commission expense	(67,430)	(56,645)
淨服務費及佣金收入	Net fees and commission income	431,626	433,215
外匯買賣淨收益	Net gain from foreign exchange trading	70,393	25,105
持作買賣用途的證券及衍生工具淨收益	Net gain from trading securities and derivatives	15,215	73,817
在股票投資之股息收入	Dividend income from investments in securities		
上市投資	Listed investments	6,450	3,961
非上市投資	Unlisted investments	16,561	9,738
投資物業之租金收入總額	Gross rental income from investment properties	11,516	12,589
其他租金收入	Other rental income	5,689	5,417
人壽保險業務之業績	Results of life assurance business	120,487	95,583
其他	Others	9,877	5,409
		687,814	664,834

四、 營運支出

4. OPERATING EXPENSES

		2004	2003
人事費用(包括董事酬金)(附註五)	Staff costs (including directors' remuneration) (Note 5)	491,907	446,691
行產及其他固定資產	Premises and other fixed assets		
行產之租金	Rental of premises	33,478	44,281
其他	Others	54,373	55,612
折舊(附註廿七)	Depreciation (Note 27)	63,155	63,009
核數師酬金	Auditors' remuneration	3,468	3,088
其他營運支出	Other operating expenses	188,554	180,898
		834,935	793,579

經營租約內行產之租金已減除分租予第三者時所收回之租金。

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

五、 人事費用

5. STAFF COSTS

	2004	2003
薪酬及其他人事費用	464,742	423,455
退休金支出－界定供款計劃(附註十二)	27,165	23,236
	491,907	446,691

本公司之行政人員認股權計劃(「本認股權計劃」)及大新銀行集團之認股權計劃(「大新銀行集團認股權計劃」)為董事及本集團之高級行政人員提供股份形式報酬。本年內付予董事之股份形式報酬詳列於附註十一。

本年內，兩位(2003：三位)高級行政人員行使合共三份(2003：九份)可認購本公司43,750股(2003：256,250股)股份的認股權。依據本認股權計劃賦予之酌情權，本公司以現金支付代替配發股份。該等款額為認股權行使當日本公司股份每股收市價與其設定認購價之溢價。支付總額為1,367,000港元(2003：3,109,000港元)並已包括在以上之薪酬及其他人事費用內。

於二零零四年十二月三十一日，兩位高級行政人員分別在二零零四年八月二十三日及二零零四年十一月二十五日獲授予可認購本公司300,000股及250,000股股份的認股權，及兩位高級行政人員在二零零四年十一月二十五日根據大新銀行集團認股權計劃獲授予可認購大新銀行集團500,000股股份的認股權，仍未獲行使。本公司之認股權可於獲授予日起計之第一至第六個周歲日期間按不同數額行使，而該等認股權之行使價分別為每股54.25港元及64.00港元。大新銀行集團之認股權，可於獲授予日起計第一至第六個周歲日期間按不同數額行使，而該等認股權之行使價為每股16.70港元。

於二零零三年十二月三十一日，兩位高級行政人員在二零零零年四月三日獲授予可認購本公司43,750股股份的認股權，仍未獲行使。此等認股權已在本年內被行使，支付總額為上文所述之1,367,000港元。

Share-based compensation through the Company's Executive Share Option Scheme (the "Scheme") and the Share Option Scheme of DSBG (the "DSBG Scheme") is available to Directors and senior executives of the Group. Details of the share-based compensation paid to Directors in the year are disclosed in Note 11 below.

A total of 3 (2003: 9) options to subscribe for 43,750 (2003: 256,250) shares of the Company were exercised by two (2003: three) senior executives in the year. Instead of allotting new shares, the Company exercised its discretion as allowed under the Scheme by making a cash payment in lieu of the required share allotment. The cash payments were determined based on the difference between the closing market price of the Company's shares upon exercise of the options and the predetermined exercise price of the option shares. The total payment amounted to HK\$1,367,000 (2003: HK\$3,109,000) and is included in the above as salaries and other costs.

As at 31st December 2004, options to purchase 300,000 and 250,000 shares of the Company granted to two senior executives on 23rd August 2004 and 25th November 2004 respectively and options to purchase 500,000 shares of DSBG granted under the DSBG Scheme to two senior executives on 25th November 2004 remained outstanding. The Company's options are exercisable in varying amounts between the first and sixth anniversaries of the date of grant and have an exercise price of HK\$54.25 per share and HK\$64.00 per share respectively. The DSBG options are exercisable in varying amounts between the first and sixth anniversaries of the date of grant and have an exercise price of HK\$16.70 per share.

As at 31st December 2003, options to purchase 43,750 shares of the Company granted to two senior executives on 3rd April 2000 remained outstanding. These options had been exercised during the year, resulting in the payment of HK\$1,367,000 stated above.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

五、 人事費用 (續)

5. STAFF COSTS (Continued)

最高酬金之五位人士：

The emoluments of the five highest paid individuals:

(甲) 酬金總計

(i) The aggregate emoluments

		2004	2003
薪金、房屋、實物利益及其他津貼	Salaries, housing, benefits in kind and other allowances	43,471	41,794
退休金福利	Pensions	1,589	1,967
		45,060	43,761

(乙) 五位最高收入人士的酬金組別如下：

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

港元 HK\$	人數 Number of individuals	
	2004	2003
5,000,001 – 5,500,000	1	2
5,500,001 – 6,000,000	–	1
6,000,001 – 6,500,000	1	–
6,500,001 – 7,000,000	2	–
10,500,001 – 11,000,000	–	1
16,500,001 – 17,000,000	–	1
19,500,001 – 20,000,000	1	–
	5	5

在五位最高酬金收入之人士內，有四位 (2003：四位) 為集團董事。其相關的董事酬金已包括在附註十一內。

Included in the emoluments of the five highest paid individuals were the emoluments of four (2003: four) Directors. Their respective Directors' emoluments have been included in note 11 below.

本年內，本集團並無向任何五位最高收入人士支付酬金，作為加入或加盟本集團之獎賞或離職補償。

No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the year.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

六、 壞賬及呆賬準備調撥

6. CHARGE FOR BAD AND DOUBTFUL DEBTS

		2004	2003
特殊準備調撥	Specific provisions charged		
— 新增準備	— New provisions	320,290	609,598
— 撥回	— Releases	(86,182)	(27,862)
— 收回	— Recoveries	(68,133)	(42,119)
		165,975	539,617
一般準備支出/(撥回)	General provisions charged/(written back)	42,772	(4,919)
損益賬中淨支出(附註廿二)	Net charge to profit and loss account (Note 22)	208,747	534,698

七、 固定資產重估及出售固定資產
淨收益/(虧損)7. NET GAIN/(LOSS) ON REVALUATION AND DISPOSAL
OF FIXED ASSETS

		2004	2003
投資物業重估減值撥回/(減值)	Deficit write-back/(deficit) on revaluation of investment properties	52,923	(22,107)
行產重估減值	Deficit on revaluation of premises	—	(45,187)
出售投資物業收益	Gain on disposal of investment properties	—	590
出售其他固定資產虧損	Loss on disposal of other fixed assets	(474)	(860)
		52,449	(67,564)

八、 重組費用

8. REORGANISATION COSTS

重組費用是指重組而產生的直接費用：

Reorganisation costs represent direct expenditure arising from the Reorganisation:

		2004	2003
出售股份之包銷佣金	Underwriting commission on share disposal	28,467	—
轉讓股份之印花徵稅	Stamp duty on transfers of shares	7,900	—
法律及專業顧問費用	Legal and professional fees	10,905	—
其他	Others	9,415	—
		56,687	—

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

九、 出售附屬公司部份權益之溢利

作為重組及大新銀行集團全球發售股份及隨後國際配售包銷商行使超額配股權之一部份，本公司以每股12.66港元出售其所持有809,900,000大新銀行集團股份中之89,943,404股。出售股份之溢利指所得款項與該售出股份應佔大新銀行集團淨資產之差異。

十、 視作出售附屬公司權益之溢利

作為重組及大新銀行集團全球發售股份及隨後國際配售包銷商行使超額配股權之一部份，大新銀行集團以公開發售及國際配售，發行109,930,827新股。該新股發行攤薄本公司於大新銀行集團之實際持股量而被視作出售該公司之權益。此視作出售所得溢利指本集團於大新銀行集團全球發售完成後應佔其集團淨資產之增值。

十一、 董事酬金

執行及非執行董事：

袍金
薪金、房屋、實物利益及
其他津貼
退休金福利

以上董事酬金包括向獨立非執行董事支付之袍金959,000港元(2003：947,000港元)。

本年內，一位(2003：一位)董事行使合共一份(2003：一份)可認購本公司200,000股(2003：200,000股)股份的認股權。依據行政人員認股計劃賦予之酌情權，本公司以現金支付代替配發股份。該等款額為認股權行使當日本公司股份每股收市價與其設定認購價之溢價。支付總額為6,144,000港元(2003：3,484,000港元)並已包括在以上之實物利益內。

(Expressed in thousands of Hong Kong dollars)

9. PROFIT ON PARTIAL DISPOSAL OF INTEREST IN A SUBSIDIARY

As part of the Reorganisation, DSBG's Global Offering of shares and the subsequent exercise of the over-allotment option by the international placing underwriters, the Company sold 89,943,404 of the 809,900,000 shares that it held in DSBG at HK\$12.66 per share. The profit on disposal represents the difference between the sale proceeds and the attributable share of net assets of the DSBG Group sold by the Company.

10. PROFIT ON DEEMED DISPOSAL OF INTEREST IN A SUBSIDIARY

As part of the Reorganisation, DSBG's Global Offering of shares and the subsequent exercise of the over-allotment option by the international placing underwriters, DSBG issued 109,930,827 new shares by way of a public offer and international placing. The issue of new shares caused a dilution of the Company's effective shareholding in DSBG, and constituted a deemed disposal by the Company of its interest in DSBG. The profit on deemed disposal represents the increase in the Group's share of net assets of the DSBG Group following the completion of DSBG's Global Offering.

11. DIRECTORS' EMOLUMENTS

	2004	2003
Executive and non-executive directors:		
Fees	1,669	1,667
Salaries, housing, benefits in kind and other allowances	40,954	31,345
Pensions	1,589	1,423
	44,212	34,435

Included in the above directors' emoluments are fees amounting to HK\$959,000 (2003: HK\$947,000) payable to independent non-executive directors.

A total of 1 (2003: 1) option to subscribe for 200,000 (2003: 200,000) shares of the Company was exercised by one (2003: one) Director in the year. Instead of allotting new shares, the Company exercised its discretion as allowed under the Executive Share Option Scheme by making a cash payment in lieu of the required share allotment. The cash payment was determined based on the difference between the closing market price of the Company's shares upon exercise of the option and the predetermined exercise price of the option shares. The total payment amounted to HK\$6,144,000 (2003: HK\$3,484,000) and is included in the above as benefits in kind.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十一、 董事酬金 (續)

於二零零四年十二月三十一日，一位 (2003：兩位) 及四位董事分別在二零零零年四月三日及二零零四年十一月二十五日獲授予可認購本公司200,000股 (2003：400,000股) 及1,900,000股股份的認股權，仍未獲行使。該等認股權可於獲授予日起計之第一個周歲日至各授予部份之行使期到期日按不同數額行使，而該等認股權之行使價分別為每股26.28港元及64.00港元。

董事酬金組別如下：

港元 HK\$	董事人數	
	2004	2003
無 Nil – 1,000,000	17	20
2,500,001 – 3,000,000	1	–
5,000,001 – 5,500,000	–	2
5,500,001 – 6,000,000	–	1
6,000,001 – 6,500,000	1	–
6,500,001 – 7,000,000	2	–
16,500,001 – 17,000,000	–	1
19,500,001 – 20,000,000	1	–
	22	24

以上分析已包括本年度本集團最高酬金之四位 (2003：四位) 人士。

本年內，本集團並無向任何董事支付酬金，作為加入或加盟本集團之獎賞或離職補償。

11. DIRECTORS' EMOLUMENTS (Continued)

As at 31st December 2004, options to purchase 200,000 (2003: 400,000) and 1,900,000 shares of the Company granted to one (2003: two) and four Directors on 3rd April 2000 and 25th November 2004 respectively remained outstanding. These options are exercisable in varying amounts between the first anniversary of the date of grant up to the expiry of the exercise period of the respective tranches of grant and have an exercise price of HK\$26.28 per share and HK\$64.00 per share respectively.

The emoluments of the directors fell within the following bands:

The above analysis includes the four (2003: four) individuals whose emoluments were the highest in the Group for the year.

During the year, no emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group or as compensation for loss of office.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

十二、 退休金支出

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

本年底應付供款合計1,268,000港元(2003: 1,181,000港元)已包括在「其他賬目及預提」內，年內沒收之供款共3,541,000港元(2003: 6,432,000港元)已被全數應用。於年結時並無任何被沒收而未應用之供款可用作減低將來之供款(2003: 無)。

十三、 稅項

香港利得稅乃按照本年度估計應課稅溢利依稅率17.5%(2003: 17.5%)計算。海外稅款乃按照年內估計應課稅溢利依本集團經營業務地區之現行稅率計算。

遞延稅項是採用負債法就暫時差異，根據本集團經營業務地區之現行稅率計算。因可扣稅虧損而產生之遞延稅項資產已按未來可能有應課稅溢利作抵銷被確認。

(Expressed in thousands of Hong Kong dollars)

12. PENSION COSTS

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

Contributions totalling HK\$1,268,000 (2003:HK\$1,181,000) were payable to the schemes at the year end and are included in "Other accounts and accruals". Forfeited contributions totalling HK\$3,541,000 (2003: HK\$6,432,000) were utilised during the year. No unutilised forfeited contributions were available at the year end (2003: Nil) to reduce future contributions.

13. TAXATION

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

Deferred taxation is calculated in full on temporary differences under the liability method at the rates of taxation prevailing in the countries in which the Group operates. A deferred tax asset on tax losses has been recognised to the extent that it is probable that taxable profit will be available against which these tax losses can be utilised.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十三、 稅項 (續)

13. TAXATION (Continued)

於綜合損益賬中支出之稅項指：

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

	2004	2003
本年度稅項：		
香港利得稅	188,523	149,839
應佔合夥投資之估計香港利得稅虧損	(80,741)	(69,591)
	107,782	80,248
合夥投資撇銷	59,490	53,287
	167,272	133,535
海外稅款	407	1,005
於往年度超額撥備	(17,503)	(8)
遞延稅項 (附註卅二)		
— 關於暫時差異的產生及撥回	(12,294)	(7,619)
— 稅率上升所致	—	(4,139)
	137,882	122,774

本集團投資於若干合夥企業並作為主要普通合夥人。此等合夥企業從業務營運中產生可扣減稅項的虧損。本集團於此等合夥企業的回報為所佔的虧損的稅務利益。本集團於合夥企業的投資按成本列入資產負債表中之「各項貸款及其他賬目」內並於獲取及運用來自該等投資之稅務利益之同年撇銷。

The Group has invested in certain partnerships generating tax deductible losses through their business operation. The Group is the majority general partner of these partnerships. The Group's return from the partnerships is tax benefit in the form of a share of tax losses of the partnerships. The Group's investments in these partnerships are recorded at cost and included as part of "Advances and other accounts" in the balance sheet and are written off in the same year as the taxation benefits resulting from those investments are received and utilised.

在二零零四年，於撇銷至損益賬前投資在該等合夥企業的權益總額為57,979,000港元(2003：89,319,000港元)。於二零零四年十二月三十一日，該等合夥企業的總資產及負債分別為440,214,000港元及557,001,000港元(2003：442,102,000港元及501,207,000港元)。

In 2004, the amount of investments in the equity of these partnerships prior to write-off to the profit and loss account was HK\$57,979,000 (2003: HK\$89,319,000). The total assets and liabilities of the partnerships as at 31st December 2004 were HK\$440,214,000 and HK\$557,001,000 respectively (2003: HK\$442,102,000 and HK\$501,207,000 respectively).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十三、 稅項 (續)

本集團除稅前溢利之稅項有別於運用香港適用稅率計算之理論數目如下：

13. TAXATION (Continued)

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

		2004	2003
除稅前溢利	Profit before taxation	2,301,873	1,123,381
以稅率17.5% (2003 : 17.5%) 計算	Calculated at a taxation rate of 17.5% (2003: 17.5%)	402,828	196,592
稅務影響源於：	Tax effect of:		
人壽保險業務之不同稅務處理	Different tax treatment of results of life insurance business	(24,667)	(20,152)
其他國家之不同稅率	Different taxation rates in other countries	(1,610)	(1,228)
無需徵稅之收入	Income not subject to taxation	(224,381)	(60,192)
不能作稅務扣減之支出	Expenses not deductible for taxation purposes	29,655	21,277
未確認之稅務虧損	Tax losses not recognised	5,464	1,234
運用前期未確認之稅務虧損	Utilisation of previously unrecognised tax losses	(3,196)	(1,286)
確認累積稅務虧損之遞延稅項資產	Recognition of deferred tax assets on accumulated tax losses	(10,346)	-
由稅率上升而引致之期初遞延稅項 資產淨值增加	Increase in opening net deferred tax assets resulting from an increase in tax rates	-	(4,139)
於往年度超額撥備	Over-provision in prior years	(17,503)	(8)
合夥投資終結回報	Terminal return on investments in partnerships	2,889	6,980
應佔合夥投資估計香港利得稅虧損	Attributable share of estimated Hong Kong profits tax losses arising from investments in partnerships	(80,741)	(69,591)
合夥投資撤銷	Investments in partnerships written off	59,490	53,287
稅項	Taxation charge	137,882	122,774

十四、 股東應佔溢利

列於本公司賬內之股東應佔溢利達721,988,000港元(2003 : 549,935,000港元)。

14. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$721,988,000 (2003: HK\$549,935,000).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十五、股息

15. DIVIDENDS

		2004	2003
已派中期股息，每股0.78港元 (2003：0.52港元)	Interim, paid, of HK\$0.78 (2003: HK\$0.52) per share	193,915	128,273
已派特別股息，每股0.80港元(2003：無) (註)	Special, paid, of HK\$0.80 (2003: Nil) per share (Note)	197,343	–
二零零五年三月十五日擬派末期股息， 每股1.30港元(2003：二零零四年三月 二日擬派末期股息每股0.81港元)	Final, proposed on 15th March 2005 of HK\$1.30 per share (2003: proposed on 2nd March 2004 of HK\$0.81 per share)	323,192	199,810
		714,450	328,083

註：根據股東在以股代息計劃中行使之選擇，本公司按每股48.26港元的設定參考計算價，發行1,930,456股以列作繳足股款的本公司新股份，以支付總數93,164,000港元的特別股息。

Note: Special dividend totalling HK\$93,164,000 was settled by the issue of 1,930,456 new shares credited as fully paid shares of the Company pursuant to election by shareholders under the Scrip Dividend Scheme at the reference price of HK\$48.26 per share determined for the calculation.

十六、每股基本及攤薄盈利

16. BASIC AND DILUTED EARNINGS PER SHARE

(以港元位列示)

(Expressed in units of Hong Kong dollars)

		2004	2003
每股盈利	Earnings per share		
基本	Basic	\$8.22	\$4.02
攤薄	Diluted	\$8.21	\$4.02
每股盈利 (不包括重組費用及出售與視作 出售附屬公司部份權益之溢利)	Earnings per share (excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary)		
基本	Basic	\$4.66	\$4.02
攤薄	Diluted	\$4.66	\$4.02

每股基本盈利按照盈利2,033,206,000港元(2003：992,611,000港元)及年內已發行股份加權平均數247,390,855股(2003：246,678,802股)計算。

The calculation of basic earnings per share is based on earnings of HK\$2,033,206,000 (2003: HK\$992,611,000) and the weighted average number of 247,390,855 (2003: 246,678,802) shares in issue during the year.

不包括重組費用及出售與視作出售附屬公司部份權益之溢利之每股基本盈利乃按照相應調整盈利1,152,438,000港元(2003：992,611,000港元)及年內已發行股份加權平均數247,390,855股(2003：246,678,802股)計算。

The calculation of basic earnings per share excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary is based on the correspondingly adjusted earnings of HK\$1,152,438,000 (2003: HK\$992,611,000) and the weighted average number of 247,390,855 (2003: 246,678,802) shares in issue during the year.

每股攤薄盈利乃按照盈利2,033,206,000港元(2003：992,611,000港元)及年內已發行股份加權平均數247,543,562股(2003：246,805,216股)並就所有潛在攤薄的普通股予以調整計算。

The calculation of diluted earnings per share is based on earnings of HK\$2,033,206,000 (2003: HK\$992,611,000) and the weighted average number of 247,543,562 (2003: 246,805,216) shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

不包括重組費用及出售與視作出售附屬公司部份權益之溢利之每股攤薄盈利乃按照相應調整盈利1,152,438,000港元(2003：992,611,000港元)及年內已發行股份加權平均數247,543,562股(2003：246,805,216股)並就所有潛在攤薄的普通股予以調整計算。

The calculation of diluted earnings per share excluding reorganisation costs and profit on partial and deemed disposal of interest in a subsidiary is based on the correspondingly adjusted earnings of HK\$1,152,438,000 (2003: HK\$992,611,000) and the weighted average number of 247,543,562 (2003: 246,805,216) shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

十七、 現金及短期資金

17. CASH AND SHORT-TERM FUNDS

集團	Group	2004	2003
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	1,426,746	595,975
通知及短期存款	Money at call and short notice	8,606,074	4,998,509
國庫債券 (包括外匯基金票據) (附註卅八)	Treasury bills (including Exchange Fund Bills) (Note 38)	5,103,423	5,390,931
		15,136,243	10,985,415

於二零零四年十二月三十一日及二零零三年十二月三十一日持有的國庫債券指由中央政府發行的債務證券。

Treasury bills held as at 31st December 2004 and 31st December 2003 represented debt securities issued by central governments.

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 **3,610,361** 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 **1,493,062** 3,999,608

5,103,423 5,390,931

十八、 貿易票據

18. TRADE BILLS

集團	Group	2004	2003
貿易票據	Trade bills	568,859	744,998
一般壞賬及呆賬準備 (附註廿二)	General provisions for bad and doubtful debts (Note 22)	(5,689)	(7,450)
		563,170	737,548

十九、 持有的存款證

19. CERTIFICATES OF DEPOSIT HELD

集團	Group	2004	2003
非持作買賣用途的證券，按公平值 (附註卅八)	Non-trading securities, at fair value (Note 38)		
— 香港以外上市	– Listed outside Hong Kong	195,744	–
— 非上市	– Unlisted	–	204,400
		195,744	204,400

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

二十、 持作買賣用途的證券

20. TRADING SECURITIES

集團	Group	2004	2003
按公平值：	At fair value:		
債務證券(附註卅八)	Debt securities (Note 38)		
– 香港上市	– Listed in Hong Kong	2,223,602	2,173,363
– 香港以外上市	– Listed outside Hong Kong	–	23,791
		2,223,602	2,197,154
– 非上市	– Unlisted	344,568	613,968
		2,568,170	2,811,122
權益性證券	Equity securities		
– 香港上市	– Listed in Hong Kong	60,803	46,447
– 香港以外上市	– Listed outside Hong Kong	44,033	38,759
		104,836	85,206
– 非上市	– Unlisted	87,022	62,553
		191,858	147,759
		2,760,028	2,958,881
持作買賣用途的證券按發行機構類別分析如下：	Trading securities are analysed by issuer as follows:		
– 中央政府和中央銀行	– Central governments and central banks	2,200,189	2,242,304
– 公營機構	– Public sector entities	367,981	488,623
– 銀行及其他金融機構	– Banks and other financial institutions	17,928	96,831
– 企業	– Corporate entities	173,930	131,123
		2,760,028	2,958,881

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿一、各項貸款及其他賬目

21. ADVANCES AND OTHER ACCOUNTS

(甲) 各項貸款及其他賬目：

(a) Advances and other accounts:

集團	Group	2004	2003
各項客戶貸款(附註卅八)	Advances to customers (Note 38)	32,528,414	27,927,364
壞賬及呆賬準備	Provisions for bad and doubtful debts		
— 特殊(附註廿二)	— Specific (Note 22)	(147,071)	(235,747)
— 一般(附註廿二)	— General (Note 22)	(318,753)	(274,376)
		32,062,590	27,417,241
銀行及其他金融機構的貸款(附註卅八)	Advances to banks and other financial institutions (Note 38)	15,549	—
壞賬及呆賬準備	Provisions for bad and doubtful debts		
— 一般(附註廿二)	— General (Note 22)	(155)	—
		15,394	—
應計利息	Accrued interest	406,920	412,212
其他賬目	Other accounts	1,249,662	1,227,687
其他賬目準備	Provisions against other accounts		
— 一般(附註廿二)	— General (Note 22)	(153)	(152)
		1,656,429	1,639,747
		33,734,413	29,056,988

(乙) 客戶的不履行貸款分析如下：

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

集團	Group	2004	2003
客戶的不履行貸款	Non-performing loans to customers	311,928	433,346
特殊準備	Specific provisions	(137,258)	(209,965)
		174,670	223,381
撥入懸欠利息	Amount of interest in suspense	16,356	24,502

不履行貸款乃客戶的貸款及墊款之利息已撥入懸欠或已停止累計利息的貸款。

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

客戶的不履行貸款佔本集團之各項客戶貸款總額0.96%(2003: 1.55%)。以上特殊準備已考慮有關貸款之抵押品於十二月三十一日之價值。

Non-performing loans to customers represent 0.96% (2003: 1.55%) of total advances to customers of the Group. The above specific provisions were made after taking into account the value of collateral in respect of such advances as at 31st December.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿一、各項貸款及其他賬目(續)

21. ADVANCES AND OTHER ACCOUNTS (Continued)

(丙) 各項客戶貸款包括融資租賃應收賬，分析如下：

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

集團	Group	2004	2003
投資在融資租賃之應收賬總額：	Gross investment in finance leases, receivable:		
一年以內	Not later than one year	1,936,498	1,344,141
一年以上至五年	Later than one year and not later than five years	1,388,125	1,545,659
五年以上	Later than five years	1,105,662	1,576,555
		4,430,285	4,466,355
融資租賃之遞延未來融資收入	Unearned future finance income on finance leases	(482,647)	(830,789)
融資租賃淨投資	Net investment in finance leases	3,947,638	3,635,566
融資租賃淨投資期限之分析如下：	The maturity of net investment in finance leases is analysed as follows:		
一年以內	Not later than one year	1,807,048	1,180,353
一年以上至五年	Later than one year and not later than five years	1,236,110	1,263,323
五年以上	Later than five years	904,480	1,191,890
		3,947,638	3,635,566

於二零零四年十二月三十一日包括在以上的融資租賃之投資總額內並無無擔保剩餘價值(2003：無)。

There is no unguaranteed residual value included in the gross investment in finance leases above as at 31st December 2004 (2003: Nil).

二零零四年十二月三十一日貸款虧損準備包括為融資租賃不可收回的應收賬作的準備合計為53,093,000港元(2003：29,673,000港元)。

The allowance for uncollectable finance lease receivables included in the provision for loan losses amounted to HK\$53,093,000 as at 31st December 2004 (2003: HK\$29,673,000).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿二、 壞賬及呆賬準備

22. PROVISIONS FOR BAD AND DOUBTFUL DEBTS

集團	Group	壞賬及呆賬準備			懸欠利息 Suspended Interest
		特殊 Specific	一般 General	合計 Total	
二零零四年一月一日	At 1st January 2004	235,747	281,978	517,725	24,502
撇除額	Amounts written off	(322,784)	–	(322,784)	(16,323)
收回已於往年撇銷之貸款	Recoveries of advances written off in previous years	68,133	–	68,133	–
於損益賬內支出(附註六)	Charge to profit and loss account (Note 6)	165,975	42,772	208,747	–
年內懸欠利息	Interest suspended during the year	–	–	–	8,177
二零零四年十二月三十一日	At 31st December 2004	147,071	324,750	471,821	16,356
扣減於：	Deducted from:				
貿易票據(附註十八)	Trade bills (Note 18)	–	5,689	5,689	
各項客戶貸款 (附註廿一(甲))	Advances to customers (Note 21(a))	147,071	318,753	465,824	
銀行及其他金融機構的貸款 (附註廿一(甲))	Advances to banks and other financial institutions (Note 21(a))	–	155	155	
其他賬目(附註廿一(甲))	Other accounts (Note 21(a))	–	153	153	
		147,071	324,750	471,821	

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿二、 壞賬及呆賬準備 (續)

22. PROVISIONS FOR BAD AND DOUBTFUL DEBTS
(Continued)

集團	Group	壞賬及呆賬準備			懸欠利息 Suspended Interest
		特殊 Specific	一般 General	合計 Total	
二零零三年一月一日	At 1st January 2003	258,695	286,900	545,595	34,653
撇除額	Amounts written off	(604,684)	–	(604,684)	(20,607)
收回已於往年撇銷之貸款	Recoveries of advances written off in previous years	42,119	–	42,119	–
於損益賬內支出/(撥回) (附註六)	Charge/(write-back) to profit and loss account (Note 6)	539,617	(4,919)	534,698	–
匯兌差異	Exchange difference	–	(3)	(3)	–
年內懸欠利息	Interest suspended during the year	–	–	–	10,456
二零零三年十二月三十一日	At 31st December 2003	<u>235,747</u>	<u>281,978</u>	<u>517,725</u>	<u>24,502</u>
扣減於：	Deducted from:				
貿易票據 (附註十八)	Trade bills (Note 18)	–	7,450	7,450	
各項客戶貸款 (附註廿一(甲))	Advances to customers (Note 21(a))	235,747	274,376	510,123	
其他賬目 (附註廿一(甲))	Other accounts (Note 21(a))	–	152	152	
		<u>235,747</u>	<u>281,978</u>	<u>517,725</u>	

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿三、持至到期證券

23. HELD-TO-MATURITY SECURITIES

集團	Group	2004	2003
一月一日結餘	Balance as at 1st January	392,198	78,049
折讓攤銷	Amortisation of discount	2,903	650
增購	Additions	1,080,481	329,387
償還	Repayments	(1,244)	–
本年內到期的證券	Securities matured during the year	(177,856)	(15,529)
匯兌差異	Exchange difference	445	(359)
十二月三十一日結餘(附註卅八)	Balance as at 31st December (Note 38)	<u>1,296,927</u>	<u>392,198</u>
債務證券，按攤銷成本	Debt securities, at amortised cost		
– 香港以外上市	– Listed outside Hong Kong	93,364	–
– 非上市	– Unlisted	1,203,563	392,198
		<u>1,296,927</u>	<u>392,198</u>
上市證券的市值	Market value of listed securities	<u>93,338</u>	–
持至到期證券按發行機構類別 分析如下：	Held-to-maturity securities are analysed by issuer as follows:		
– 銀行及其他金融機構	– Banks and other financial institutions	726,007	365,556
– 企業	– Corporate entities	570,920	26,642
		<u>1,296,927</u>	<u>392,198</u>

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿四、 非持作買賣用途的證券

24. NON-TRADING SECURITIES

集團	Group	2004	2003
按公平值：	At fair value:		
債務證券 (附註卅八)	Debt securities (Note 38)		
– 香港上市	– Listed in Hong Kong	661,428	1,384,656
– 香港以外上市	– Listed outside Hong Kong	8,713,603	7,650,441
– 非上市	– Unlisted	7,600,602	7,681,808
		16,975,633	16,716,905
權益性證券	Equity securities		
– 香港上市	– Listed in Hong Kong	89,062	134,695
– 香港以外上市	– Listed outside Hong Kong	53,562	–
		142,624	134,695
– 非上市	– Unlisted		
– 於投資基金之權益	– Interests in investment funds	317,741	292,633
– 其他非上市公司之股票	– Shares in other unlisted companies	30,874	34,551
		491,239	461,879
		17,466,872	17,178,784
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	981,982	3,940,712
– 公營機構	– Public sector entities	2,107,925	2,600,245
– 銀行及其他金融機構	– Banks and other financial institutions	9,731,598	6,490,065
– 企業	– Corporate entities	4,643,838	4,146,232
– 其他	– Others	1,529	1,530
		17,466,872	17,178,784

廿五、 共同控制實體投資

25. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

集團	Group	2004	2003
非上市股份，按成本	Unlisted shares, at cost	20,000	20,000
對一共同控制實體之貸款應收賬	Loan receivable from a jointly controlled entity	31,000	31,000
		51,000	51,000
應佔收購後儲備	Share of post-acquisition reserves	(23,920)	(28,015)
		27,080	22,985

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿五、 共同控制實體投資 (續)

25. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (Continued)

於二零零四年十二月三十一日的共同控制實體如下：

The following are the jointly controlled entities as at 31st December 2004:

名稱 Name	註冊地點 Place of incorporation	主要業務及經營地點 Principal activities and place of operation	佔擁有權之百分比 Percentage of interest in ownership
銀聯控股有限公司 Bank Consortium Holding Limited	香港 Hong Kong	投資控股，香港 Investment holding, Hong Kong	10.4%
銀聯信託有限公司 Bank Consortium Trust Company Limited	香港 Hong Kong	受托人及退休金福利之代管人服務，香港 Trustee and custodian services for retirement fund schemes, Hong Kong	10.4%

本集團在銀聯控股有限公司之權益由附屬公司大新銀行有限公司持有，而銀聯信託有限公司乃銀聯控股有限公司之全資附屬公司。

The Group's interest in Bank Consortium Holding Limited is held by Dah Sing Bank, Limited, a subsidiary of the Company. Bank Consortium Trust Company Limited is a wholly owned subsidiary of Bank Consortium Holding Limited.

對一共同控制實體之貸款應收賬為無抵押、免息及無既定還款條件。

The loan receivable from a jointly controlled entity is unsecured, interest free with no specific repayment terms.

廿六、 附屬公司投資

26. INVESTMENTS IN SUBSIDIARIES

公司 Company	2004	2003
投資，按成本：		
香港上市股份	1,454,787	–
非上市股份	287,140	1,923,203
	1,741,927	1,923,203
應收附屬公司款項	1,130,162	695,245
	2,872,089	2,618,448
應付附屬公司款項	(39,972)	(40,746)
	2,832,117	2,577,702
上市股份市值	11,591,301	–

應收/應付附屬公司之款項均為無抵押、免息及無既定還款條件。

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿六、 附屬公司投資 (續)

26. INVESTMENTS IN SUBSIDIARIES (Continued)

於二零零四年十二月三十一日之主要附屬公司如下：

The following is a list of the principal subsidiaries as at 31st December 2004:

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
大新銀行集團有限公司* Dah Sing Banking Group Limited*	投資控股 Investment holding	香港 Hong Kong	78.3%	–	HK\$919,830,827
大新企業有限公司 Dah Sing Company Limited	投資控股 Investment holding	香港 Hong Kong	100%	–	HK\$1,000,000
Dah Sing Holdings Limited	投資控股 Investment holding	百慕達 Bermuda	100%	–	US\$100,000
Dah Sing International Limited	投資控股 Investment holding	百慕達 Bermuda	100%	–	US\$100,000
Dah Sing Life Assurance Company Limited	人壽保險 Life assurance	百慕達 Bermuda	100%	–	US\$25,000,000
大新保險代理有限公司 Dah Sing Insurance Agency Limited	保險代理 Insurance agency	香港 Hong Kong	100%	–	HK\$500,000
大新保險服務有限公司 Dah Sing Insurance Services Limited	保險服務 Insurance services	香港 Hong Kong	100%	–	HK\$20
Dah Sing Medical Science Investment Inc.	投資控股 Investment holding	英屬處女群島 British Virgin Islands	100%	–	US\$50,000
Dah Sing Secretarial Services Limited	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$2
Filey Investment Corporation	投資控股 Investment holding	巴拿馬 Panama	100%	–	US\$2
新永華投資有限公司 Newinner Investments Limited	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$2
High Standard Investment Limited	物業投資 Property investment	英屬處女群島 British Virgin Islands	100%	–	US\$2
WOF Escrow Limited	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$25,000,000
DSE Investment Services Limited (Note (a)) (註一)	暫無營業 Dormant	香港 Hong Kong	100%	–	HK\$1,000,000

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿六、 附屬公司投資 (續)

26. INVESTMENTS IN SUBSIDIARIES (Continued)

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
維興有限公司 World Prosper Limited	投資控股 Investment holding	香港 Hong Kong	100%	-	HK\$1
Dah Sing General Insurance Company Limited	保險業務 General insurance	百慕達 Bermuda	51%	-	HK\$70,000,000
鸞鳳置業有限公司 Luen Fung Investment Company, Limited	暫無營業 Dormant	香港 Hong Kong	-	100%	HK\$303,000
大新銀行有限公司 Dah Sing Bank, Limited	銀行 Banking	香港 Hong Kong	-	78.3%	HK\$800,000,000
豐明銀行有限公司 MEVAS Bank Limited	銀行 Banking	香港 Hong Kong	-	78.3%	HK\$400,000,000
大新財務有限公司 Dah Sing Finance Limited	暫無營業 Dormant	香港 Hong Kong	-	78.3%	HK\$25,000,000
Dah Sing Properties Limited	投資控股 Investment holding	香港 Hong Kong	-	78.3%	HK\$10,000
大新信託有限公司 Dah Sing Nominees Limited	代理人服務 Nominee services	香港 Hong Kong	-	78.3%	HK\$100,000
大新物業代理有限公司 Dah Sing Property Agency Limited	物業代理 Property agency	香港 Hong Kong	-	78.3%	HK\$100,000
大新保險顧問有限公司 Dah Sing Insurance Brokers Limited	保險經紀 Insurance broking	香港 Hong Kong	-	78.3%	HK\$200,000
鈞寶證券有限公司 Global Courage Securities Limited	證券買賣 Securities dealing	香港 Hong Kong	-	78.3%	HK\$10,000,000
域寶投資有限公司 Vanishing Border Investment Services Limited	物業投資 Property investment	香港 Hong Kong	-	78.3%	HK\$20
MEVAS Nominees Limited	代理人服務 Nominee services	香港 Hong Kong	-	78.3%	HK\$50,000
D.A.H. Holdings Limited (Note (b))(註二)	投資控股 Investment holding	百慕達 Bermuda	-	59.1%	US\$1,000,000
D.A.H. Hambros Bank (Channel Islands) Limited	銀行 Banking	格恩西島 Guernsey	-	59.1%	US\$8,000,000

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿六、 附屬公司投資 (續)

26. INVESTMENTS IN SUBSIDIARIES (Continued)

公司名稱 Name of company	主要業務 Principal activity	註冊地點 Place of incorporation	所佔股份百分比 Percentage of shares held		已發行普通股股本 Particulars of issued ordinary shares
			直接 Directly	間接 Indirectly	
Dah Sing MTN Financing Limited	融資(附註卅三) Financing (Note 33)	英屬處女群島 British Virgin Islands	-	78.3%	US\$1
Dah Sing SAR Financing Limited	暫無營業 Dormant	英屬處女群島 British Virgin Islands	-	78.3%	US\$1

* 在香港聯合交易所有限公司上市

* Listed on The Stock Exchange of Hong Kong Limited

除 D. A. H. Hambros Bank (Channel Islands) Limited 外，其他公司均在香港經營。

Except for D.A.H. Hambros Bank (Channel Islands) Limited, all other companies operate in Hong Kong.

註：

Note:

(一) DSE Investment Services Limited 除發行普通股外，亦發行總值 700 港元的優先股。

(a) In addition to the ordinary shares issued by DSE Investment Services Limited, it also has preference shares in issue totalling HK\$700.

(二) 根據本公司與 SG Hambros Bank and Trust Limited (「SG Hambros」) 於二零零二年十二月三十日達成之協議，本公司授予 SG Hambros 認沽期權，而 SG Hambros 亦授予本公司認購期權涉及股份達 245,000 股。有關股份相等於 D.A.H. Holdings Limited (「DAH」) 之百分之二十四點五已發行股本。作為重組之一部份，本公司移轉予大新銀行集團其於上述協議之權利和責任。若此等期權被行使時，本公司於 DAH 所佔之間接權益將由百分之五十九點一提升至百分之七十八點三。王守業為 DAH 與本公司董事。本公司主要股東王守業與 SG Hambros 於此項期權協議各擁有重大權益。

(b) Pursuant to an agreement entered into between the Company and SG Hambros Bank and Trust Limited ("SG Hambros") on 30th December 2002, the Company granted SG Hambros a put option and SG Hambros granted the Company a call option over 245,000 shares representing 24.5% of the issued share capital of D.A.H. Holdings Limited ("DAH"). As part of the Reorganisation, the Company subrogated to DSBG its rights and obligations under the above agreement. Upon exercise of the option, the Company's indirect interest in DAH would be increased from 59.1% to 78.3%. David Shou-Yeh Wong held common directorships in DAH and the Company. David Shou-Yeh Wong, a substantial shareholder of the Company, and SG Hambros held material interests in the option agreement.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿七、 固定資產

27. FIXED ASSETS

集團	Group	投資物業 Investment Properties	行產 Premises	傢俬、裝置 及設備 Furniture, Fixtures & Equipment	汽車 Motor Vehicles	合計 Total
成本或估值	Cost or valuation					
二零零四年一月一日	At 1st January 2004	212,036	571,585	265,984	2,567	1,052,172
增置	Additions	-	-	31,895	1,849	33,744
重新分類	Reclassification	(1,278)	1,278	-	-	-
出售/撇銷	Disposals/written off	-	-	(29,762)	(1,836)	(31,598)
重估減值回撥	Deficit write-back on revaluation	52,923	2,891	-	-	55,814
二零零四年十二月三十一日	At 31st December 2004	263,681	575,754	268,117	2,580	1,110,132
累積折舊	Accumulated depreciation					
二零零四年一月一日	At 1st January 2004	-	-	142,405	1,754	144,159
是年度折舊(附註四)	Charge for the year (Note 4)	-	15,661	46,853	641	63,155
出售/撇銷	Disposals/written off	-	-	(27,498)	(1,676)	(29,174)
重估回撥	Write-back on revaluation	-	(500)	-	-	(500)
二零零四年十二月三十一日	At 31st December 2004	-	15,161	161,760	719	177,640
賬面淨值	Net book value					
二零零四年十二月三十一日	At 31st December 2004	263,681	560,593	106,357	1,861	932,492
二零零三年十二月三十一日	At 31st December 2003	212,036	571,585	123,579	813	908,013

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿七、 固定資產 (續)

27. FIXED ASSETS (Continued)

以上資產之成本或估值分析如下：

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

集團	Group	投資物業 Investment Properties	行產 Premises	傢俬、裝置 及設備 Furniture, Fixtures & Equipment	汽車 Motor Vehicles	合計 Total
二零零四年十二月三十一日	At 31st December 2004					
按成本	At cost	-	-	268,117	2,580	270,697
按專業估值	At professional valuation					
二零零四年	In 2004	263,681	-	-	-	263,681
二零零三年	In 2003	-	575,754	-	-	575,754
		263,681	575,754	268,117	2,580	1,110,132
二零零三年十二月三十一日	At 31st December 2003					
按成本	At cost	-	-	265,984	2,567	268,551
按專業估值	At professional valuation					
二零零三年	In 2003	212,036	571,585	-	-	783,621
		212,036	571,585	265,984	2,567	1,052,172

獨立專業特許測量師萊坊(香港)有限公司於二零零四年十二月三十一日為投資物業及於二零零三年十二月三十一日為行產及投資物業按公開市場價值基準進行重估。

Investment properties were revalued as at 31st December 2004. Both investment properties and premises were revalued as at 31st December 2003. Revaluations were conducted on an open market value basis by an independent professional chartered surveyor, Knight Frank Hong Kong Limited.

倘若本集團之行產以成本值減累積折舊列賬，其賬面值應為419,014,000港元(2003: 430,892,000港元)。

Had the premises of the Group been stated at cost less accumulated depreciation, the carrying amount of the premises would have been HK\$419,014,000 (2003: HK\$430,892,000).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

廿七、 固定資產 (續)

27. FIXED ASSETS (Continued)

投資物業及行產之賬面淨值包括：

The net book value of investment properties and premises comprises:

集團	Group	2004		2003	
		投資物業 Investment Properties	行產 Premises	投資物業 Investment Properties	行產 Premises
租約業權	Leaseholds				
在香港中期租約 (十至五十年)	Held in Hong Kong on medium-term lease (between 10 - 50 years)	263,065	559,829	211,420	570,801
在香港以外中期租約 (十至五十年)	Held outside Hong Kong on medium-term lease (between 10 - 50 years)	616	764	616	784
		263,681	560,593	212,036	571,585

廿八、 股東應佔長期人壽保險業務價值

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

集團	Group	2004	2003
在集團之綜合資產負債表內股東應佔長期人壽保險業務包括：	The long-term life assurance business attributable to shareholders included in the consolidated balance sheet of the Group is made up of:		
長期人壽保險業務有形資產淨值 (附註廿九)	Net tangible assets of the long-term life assurance business (Note 29)	194,660	152,244
有效保單之價值	Value of policies in force	663,793	596,084
		858,453	748,328

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

**廿九、 投保人應佔長期資產值及對
投保人保單之長期負債****29. ASSETS OF LONG-TERM FUND AND LONG-TERM
LIABILITIES ATTRIBUTABLE TO POLICYHOLDERS**

集團	Group	2004	2003
以作抵衡對投保人保單長期負債之 長期資產值包括：	The assets of the long-term fund held to meet long-term liabilities to policyholders are:		
現金及短期資金	Cash and short-term funds	30,792	52,046
證券投資	Investments in securities	1,534,918	1,224,103
固定資產	Fixed assets	9,344	11,680
流動負債淨值	Net current liabilities	(565,058)	(573,391)
		1,009,996	714,438
股東應佔長期人壽保險業務內之 有形資產淨值(附註廿八)	Net tangible assets of the long-term life assurance business attributable to shareholders (Note 28)	(194,660)	(152,244)
		815,336	562,194

三十、 客戶存款**30. DEPOSITS FROM CUSTOMERS**

集團	Group	2004	2003
活期存款及往來存款	Demand deposits and current account	4,450,911	3,726,099
儲蓄存款	Savings deposits	8,382,422	6,882,453
定期、通知及短期存款	Time, call and notice deposits	30,500,466	29,391,311
		43,333,799	39,999,863

卅一、 其他賬目及預提**31. OTHER ACCOUNTS AND ACCRUALS**

於二零零四年十二月三十一日之「其他賬目及預提」內包括沽空國庫債券及國庫票據總數為6,411,790,000港元(2003: 6,379,969,000 港元)(附註卅四)。

Included in "Other accounts and accruals" of the Group as at 31st December 2004 is a short position in treasury bills and treasury notes totalling HK\$6,411,790,000 (2003: HK\$6,379,969,000) (Note 34).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅二、 即期及遞延稅項資產及負債

32. CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

集團	Group	2004	2003
預繳即期稅項(附註(甲))	Current tax prepaid (Note (a))	27,616	116
遞延稅項資產(附註(乙))	Deferred tax assets (Note (b))	10,662	–
		38,278	116
即期稅項負債(附註(甲))	Current tax liabilities (Note (a))	(1,505)	(54,646)
遞延稅項負債(附註(乙))	Deferred tax liabilities (Note (b))	(3,859)	(6,904)
		(5,364)	(61,550)

(甲) 即期稅項

(a) Current tax

集團	Group	2004	2003
預繳即期稅項	Current tax prepaid		
香港利得稅	Hong Kong profits tax	27,616	116
即期稅項負債	Current tax liabilities		
香港利得稅	Hong Kong profits tax	(719)	(53,801)
海外稅項	Overseas tax	(786)	(845)
		(1,505)	(54,646)

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅二、 即期及遞延稅項資產及負債
(續)**32. CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES (Continued)****(乙) 遞延稅項****(b) Deferred tax**

遞延稅項資產/(負債) 變動如下：

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

集團	Group	2004	2003
一月一日	At 1st January	(6,904)	(20,571)
於損益賬內撥回的遞延稅項 (附註十三)	Deferred taxation credited to profit and loss account (Note 13)	12,294	11,758
於權益中撥回的遞延稅項(附註卅七)	Deferred taxation credited to equity (Note 37)	4,155	1,909
少數股東應佔遞延稅項	Deferred taxation attributable to minority interests	(2,742)	–
十二月三十一日	At 31st December	6,803	(6,904)

在年內，於權益中撥回/(扣除)之遞延稅項如下：

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

集團	Group	2004	2003
在股東權益內之公平值儲備	Fair value reserve in shareholders' equity		
– 行產(附註卅七)	– premises (Note 37)	1,324	(1,369)
– 非持作買賣用途的證券(附註卅七)	– non-trading securities (Note 37)	2,831	3,278
		4,155	1,909

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅二、 即期及遞延稅項資產及負債 (續)

32. CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES (Continued)

在年內，遞延稅項資產及負債變動(未對銷於同一課稅地域之結餘)如下：

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

遞延稅項負債

Deferred tax liabilities

集團	Group	加速稅務折舊		行產重估		投資重估		合計	
		2004	2003	2004	2003	2004	2003	2004	2003
一月一日	At 1st January	1,090	12,460	50,142	48,773	12,666	15,944	63,898	77,177
於損益賬內 支出/(撥回)	Charged/(credited) to profit and loss account	2,827	(11,370)	-	-	-	-	2,827	(11,370)
於權益內扣除/(撥回) (附註卅七)	Charged/(credited) to equity (Note 37)	-	-	(1,324)	1,369	(2,831)	(3,278)	(4,155)	(1,909)
於少數股東權益中 支出/(撥回)	Charged/(credited) to minority interests	-	-	(367)	-	3,109	-	2,742	-
十二月三十一日	At 31st December	3,917	1,090	48,451	50,142	12,944	12,666	65,312	63,898

遞延稅項資產

Deferred tax assets

集團	Group	準備		稅務虧損		其他		合計	
		2004	2003	2004	2003	2004	2003	2004	2003
一月一日	At 1st January	54,392	49,989	-	5,023	2,602	1,594	56,994	56,606
於損益賬內 撥回/(支出)	Credited/(charged) to profit and loss account	6,570	4,403	10,346	(5,023)	(1,795)	1,008	15,121	388
十二月三十一日	At 31st December	60,962	54,392	10,346	-	807	2,602	72,115	56,994

遞延稅項資產及負債的對銷只在具有合法執行權對銷即期稅項資產和即期稅項負債時及遞延利得稅項與同一稅務機構及同一集團企業有關時方可進行。以下金額，經合適的對銷後，於綜合資產負債表內列示。

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

集團	Group	2004	2003
遞延稅項資產	Deferred tax assets	10,662	-
遞延稅項負債	Deferred tax liabilities	(3,859)	(6,904)

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

**卅二、 即期及遞延稅項資產及負債
(續)****32. CURRENT AND DEFERRED TAX ASSETS AND
LIABILITIES (Continued)**

資產負債表內包括以下各項：

The amounts shown in the balance sheet include the following:

集團	Group	2004	2003
可在十二個月之後收回 之遞延稅項資產	Deferred tax assets to be recovered after more than 12 months	72,115	56,994
應在十二個月之後償還 之遞延稅項負債	Deferred tax liabilities to be settled after more than 12 months	(65,312)	(63,898)

卅三、 已發行的債務證券**33. ISSUED DEBT SECURITIES**

於二零零四年十二月三十一日已發行之債務證券指大新銀行有限公司(「大新銀行」)之全資附屬公司 Dah Sing MTN Financing Limited (「DSMTN」) 透過大新銀行之歐洲市場中期票據計劃(「計劃」)，於二零零四年十二月一日發行及在盧森堡交易所上市之150,000,000美元定息及150,000,000美元浮息有擔保之優先票據(「票據」)。該票據由大新銀行擔保、為無抵押，最後到期日為二零零九年十二月一日，其成本透過大新銀行進行的利率掉期安排後轉為浮息基準。

Issued debt securities outstanding as at 31st December 2004 represented the US\$150 million fixed rate and the US\$150 million floating rate Senior Guaranteed Notes (the "Notes") issued by Dah Sing MTN Financing Limited ("DSMTN"), a wholly-owned subsidiary of Dah Sing Bank, Limited ("DSB"), on 1st December 2004 under DSB's Euro Medium Term Note Programme (the "Programme") and are listed on the Luxembourg Stock Exchange. The Notes are guaranteed by DSB, unsecured, and have a final maturity on 1st December 2009. Through interest rate swap arrangements entered into by DSB, the cost of the fixed rate Note is determined on floating rate basis.

大新銀行根據計劃發行及於二零零三年十二月三十一日尚未贖回之4,000,000美元結構性票據，已於二零零四年十一月十二日根據提早贖回機制全數償還。

The US\$4,000,000 structured note issued by DSB under the Programme and outstanding as at 31st December 2003 was fully repaid on 12th November 2004 pursuant to the early redemption arrangement.

卅四、 已作抵押之資產**34. ASSETS PLEDGED**

以下為資產負債表項目中由本集團因應銷售及回購協議而沽空國庫債券及國庫票據用作抵押之資產(附註卅一)：

Included in the following balance sheet captions are assets pledged by the Group to secure short positions of treasury bills and treasury notes of the Group which are subject to sale and repurchase agreements (Note 31):

集團	Group	2004	2003
現金及短期資金(附註十七)	Cash and short-term funds (Note 17)	4,038,687	5,328,118
持作買賣用途的證券(附註二十)	Trading securities (Note 20)	2,038,105	1,857,013
非持作買賣用途的證券(附註廿四)	Non-trading securities (Note 24)	—	289,384
		6,076,792	7,474,515

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅五、 借貸資本

35. LOAN CAPITAL

集團	Group	2004	2003
年息7.5%於2011年到期的後償票據	7.5% fixed rate subordinated bonds due 2011	971,794	970,388

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

The loan capital having an original maturity of more than five years is raised by a subsidiary, DSB, for the development and expansion of its business.

借貸資本是大新銀行於二零零一年三月二十八日發行年息七點五厘125,000,000美元在盧森堡交易所上市並被界定為二級資本的後償票據。此等票據將於二零一一年三月二十八日到期。選擇性贖還日為二零零六年三月二十九日。由發行日至選擇性贖還日，年息為七點五厘，每年付息一次。如票據並未在選擇性贖還日贖回，往後五年的年利息會重訂為當時美元五年期國庫債券息率加三百六十九點七五點子。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由以票面價贖回所有（但非部份）票據。大新銀行亦已與一國際銀行訂立利率掉期合約以將票據的固定利息掉換為以美元銀行同業拆息為基礎的浮動利息付款債務。

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 股本

36. SHARE CAPITAL

		2004	2003
法定股本：	Authorised:		
300,000,000 股普通股，每股面值2港元	300,000,000 ordinary shares of HK\$2 each	600,000	600,000
		普通股每股面值2港元	
		Ordinary shares of HK\$2 each	
		股數	股本
		Number of	Share
		shares	Capital
已發行及繳足股本：	Issued and fully paid:		
二零零三年十二月三十一日	At 31st December 2003	246,678,802	493,358
發行新普通股以代替繳付現金特別股息	Issue of ordinary shares in lieu of payment of cash special dividend	1,930,456	3,861
二零零四年十二月三十一日	At 31st December 2004	248,609,258	497,219

應佔合共93,164,000港元股息的股東，已根據特別股息(附註十五)中以股代息計劃，選擇收取以列作繳足股款的本公司新股份，以代替現金特別股息。本公司按每股48.26港元的設定參考計算價，於二零零四年八月十九日發出1,930,456股以列作繳足股款的本公司新股份，代替現金特別股息。

In connection with the special dividend (Note 15) for which shareholders may elect under the Scrip Dividend Scheme to receive an allotment of new shares of the Company credited as fully paid in lieu of cash special dividend, election had been made by shareholders entitled to receive a total dividend of HK\$93,164,000. Based on the reference price of HK\$48.26 per share determined for the calculation of new shares allotment, the Company issued 1,930,456 new shares on 19th August 2004 credited as fully paid in lieu of the cash special dividend.

遵照一九九五年五月十七日股東批准之行政人員認股計劃(「本認股權計劃」)，自該認股權計劃實行以來，八十五份認股權以認購8,050,000股每股面值2港元之本公司股份(包括一份在一九九七年由於有關受益人離職而失效的以認購150,000股本公司股份的認股權)，已授予部份董事及集團的高級行政人員。

Pursuant to the Executive Share Option Scheme (the "Scheme") approved by the shareholders on 17th May 1995, 85 options to subscribe for 8,050,000 shares of HK\$2 each of the Company (inclusive of an option for the subscription of 150,000 shares in the Company lapsed in 1997 as a result of resignation of the relevant grantee) had been granted to certain Directors and senior executives of the Group since the inception of the Scheme.

本年內由董事及高級行政人員持有之認股權中本公司股份數目變動如下：

Movements in the number of the Company's share in the share options held by directors and senior executives during the year are as follows:

		認股權中股份數目	
		Number of shares in options	
		2004	2003
一月一日	At 1st January	443,750	900,000
在本年內授予	Granted in the year	2,450,000	-
在本年內行使	Exercised in the year	(243,750)	(456,250)
十二月三十一日	At 31st December	2,650,000	443,750

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 股本 (續)

本年內授予之認股權 (全部以代價1港元授予) 詳列如下：

36. SHARE CAPITAL (Continued)

Particulars of the share options granted during the year, all of which were granted for a consideration of HK\$1 per option, are as follows:

行使期	Exercise period	行使價 港元 HK\$	認股權數目		認股權中 股份數目	
			2004	2003	2004	2003
二零零五年八月二十三日至 二零零九年八月二十三日	23rd August 2005 to 23rd August 2009	54.25	1	-	60,000	-
二零零五年十一月二十五日至 二零一零年十一月二十五日	25th November 2005 to 25th November 2010	64.00	5	-	430,000	-
二零零六年八月二十三日至 二零零九年八月二十三日	23rd August 2006 to 23rd August 2009	54.25	1	-	60,000	-
二零零六年十一月二十五日至 二零一零年十一月二十五日	25th November 2006 to 25th November 2010	64.00	5	-	430,000	-
二零零七年八月二十三日至 二零零九年八月二十三日	23rd August 2007 to 23rd August 2009	54.25	1	-	60,000	-
二零零七年十一月二十五日至 二零一零年十一月二十五日	25th November 2007 to 25th November 2010	64.00	5	-	430,000	-
二零零八年八月二十三日至 二零零九年八月二十三日	23rd August 2008 to 23rd August 2009	54.25	1	-	60,000	-
二零零八年十一月二十五日至 二零一零年十一月二十五日	25th November 2008 to 25th November 2010	64.00	5	-	430,000	-
二零零九年八月二十三日至 二零一零年八月二十三日	23rd August 2009 to 23rd August 2010	54.25	1	-	60,000	-
二零零九年十一月二十五日至 二零一零年十一月二十五日	25th November 2009 to 25th November 2010	64.00	5	-	430,000	-
			30	-	2,450,000	-

本年內獲行使之認股權詳列如下：

Particulars of the share options exercised during the year are as follows:

行使期	Exercise period	行使價 港元 HK\$	認股權數目		認股權中 股份數目	
			2004	2003	2004	2003
二零零四年四月三日至 二零零五年四月三日	3rd April 2004 to 3rd April 2005	26.28	4*	7*	243,750	306,250
二零零一年六月十二日至 二零零五年五月十六日	12th June 2001 to 16th May 2005	30.41	-	3	-	150,000
			4	10	243,750	456,250

* 包括一項在二零零三年已獲部份行使的認股權。

* included an option which had been partly exercised in 2003.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅六、 股本 (續)

36. SHARE CAPITAL (Continued)

於十二月三十一日之認股權結餘詳列如下：

Particulars of the outstanding options as at 31st December are as follows:

授予日期及行使價	Date of grant and exercise price	認股權數目		認股權中 股份數目	
		2004	2003	2004	2003
二零零零年四月三日， 行使價每股26.28港元	3rd April 2000, at an exercise price of HK\$26.28 per share	4*	8*	200,000	443,750
二零零四年八月二十三日， 行使價每股54.25港元	23rd August 2004, at an exercise price of HK\$54.25 per share	5	–	300,000	–
二零零四年十一月二十五日， 行使價每股64.00港元	25th November 2004, at an exercise price of HK\$64.00 per share	25	–	2,150,000	–
		34	8	2,650,000	443,750

* 包括一項在二零零三年已獲部份行使的認股權。

* included an option which had been partly exercised in 2003.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、 儲備

37. RESERVES

二零零四年 集團	2004 Group	股份溢價 Share Premium	投資物業 重估儲備 Investment Properties Revaluation Reserve	行產 重估儲備 Premises Revaluation Reserve	投資 重估儲備 Investment Revaluation Reserve	匯兌儲備 Exchange Reserve	一般儲備 General Reserve	保留盈利 Retained Earnings	合計 Total
二零零四年一月一日	At 1st January 2004	818,860	40,427	236,383	96,144	(233)	588,930	4,514,978	6,295,489
非持作買賣用途的證券 公平值之變動	Change in fair value of non-trading securities	-	-	-	(11,991)	-	-	-	(11,991)
出售非持作買賣用途 的證券	Disposal of non-trading securities	-	-	-	(61,415)	-	-	-	(61,415)
重新分類	Reclassification	-	11,487	(11,487)	-	-	-	-	-
行產重估減值撥回	Deficit write-back on revaluation of premises	-	-	2,654	-	-	-	-	2,654
海外附屬公司財務賬目 的匯兌差異	Exchange differences arising on translation of the financial statements of a foreign subsidiary	-	-	-	-	114	-	-	114
遞延稅項負債於行產及 投資重估內撥回 (附註卅二)	Deferred tax liabilities released on premises and investment revaluation (Note 32)	-	-	1,324	2,831	-	-	-	4,155
是年度溢利	Profit for the year	-	-	-	-	-	-	2,033,206	2,033,206
二零零三年已派末期股息 (附註十五)	2003 final dividend paid (Note 15)	-	-	-	-	-	-	(199,810)	(199,810)
二零零四年已派中期股息 (附註十五)	2004 interim dividend paid (Note 15)	-	-	-	-	-	-	(193,915)	(193,915)
二零零四年已派特別股息 (附註十五)	2004 special dividend paid (Note 15)	-	-	-	-	-	-	(197,343)	(197,343)
發行新普通股 以代替繳付現金 特別股息 (附註十五)	Issue of ordinary shares in lieu of payment of cash special dividend (Note 15)	89,303	-	-	-	-	-	-	89,303
二零零四年十二月三十一日	At 31st December 2004	908,163	51,914	228,874	25,569	(119)	588,930	5,957,116	7,760,447
表示於：	Representing:								
二零零四年十二月三十一日 保留盈利	Retained earnings at 31st December 2004							5,633,924	
二零零四年擬派末期股息 (附註十五)	2004 final dividend proposed (Note 15)							323,192	
二零零四年十二月三十一日	At 31st December 2004							5,957,116	
公司及附屬公司 共同控制實體	Company and subsidiaries Jointly controlled entities	908,163	51,914	228,874	25,569	(119)	588,930	5,981,036	7,784,367
		-	-	-	-	-	-	(23,920)	(23,920)
二零零四年十二月三十一日	At 31st December 2004	908,163	51,914	228,874	25,569	(119)	588,930	5,957,116	7,760,447

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、儲備(續)

37. RESERVES (Continued)

二零零三年 集團	2003 Group	股份溢價 Share Premium	投資物業 重估儲備 Investment Properties Revaluation Reserve	行產 重估儲備 Premises Revaluation Reserve	投資 重估儲備 Investment Revaluation Reserve	匯兌儲備 Exchange Reserve	一般儲備 General Reserve	保留盈利 Retained Earnings	合計 Total
二零零三年一月一日	At 1st January 2003	818,860	23,288	256,055	109,234	-	588,930	3,798,647	5,595,014
非持作買賣用途的證券 公平值之變動	Change in fair value of non-trading securities	-	-	-	153,247	-	-	-	153,247
轉撥因撥備非持作買賣用途 證券之儲備至損益賬	Reserves transferred to profit and loss account upon provisioning on non-trading securities	-	-	-	26,803	-	-	-	26,803
出售非持作買賣用途 的證券	Disposal of non-trading securities	-	-	-	(196,418)	-	-	-	(196,418)
重新分類	Reclassification	-	17,139	(17,139)	-	-	-	-	-
行產重估減值	Deficit on revaluation of premises	-	-	(1,164)	-	-	-	-	(1,164)
海外附屬公司財務賬目 的匯兌差異	Exchange differences arising on translation of the financial statements of a foreign subsidiary	-	-	-	-	(233)	-	-	(233)
遞延稅項負債於行產及 投資重估內(確認)/撥回 (附註卅二)	Deferred tax liabilities (recognised)/released on premises and investment revaluation (Note 32)	-	-	(1,369)	3,278	-	-	-	1,909
是年度溢利	Profit for the year	-	-	-	-	-	-	992,611	992,611
二零零二年已派末期股息	2002 final dividend paid	-	-	-	-	-	-	(148,007)	(148,007)
二零零三年已派中期股息 (附註十五)	2003 interim dividend paid (Note 15)	-	-	-	-	-	-	(128,273)	(128,273)
二零零三年十二月三十一日	At 31st December 2003	<u>818,860</u>	<u>40,427</u>	<u>236,383</u>	<u>96,144</u>	<u>(233)</u>	<u>588,930</u>	<u>4,514,978</u>	<u>6,295,489</u>
表示於：	Representing:								
二零零三年十二月三十一日 保留盈利	Retained earnings at 31st December 2003							4,315,168	
二零零三年擬派末期股息 (附註十五)	2003 final dividend proposed (Note 15)							199,810	
二零零三年十二月三十一日	At 31st December 2003							<u>4,514,978</u>	
公司及附屬公司 共同控制實體	Company and subsidiaries Jointly controlled entities	818,860	40,427	236,383	96,144	(233)	588,930	4,542,993	6,323,504
		-	-	-	-	-	-	(28,015)	(28,015)
二零零三年十二月三十一日	At 31st December 2003	<u>818,860</u>	<u>40,427</u>	<u>236,383</u>	<u>96,144</u>	<u>(233)</u>	<u>588,930</u>	<u>4,514,978</u>	<u>6,295,489</u>

本集團於二零零四年十二月三十一日之保留盈利包括長期人壽保險業務有效保單之價值達663,793,000港元(2003: 596,084,000港元)。此保留盈利數額現時未能作派發用途。

Included in retained earnings of the Group at 31st December 2004 is the value of long-term life assurance policies in force totalling HK\$663,793,000 (2003: HK\$596,084,000) which is currently not available for distribution.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、 儲備 (續)

37. RESERVES (Continued)

二零零四年 公司	2004 Company	股份溢價 Share Premium	資本儲備 Capital Reserve	保留盈利 Retained Earnings	合計 Total
二零零四年一月一日	At 1st January 2004	818,860	256,027	1,036,571	2,111,458
是年度溢利(附註十四)	Profit for the year (Note 14)	-	-	721,988	721,988
二零零三年已派末期股息 (附註十五)	2003 final dividend paid (Note 15)	-	-	(199,810)	(199,810)
二零零四年已派中期股息 (附註十五)	2004 interim dividend paid (Note 15)	-	-	(193,915)	(193,915)
二零零四年已派特別股息 (附註十五)	2004 special dividend paid (Note 15)	-	-	(197,343)	(197,343)
發行新普通股以代替 繳付現金特別股息	Issue of ordinary shares in lieu of payment of cash special dividend	89,303	-	-	89,303
二零零四年十二月三十一日	At 31st December 2004	908,163	256,027	1,167,491	2,331,681
表示於：	Representing:				
二零零四年十二月三十一日 保留盈利	Retained earnings at 31st December 2004			844,299	
二零零四年擬派末期股息 (附註十五)	2004 final dividend proposed (Note 15)			323,192	
二零零四年十二月三十一日	At 31st December 2004			1,167,491	
二零零三年 公司	2003 Company	股份溢價 Share Premium	資本儲備 Capital Reserve	保留盈利 Retained Earnings	合計 Total
二零零三年一月一日	At 1st January 2003	818,860	256,027	762,916	1,837,803
是年度溢利(附註十四)	Profit for the year (Note 14)	-	-	549,935	549,935
二零零二年已派末期股息	2002 final dividend paid	-	-	(148,007)	(148,007)
二零零三年已派中期股息 (附註十五)	2003 interim dividend paid (Note 15)	-	-	(128,273)	(128,273)
二零零三年十二月三十一日	At 31st December 2003	818,860	256,027	1,036,571	2,111,458
表示於：	Representing:				
二零零三年十二月三十一日 保留盈利	Retained earnings at 31st December 2003			836,761	
二零零三年擬派末期股息 (附註十五)	2003 final dividend proposed (Note 15)			199,810	
二零零三年十二月三十一日	At 31st December 2003			1,036,571	

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅七、 儲備 (續)

按照香港公司條例第79B條計算，本公司於二零零四年十二月三十一日之可供派發儲備為1,167,491,000港元（2003：1,036,571,000港元）。

根據一九九三年十二月一日通過之特別決議案，並隨後於一九九三年十二月二十日由香港最高法院批核，本公司股份溢價削減256,027,000港元，並轉撥至資本儲備賬內。該256,027,000港元儲備已於綜合賬內與商譽對沖。

卅八、 到期情況

37. RESERVES (Continued)

Distributable reserves of the Company at 31st December 2004, calculated under section 79B of the Hong Kong Companies Ordinance, amounted to HK\$1,167,491,000 (2003: HK\$1,036,571,000).

By a special resolution passed on 1st December 1993 and subsequently approved by the Supreme Court of Hong Kong on 20th December 1993, the share premium of the Company was reduced by HK\$256,027,000 and this amount was transferred to a capital reserve account. On consolidation the reserve of HK\$256,027,000 has been applied against goodwill.

38. MATURITY PROFILE

二零零四年 集團	2004 Group	一年或以下，五年或以下， 但超過三個月 但超過一年					無註明日期 Undated	合計 Total
		即時還款 on demand	三個月或以下 3 months or less	1 year or less but over 3 months	5 years or less but over 1 year	五年以後 After 5 years		
資產 Assets								
國庫債券	Treasury bills	-	317,963	4,785,460	-	-	-	5,103,423
在銀行及其他金融機構 的存款	Placements with banks and other financial institutions	-	463,230	-	-	-	-	463,230
持有的存款證	Certificates of deposit held	-	-	-	-	195,744	-	195,744
各項客戶貸款	Advances to customers	4,358,343	5,638,986	3,913,337	7,769,259	10,529,655	318,834	32,528,414
銀行及其他金融機構 的貸款	Advances to banks and other financial institutions	-	-	-	15,549	-	-	15,549
債務證券包括：		Debt securities included in:						
— 持作買賣用途的證券*	— Trading securities*	-	65,910	149,956	2,159,053	193,251	-	2,568,170
— 持至到期證券*	— Held-to-maturity securities*	-	643,912	466,649	186,366	-	-	1,296,927
— 非持作買賣用途 的證券*	— Non-trading securities*	-	323,214	2,532,018	5,577,003	8,539,320	4,078	16,975,633
		4,358,343	7,453,215	11,847,420	15,707,230	19,457,970	322,912	59,147,090
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	62,648	148,764	4,290	-	-	-	215,702
客戶存款	Deposits from customers	13,139,469	27,816,494	2,253,068	124,768	-	-	43,333,799
已發行的存款證	Certificates of deposit issued	-	1,185,091	4,013,204	3,253,841	-	-	8,452,136
已發行的債務證券	Issued debt securities	-	-	-	2,332,305	-	-	2,332,305
		13,202,117	29,150,349	6,270,562	5,710,914	-	-	54,333,942

* 於二零零四年十二月三十一日，剩餘期限超過一年的債務證券的其中19%（2003：21%）屬浮息資產並包括可調整利率的債務證券。

* As at 31st December 2004, 19% (2003: 21%) of the debt securities with a remaining term to maturity of over 1 year were floating rate assets which included adjustable rate debt securities.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

卅八、 到期情況 (續)

38. MATURITY PROFILE (Continued)

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

卅九、 集團公司之結餘

39. BALANCES WITH GROUP COMPANY

資產負債表內賬目包括與本公司之一附屬公司之結餘詳列如下：

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

公司	Company	2004	2003
銀行結餘	Bank balances	<u>15,442</u>	<u>30,893</u>

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十、高級人員貸款

遵照香港公司條例第161B(4C)條，貸款予高級人員之詳情披露如下：

40. LOANS TO OFFICERS

Particulars of loans to officers disclosed pursuant to section 161B(4C) of the Hong Kong Companies Ordinance are as follows:

		十二月三十一日結餘		年內貸款最高結餘	
		Balance outstanding at 31st December 2004	2003	Maximum balance during the year 2004	2003
本金及利息結餘總額	Aggregate amount outstanding in respect of principal and interest	63,274	88,360	89,798	102,971
擔保結餘總額	Aggregate amount outstanding in respect of guarantees	149	–	149	–

四十一、資產負債表外之項目

(甲) 或然負債及承擔

各項重大或然負債及承擔之合約額分類如下：

41. OFF-BALANCE SHEET EXPOSURES

(a) Contingent liabilities and commitments

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

集團	Group	2004	2003
直接信貸代替品	Direct credit substitutes	757,320	312,580
與交易相關之或然項目	Transaction related contingencies	30,961	15,051
與貿易相關之或然項目	Trade-related contingencies	790,228	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	22,081,608	19,529,291
– 一年及以上	– 1 year and over	738,712	895,261
		24,398,829	21,554,571

「直接信貸代替品」包括本金金額合共為583,076,000港元(2003：155,262,000港元)之信貸風險掉期合約涉及之信貸風險。

Included in “Direct credit substitutes” are credit exposures in respect of credit default swap contracts with a total principal amount of HK\$583,076,000 (2003: HK\$155,262,000).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、 資產負債表外之項目 (續)

41. OFF-BALANCE SHEET EXPOSURES (Continued)

(乙) 衍生工具

(b) Derivatives

除上文披露之信貸風險掉期合約外，各項重大衍生工具之名義合約額分類如下：

The following is a summary of the aggregate notional contract amounts of each significant type of derivatives in addition to the credit default swap contracts disclosed above:

集團	Group	買賣交易		對沖交易		合計	
		2004	2003	2004	2003	2004	2003
匯率合約	Exchange rate contracts						
遠期及期貨合約	Forward and future contracts	4,161,885	1,902,840	25,231,921	27,485,672	29,393,806	29,388,512
貨幣掉期	Currency swaps	-	-	551,347	-	551,347	-
外匯期權合約	Foreign exchange option contracts						
– 購入貨幣期權	– Currency options purchased	121,709	255,143	-	-	121,709	255,143
– 沽出貨幣期權	– Currency options written	121,672	254,890	-	-	121,672	254,890
		4,405,266	2,412,873	25,783,268	27,485,672	30,188,534	29,898,545
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	13,278,562	8,489,383	13,278,562	8,702,505
利率期權合約	Interest rate option contracts						
– 沽出期權	– Options written	-	261,616	695,804	1,859,263	695,804	2,120,879
		-	1,616,288	13,974,366	10,348,646	13,974,366	11,964,934
其他合約	Other contracts						
權益性期權合約	Equity option contracts						
– 購入期權	– Options purchased	150,464	199,535	-	-	150,464	199,535
– 沽出期權	– Options written	150,464	199,535	-	-	150,464	199,535
		300,928	399,070	-	-	300,928	399,070

買賣交易包括為執行客戶買賣指令或對沖此等持倉交易而持有的金融工具盤。

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、 資產負債表外之項目 (續)

41. OFF-BALANCE SHEET EXPOSURES (Continued)

(乙) 衍生工具 (續)

(b) Derivatives (Continued)

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

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

集團	Group	2004		2003	
		信貸風險 加權數額 Credit risk weighted amount	重置成本 Replacement cost	信貸風險 加權數額 Credit risk weighted amount	重置成本 Replacement cost
或然負債及承擔	Contingent liabilities and commitments	1,262,469		780,114	
衍生工具	Derivatives				
匯率合約	Exchange rate contracts	94,426	93,413	152,771	462,356
利率合約	Interest rate contracts	122,174	457,217	103,874	427,738
其他合約	Other contracts	1,897	5,432	2,394	1,823
		218,497	556,062	259,039	891,917
		1,480,966		1,039,153	

合約數額僅為顯示資產負債表結算日的交易量，並不代表風險數額。

The contract amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date. They do not represent the amounts at risk.

信貸風險加權數額乃根據銀行業條例第三附表及香港金融管理局所發出之指引計算，而計算所得之數額則視乎交易對手及各項合約到期特性。

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

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十一、 資產負債表外之項目 (續)**41. OFF-BALANCE SHEET EXPOSURES (Continued)****(丙) 作買賣用途的衍生工具的公平值之釐定****(c) Determination of fair value of trading derivatives**

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十二、 綜合現金流量結算表附註

42. NOTES TO CONSOLIDATED CASH FLOW STATEMENT

(甲) 扣除準備後之營運溢利與經營業務現金流入淨額對賬表

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

		2004	2003
扣除準備後之營運溢利	Operating profit after provisions	1,300,082	1,023,345
壞賬及呆賬準備	Provisions for bad and doubtful debts	208,747	534,698
減除收回後之貸款撇除淨額	Advances written off net of recoveries	(254,651)	(562,565)
折舊	Depreciation	63,155	63,009
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	39,831	29,476
已發行的存款證利息支出	Interest expense on certificates of deposit issued	62,011	112,574
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	1,419,175	1,200,537
三個月以上到期的國庫債券之變動	Change in treasury bills maturing beyond three months	2,506,546	1,347,422
貿易票據之變動	Change in trade bills	176,139	(162,730)
持有的存款證之變動	Change in certificates of deposit held	8,656	250,737
持作買賣用途的證券之變動	Change in trading securities	198,853	(309,362)
各項貸款及其他賬目之變動	Change in advances and other accounts	(4,637,855)	244,147
持至到期證券之變動	Change in held-to-maturity securities	(904,284)	(314,508)
非持作買賣用途的證券之變動	Change in non-trading securities	(245,247)	(1,125,258)
股東應佔長期人壽保險業務價值之變動	Change in value of long-term life assurance business attributable to shareholders	(110,125)	(86,315)
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	22,441	565
客戶存款之變動	Change in deposits from customers	3,333,936	2,713,443
其他賬目及預提之變動	Change in other accounts and accruals	897,059	(879,314)
匯兌調整	Exchange adjustments	5,570	(11,551)
由經營業務產生的現金	Cash generated from operations	2,670,864	2,867,813
已發行借貸資本及債務證券之利息付出	Interest paid on loan capital and debt securities issued	(33,443)	(30,837)
已發行的存款證利息付出	Interest paid on certificates of deposit issued	(60,686)	(122,042)
已繳香港利得稅	Hong Kong profits tax paid	(167,799)	(15,525)
已繳海外稅款	Overseas tax paid	(466)	(1,346)
經營業務現金流入淨額	Net cash inflow from operating activities	2,408,470	2,698,063

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十二、 綜合現金流量結算表附註(續)

42. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(乙) 年內融資變動分析

(b) Analysis of changes in financing during the year

		少數股東 權益 Minority Interests	借貸資本 Loan Capital	已發行 債務證券 Debt Securities issued	已發行的 存款證 Certificates of Deposit issued
二零零四年一月一日	At 1st January 2004	54,965	970,388	31,052	7,868,079
融資現金流入淨額	Net cash inflow from financing	-	-	2,298,438	582,364
因重組而出售附屬公司 部份權益	Partial disposal of interest in a subsidiary as part of the Reorganisation	1,550,289	-	-	-
少數股東應佔溢利	Minority interests' share of profits	130,785	-	-	-
少數股東應佔儲備	Minority interests' share of reserves				
- 非持作買賣用途的 證券公平值之變動	- Change in fair value of non-trading securities	53,988	-	-	-
- 轉撥因出售非持作 買賣用途的證券之 投資重估儲備 至損益賬	- Investment revaluation reserves transferred to profit and loss account upon disposal of non-trading securities	(2,220)	-	-	-
- 遞延稅項負債於行產 及投資重估內確認	- Deferred tax liabilities recognised on premises and investment revaluation	(2,742)	-	-	-
- 行產重估減值回撥	- Deficit write-back on revaluation of premises	737	-	-	-
- 海外附屬公司 財務賬目的匯兌差異	- Exchange differences arising on translation of the financial statements of a foreign subsidiary	(13)	-	-	-
支付予附屬公司 少數股東的股息	Dividends paid to minority shareholders of subsidiaries	(49,348)	-	-	-
匯率變動之影響	Effect of foreign exchange rate changes	-	1,406	2,815	1,693
二零零四年十二月三十一日	At 31st December 2004	1,736,441	971,794	2,332,305	8,452,136

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十二、 綜合現金流量結算表附註(續)

42. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(乙) 年內融資變動分析(續)

(b) Analysis of changes in financing during the year (Continued)

		少數股東 權益 Minority Interests	借貸資本 Loan Capital	已發行 債務證券 Debt Securities issued	長期負債 (包括一年內 應償還額) Long-term Liability (including current portion)	已發行的 存款證 Certificates of Deposit issued
二零零三年一月一日	At 1st January 2003	48,882	974,831	–	200,000	6,888,227
融資現金流入/(流出) 淨額	Net cash inflow/(outflow) from financing	–	–	31,052	(200,000)	987,008
少數股東應佔溢利	Minority interests' share of profits	7,996	–	–	–	–
少數股東應佔匯兌儲備	Minority interests' share of exchange reserve	(75)	–	–	–	–
支付予附屬公司 少數股東的股息	Dividend paid to minority shareholder of a subsidiary	(1,838)	–	–	–	–
匯率變動之影響	Effect of foreign exchange rate changes	–	(4,443)	–	–	(7,156)
二零零三年十二月三十一日	At 31st December 2003	<u>54,965</u>	<u>970,388</u>	<u>31,052</u>	<u>–</u>	<u>7,868,079</u>

(丙) 現金及等同現金項目結餘之分析

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

		2004	2003
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	1,426,746	595,975
通知及短期存款	Money at call and short notice	8,606,074	4,998,509
原本期限為三個月以內的國庫債券	Treasury bills with original maturity within three months	3,610,361	1,391,323
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	463,230	–
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	(189,667)	(158,378)
		<u>13,916,744</u>	<u>6,827,429</u>

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十二、 綜合現金流量結算表附註(續)

42. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(丁) 不涉及現金的重大交易

(d) Major non-cash transactions

- (i) 本年度，根據股東在以股代息計劃中行使之選擇，本公司按每股48.26港元的設定參考計算價，發行1,930,456股以列作繳足股款的新股份，以支付總數93,164,000港元的特別股息(附註卅六)。

- (i) During the year, special dividend totalling HK\$93,164,000 was settled by the issue of 1,930,456 new shares credited as fully paid shares pursuant to election by shareholders under the Scrip Dividend Scheme at the reference price of HK\$48.26 per share determined for the calculation (Note 36).

- (ii) 本集團按大新銀行集團全球發售完成後應佔其集團淨資產之增值確認視作出售附屬公司權益之溢利492,649,000港元。

- (ii) The Group recognised a profit on deemed disposal of interest in a subsidiary of HK\$492,649,000 representing the increase in the Group's share of net assets of the DSBG Group following the completion of DSBG's Global Offering of new shares.

四十三、 資本及租約承擔

43. CAPITAL AND LEASE COMMITMENTS

(甲) 資本承擔

(a) Capital commitments

於十二月三十一日在賬目內仍未撥準備之資本承擔如下：

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

集團	Group	2004	2003
已簽約但未撥準備	Contracted but not provided for	16,616	21,393
已批准但未簽約	Authorised but not contracted for	–	1,437
		16,616	22,830

於二零零四年十二月三十一日本公司並無任何資本承擔(2003：無)。

At 31st December 2004, the Company had no capital commitments (2003: Nil).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十三、 資本及租約承擔 (續)

43. CAPITAL AND LEASE COMMITMENTS (Continued)

(乙) 租約承擔

(b) Lease commitments

本集團為承租人

The Group as lessee

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

At 31st December, the Group had future aggregate minimum lease payment under non-cancellable operating leases as follows:

集團	Group	2004	2003
土地樓房	Land and buildings		
— 一年以內	– Not later than one year	37,336	33,453
— 一年以後至五年	– Later than one year and not later than five years	79,561	81,378
— 五年以後	– Later than five years	–	13,451
		116,897	128,282

本集團為出租人

The Group as lessor

本集團於十二月三十一日與租客已簽訂合約的未來最低應收租金如下：

At 31st December, the Group had contracted with tenants for the following future minimum lease receivables:

集團	Group	2004	2003
土地樓房	Land and buildings		
— 一年以內	– Not later than one year	9,256	10,072
— 一年以後至五年	– Later than one year and not later than five years	3,150	7,259
		12,406	17,331

於二零零四年十二月三十一日本公司並無任何租約承擔(2003：無)。

At 31st December 2004, the Company had no lease commitments (2003: Nil).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十四、 分項資料

分項資料乃顯示本集團之分項業務情況：

44. SEGMENTAL INFORMATION

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

2004	個人銀行 Personal Banking	商業銀行 Commercial Banking	財資業務 Treasury	保險業務 Insurance Business	未分類業務 Unallocated	抵銷 Elimination	總計 Total	
利息收入	Interest income from							
– 外界客戶	– external customers	895,398	590,505	735,706	1,204	14,569	–	2,237,382
– 跨項目	– inter-segments	337,492	25,169	–	428	22,541	(385,630)	–
利息支出	Interest expense to							
– 外界客戶	– external customers	(389,819)	(70,115)	(112,419)	–	(9,079)	–	(581,432)
– 跨項目	– inter-segments	–	–	(385,630)	–	–	385,630	–
淨利息收入	Net interest income	843,071	545,559	237,657	1,632	28,031	–	1,655,950
其他營運收入	Other operating income	315,361	107,854	76,969	155,124	32,506	–	687,814
營運收入	Operating income	1,158,432	653,413	314,626	156,756	60,537	–	2,343,764
營運支出	Operating expenses	(575,316)	(134,236)	(77,725)	(9,701)	(37,957)	–	(834,935)
扣除準備前之營運溢利	Operating profit before provisions	583,116	519,177	236,901	147,055	22,580	–	1,508,829
壞賬及呆賬準備(支出)/回撥	(Charge)/write-back of provisions for bad and doubtful debts	(157,859)	(52,157)	156	–	1,113	–	(208,747)
扣除準備後之營運溢利	Operating profit after provisions	425,257	467,020	237,057	147,055	23,693	–	1,300,082
固定資產重估及出售 固定資產淨收益	Net gain on revaluation and disposal of fixed assets	179	–	–	–	52,270	–	52,449
出售非持作買賣用途的 證券淨(虧損)/收益	Net (loss)/gain on disposal of non-trading securities	(5)	–	44,656	–	18,984	–	63,635
非持作買賣用途的證券準備 回撥	Provisions write-back on non-trading securities	–	–	–	–	844	–	844
應佔共同控制實體之業績	Share of results of jointly controlled entities	–	–	–	–	4,095	–	4,095
重組費用	Reorganisation costs	–	–	–	–	(56,687)	–	(56,687)
出售附屬公司部份權益之溢利	Profit on partial disposal of interest in a subsidiary	–	–	–	–	444,806	–	444,806
視作出售附屬公司權益之溢利	Profit on deemed disposal of interest in a subsidiary	–	–	–	–	492,649	–	492,649
除稅前溢利	Profit before taxation	425,431	467,020	281,713	147,055	980,654	–	2,301,873
於二零零四年十二月三十一日 資產合計	As at 31st December 2004 Total assets	18,768,712	15,284,547	36,064,101	1,889,676	2,281,230	–	74,288,266
負債合計	Total liabilities	35,445,960	8,199,513	17,849,055	857,203	970,634	–	63,322,365
截至二零零四年 十二月三十一日止年度 折舊	For the year ended 31st December 2004 Depreciation	43,490	9,730	5,831	2	4,102	–	63,155
資本支出	Capital expenditure incurred	20,366	4,841	801	743	6,993	–	33,744

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十四、 分項資料 (續)

44. SEGMENTAL INFORMATION (Continued)

2003	個人銀行 Personal Banking	商業銀行 Commercial Banking	財資業務 Treasury	保險業務 Insurance Business	未分類業務 Unallocated	抵銷 Elimination	總計 Total
利息收入	Interest income from						
– 外界客戶	950,603	578,781	819,834	6,433	5,706	–	2,361,357
– 跨項目	319,523	–	–	–	–	(319,523)	–
利息支出	Interest expense to						
– 外界客戶	(358,210)	(75,071)	(230,220)	–	(11,068)	–	(674,569)
– 跨項目	–	(26,505)	(283,802)	–	(9,216)	319,523	–
淨利息收入/(支出)	911,916	477,205	305,812	6,433	(14,578)	–	1,686,788
其他營運收入	329,174	93,499	83,199	123,387	35,575	–	664,834
營運收入	1,241,090	570,704	389,011	129,820	20,997	–	2,351,622
營運支出	(552,103)	(118,967)	(69,316)	(4,279)	(48,914)	–	(793,579)
扣除準備前之營運溢利/(虧損)	688,987	451,737	319,695	125,541	(27,917)	–	1,558,043
壞賬及呆賬準備(支出)/回撥	(Charge)/write-back of provisions for bad and doubtful debts						
	(456,934)	(79,881)	879	56	1,182	–	(534,698)
扣除準備後之營運溢利/(虧損)	232,053	371,856	320,574	125,597	(26,735)	–	1,023,345
固定資產重估及出售 固定資產淨虧損	Net loss on revaluation and disposal of fixed assets						
	–	–	–	–	(67,564)	–	(67,564)
出售非持作買賣用途的 證券淨收益	Net gain on disposal of non-trading securities						
	–	–	195,918	–	500	–	196,418
非持作買賣用途的 證券準備調撥	Provisions on non-trading securities						
	–	–	(25,877)	–	(926)	–	(26,803)
應佔共同控制實體之業績	Share of results of jointly controlled entities						
	–	–	–	–	(2,015)	–	(2,015)
除稅前溢利/(虧損)	232,053	371,856	490,615	125,597	(96,740)	–	1,123,381
於二零零三年十二月三十一日 資產合計	16,308,987	13,111,303	31,454,300	1,622,923	1,258,337	–	63,755,850
負債合計	30,898,665	7,896,489	15,930,004	601,926	614,566	–	55,941,650
截至二零零三年 十二月三十一日止年度 折舊	For the year ended 31st December 2003						
	31,257	1,754	862	–	29,136	–	63,009
資本支出	7,232	143	230	–	15,802	–	23,407

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

四十四、 分項資料 (續)

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

商業銀行業務包括接受存款、貸款、營運資金融資、貿易融資及應收賬貼現融資，其存款來源及融資客戶主要是工商業及機構性客戶，亦包括機械、汽車及運輸的租購及租賃。

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

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

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

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

(Expressed in thousands of Hong Kong dollars)

44. SEGMENTAL INFORMATION (Continued)

Personal banking business includes the acceptance of deposits from individual customers and the extension of residential mortgage lending, personal loans, overdraft and credit card services, the provision of insurance sales and investment services.

Commercial banking business includes the acceptance of deposits from and the advance of loans and working capital finance to commercial, industrial and institutional customers, and the provision of trade financing and receivable financing. Hire purchase finance and leasing related to equipment, vehicle and transport financing are included.

Treasury activities are mainly the provision of foreign exchange services and centralised cash management for deposit taking and lending, interest rate risk management, management of investment in securities and the overall funding of the Group.

Insurance business includes the Group's life assurance and general insurance businesses. Through the Group's wholly-owned life assurance subsidiary, the Group offers a variety of life insurance products and services. The Group's general insurance business is conducted through a 51% owned joint venture with Aviva operating in Hong Kong.

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

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

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十五、 有關連人士之重大交易

有關連人士為該等人士有能力直接或間接控制另一方，或對另一方在作出財務及營運決策方面行使重大影響力。倘若其他不同人士受到共同控制或共同重大影響時，彼等人士亦被視為有關連人士。

本年度，在正常業務中曾與有關連人士進行銀行業務交易。

(甲) 提供信貸融資及接受存款服務

本集團按一般商業條款，向本公司或本集團內其他公司股東或董事，及彼等所控制或具有重大影響力之公司提供信貸融資及接受存款。截至二零零四年十二月三十一日止年度結餘如下：

集團	Group	2004	2003
於十二月三十一日之尚未償還貸款結餘	Loans outstanding as at 31st December	32,162	35,000
年內尚未償還之平均貸款結餘	Average loan balances outstanding during the year	35,524	35,225
於十二月三十一日之存款結餘	Deposits outstanding as at 31st December	334,280	135,196
年內之平均存款結餘	Average deposit balances outstanding during the year	311,800	158,085

本集團亦持有本公司一位主要股東之附屬公司所發行之若干債務證券。於二零零四年十二月三十一日，本集團持有該等債務證券之總額為81,477,000港元(2003：77,631,000港元)，並已包括在綜合資產負債表中之「非持作買賣用途的證券」內。該等證券是按一般商業條款於本集團之正常業務過程中購入。

45. SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties are those parties which have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

During the year, a number of banking transactions were entered into with related parties in the normal course of business of the Group.

(a) Extension of credit facilities and deposit taking

The Group has provided credit facilities to, and taken deposits from the shareholders and directors of the Company or other companies within the Group and companies controlled or significantly influenced by these shareholders and directors on normal commercial terms. For the year ended 31st December 2004, the following balances were outstanding.

The Group also held certain debt securities issued by a subsidiary of a substantial shareholder of the Company. As at 31st December 2004, the total amount held was HK\$81,477,000 (2003: HK\$77,631,000) and was included in "Non-trading securities" in the consolidated balance sheet. These securities were acquired in the normal course of the Group's business on normal commercial terms.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十五、 有關連人士之重大交易
(續)45. SIGNIFICANT RELATED PARTY TRANSACTIONS
(Continued)

(乙) 與非全資附屬銀行公司的交易

(b) Transactions with the non wholly-owned banking subsidiaries

本集團於年內與非全資附屬銀行公司進行之交易收到及產生下列收入及支出。

The Group received and incurred the following income and expense from the related party transactions entered into with the non wholly-owned banking subsidiaries during the year.

集團	Group	2004	2003
已收利息 (附註(ii))	Interest received (Note (i))	2,399	1,024
已付銀行手續費 (附註(ii))	Bank charges paid (Note (i))	(2,515)	(1,388)
已付租金及相關大廈管理費及開支 (附註(ii))	Rentals and related building management fee and charges paid (Note (ii))	(2,463)	(2,386)
已付管理費 (附註(iii))	Management fees paid (Note (iii))	(8,500)	(4,690)
已付保險佣金 (附註(iv))	Insurance commission paid (Note (iv))	(21,377)	(27,562)
已收保險保費 (附註(v))	Insurance premiums received (Note (v))	4,584	4,862

(i) 由非全資附屬銀行公司提供信貸融資、接受存款以及其他基本銀行服務

(i) Extension of credit facilities and provision of deposit taking and other standard banking services by non wholly-owned banking subsidiaries

已收利息乃本公司及其附屬保險公司存放於兩間非全資的附屬銀行公司，大新銀行有限公司(「大新銀行」)及豐明銀行有限公司(「豐明銀行」)之存款的利息收入。於年末時存款結餘為143,649,000港元(2003: 248,091,000 港元)。

Interest was received by the Company and its insurance subsidiaries from two non wholly-owned banking subsidiaries, namely Dah Sing Bank, Limited ("DSB") and MEVAS Bank Limited ("MEVAS"), on deposits placed with them. The balance of deposits outstanding as at the end of year were HK\$143,649,000 (2003: HK\$248,091,000).

大新銀行及豐明銀行就提供基本銀行服務，包括支票結算、投資買賣服務等按一般商業條款收取銀行手續費。此外，大新銀行及豐明銀行亦就大新人壽保險有限公司(「大新人壽」，本公司之附屬人壽保險公司)之客戶利用其發行之信用卡繳交保費的交易，按市場收費向大新人壽徵收商戶服務費用。該等銀行服務安排並無既定年期並可按市場慣例終止。

Bank charges were levied by DSB and MEVAS on the provision of standard banking services covering cheque clearing, investment dealing services, etc. on normal commercial terms. In addition, merchant fees were charged by DSB and MEVAS at market rates to Dah Sing Life Assurance Company Limited ("DSLAC", the Company's life insurance subsidiary) on settlement of insurance premiums by its customers using credit cards issued by DSB and MEVAS. These banking arrangements are for an indefinite term and can be terminated in accordance with market practice.

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十五、 有關連人士之重大交易
(續)**45. SIGNIFICANT RELATED PARTY TRANSACTIONS**
(Continued)**(乙) 與非全資附屬銀行公司的交易 (續)****(b) Transactions with the non wholly-owned banking subsidiaries**
(Continued)**(ii) 從非全資附屬銀行公司租賃及分租物業****(ii) Lease and sub-lease of properties from non wholly-owned banking subsidiaries**

大新銀行及其另一家附屬公司域寶投資有限公司(「域寶」)已租賃及分租若干自置及租賃物業予大新人壽及本公司另外兩間附屬保險公司，大新保險服務有限公司(「大新保險服務」)及大新保險代理有限公司(「大新保險代理」)作其辦公室用途。大新銀行及域寶按所產生之實際成本向大新人壽、大新保險服務及大新保險代理收取租金、空調費、大廈管理費及其他公共設施費用。所有租賃及分租租約均在二零零四年按一般商業條款簽訂，年期不超過三年。

DSB and another subsidiary, Vanishing Border Investment Services Limited ("VB"), have leased and sub-leased certain of their owned and rented properties to DSLA and two other insurance subsidiaries of the Company, Dah Sing Insurance Services Limited ("DSIS") and Dah Sing Insurance Agency Limited ("DSIA") as their office premises. DSB and VB receive from DSLA, DSIS and DSIA the lease rentals, and air-conditioning charges, building management charges and other utilities charges based on the actual amount of costs incurred. All leases and sub-leases were entered into on normal commercial terms in 2004 with tenors not exceeding three years.

(iii) 由大新銀行提供電腦及行政服務**(iii) Provision of computer and administrative services by DSB**

根據大新銀行與本公司所簽訂的服務協議，大新銀行須向本公司及其若干附屬保險業公司提供管理支援服務，包括零售分行及市場推廣支援、電腦服務、營運支援、自動付款服務、財資服務、風險管理支援及其他行政服務。該服務協議在二零零四年訂立，由二零零四年一月一日起生效，為期三年，每年向大新銀行繳付年費8,500,000港元。

Pursuant to a service agreement entered into between DSB and the Company, DSB is to provide to the Company and certain of its insurance subsidiaries management support services including retail branch and marketing support, computer services, operations support, autopay services, treasury services, risk management support and other administrative services. The service agreement entered into in 2004 is for a fixed term of three years commencing 1st January 2004 at an annual fee of HK\$8,500,000 payable to DSB.

二零零三年之款項乃指大新保險服務根據與大新銀行簽訂類似上述之服務協議，就所獲得之服務向大新銀行按其實際成本支付的服務費。

The amount for 2003 related to a similar service agreement entered into between DSB and DSIS under which DSIS paid to DSB the cost of the services received based on the actual amount of costs incurred by DSB in the provision of those services.

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

四十五、 有關連人士之重大交易
(續)**45. SIGNIFICANT RELATED PARTY TRANSACTIONS**
(Continued)**(乙) 與非全資附屬銀行公司的交易 (續)****(b) Transactions with the non wholly-owned banking subsidiaries**
(Continued)**(iv) 與大新銀行及豐明銀行簽訂之分銷及代理協議****(iv) Distribution and Agency Agreements with DSB and MEVAS**

大新保險服務及大新保險代理(成為本公司全資附屬公司以後)與大新銀行及豐明銀行各自簽訂分銷及相關代理協議，透過大新銀行及豐明銀行之銀行分行網絡推廣及分銷人壽及一般保險產品。據此，大新保險服務及大新保險代理須向大新銀行及豐明銀行按一般商業條款繳付佣金。該等協議在二零零四年簽訂，由二零零四年一月一日起生效，為期三年。

DSIS, and DSIA after it became a wholly-owned subsidiary of the Company, have entered into distribution agreements and underlying agency agreements with each of DSB and MEVAS for the marketing and distribution of life and general insurance products through DSB's and MEVAS' network of bank branches. DSIS and DSIA are required to pay DSB and MEVAS commissions calculated on normal commercial terms. The agreements entered into in 2004 are for a fixed term of three years commencing 1st January 2004.

(v) 大新人壽及Dah Sing General Insurance Company Limited (「大新保險」，本公司附屬保險公司) 所提供之保險服務**(v) Insurance services provided by DSLA and the Company's insurance subsidiary, Dah Sing General Insurance Company Limited ("DSGI")**

大新人壽根據信貸壽險保單協議(其範圍包括大新銀行及豐明銀行授出之個人貸款、信用卡借貸及按揭貸款)向大新銀行及豐明銀行提供保險保障，賺取根據有關貸款之尚未償還結餘按一般商業條款計算的保險費。大新人壽亦承保包括若干貸款客戶及大新銀行和豐明銀行職員之身故及/或危疾保險。與大新人壽於二零零四年簽訂之保單，由二零零四年一月一日起生效，為期三年。在二零零四年，大新人壽向大新銀行及豐明銀行收取之保費合共為2,928,000港元(2003年：3,739,000港元)。

Under the Credit Life Insurance Policy Agreements which cover personal loans, credit card lending and mortgage loans extended by DSB and MEVAS, DSLA provides insurance cover to DSB and MEVAS in return for a premium which is calculated based on the outstanding balances of the relevant loans on normal commercial terms. DSLA also underwrites insurance policies to cover the death and/or critical illnesses of certain loan customers and staff of DSB and MEVAS. Policies entered into with DSLA in 2004 are for a fixed term of three years commencing 1st January 2004. Premiums received by DSLA from DSB and MEVAS in 2004 totalled HK\$2,928,000 (2003: HK\$3,739,000).

大新保險以大新銀行及銀行集團其他成員公司之名義，及以彼等為受益人提供一般保單，保單範圍包括汽車、財產全險、公眾責任、金錢、電子設備、僱員賠償及團體個人意外。保單乃大新保險按其一般書面商業條款向銀行集團提供，並須每年重新簽訂。在二零零四年，向銀行集團收取之保費為1,656,000港元(2003年：1,123,000港元)。

DSGI underwrites general insurance policies in the name, and for the benefit, of DSB and other companies of the Banking Group including policies covering domestic motor, property all risks, public liability, money, electronic equipment, employees' compensation and group personal accident. The policies are subject to renewal annually. The policies are provided to the Banking Group on DSGI's normal, written commercial terms. Premiums received from the companies under Banking Group in 2004 totalled HK\$1,656,000 (2003: HK\$1,123,000).

賬目附註 | Notes to the Accounts

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

**四十五、 有關連人士之重大交易
(續)****45. SIGNIFICANT RELATED PARTY TRANSACTIONS
(Continued)****(丙) 重組前與附屬銀行公司之其他交易****(c) Other transaction with the banking subsidiaries prior to the Reorganisation**

於二零零三年十二月三十一日，大新銀行以一般商業條款授予大新企業有限公司(「大新企業」，本公司之全資附屬公司)一項15,000,000港元之有抵押貸款，以供投資之用。在二零零四年重組前，大新企業已向大新銀行悉數償還該項貸款。

As at 31st December 2003, Dah Sing Company Limited ("DSC"), a wholly owned subsidiary of the Company, had a secured loan of HK\$15,000,000 obtained from DSB on normal commercial terms for investment purpose. This loan had been fully repaid by DSC to DSB in 2004 prior to the Reorganisation.

四十六、 賬目通過**46. APPROVAL OF ACCOUNTS**

本賬目已於二零零五年三月十五日經董事會通過。

The accounts were approved by the Board of Directors on 15th March 2005.