



大新銀行集團有限公司 DahSingBankingGroupLimited

(大新銀行有限公司及豐明銀行有限公司之控股公司)

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

二零零五年度中期業績報告

INTERIM REPORT 2005

大新銀行集團有限公司(「本公司」)董事會欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零零五年六月三十日止六個月之中期業績報告及簡明綜合賬目。截至二零零五年六月三十日止六個月未經審核之扣除少數股東權益後股東應佔溢利為四億六千零六十萬港元。

The Directors of Dah Sing Banking Group Limited (the “Company”) are pleased to present the interim results and condensed consolidated accounts of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30th June 2005. The unaudited profit attributable to shareholders after minority interests was HK\$460.6 million for the six months ended 30th June 2005.

未經審核之中期業績通告

此等本集團未經審核之二零零五中期簡明綜合賬目乃按照香港會計師公會所頒佈之香港會計準則第三十四號之「中期財務報告」而編製。

UNAUDITED INTERIM FINANCIAL STATEMENTS

The unaudited 2005 interim condensed consolidated accounts of the Group have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

未經審核之綜合損益結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED PROFIT AND LOSS
ACCOUNT

For the six months ended 30th June

		附註 Note	2005 HK\$'000	2004 HK\$'000	變動 Variance %
利息收入	Interest income		1,249,381	1,151,780	
利息支出	Interest expense		(604,491)	(285,529)	
淨利息收入	Net interest income		644,890	866,251	-25.6
服務費及佣金收入	Fee and commission income		232,325	258,075	
服務費及佣金支出	Fee and commission expense		(27,107)	(26,337)	
淨服務費及佣金收入	Net fee and commission income		205,218	231,738	-11.4
淨買賣收入	Net trading income	3	61,013	37,853	61.2
其他營運收入	Other operating income	4	25,699	24,393	
總營運收入	Total operating income		936,820	1,160,235	-19.3
營運支出	Operating expenses	5	(442,723)	(399,185)	10.9
扣除減值開支／準備前 之營運溢利	Operating profit before impairment charges/provisions		494,097	761,050	-35.1
貸款及墊款之減值開支／ 壞賬及呆賬準備調撥	Impairment charges on loans and advances/charge for bad and doubtful debts	6	(30,869)	(143,632)	-78.5
— 持續經營業務	— Continuing operations		(30,869)	(143,632)	
— 終止經營業務	— Discontinued operation		—	(9)	
扣除減值開支／準備後 之營運溢利	Operating profit after impairment charges/provisions		463,228	617,409	-25.0
出售固定資產之淨虧損	Net loss on disposal of fixed assets		(233)	(514)	
出售可供出售證券／非持作 買賣用途的證券淨收益	Net gain on disposal of available-for-sale securities/non-trading securities		90,006	35,212	155.6
一般業務溢利	Profit on ordinary activities		553,001	652,107	-15.2
應佔共同控制實體之業績	Share of results of jointly controlled entities		900	4,139	
終止經營業務之其他淨貢獻	Net other contribution from discontinued operation		—	276	
重組費用	Reorganisation costs		—	(10,849)	
除稅前溢利	Profit before taxation		553,901	645,673	-14.2
稅項	Taxation	7	(92,006)	(105,318)	-12.6
— 持續經營業務	— Continuing operations		(92,006)	(105,318)	
— 終止經營業務	— Discontinued operation		—	(47)	
期間溢利	Profit for the period		461,895	540,308	-14.5
少數股東權益應佔溢利	Profit attributable to minority interests		(1,259)	(1,407)	
股東應佔溢利	Profit attributable to shareholders		460,636	538,901	-14.5
股息	Dividend				
— 中期股息	— Interim dividend		211,561	211,561	
每股盈利	Earnings per share	8			
— 基本	— Basic		HK\$0.50	HK\$0.66	
— 攤薄	— Diluted		N/A	N/A	
每股股息	Dividend per share				
— 中期股息	— Interim dividend		HK\$0.23	HK\$0.23	

未經審核之綜合資產負債表

UNAUDITED CONSOLIDATED BALANCE SHEET

		經重列 二零零四年 十二月三十一日 Restated	
		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	As at 31st Dec. 2004 HK\$'000
	附註 Note		
資產	ASSETS		
現金及短期資金	Cash and short-term funds	9	13,539,982
一至十二個月到期在銀行及 其他金融機構的存款	Placements with banks and other financial institutions maturing between one and twelve months		14,097,786
貿易票據	Trade bills	10	2,725,491
持有的存款證	Certificates of deposit held		463,230
衍生金融工具	Derivative financial instruments		563,170
以公平值列入損益賬之證券	Securities measured at fair value through profit or loss	11	485,419
持作買賣用途的證券	Trading securities	12	74,626
各項貸款及其他賬目	Advances and other accounts	15	1,168,398
即期及遞延稅項資產	Current and deferred tax assets		2,568,170
可供出售證券	Available-for-sale securities	14	36,326,387
非持作買賣用途的證券	Non-trading securities	14	10,662
持至到期證券	Held-to-maturity securities	13	15,818,587
共同控制實體投資	Investments in jointly controlled entities		-
行產	Bank premises		-
投資物業	Investment properties		17,444,626
其他固定資產	Other fixed assets		1,296,927
資產合計	Total assets		27,080
			560,593
			246,332
			89,666
			73,713,484
			71,311,938
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		474,075
客戶存款	Deposits from customers	17	215,702
指定以公平值列入損益賬之 客戶存款	Deposits from customers designated at fair value through profit or loss		43,477,448
指定以公平值列入損益賬之 財務負債	Financial liabilities designated at fair value through profit or loss		1,355,845
已發行的存款證	Certificates of deposit issued		8,530,193
已發行的債務證券	Issued debt securities		7,053,374
衍生金融工具	Derivative financial instruments		8,452,136
即期及遞延稅項負債	Current and deferred tax liabilities		2,332,305
其他賬目及預提 後償債務	Other accounts and accruals		30,244
	Subordinated debts		87,893
負債合計	Total liabilities		4,804
			1,104,508
			2,157,312
			65,866,771
			63,561,851
權益	EQUITY		
股本	Share capital		919,831
儲備	Reserves		919,831
擬派股息	Proposed dividend		6,460,730
股東資金	Shareholders' funds	18	211,561
少數股東權益	Minority interests		7,825,467
權益合計	Total equity		7,730,097
			21,990
權益及負債合計	Total equity and liabilities		7,846,713
			7,750,087
			73,713,484
			71,311,938

未經審核之綜合現金流量結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED CASH FLOW
STATEMENT

For the six months ended 30th June

		附註 Note	2005 HK\$'000	2004 HK\$'000
經營業務	OPERATING ACTIVITIES			
由經營業務(所用)/產生的現金	Cash (absorbed by)/generated from operations	20	(887,060)	1,006,247
支付後償債務及已發行的債務 證券利息	Interest paid on subordinated debt and debt securities issued		(99,546)	(7,384)
支付已發行的存款證利息	Interest paid on certificates of deposit issued		(64,567)	(62,510)
已繳香港利得稅款	Hong Kong profits tax paid		–	(16,403)
經營業務現金(流出)/流入淨額	Net cash (outflow)/inflow from operating activities		(1,051,173)	919,950
投資業務	INVESTING ACTIVITIES			
購置固定資產	Purchase of fixed assets		(4,921)	(13,626)
出售固定資產所得款項	Proceeds from disposal of fixed assets		106	1,737
已付重組費用	Reorganisation costs paid		–	(4,896)
出售附屬公司所得款項	Proceeds from disposal of a subsidiary		–	(1,284)
投資業務現金流出淨額	Net cash outflow from investing activities		(4,815)	(18,069)
融資前現金(流出)/流入淨額	Net cash (outflow)/inflow before financing		(1,055,988)	901,881
融資	FINANCING			
發行存款證	Certificates of deposit issued		1,345,989	1,199,290
贖回存款證	Certificates of deposit redeemed		(2,782,062)	(7,903)
發行後償債務	Issue of subordinated debt		1,160,550	–
發行普通股	Issue of ordinary shares		–	1,230,199
派發普通股股息	Dividends paid on ordinary shares		(349,536)	(205,662)
一間附屬公司向其少數股東 派發股息	Dividend paid to minority shareholder of a subsidiary		–	(1,838)
融資現金(流出)/流入淨額	Net cash (outflow)/inflow from financing		(625,059)	2,214,086
現金及等同現金項目(減少)/增加	(Decrease)/increase in cash and cash equivalents		(1,681,047)	3,115,967
期初現金及等同現金項目	Cash and cash equivalents at beginning of the period		12,878,287	6,825,537
期末現金及等同現金項目	Cash and cash equivalents at end of the period		11,197,240	9,941,504
現金及等同現金項目結餘之分析:	Analysis of the balance of cash and cash equivalents:			
現金及在銀行及其他金融機構的 結餘	Cash and balances with banks and other financial institutions		1,535,798	1,387,862
通知及短期存款	Money at call and short notice		5,071,840	5,040,894
原本期限為三個月以內的國庫債券	Treasury bills with original maturity within three months		2,560,904	3,768,871
原本期限為三個月以內的銀行及 其他金融機構存款	Placements with banks and other financial institutions with original maturity within three months		2,490,491	–
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		(461,793)	(256,123)
			11,197,240	9,941,504

未經審核之綜合權益變動報表
截至六月三十日止六個月

**UNAUDITED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY**

For the six months ended 30th June

		2005 HK\$'000	2004 HK\$'000
於一月一日之股東資金合計，於前呈報	Shareholders' fund as at 1st January, as previously reported	7,730,907	5,680,469
於一月一日少數股東權益，於前分開呈報	Minority interests as at 1st January, as previously presented separately	19,990	19,120
須要追溯會計政策的影響	Effect of changes in accounting policies required to be applied retrospectively	(810)	-
		<u>7,750,087</u>	<u>5,699,589</u>
採納香港會計準則第39號及詮釋 第21號之期初調整	Opening adjustments for the adoption of HKAS 39 and HKAS Int-21	128,238	-
於一月一日之權益合計，經重列	Total equity as at 1st January, as restated	<u>7,878,325</u>	<u>5,699,589</u>
可供出售／非持作買賣用途的證券的 公平值之變動	Change in fair value of available-for-sale/non-trading securities	(76,100)	(211,230)
遞延稅項負債於行產及投資重估內解除	Deferred tax liabilities released on premises and investment revaluation	22,156	14,031
海外附屬公司財務賬目的滙兌差異	Exchange differences arising from translation of the financial statements of a foreign subsidiary	(21)	327
未於損益賬確認之淨虧損	Net losses not recognised in the profit and loss account	(53,965)	(196,872)
期間溢利	Profit for the period	461,895	540,308
發行普通股股份	Issue of ordinary shares	-	1,230,199
轉撥因出售可供出售／非持作買賣 用途的證券之儲備至損益賬	Reserves transferred to profit and loss account upon disposal of available-for-sale/non-trading securities	(90,006)	(35,212)
派發普通股股息	Dividend paid on ordinary shares	(349,536)	(205,662)
一間附屬公司向其少數股東派發股息	Dividend paid to minority shareholder of a subsidiary	-	(1,838)
因二零零四年重組而出售附屬公司之 儲備	Reserves pertaining to a subsidiary disposed of as part of Reorganisation in 2004	-	(1,173)
於六月三十日之權益合計	Total equity as at 30th June	<u>7,846,713</u>	<u>7,029,339</u>

簡明綜合賬目附註

(一) 編製基準及會計政策

大新銀行集團有限公司(「本公司」)乃投資控股公司。其主要附屬公司包括大新銀行有限公司及豐明銀行有限公司均為香港持牌銀行。本公司連同其所有附屬公司(統稱「本集團」)提供銀行、金融及相關服務。

編製二零零五年中期簡明綜合賬目所採用之會計政策及計算方法與截至二零零四年十二月三十一日止年度之年度賬目所採用及所述者一致，惟繼續採納香港會計師公會所頒佈並於二零零五年一月一日或以後開始的會計年度生效之新增／經修訂香港財務報告準則(「香港財務報告準則」)及香港會計準則(「香港會計準則」，統稱「新香港財務報告準則」)後，就若干會計政策作出變更。

**NOTES TO THE INTERIM CONDENSED
CONSOLIDATED ACCOUNTS**

1. Basis of preparation and accounting policies

Dah Sing Banking Group Limited (the "Company") is a bank holding company. Its principal subsidiaries include Dah Sing Bank, Limited and MEVAS Bank Limited, which are both licensed banks in Hong Kong. The Company together with all its subsidiaries (collectively the "Group") provide banking, financial and related services.

The accounting policies and methods of computation used in the preparation of the 2005 interim condensed consolidated accounts are consistent with those used and described in the annual accounts for the year ended 31st December 2004 except that the Group has changed certain of its accounting policies following the adoption of new/revised Hong Kong Financial Reporting Standards ("HKFRS") and Hong Kong Accounting Standards ("HKAS", collectively the "new HKFRS") issued by HKICPA which are effective for accounting periods commencing on or after 1st January 2005.

(一) 編製基準及會計政策 (續)

二零零五年中期簡明綜合賬目乃按照香港金融管理局所頒佈之監管政策手冊「本地註冊認可機構披露中期財務資料」指引之要求而編列。

(二) 會計政策變更

2.1 採納新香港財務報告準則之影響

於二零零五年，本集團採納下列與其業務經營有關之新增／經修訂香港財務報告準則。會計政策之所有變更已依照有關準則各自之過渡性條文作出。本集團所採納之所有準則均需追溯應用，惟香港財務報告準則第2號、香港會計準則第39號及香港會計準則第40號除外(更詳盡討論載於下文)。二零零四年度之比較數字已根據有關規定作出所需修訂。

2.1.1 香港財務報告準則第2號「以股份為基礎的支付」

採納香港財務報告準則第2號導致以股份為基礎支付之會計政策有所變更，據此，現金交收之以股份為基礎交易所產生之負債之公平值須於各申報日期透過期權定價模式(直至交收為止)釐定。其公平值變動列入損益賬內。作為過渡性條文，此準則在某些程度須追溯應用於二零零五年一月一日仍未償付之負債，並重列二零零四年比較數字。

2.1.2 香港會計準則詮釋第21號「收益稅 – 收回經重估之不減值資產」(「詮釋第21號」)

採納詮釋第21號引致計量為因重估投資物業而產生的遞延稅項負債的會計政策之變更。根據此新政策，遞延稅項是按已使用而收回資產的眼面值所產生稅項之影響為基礎所計算。於往年，資產賬面值預期於出售時回收。由於出售本集團之投資物業並無產生應繳稅項，故無撥備重估增值之遞延稅項。

1. Basis of preparation and accounting policies (Continued)

The 2005 interim condensed consolidated accounts have been prepared in accordance with the requirements set out in the Supervisory Policy Manual entitled "Interim Financial Disclosure by Locally Incorporated Authorized Institutions" issued by the Hong Kong Monetary Authority.

2. Changes in accounting policies

2.1 Effect of adopting new HKFRS

In 2005, the Group adopted the following new/revised standards of HKFRS, which are relevant to its operations. All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards. All standards adopted by the Group require retrospective application other than HKFRS 2, HKAS 39 and HKAS 40 as discussed in further details below. The 2004 comparatives have been amended as required, in accordance with the relevant requirements.

2.1.1 HKFRS 2 Share-based Payments

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments pursuant to which the fair value of the liability on cash-settled share-based transactions is determined at each reporting date by way of an option pricing model until it is settled. The changes in the fair value are taken to the profit and loss account. As a transitional provision, retrospective application to the extent the liability is still outstanding as at 1st January 2005 is made and corresponding restatement to 2004 comparatives is made.

2.1.2 HK(SIC) Interpretation 21 Income taxes – Recovery of revalued non-depreciable assets ("HK (SIC) Int-21")

The adoption of HK(SIC) Int-21 has resulted in a change in the accounting policy relating to the measurement of deferred tax liabilities arising from the revaluation of investment properties. Under the new policy, deferred tax liabilities are measured on the basis of tax consequences that would follow from recovery of the carrying amount of that asset through use. In prior years, the carrying value of that asset was expected to be recovered through sale. As there would have been no tax payable on the disposal of the Group's investment properties, no deferred tax on the revaluation surplus was provided.

(二) 會計政策變更 (續)

2.1 採納新香港財務報告準則之影響 (續)

2.1.3 香港會計準則第39號金融工具：「確認及計量」

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

香港會計準則第39號不容許對其準則確認、撤銷或計量金融資產及負債作出追溯應用。於二零零五年一月一日前，本集團採納以往之會計實務準則（「會計準則」）第24號「投資證券之會計方法」於證券投資。會計實務準則第24號與香港會計準則第39號之間的會計方法之差異所需之調整已於二零零五年一月一日釐定及確認。

2.1.4 香港會計準則第40號「投資物業」

採納經修訂香港會計準則第40號導致會計政策之變更乃有關將投資物業公平值之變動列入損益賬，作為其他收入之一部分。於往年，公平值之增加乃撥入投資物業重估儲備。其公平值之減少則首先按投資組合基準與之前估值之增加互相抵銷，其後再於損益賬內支銷。

2. Changes in accounting policies (Continued)

2.1 Effect of adopting new HKFRS (Continued)

2.1.3 HKAS 39 Financial instruments: Recognition and Measurement

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

HKAS 39 does not permit to recognise, derecognise nor measure financial assets and liabilities in accordance with the standard on a retrospective basis. The Group applied the previous Statement of Standard Accounting Practice ("SSAP") 24 "Accounting for investments in securities" to investments in securities prior to 1st January 2005. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised as at 1st January 2005.

2.1.4 HKAS 40 Investment Property

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

(二) 會計政策變更 (續)

2. Changes in accounting policies (Continued)

2.2 會計政策變更對二零零五年一月一日期
初綜合資產負債表之影響2.2 Effect of changes in the accounting policies on opening
consolidated balance sheet as at 1st January 2005

		重列前 Before restatement HK\$'000	香港財務報告 準則第2號 HKFRS 2 HK\$'000	香港會計準則 註釋第21號 HK (SIC) Int 21 HK\$'000	香港會計準則 第39號 HKAS 39 HK\$'000	經重列後 After restatement HK\$'000
於二零零五年一月一日權益增加/(減少)	Increase/(decrease) in equity as at 1st January 2005					
行產重估儲備	Premises revaluation	281,894	-	(9,359)	-	272,535
投資重估儲備	Investment revaluation reserve	75,684	-	-	(14,790)	60,894
保留盈利	Retained earnings	3,919,873	(810)	-	152,387	4,071,450
		<u>4,277,451</u>	<u>(810)</u>	<u>(9,359)</u>	<u>137,597</u>	<u>4,404,879</u>
於二零零五年一月一日	At 1st January 2005					
二零零五年一月一日資產增加/(減少)	Increase/(decrease) in assets as at 1st January 2005					
現金及短期資金	Cash and short-term funds	14,097,786	-	-	(1,204)	14,096,582
以公平值列入損益賬之證券	Securities measured at fair value					
可供出售證券	through profit or loss	-	-	-	1,267,916	1,267,916
持作買賣用途的證券	Available-for-sale securities	-	-	-	17,139,337	17,139,337
持作買賣用途的證券	Trading securities	2,568,170	-	-	-	2,568,170
非持作買賣用途的證券	Non-trading securities	17,444,626	-	-	(17,444,626)	-
持至到期證券	Held-to-maturity securities	1,296,927	-	-	(988,230)	308,697
貸款及其他賬目，及貿易融資	Advances and other accounts, and trade bills	34,265,719	-	-	(21,269)	34,244,450
衍生金融工具	Derivative financial instruments	-	-	-	8,430	8,430
		<u>69,673,228</u>	<u>-</u>	<u>-</u>	<u>(39,646)</u>	<u>69,633,582</u>
於二零零五年一月一日負債(增加)/減少	(Increase)/decrease in liabilities as at 1st January 2005					
客戶存款	Deposits from customers	(43,477,448)	-	-	767,901	(42,709,547)
指定以公平值列入損益賬之客戶存款	Deposit from customers designated at fair value					
	through profit or loss	-	-	-	(752,532)	(752,532)
指定以公平值列入損益賬之財務負債	Financial liabilities designated at fair value through					
	profit or loss	-	-	-	(6,415,028)	(6,415,028)
其他賬目及準備	Other accounts and provisions	(8,106,680)	(982)	-	6,619,776	(1,487,886)
即期及遞延稅項負債	Current and deferred tax liabilities	(4,976)	172	(9,359)	(34,111)	(48,274)
衍生金融工具	Derivative financial instruments	-	-	-	(8,763)	(8,763)
		<u>(51,589,104)</u>	<u>(810)</u>	<u>(9,359)</u>	<u>177,243</u>	<u>(51,422,030)</u>
		<u>18,084,124</u>	<u>(810)</u>	<u>(9,359)</u>	<u>137,597</u>	<u>18,211,552</u>

(二) 會計政策變更 (續)

2. Changes in accounting policies (Continued)

2.3 會計政策之變動對損益表之影響

2.3 Effect of changes in the accounting policies on profit and loss account

		2005 HK\$'000	2004 HK\$'000
截至六月三十日止六個月除稅前溢利之增加/(減少)	Increase/(decrease) in profit before taxation for the six months ended 30th June		
香港財務報告準則第2號 現金交收以股份為基礎 的交易之公平值之變動	HKFRS 2 Change in fair value of the liability on cash-settled share-based transactions	<u>(681)</u>	<u>—</u>
香港會計準則第39號 持作買賣用途證券估值之 變動	HKAS 39 Valuation changes in respect of trading securities	1,391	N/A
終止資金掉期應計利息之 利息收入減少	Reduction of interest income from discontinued accrual on funding swaps	(35,663)	N/A
資金掉期之重估收益	Revaluation gain from funding swaps	53,507	N/A
貸款及墊款之減值支出 之回撥	Release of impairment charges on loans and advances	<u>20,413</u>	<u>N/A</u>
		<u>39,648</u>	<u>N/A</u>
		<u>38,967</u>	<u>—</u>
每股盈利之影響 基本	Effect on earnings per share Basic	HK\$0.04	N/A

2.4 新會計政策

2.4 New accounting policies

除以下所述，編製二零零五年中期簡明綜合賬目所採用之會計政策與截至二零零四年之年度賬目附註一所載者一致：

The accounting policies used for the 2005 interim condensed consolidated accounts are the same as those set out in note 1 to the 2004 annual accounts except for the following:

2.4.1 外幣換算

2.4.1 Foreign currency translation

(a) 運作及呈列貨幣

(a) Functional and presentation currency

本集團旗下各機構賬目中所載項目乃採用該機構營運之主要經濟環境所使用之貨幣(「運作貨幣」)計量。綜合賬目乃以港幣呈列。港幣乃本公司之運作及呈列貨幣。

Items included in the accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated accounts are presented in HK dollars, which is the Company's functional and presentation currency.

(b) 交易及結餘

(b) Transactions and balances

外幣交易按交易日現行之匯率換算為功能貨幣。該等交易結算及以外幣結算之貨幣性資產及負債按年終日之匯率換算所產生之匯兌收益及虧損將於損益賬內確認。

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

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.1 外幣換算 (續)

(b) 交易及結餘 (續)

非貨幣性項目，如持有以公平值列入損益賬的股本工具之換算差額將作為公平值收益及虧損之一部分所呈報。非貨幣性項目(如歸類為可供出售之金融資產之證券)之換算差額則列入權益公平值儲備。

(c) 集團旗下公司

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

- (i) 各資產負債表所呈列之資產及負債按結算日之收市匯率換算；
- (ii) 各損益賬之收入及支出按平均匯率換算(如果此平均值並非該等交易日期通行匯率具累積效果之合理約數，收入及支出將於交易日期換算)；及
- (iii) 所有兌換之差額將確認為權益內一個獨立項目。

於合併賬目時，換算於外國機構淨投資所產生之兌換差額列入股東權益。

2.4.2 以股份為基礎之補償

本集團設有以股份為基礎之補償計劃。僱員所提供服务換取獲授認股權之公平值確認為開支。於歸屬期間支銷之總額參照所授出購股權之公平值釐定，並無計及任何非市場歸屬狀況(如盈利能力及銷售增長目標)之影響。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.1 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

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

(c) Group companies

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

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

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity.

2.4.2 Share-based compensation

The Group operates a share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.3 投資物業

持作長期租金收益或資本增值或兩者兼備且並非集團旗下各公司所佔用之物業歸類為投資物業。

投資物業包括根據經營租約持有之土地及根據融資租約持有之樓宇。

投資物業最初以成本值(包括相關交易成本)計量。

經初步確認後，投資物業按公平值入賬，並每年由獨立專業估值師進行估值。公平值乃以有效市價為基礎，於必要時就特定資產之性質、地點或狀況之任何差異作出調整。

投資物業之公平值反映(其中包括)現時租賃之租金收入及鑑於現行市況假設可自日後租賃取得之租金收入。

公平值變動於損益賬內確認。

倘投資物業成為由本集團旗下公司所佔用，則重新歸類為行產，而就會計用途而言，其於重新歸類日期之公平值成為其成本值。

倘物業、廠房及機械項目因其用途改變而成為投資物業，此項目於轉讓日之賬面值與公平值間任何差額將於權益中確認為物業、廠房及機械重估。然而，倘公平值增益抵銷以往之減值虧損，該增益則於損益賬內確認。

2.4.4 資產及貸款及墊款減值

無限定可使用年期之資產毋須作攤銷，並須至少每年測試其減值或當情況或環境變化顯示賬面值或不能收回時作減值檢討。須攤銷之資產情況或變化顯示出賬面值或不能收回時，則作出減值檢討。倘資產之賬面值超出其可收回款額，超出之款額將作減值確認。可收回款額為資產公平值扣除銷售成本及使用價值兩者中較高者。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.3 Investment properties

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

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

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

After initial recognition, investment property is carried at fair value and is valued annually by independent professional valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

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

Changes in fair values are recognised in the profit and loss account.

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

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the profit and loss account.

2.4.4 Impairment of assets and loans and advances

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment or are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.4 資產及貸款及墊款減值 (續)

在發生某些損失事項，並存在減值之客觀證據而影響貸款之未來資金流動估計，貸款即作減值準備。個別評估之貸款減值準備是以其賬面值，以及就個別貸款以其原本之實際利率用折現方式計算之未來流動現金之現值差額衡量。有關個別小額貸款或無確定個別評估之貸款，綜合評估是應用按公式基礎方法或統計法進行。此評估將在有關範圍內考慮過往拖欠率，虧損及外圍經濟(如經濟增長及失業率)。

2.4.5 收益確認－利息收入

利息收入採用實際利息法按時間比例基準進行確認(按揭貸款除外)。鑑於香港金融管理局按不多於罰息期直線攤銷按揭貸款現金回佣的規定，及其財務之影響並非重大，賬目未做調整。

倘應收賬款出現減值，本集團則會將賬面值減至其按工具之原定實際利率之估計折現現金流量而設定之可收回款額，並繼續解除貼現作為利息收入。減值貸款之利息收入為收取現金或收回成本基準情況准許時確認。

2.4.6 證券投資

由二零零四年一月一日至二零零四年十二月三十一日：

本集團將其證券投資(不包括附屬公司、聯營公司及共同控制實體)歸類為持作非買賣用途之證券或持作買賣用途之證券。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.4 Impairment of assets and loans and advances (Continued)

Impairment allowances are made on a loan when there is objective evidence of impairment as a result of the occurrence of certain loss events that will impact on the estimated future cash flows of the loan. Impairment provisions for loans assessed individually are measured as the difference between the carrying value and the present value of estimated future cash flows discounted at the original effective interest rate of the individual loan. Collective assessment of impairment for individually insignificant loans or loans where no impairment has been identified on an individual basis is made using formula-based approaches or statistical methods. Historical delinquency, loss and external market factors such as economic growth and unemployment rates, to the extent relevant, are considered.

2.4.5 Revenue recognition – Interest income

Interest income is recognised on a time-proportion basis using the effective interest method except for mortgage loans. Given the requirement of the Hong Kong Monetary Authority on straight-line amortisation of cash rebate for mortgage loans within the prepayment penalty period and the immateriality of the financial impact, no adjustment has been made to the accounts.

When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

2.4.6 Investments in securities

From 1st January 2004 to 31st December 2004:

The Group classified its investments in securities, other than subsidiaries, associates and jointly controlled entities, as non-trading securities or trading securities.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.6 證券投資 (續)

(a) 非持作買賣用途之證券

非持作買賣用途之投資於結算日按公平值列賬。個別證券公平值之變動增加或減少於投資重估儲備，直至有關證券出售或界定為減值為止。於出售時，其累計收益或虧損，即出售所得款項淨額與有關證券賬面值之差額，連同轉撥自投資重估儲備之任何增值／虧損，皆列入損益賬內。

倘有客觀證據證明個別投資出現減值，則將於重估儲備錄得之累計虧損列入損益賬。

(b) 持作買賣用途之證券

持作買賣用途之證券按公平值列賬。於各結算日，持作買賣用途證券公平值變動所產生之未變現收益或虧損淨額於損益賬內確認。出售持作買賣用途證券之溢利或虧損指相當於出售所得款項淨額與賬面值之差額，並於產生時在損益賬內確認。

由二零零五年一月一日起：

本集團將其證券投資歸為以下類別：以公平值列入損益賬之金融資產、持至到期投資及可供出售金融資產。該分類取決於所購入投資之用途。

(a) 以公平值列入損益賬之金融資產

倘所購入之金融資產主要為短期(持有作買賣用途)或倘由管理層於購入初時如此指定，則歸類為金融資產。衍生工具亦歸類為持作買賣用途，除非指定作為對沖用途。此分類之資產按公平值列示，而所有持有收益及虧損於損益表內確認。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.6 Investments in securities (Continued)

(a) Non-trading securities

Investments which were held for non-trading purpose were stated at fair value at the balance sheet date. Changes in the fair value of individual securities were credited or debited to the investment revaluation reserve until the security was sold, or was determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, was dealt with in the profit and loss account.

Where there was objective evidence that individual investments were impaired, the cumulative loss recorded in the revaluation reserve was taken to the profit and loss account.

(b) Trading securities

Trading securities were carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of trading securities were recognised in the profit and loss account. Profits or losses on disposal of trading securities, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the profit and loss account as they arose.

From 1st January 2005 onwards:

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

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

A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term (held for trading) or if so designated by management at inception. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are measured at fair value with all holding gains and loss recognised in the profit and loss account.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.6 證券投資 (續)

(b) 持至到期投資

持至到期投資屬非衍生金融資產，具固定或可釐定付款日及固定到期日，而本集團管理層有意及能力持至到期。持至到期證券（「持至到期」）按其扣除減值虧損之攤餘成本列示。

(c) 可供出售金融資產

可供出售金融資產屬非衍生金融資產，乃被指定為此類者或並無歸入任何其他類別者。

投資之買賣於交易日（本集團承諾買賣資產之日）確認。所有並非以公平值列入損益賬之金融資產之投資初時按公平值加交易成本確認。在該等投資取得現金流量之權利到期或已轉讓及本集團已轉讓所有風險及回報時，則撤銷對該等投資之確認。可供出售金融資產及以公平值列入損益賬之金融資產以公平值入賬。

以公平值列入損益賬之金融資產類別之公平值之變動所產生已變現及未變現之收益及虧損於其產生時列入損益賬。屬於可供出售之非貨幣性證券公平值變動產生之未變現之收益及虧損於股本中確認。可供出售證券累計公平值調整將於其出售或減值時，作為投資證券收益或虧損，列入損益賬內。

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

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.6 Investments in securities (Continued)

(b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity ("HTM") securities are measured at amortised cost less any impairment loss.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives financial assets that are either designated in this category or not classified in any of the other categories.

Purchases and sales of investments are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are carried at fair value.

Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the profit and loss account in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the profit and loss account as gains or losses from investment securities.

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

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.6 證券投資 (續)

本集團會於各結算日評估是否存在客觀證據證明某項金融資產或金融資產組別出現減值。倘為類屬可供出售股本證券，於釐定證券有否出現減值時，會考慮證券公平值之重大或持續下跌至低於其成本值。倘存有證據顯示可供出售金融資產出現減值，其累計虧損(收購成本與現時公平值之差額)減該金融資產以往於損益賬內確認之任何減值則於權益撤銷，並於損益賬內確認。

2.4.7 貸款及應收款項

貸款及應收款項為固定或可確定付款金額及沒有活躍市場價值。此類資產是按攤分成本扣除減值虧損所計量。

2.4.8 衍生金融工具及對沖活動

由二零零四年一月一日至二零零四年十二月三十一日

衍生金融工具指定為「作對沖」或「非對沖工具」。根據本集團之風險管理政策，可滿足對沖會計之條件之交易歸類為對沖交易；其他用作管理風險並包括持作買賣用途之衍生金融工具則被指定為「買賣」工具。本集團按成本值為衍生金融工具入賬。衍生金融工具之收益及虧損於到期日列入損益賬，以與相關對沖交易配對(倘適用)。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.6 Investments in securities (Continued)

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit and loss account—is removed from equity and recognised in the profit and loss account.

2.4.7 Loans and receivables

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

2.4.8 Derivative financial instruments and hedging activities

From 1st January 2004 to 31st December 2004

Derivative financial instruments were designated as hedging or non-hedging instruments. The transactions that, according to the Group's policy for risk management, were able to meet the conditions for hedge accounting were classified as hedging transactions; the others including derivatives held for trading or held for the purpose of managing risk were designated as trading. The Group recorded derivative financial instruments at cost. The gains and losses on derivative financial instruments were included in the profit and loss account on maturity to match the underlying hedged transactions where relevant.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.8 衍生金融工具及對沖活動 (續)

就指定作對沖之外匯工具而言，溢價(或折讓)乃指於訂立合約時之即期匯率與遠期匯率之差別，按應計法列入損益賬融資收入及開支項下。

就指定作對沖之利率工具而言，利率差別按應計法列入損益賬融資收入及開支，抵銷對沖交易之影響。衍生金融工具指定為買賣工具則按期末之市值進行估值，賬面合約價值與公平值之差額列入收益表融資收入及開支項下。

由二零零五年一月一日起

衍生工具最初於訂立衍生工具合約之日按公平值確認，其後按公平值重新計量。此項確認法造成之收益或虧損取決於衍生工具是否指定作對沖工具，及倘其指定為對沖工具，則取決於對沖項目之性質。本集團指定若干衍生工具對沖已確認資產或負債或承擔之公平值(公平值對沖)。

本集團於訂立交易時就對沖工具及對沖項目之關係，其風險管理目標及進行多項對沖交易之策略作文件記錄。本集團亦於訂立對沖交易時及按持續基準評估及記錄該用於對沖之衍生工具是否有效地抵銷對沖項目公平值或現金流量之變動。

(a) 公平值對沖

符合資格並獲指定為公平值對沖之衍生工具之公平值變動，連同其與對沖風險有關之對沖資產或負債公平值之任何變動，於損益賬記入。

(b) 衍生工具不適宜採用對沖會計法處理

若干衍生工具不符合對沖會計法。任何不符合對沖會計法之衍生工具之公平值變動即時於損益賬內確認。

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.8 Derivative financial instruments and hedging activities (Continued)

For foreign exchange instruments designated as hedges, the premium (or discount) representing the difference between the spot exchange rate at the inception of the contract and the forward exchange rate was included in the profit and loss account, in financial income and expenses, in accordance with the accrual method.

For interest rate instruments designated as hedges, the interest rate differential was included in the profit and loss account, in financial income and expenses, in accordance with the accrual method, offsetting the effects of the hedged transaction. Derivative financial instruments designated as trading instruments were valued at period-end market value, and the difference between the nominal contract value and fair value was recorded in the income statement under financial income and expenses.

From 1st January 2005 onwards

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge).

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

(a) Fair value hedge

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

(b) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the profit and loss account.

(二) 會計政策變更 (續)

2.4 新會計政策 (續)

2.4.9 指定以公平值列入損益賬之客戶存款／
財務負債

由二零零五年一月一日起

若干嵌入式衍生工具之客戶存款按公平值列示，及其公平值之變動確認於損益表。該類別之存款將徹底與其對應衍生工具或財務資產對沖，其嵌入式衍生工具則對等訂立。此負債公平值之變動於損益表內確認，抵銷有關對沖衍生工具或財務資產所產生之收益及虧損。

指定以公平值列入損益賬之財務負債為持作買賣用途證券之淡倉或於再回購協議出售之證券。該負債按公平值列示，其不變現之收益或虧損則披露為買賣收益。

(三) 淨買賣收入

截至六月三十日止六個月

外匯買賣淨收益	Net gain from foreign exchange
證券及衍生工具	Net loss from trading securities and derivatives
買賣淨虧損	

2. Changes in accounting policies (Continued)

2.4 New accounting policies (Continued)

2.4.9 Deposits from customers/financial liabilities designated at fair value through profit or loss

From 1st January 2005 onwards

Certain deposits from customers with embedded derivatives are carried at fair value with the change in fair value recognised through the profit and loss account. Deposits in this category are fully hedged by corresponding derivatives or financial assets with embedded derivatives entered into on a back-to-back basis. The change in fair value of such liabilities is recognised through profit and loss account, which offsets the gains or losses brought about by the change in value of the related hedging derivatives or financial assets.

Financial liabilities designated as fair value through profit or loss consist of short positions on trading securities or securities sold under repo agreement. These liabilities are carried at fair value, any unrealised gains or losses are disclosed as net trading income.

3. Net trading income

For the six months ended 30th June

	2005 HK\$'000	2004 HK\$'000
外匯買賣淨收益	93,999	43,047
證券及衍生工具	(32,986)	(5,194)
買賣淨虧損	<u>61,013</u>	<u>37,853</u>

(四) 其他營運收入

截至六月三十日止六個月

證券投資之股息收入	Dividend income from investments in securities
上市投資	Listed investments
非上市投資	Unlisted investments
投資物業之租金	Gross rental income from investment properties
收入總額	
其他租金收入	Other rental income
其他	Others

4. Other operating income

For the six months ended 30th June

	2005 HK\$'000	2004 HK\$'000
上市投資	3,516	2,452
非上市投資	10,463	8,260
投資物業之租金		
收入總額	5,519	5,510
其他租金收入	2,937	2,545
其他	3,264	5,626
	<u>25,699</u>	<u>24,393</u>

(五) 營運支出

截至六月三十日止六個月

5. Operating expenses

For the six months ended 30th June

		2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
人事費用	Staff costs		
(包括董事酬金)	(including directors' remuneration)		
– 薪金及其他費用	– Salaries and other costs	245,244	232,654
– 退休金	– Pension costs	13,530	13,536
行產及其他固定資產	Premises and other fixed assets		
– 行產租金	– Rental of premises	16,538	17,072
– 其他	– Others	29,820	27,045
折舊	Depreciation	30,566	30,738
核數師酬金	Auditors' remuneration	1,337	1,246
其他營運支出	Other operating expenses	105,688	76,894
		<u>442,723</u>	<u>399,185</u>

經營租約內之行產租金已減除分租予第三者所收回之租金收入列載。

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

(六) 貸款及墊款之減值開支／壞賬及呆賬準備調撥

截至六月三十日止六個月

6. Impairment charges on loans and advances/charge for bad and doubtful debts

For the six months ended 30th June

		2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>	變動 Variance %
貸款減值開支／	Loan impairment charges/			
壞賬及呆賬準備調撥	Charge for bad and doubtful debts			
– 個別評估／特殊	– individually assessed/specific			
準備支出	provisions charged	4,442	110,534	
– 綜合評估／一般	– collectively assessed/general			
準備支出	provisions charged			
– 持續經營業務	– continuing operations	26,427	33,098	
– 終止經營業務	– discontinued operation	–	9	
		<u>30,869</u>	<u>143,641</u>	–78.5
其中：	Of which:			
– 新增及額外	– new and additional			
– 持續經營業務	– continuing operations	78,255	172,663	
– 終止經營業務	– discontinued operation	–	9	
– 收回	– recoveries	(47,386)	(29,031)	
		<u>30,869</u>	<u>143,641</u>	–78.5

(七) 稅項

截至六月三十日止六個月

香港利得稅乃按照期內估計應課稅溢利以稅率17.5%(二零零四年: 17.5%) 提撥準備。海外稅款乃按期內海外估計應課稅溢利依本集團經營業務地區之現行稅率計算。

遞延稅項是採用負債法就暫時差異, 以稅率17.5%(二零零四年: 17.5%) 作全數確認。附屬公司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抵銷的程度確認。

於期內綜合損益賬中(撥回)/支出之稅項指:

即期稅項
— 香港利得稅
— 持續經營業務
— 終止經營業務

Current taxation
— Hong Kong profits tax
— Continuing operations
— Discontinued operation

— 海外稅項

— Overseas taxation

遞延稅項
— 關於暫時差異的
產生及撥回

Deferred taxation
— relating to the origination and reversal of
temporary differences

2005
HK\$'000

2004
HK\$'000

91,382
—

108,097
47

91,382
624

108,144
780

—

(3,559)

92,006

105,365

(八) 每股基本及攤薄盈利

每股基本盈利按照盈利460,636,000港元(二零零四年: 538,901,000港元)及期內已發行股份加權平均數919,830,827股(二零零四年: 810,450,000股)計算。

因期內沒有任何潛在攤薄盈利之工具餘額, 故此報告沒有計算每股攤薄盈利。

7. Taxation

For the six months ended 30th June

Hong Kong profits tax has been provided at 17.5% (2004: 17.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

Deferred taxation is calculated in full on temporary differences under the liability method using a taxation rate of 17.5% (2004: 17.5%). Deferred tax asset on tax losses incurred by a subsidiary has been recognised to the extent that it is probable that taxable profit will be available against which these tax losses can be utilised.

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

8. Basic and diluted earnings per share

The calculation of basic earnings per share is based on earnings of HK\$460,636,000 (2004: HK\$538,901,000) and the weighted average number of 919,830,827 (2004: 810,450,000) shares in issue during the period.

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

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

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
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	1,535,798	1,426,432
通知及短期存款	Money at call and short notice	5,071,840	7,567,931
國庫債券(包括外匯 基金票據)	Treasury bills (including Exchange Fund Bills)	6,932,344	5,103,423
		<u>13,539,982</u>	<u>14,097,786</u>
持有之國庫債券 分析如下：	An analysis of treasury bills held is as follows:		
持作買賣用途的證券， 按公平值 – 非上市	Trading securities, at fair value – Unlisted	2,560,904	3,610,361
可供出售證券／非持 作買賣用途的證券， 按公平值 – 非上市	Available-for-sale securities/ non-trading securities, at fair value – Unlisted	4,371,440	1,493,062
		<u>6,932,344</u>	<u>5,103,423</u>

(十) 貿易票據**10. Trade bills**

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
貿易票據	Trade bills	623,788	568,859
貸款及墊款 之減值準備 – 綜合評估/ 一般壞賬及 呆賬準備	Impairment allowance on loans and advances – collectively assessed/ general provisions for bad and doubtful debts	(2,326)	(5,689)
		<u>621,462</u>	<u>563,170</u>

貿易票據包括一項在二零零五年六月三十日已逾期一個月以上至三個月之結欠2,605,000港元(二零零四年十二月三十一日：逾期三個月以上至半年之結欠215,000港元)。

Trade bills comprised an amount of HK\$2,605,000 which had been overdue for less than three months but over one month as at 30th June 2005 (31st December 2004: an amount of HK\$215,000 which had been overdue for six months or less but over three months).

(十一) 以公平值列入損益賬之證券

11. Securities measured at fair value through profit or loss

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000
按公平值：	At fair value:	
債務證券	Debt securities	
– 香港上市	– Listed in Hong Kong	131,120
– 非上市	– Unlisted	1,037,278
		<u>1,168,398</u>
以公平值列入損益賬之 證券按發行機構類別 分析如下：	Securities measured at fair value through profit or loss are analysed by issuer as follows:	
– 銀行及其他金融機構	– Banks and other financial institutions	480,037
– 企業	– Corporate entities	688,361
		<u>1,168,398</u>

(十二) 持作買賣用途的證券

12. Trading securities

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
按公平值：	At fair value:		
債務證券	Debt securities		
– 香港上市	– Listed in Hong Kong	1,150,911	2,223,602
– 香港以外上市	– Listed outside Hong Kong	310,132	–
– 非上市	– Unlisted	331,413	344,568
		<u>1,792,456</u>	<u>2,568,170</u>
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	1,437,915	2,200,189
– 公營機構	– Public sector entities	354,541	367,981
		<u>1,792,456</u>	<u>2,568,170</u>

(十三) 持至到期證券

13. Held-to-maturity securities

		截至二零零五年 六月三十日 止六個月 Six months ended 30th June 2005 HK\$'000	截至二零零四年 十二月三十一日 止年度 Year ended 31st Dec. 2004 HK\$'000
期初／年初結餘， 如前呈報	Balance as at beginning of period/year, as previously reported	1,296,927	392,198
減：採納香港會計準則 第39號而重新 分類至以公平值 列入損益賬之證券	Less: reclassification to securities measured at fair value through profit or loss on adoption of HKAS 39	(988,230)	—
期初／年初結餘， 經重列	Balance as at beginning of period/year, as restated	308,697	392,198
折讓攤銷	Amortisation of discount	(78)	2,903
增購	Additions	—	1,080,481
償還	Repayments	—	(1,244)
期／年內到期的證券	Securities matured during the period/year	(75,481)	(177,856)
滙兌差異	Exchange difference	(44)	445
期末／年末結餘	Balance as at end of period/year	<u>233,094</u>	<u>1,296,927</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	233,094	93,364
— 非上市	— Unlisted	—	1,203,563
		<u>233,094</u>	<u>1,296,927</u>
上市證券之市值	Market value of listed securities	<u>233,088</u>	<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	194,233	726,007
— 企業	— Corporate entities	38,861	570,920
		<u>233,094</u>	<u>1,296,927</u>

(十四) 可供出售證券／非持作買賣用途的證券

14. Available-for-sale securities/non-trading securities

		二零零五年 六月三十日 可供出售證券 Available-for-sale securities as at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 非持作買賣 用途的證券 Non-trading securities as at 31st Dec. 2004 HK\$'000
按公平值：	At fair value:		
債務證券	Debt securities		
－香港上市	－ Listed in Hong Kong	1,773,817	661,428
－香港以外上市	－ Listed outside Hong Kong	7,691,245	8,713,603
－非上市	－ Unlisted	5,690,330	7,600,602
		<u>15,155,392</u>	<u>16,975,633</u>
權益性證券	Equity securities		
－香港上市	－ Listed in Hong Kong	183,624	87,785
－香港以外上市	－ Listed outside Hong Kong	52,797	53,562
－非上市	－ Unlisted		
－於投資基金之權益	－ Interests in investment funds	416,915	317,741
－其他非上市公司之 股票	－ Shares in other unlisted companies	9,859	9,905
		<u>663,195</u>	<u>468,993</u>
		<u>15,818,587</u>	<u>17,444,626</u>
可供出售證券／ 非持作買賣用途的 證券按發行機構 類別分析如下：	Available-for-sale securities/ non-trading securities are analysed by issuer as follows:		
－中央政府和中央銀行	－ Central governments and central banks	759,580	981,982
－公營機構	－ Public sector entities	608,586	2,107,925
－銀行及其他金融機構	－ Banks and other financial institutions	8,018,121	9,731,598
－企業	－ Corporate entities	6,430,772	4,621,593
－其他	－ Others	1,528	1,528
		<u>15,818,587</u>	<u>17,444,626</u>

(十五) 各項貸款及其他賬目

15. Advances and other accounts

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000	變動 Variance %
各項客戶貸款	Advances to customers	35,672,991	32,528,414	9.7
貸款減值準備／ 壞賬及呆賬準備：	Loan impairment allowances/ Provisions for bad and doubtful debts:			
－個別評估／特殊	－individually assessed/specific	(95,730)	(147,071)	
－綜合評估／一般	－collectively assessed/general	(125,226)	(318,753)	
		35,452,035	32,062,590	
銀行及其他金融機構 貸款	Advances to banks and other financial institutions	77,719	15,549	
貸款減值準備／壞賬及 呆賬準備：	Loan impairment allowances/Provisions for bad and doubtful debts:			
－綜合評估／一般	－collectively assessed/general	(777)	(155)	
		76,942	15,394	
其他賬目	Other accounts	797,535	1,624,620	
其他賬目準備	Provisions against other accounts	(125)	(55)	
		797,410	1,624,565	
		36,326,387	33,702,549	

(甲) 客戶貸款總額－按行業分類

(a) Gross advances to customers by industry sector

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec.2004 HK\$'000	變動 Variance %
工商金融	Industrial, commercial and financial			
－物業發展	－Property development	100,026	179,157	−44.2
－物業投資	－Property investment	3,770,037	3,100,094	21.6
－金融企業	－Financial concerns	617,878	537,898	14.9
－股票經紀	－Stockbrokers	30,169	14,978	101.4
－批發與零售業	－Wholesale and retail trade	1,165,517	1,033,707	12.8
－製造業	－Manufacturing	2,843,486	2,756,340	3.2
－運輸及運輸 設備	－Transport and transport equipment	2,466,416	1,904,984	29.5
－其他	－Others	1,097,241	1,009,823	8.7
		12,090,770	10,536,981	14.7

(十五) 各項貸款及其他賬目 (續)

15. Advances and other accounts (Continued)

(甲) 客戶貸款總額－按行業分類 (續)

(a) Gross advances to customers by industry sector (Continued)

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000	變動 Variance %
個人	Individuals			
－ 購買「居者 有其屋計劃」、 「私人參建居屋 計劃」及「租者 置其屋計劃」 樓宇貸款	－ Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	2,035,424	2,143,031	-5.0
－ 購買其他住宅 物業貸款	－ Loans for the purchase of other residential properties	10,457,447	9,950,171	5.1
－ 信用卡貸款	－ Credit card advances	2,420,805	2,356,865	2.7
－ 其他	－ Others	3,854,617	3,476,438	10.9
		<u>18,768,293</u>	<u>17,926,505</u>	4.7
在香港使用的貸款	Loans for use in Hong Kong	30,859,063	28,463,486	8.4
貿易融資	Trade finance	3,890,896	3,340,369	16.5
在香港以外使用 的貸款	Loans for use outside Hong Kong	923,032	724,559	27.4
		<u>35,672,991</u>	<u>32,528,414</u>	9.7

超過九成客戶貸款之客戶皆在香港。

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

(乙) 減值貸款／不履行貸款

(b) Impaired loans/Non-performing loans

減值貸款／不履行貸款金額如下：

The amount of impaired loans/non-performing loans are as follows:

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
總減值貸款／ 總不履行貸款	Gross impaired loans/ Gross non-performing loans	357,118	311,928
貸款減值準備／ 特殊準備	Loan impairment allowances/ Specific provisions made	(124,923)	(137,258)
減值貸款淨額／ 不履行貸款淨額	Net impaired loans/ Net non-performing loans	<u>232,195</u>	<u>174,670</u>
貸款減值準備／ 特殊準備對 總減值貸款／ 總不履行貸款 比率	Loan impairment allowances/ Specific provisions as a percentage of gross impaired loans/ gross non-performing Loans	<u>35.0%</u>	<u>44.0%</u>
總減值準備／ 不履行貸款對 總客戶貸款比率	Gross impaired loans/ Non-performing loans as a percentage of gross advances to customers	<u>1.00%</u>	<u>0.96%</u>

(十五) 各項貸款及其他賬目 (續)

(戊) 收回資產

已收回抵押品之貸款仍然被視作客戶貸款。於收回抵押之資產後，有關貸款將調整至收回資產之變現淨值，此等抵押品之價值定時被重估。減值準備是以貸款賬面值，以及就其原本之實際利率用折現方式計算預計之未來流動現金(包括預期出售收回資產之收入)之現值差額衡量。

本集團的收回資產如下：

收回物業 Repossessed properties

以上收回資產乃其各於二零零五年六月三十日及二零零四年十二月三十一日之估計市值。

(十六) 客戶貸款之減值準備

		個別評估 Individually assessed HK\$'000	綜合評估 Collectively assessed HK\$'000	合計 Total HK\$'000
於二零零五年一月一日	At 1st January 2005	117,429	136,319	253,748
撇除額	Amounts written off	(34,646)	(70,100)	(104,746)
收回往年已撇銷之 貸款	Recoveries of advances written off in previous years	11,578	35,808	47,386
在損益賬扣除之 新減值準備	New impairment allowances charged to profit and loss account	4,442	26,427	30,869
貸款減值準備 折現值撥回	Unwind of discount of impairment allowance	(3,073)	-	(3,073)
於二零零五年 六月三十日	At 30th June 2005	<u>95,730</u>	<u>128,454</u>	<u>224,184</u>

(十七) 客戶存款

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
活期存款及往來存款	Demand deposits and current account	3,750,756	4,509,787
儲蓄存款	Savings deposits	6,567,938	8,384,517
定期、通知及短期存款	Time, call and notice deposits	32,435,294	30,583,144
		<u>42,753,988</u>	<u>43,477,448</u>

15. Advances and other accounts (Continued)

(e) Repossessed assets

Advances with repossessed collateral assets will continue to be accounted for as customer advances. Upon the repossession of collateral assets for realisation in recovering customer advances, the advances are adjusted to the net realisable value of the repossessed assets, which are revalued periodically. Impairment provisions are measured as the difference between the carrying value of outstanding advances and the present value of the estimated future cash flows including the expected sales proceeds from the realisation of the repossessed assets.

The repossessed assets of the Group were as follows:

二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
<u>11,218</u>	<u>22,163</u>

The amount represents the estimated market value of the repossessed assets as at 30th June 2005 and 31st December 2004 respectively.

16. Impairment allowances against advances to customers

	個別評估 Individually assessed HK\$'000	綜合評估 Collectively assessed HK\$'000	合計 Total HK\$'000	
於二零零五年一月一日	At 1st January 2005	117,429	136,319	253,748
撇除額	Amounts written off	(34,646)	(70,100)	(104,746)
收回往年已撇銷之 貸款	Recoveries of advances written off in previous years	11,578	35,808	47,386
在損益賬扣除之 新減值準備	New impairment allowances charged to profit and loss account	4,442	26,427	30,869
貸款減值準備 折現值撥回	Unwind of discount of impairment allowance	(3,073)	-	(3,073)
於二零零五年 六月三十日	At 30th June 2005	<u>95,730</u>	<u>128,454</u>	<u>224,184</u>

17. Deposits from customers

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
活期存款及往來存款	Demand deposits and current account	3,750,756	4,509,787
儲蓄存款	Savings deposits	6,567,938	8,384,517
定期、通知及短期存款	Time, call and notice deposits	32,435,294	30,583,144
		<u>42,753,988</u>	<u>43,477,448</u>

(十八) 股東資金

18. Shareholders' funds

		經重列	
		二零零五年	二零零四年
		六月三十日	十二月三十一日
		As at	Restated
		30th June 2005	31st Dec. 2004
		HK\$'000	HK\$'000
股本	Share capital	<u>919,831</u>	<u>919,831</u>
儲備	Reserves		
股份溢價	Share premium	2,054,513	2,054,513
合併儲備	Consolidation reserve	(220,986)	(220,986)
行產重估儲備	Premises revaluation reserve	272,535	281,894
投資重估儲備	Investment revaluation reserve	(83,059)	75,684
滙兌儲備	Exchange reserve	(172)	(156)
一般儲備	General reserve	700,254	700,254
保留盈利	Retained earnings	<u>3,970,990</u>	<u>3,569,527</u>
		<u>6,694,075</u>	<u>6,460,730</u>
擬派股息	Proposed dividend	<u>211,561</u>	<u>349,536</u>
合計	Total	<u><u>7,825,467</u></u>	<u><u>7,730,097</u></u>

根據香港金融管理局(「金管局」)「新會計準則對註冊認可機構資本基礎及監管申報規定之影響」，大新銀行已於一般儲備中標誌一項為244,835,000港元之「監管儲備」。該儲備連同大新銀行綜合減值準備已於採納香港會計準則第三十九號後，包括在二零零五年六月三十日大新銀行資本基礎之附加資本。未經金管局同意，該監管儲備不可供派發之用。

In accordance with the Hong Kong Monetary Authority ("HKMA") guideline "Impact of the New Hong Kong Accounting Standards on Authorized Institutions' Capital Base and Regulatory Reporting", Dah Sing Bank ("DSB") has earmarked a "Regulatory Reserve" from general reserve for an amount of HK\$244,835,000 which, together with the DSB's collective impairment allowances after the adoption of HKAS 39, is included as supplementary capital in the capital base of DSB as at 30th June 2005. The regulatory reserve is not distributable without the consent of the HKMA.

(十九) 到期情況

19. Maturity profile

二零零五年六月三十日

As at 30th June 2005

		即時還款 Repayable on demand HK\$'000	三個月 或以下 3 months or less HK\$'000	一年或 以下，但 超過三個月 1 year or less but over 3 months HK\$'000	五年或 以下，但 超過一年 5 years or less but over 1 year HK\$'000	五年以後 After 5 years HK\$'000	無註明 日期 Undated HK\$'000	合計 Total HK\$'000
資產	Assets							
國庫債券	Treasury bills	-	983,150	5,949,194	-	-	-	6,932,344
在銀行及其他金融 機構的存款	Placements with banks and other financial institutions	-	2,725,491	-	-	-	-	2,725,491
持有的存款證	Certificates of deposit held	-	385,543	-	99,876	-	-	485,419
各項客戶貸款	Advances to customers	4,643,382	6,687,666	3,703,021	20,087,181	315,029	236,712	35,672,991
銀行及其他金融 機構之貸款	Advances to banks and other financial institutions	-	-	-	77,719	-	-	77,719
債務證券包括：	Debt securities included in:							
- 以公平值列入損益賬	- Fair value through profit or loss	-	983,189	185,209	-	-	-	1,168,398
- 持作買賣用途之證券	- Trading securities	-	56,572	172,699	1,467,236	95,949	-	1,792,456
- 持至到期證券	- Held-to-maturity securities	-	31,270	124,058	77,766	-	-	233,094
- 可供出售證券	- Available-for-sale securities	-	1,194,821	2,324,302	5,230,744	6,401,447	4,078	15,155,392
衍生金融工具	Derivative financial instruments	-	7,549	29,358	35,569	2,150	-	74,626
		<u>4,643,382</u>	<u>13,055,251</u>	<u>12,487,841</u>	<u>27,076,091</u>	<u>6,814,575</u>	<u>240,790</u>	<u>64,317,930</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	205,460	268,615	-	-	-	-	474,075
客戶存款	Deposits from customers	10,564,110	30,162,906	1,954,456	72,516	-	-	42,753,988
已發行的存款證	Certificates of deposit issued	-	1,147,099	3,220,245	2,686,030	-	-	7,053,374
指定以公平值列入損 益賬之客戶存款	Deposits from customers designated at fair value through profit or loss	-	1,305,510	50,335	-	-	-	1,355,845
指定以公平值列入損 益賬之財務負債	Financial liabilities designated at fair value through profit or loss	-	6,835,403	470,819	1,223,971	-	-	8,530,193
已發行的債務證券	Issued debt securities	-	-	-	2,319,339	-	-	2,319,339
後償債務	Subordinated debts	-	-	971,488	1,185,824	-	-	2,157,312
衍生金融工具	Derivative financial instruments	-	4,715	2,600	20,779	2,150	-	30,244
		<u>10,769,570</u>	<u>39,724,248</u>	<u>6,669,943</u>	<u>7,508,459</u>	<u>2,150</u>	<u>-</u>	<u>64,674,370</u>

(十九) 到期情況 (續)

19. Maturity profile (Continued)

二零零四年十二月三十一日

As at 31st Dec. 2004

		即時還款 Repayable on demand HK\$'000	三個月 或以下 3 months or less HK\$'000	一年或 以下，但 超過三個月 1 year or less but over 3 months HK\$'000	五年或 以下，但 超過一年 5 years or less but over 1 year HK\$'000	五年以後 After 5 years HK\$'000	無註明 日期 Undated HK\$'000	合計 Total HK\$'000
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 機構之貸款	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
		<u>4,358,343</u>	<u>7,453,215</u>	<u>11,847,420</u>	<u>15,707,230</u>	<u>19,457,970</u>	<u>322,912</u>	<u>59,147,090</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	62,648	148,764	4,290	-	-	-	215,702
客戶存款	Deposits from customers	13,200,440	27,899,172	2,253,068	124,768	-	-	43,477,448
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
後償債務	Subordinated debts	-	-	-	971,794	-	-	971,794
		<u>13,263,088</u>	<u>29,233,027</u>	<u>6,270,562</u>	<u>6,682,708</u>	<u>-</u>	<u>-</u>	<u>55,449,385</u>

(二十) 扣除減值開支／準備後之營運溢利與由經營業務(所用)／產生的現金對賬表
截至六月三十日止六個月

20. Reconciliation of operating profit after impairment charges/provisions to cash (absorbed by)/generated from operations
For the six months ended 30th June

		2005 HK\$'000	2004 HK\$'000
扣除減值開支／準備後之營運溢利	Operating profit after impairment charges/provisions	463,228	617,409
貸款及墊款之減值開支／壞賬及呆賬準備	Impairment charges on loans and advances/provisions for bad and doubtful debts	30,869	143,641
減除收回後之貸款撇除淨額	Advances written off net of recoveries	(57,359)	(159,804)
貸款減值準備折現值撥回	Unwind of discount on loan impairment allowances	(3,073)	-
折舊	Depreciation	30,566	30,738
已發行後償債務及債務證券之利息支出	Interest expense on subordinated and debt securities issued	71,679	14,289
已發行的存款證之利息支出	Interest expense on certificates of deposit issued	60,012	82,442
終止經營業務之其他淨貢獻	Net other contribution from discontinued operation	-	276
		<hr/>	<hr/>
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	595,922	728,991
三個月以上到期的國庫債券之變動	Change in treasury bills maturing beyond three months	(2,879,582)	2,020,827
三個月以上到期在銀行及其他金融機構存款之變動	Change in placements with banks and other financial institutions maturing beyond three months	(235,000)	-
貿易票據之變動	Change in trade bills	(54,929)	(27,750)
持有的存款證之變動	Change in certificates of deposit held	(289,675)	3,842
以公平值列入損益賬證券之變動	Change in securities measured at fair value through profit or loss	99,518	-
持作買賣用途的證券之變動	Change in trading securities	775,714	1,002,737
各項客戶貸款及其他賬目之變動	Change in advances to customers and other accounts	(2,665,131)	(3,884,720)
持至到期證券之變動	Change in held-to-maturity securities	75,559	(201,837)
可供出售證券之變動	Change in available-for-sale securities	1,244,650	-
非持作買賣用途的證券之變動	Change in non-trading securities	-	(960,046)
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	(13,753)	2,384
客戶存款之變動	Change in deposits from customers	44,441	818,169
指定以公平值列入損益賬之客戶存款之變動	Change in deposits from customers designated as fair value through profit or loss	706,419	-
指定以公平值列入損益賬之財務負債之變動	Change in liabilities designated at fair value through profit or loss	2,012,059	-
其他賬目及預提之變動	Change in other accounts and accruals	(307,270)	1,491,873
滙兌調整	Exchange adjustments	3,998	11,777
		<hr/>	<hr/>
由經營業務(所用)／產生的現金	Cash (absorbed by)/generated from operations	(887,060)	1,006,247

(廿一) 跨境債權

21. Cross-border claims

二零零五年六月三十日
As at 30th June 2005

		銀行及其他 金融機構 Banks and other financial institutions	公營機構 Public sector entities	其他 Others	總計 Total
相等於百萬港元	Equivalent in millions of Hong Kong Dollar				
亞太區，不包括 香港在內	Asia Pacific excluding Hong Kong	4,553	94	2,126	6,773
北美及南美	North and South America	1,190	311	1,629	3,130
歐洲	Europe	9,152	–	2,377	11,529
		14,895	405	6,132	21,432

二零零四年十二月三十一日
As at 31st Dec. 2004

		銀行及其他 金融機構 Banks and other financial institutions	公營機構 Public sector entities	其他 Others	總計 Total
相等於百萬港元	Equivalent in millions of Hong Kong Dollar				
亞太區，不包括 香港在內	Asia Pacific excluding Hong Kong	3,837	–	577	4,414
北美及南美	North and South America	1,286	2,064	3,626	6,976
歐洲	Europe	10,972	90	3,461	14,523
		16,095	2,154	7,664	25,913

跨境債權資料是在顧及風險的轉移後，根據交易對手的所在地而披露與外地交易對手最終的風險。一般而言，若交易對手的債權是由在不同國家的另一方擔保，或履行債權是一間銀行的海外分行，而其總部是處於不同的國家，才會確認風險由一國家轉移至另一國家。資料的披露只限於佔跨境債權總額百分之十或以上的地區。

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

(廿二) 或然負債、承擔及衍生工具

22. Contingent liabilities, commitments and derivatives

各項重大或然負債及承擔之合約額分類如下：

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

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
直接信貸代替品	Direct credit substitutes	1,629,577	757,320
與交易相關之或然項目	Transaction related contingencies	32,262	30,961
與貿易相關之或然項目	Trade-related contingencies	861,373	790,228
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	24,788,147	22,081,608
– 一年及以上	– 1 year and over	668,625	738,712
遠期對遠期的放款	Forward forward deposits placed	560,881	–
		28,540,865	24,398,829

「直接信貸代替品」包括本金金額合共為1,515,521,000港元(二零零四: 583,076,000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\$1,515,521,000 (2004: HK\$583,076,000).

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:

		買賣交易 Trading		對沖交易 Hedging		合計 Total	
		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000	二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000	二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
匯率合約	Exchange rate contracts						
遠期及期貨合約	Forward and futures contracts	27,387,887	4,161,885	–	25,231,921	27,387,887	29,393,806
貨幣掉期	Currency swaps	–	–	76,264	551,347	76,264	551,347
外匯期權合約	Foreign exchange option contracts						
– 購入貨幣期權	– Currency options purchased	333,087	121,709	–	–	333,087	121,709
– 沽出貨幣期權	– Currency options written	349,833	121,672	–	–	349,833	121,672
		28,070,807	4,405,266	76,264	25,783,268	28,147,071	30,188,534
利率合約	Interest rate contracts						
利率掉期	Interest rate swaps	–	–	12,614,407	13,278,562	12,614,407	13,278,562
利率期權合約	Interest rate option contracts						
– 沽出期權	– Options written	–	–	1,041,182	695,804	1,041,182	695,804
		–	–	13,655,589	13,974,366	13,655,589	13,974,366
其他合約	Other contracts						
權益性期權合約	Equity options contracts						
– 購入期權	– Options purchased	109,640	150,464	–	–	109,640	150,464
– 沽出期權	– Options written	109,640	150,464	–	–	109,640	150,464
權益性期貨合約	Equity futures contracts	16,177	–	–	–	16,177	–
		235,457	300,928	–	–	235,457	300,928

(廿二) 或然負債、承擔及衍生工具 (續)

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。繼採納香港會計準則第39號後，所有原先因作為融資對沖用途的遠期合約已被列為持作買賣用途之交易。

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：

		二零零五年六月三十日 As at 30th June 2005		二零零四年十二月三十一日 As at 31st Dec. 2004	
		信貸風險 加權數額 Credit risk weighted Amount HK\$'000	重置成本 Replacement cost HK\$'000	信貸風險 加權數額 Credit risk weighted Amount HK\$'000	重置成本 Replacement cost HK\$'000
或然負債及承擔	Contingent liabilities and commitments	2,227,573		1,262,469	
衍生工具	Derivatives				
匯率合約	Exchange rate contracts	81,252	115,613	94,426	93,413
利率合約	Interest rate contracts	41,731	42,608	122,174	457,217
其他合約	Other contracts	648	1,840	1,897	5,432
		123,631	160,061	218,497	556,062
		2,351,204		1,480,966	

合約數額僅為顯示資產負債表結算日的交易量，並不代表風險數額。

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

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

22. Contingent liabilities, commitments and derivatives (Continued)

The trading transactions include positions arising from the execution of trade orders from customers or transactions taken to hedge these positions. On adoption of HKAS 39, all forward contracts previously entered as economic hedge for funding purposes are now treated as trading transactions.

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

		二零零五年六月三十日 As at 30th June 2005		二零零四年十二月三十一日 As at 31st Dec. 2004	
		信貸風險 加權數額 Credit risk weighted Amount HK\$'000	重置成本 Replacement cost HK\$'000	信貸風險 加權數額 Credit risk weighted Amount HK\$'000	重置成本 Replacement cost HK\$'000
或然負債及承擔	Contingent liabilities and commitments	2,227,573		1,262,469	
衍生工具	Derivatives				
匯率合約	Exchange rate contracts	81,252	115,613	94,426	93,413
利率合約	Interest rate contracts	41,731	42,608	122,174	457,217
其他合約	Other contracts	648	1,840	1,897	5,432
		123,631	160,061	218,497	556,062
		2,351,204		1,480,966	

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

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

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

(廿三) 分項報告

23. Segment reporting

分項資料乃顯示本集團之分項業務情況：

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

截至二零零五年六月三十日止六個月
For the six months ended 30th June 2005

		個人銀行 Personal Banking HK'000	商業銀行 Commercial Banking HK'000	財資業務 Treasury HK'000	未分類業務 Unallocated HK'000	抵銷 Elimination HK'000	總計 Total HK'000
利息收入	Interest income from						
– 外界客戶	– external customers	491,690	353,715	403,019	957	–	1,249,381
– 跨項目	– inter-segments	248,975	–	–	67,453	(316,428)	–
利息支出	Interest expenses to						
– 外界客戶	– external customers	(354,353)	(67,559)	(180,943)	(1,636)	–	(604,491)
– 跨項目	– inter-segments	–	(69,479)	(246,949)	–	316,428	–
淨利息收入／(支出)	Net interest income/(expenses)	386,312	216,677	(24,873)	66,774	–	644,890
服務費及佣金收入	Fee and commission income	181,356	45,828	93	5,048	–	232,325
服務費及佣金支出	Fee and commission expense	(23,562)	(23)	(3,514)	(8)	–	(27,107)
淨服務費及佣金收入	Net fee and commission income	157,794	45,805	(3,421)	5,040	–	205,218
淨買賣收入	Net trading income	–	–	61,013	–	–	61,013
其他營運收入	Other operating income	4,123	138	8,783	12,655	–	25,699
總營運收入	Total operating income	548,229	262,620	41,502	84,469	–	936,820
營運支出	Operating expenses	(325,423)	(75,951)	(31,160)	(10,189)	–	(442,723)
扣除減值開支／準備前 之營運溢利	Operating profit/(loss) before impairment charges/provisions	222,806	186,669	10,342	74,280	–	494,097
貸款及墊款之減值 開支／壞賬及呆賬 準備調撥	Impairment charges on loans and advances/charge for bad and doubtful debts	(23,099)	(7,763)	65	(72)	–	(30,869)
扣除減值開支／準備後 之營運溢利	Operating profit after impairment charges/provisions	199,707	178,906	10,407	74,208	–	463,228
出售固定資產之淨虧損	Net loss on disposal of fixed assets	(228)	(5)	–	–	–	(233)
出售可供出售證券／ 非持作買賣用途的 證券淨收益	Net gain on disposal of available-for-sale securities/ non-trading securities	(11)	–	90,017	–	–	90,006
一般業務溢利	Profit on ordinary activities	199,468	178,901	100,424	74,208	–	553,001
應佔共同控制實體 之業績	Share of results of jointly controlled entities	–	–	–	900	–	900
除稅前溢利	Profit before taxation	199,468	178,901	100,424	75,108	–	553,901
於二零零五年六月三十日	As at 30th June 2005						
資產合計	Total assets	19,213,369	17,707,005	35,682,510	1,110,600	–	73,713,484
負債合計	Total liabilities	35,449,702	7,906,980	21,684,318	825,771	–	65,866,771
截至二零零五年六月 三十日止六個月	For the six months ended 30th June 2005						
折舊	Depreciation	21,047	4,956	1,275	3,288	–	30,566
資本支出	Capital expenditure incurred	2,975	179	586	1,181	–	4,921

(廿三) 分項報告 (續)

23. Segment reporting (Continued)

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

		個人銀行 Personal Banking HK'000	商業銀行 Commercial Banking HK'000	財資業務 Treasury HK'000	未分類業務 Unallocated HK'000	抵銷 Elimination HK'000	總計 Total HK'000
利息收入	Interest income from						
– 外界客戶	– external customers	434,411	287,943	426,327	3,099	–	1,151,780
– 跨項目	– inter-segments	166,825	18,318	–	–	(185,143)	–
利息支出	Interest expenses to						
– 外界客戶	– external customers	(160,636)	(27,706)	(92,213)	(4,974)	–	(285,529)
– 跨項目	– inter-segments	–	–	(170,479)	(14,664)	185,143	–
淨利息收入 / (支出)	Net interest income/(expenses)	440,600	278,555	163,635	(16,539)	–	866,251
服務費及佣金收入	Fee and commission income	199,211	54,910	309	3,645	–	258,075
服務費及佣金支出	Fee and commission expense	(22,571)	–	(3,721)	(45)	–	(26,337)
淨服務費及佣金收入	Net fee and commission income	176,640	54,910	(3,412)	3,600	–	231,738
淨買賣收入	Net trading income	–	–	37,853	–	–	37,853
其他營運收入	Other operating income	3,381	210	4,981	15,821	–	24,393
總營運收入	Total operating income	620,621	333,675	203,057	2,882	–	1,160,235
營運支出	Operating expenses	(274,207)	(66,231)	(39,334)	(19,413)	–	(399,185)
扣除減值開支 / 準備前 之營運溢利	Operating profit/(loss) before impairment charges/provisions	346,414	267,444	163,723	(16,531)	–	761,050
貸款及墊款之減值 開支 / 壞賬及呆賬 準備調撥	Impairment charges on loans and advances/charge for bad and doubtful debts	(104,028)	(40,230)	53	564	–	(143,641)
扣除減值開支 / 準備後 之營運溢利	Operating profit after impairment charges/provisions	242,386	227,214	163,776	(15,967)	–	617,409
出售固定資產之淨虧損	Net loss on disposal of fixed assets	134	–	–	(648)	–	(514)
出售可供出售證券 / 非持作買賣用途的 證券淨收益	Net gain on disposal of available-for-sale securities/ non-trading securities	–	–	35,212	–	–	35,212
一般業務溢利 / (虧損)	Profit/(loss) on ordinary activities	242,520	227,214	198,988	(16,615)	–	652,107
應佔共同控制實體之 業績	Share of results of jointly controlled entities	–	–	–	4,139	–	4,139
終止經營業務之其他 淨貢獻	Net other contribution from discontinued operation	–	–	–	276	–	276
重組費用	Reorganisation cost	–	–	–	(10,849)	–	(10,849)
除稅前溢利 / (虧損)	Profit/(loss) before taxation	242,520	227,214	198,988	(23,049)	–	645,673
於二零零四年十二月三十一日	As at 31st December 2004						
資產合計	Total assets	18,768,712	15,284,547	36,064,101	1,194,578	–	71,311,938
負債合計	Total liabilities	35,445,960	8,199,513	18,820,849	1,095,529	–	63,561,851
截至二零零四年六月 三十日止六個月	For the six months ended 30th June 2004						
折舊	Depreciation	10,612	864	347	18,915	–	30,738
資本支出	Capital expenditure incurred	7,112	3,068	2	3,444	–	13,626

(廿三) 分項報告 (續)

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

商業銀行業務包括接受存款、貸款、營運資金融資、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。

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。

23. Segment reporting (Continued)

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

Commercial banking business includes the acceptance of deposits from and the advance of loans and working capital finance to commercial, industrial and institutional customers, and the provision of trade financing 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.

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.

(廿四) 結算日後事項

本公司於二零零五年六月二十八日宣佈大新銀行有限公司(大新銀行)簽訂一份協議，以九億三千六百萬港元向怡和有限公司及J.P. Morgan International Finance收購怡泰富財務(香港)有限公司(「怡泰富財務」)百分之一百權益。該收購須取得多項監管部門批准後，預期將於二零零五年十月二十七日前完成。

本公司亦於二零零五年八月三日宣佈，大新銀行簽訂一份協議，向Banco Comercial Português(「BCP」)收購澳門商業銀行(「澳門商業」)百分之一百及其附屬綜合及人壽保險公司百分之九十六的股權，總代價為十七億一千九百萬澳門幣(約十六億六千九百萬港元)。該收購須待多項慣常之交易成交條件，包括取得香港及澳門監管局之批准後，預期將於本年年底完成。

於二零零五年八月十日，大新銀行新發行一項一億五千萬美元的後償債務。該債務於二零一七年到期，並附帶一項可於二零一二年八月行使之回購期權。此發行預定在二零零五年八月十八日結算，此後償債務符合成為大新銀行額外附加資本的程度乃根據銀行業條例第三附表所允許而計算。

於此中期業績報告發表日，本公司未取得收購怡泰富財務及澳門商業集團所須之監管局批准。

上述收購之額外細節載列於本報告之集團概覽內。

24. Events after the balance sheet date

The Company announced on 28th June 2005 that Dah Sing Bank, Limited (“DSB”) had entered into an agreement to acquire 100% of Pacific Finance (Hong Kong) Limited (“Pacific Finance”) from Jardine Matheson & Co. and J.P. Morgan International Finance for HK\$936 million. It is expected that the acquisition will be completed by 27th October 2005, subject to the fulfilment of a number of regulatory approvals.

The Company announced on 3rd August 2005 that DSB had entered into an agreement to acquire 100% of Banco Comercial de Macau (“BCM”) and 96% equity interests in BCM’s general and life insurance subsidiaries (collectively the “BCM Group”), from Banco Comercial Português (“BCP”), for a total consideration of MOP1,719 million (approximately HK\$1,669 million). It is expected that the acquisition will be completed by the end of the year, subject to the satisfaction of a number of customary closing conditions, including regulatory approvals from both Hong Kong and Macau authorities.

On 10th August 2005, DSB launched a new issue of US\$150 million subordinated debt due 2017 with a call option exercisable in August 2012. The settlement date of this new issue is scheduled on 18th August 2005. The subordinated debt qualifies as additional supplementary capital base of DSB to the extent allowed and calculated based on the Third Schedule to the Banking Ordinance.

As at the date of this interim report, the required regulatory approvals for the acquisition of Pacific Finance and BCM Group have not yet been received.

Additional details in respect of the above acquisitions are provided in the Corporate Overview section of this interim report.

(廿五) 風險管理

本集團確認各類風險會不停蛻變的特性並透過完善的管理架構作有效管理。

風險管理專注於四大範圍：信貸風險、市場風險、利率風險及流動資產風險。信貸風險之產生主要源於信貸組合，其中包括商業、批發和零售借貸、機械和租購融資及財資部和金融機構業務部的批發借貸。

大部份的市場風險是源於財資部。這主要是與本集團資產負債表內之買賣交易及資產負債表外為對沖買賣交易活動之持倉有關連。

利率風險是指因利率的不利變動而引致集團的財政狀況面臨的風險。

流動資產風險之產生橫跨本集團之資產負債表。

(甲) 集團風險管理架構

董事會對所有類別的風險管理負上總體的責任。關於風險控制方面，董事會的責任包括：

- 批准總體的策略及政策以確保能在交易及組合層面適當地管理信貸及其他風險；
- 財務和非財務方面的風險管理，透過營運和行政控制，包括集團審核委員會的操作；業績檢討（比對預測）、營運統計和政策問題作出監控；及
- 比對預算業績檢討和分析主要非財務指標。

行政委員會被委任監察及領導由集團風險部和各功能委員會主導管理及處理的不同類形風險。

25. Management of risks

The Group recognises the changing nature of risk and manages it through a well developed management structure.

Risk management is focused on the four major areas of risk – credit risk, market risk, interest rate risk and liquidity risk. Credit risk occurs mainly in the Group's credit portfolios comprising commercial, wholesale and retail lending, equipment and hire purchase financing, and treasury and financial institutions wholesale lending.

Market risk arises mainly in Treasury and is associated principally with the Group's on-balance sheet positions in the trading book, and off-balance sheet positions taken to hedge elements of the trading book.

Interest rate risk means the risk to the Group's financial condition resulting from adverse movements in interest rates.

Liquidity risk arises across the Group's balance sheet.

(a) The risk management structure of the Group

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

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

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

(廿五) 風險管理 (續)

(乙) 集團風險部

集團的獨立風險部負責確保本集團整體的政策訂定和權責。集團風險部監察並透過風險管理委員會及行政委員會向董事會匯報集團風險狀況，制定財務風險和資料完善的標準，及確保在產品策劃和訂價的過程中，充份考慮財務方面的風險。集團風險部審閱和核定所有本集團的信貸及風險政策，包括對新市場、經濟行業、組織、信貸產品和令本集團產生信貸與相關風險的財務工具的核定。在決定信貸及風險政策時，集團風險部會考慮香港金融管理局制定的指引、業務方向及經風險調整的業務表現。集團風險部亦列席集團營運部門和業務的信貸或風險委員會。

本集團風險管理的專業知識持續提升其借貸組合的總體質素，並促使本集團能應付改變中的監管要求和有信心地掌握與授信相關的風險和回報。

在集團風險部主管領導下，本集團持續發展其風險管理能力並增加專注風險策略對風險和報酬與及資本回報的影響。本集團在面對日常業務管理不同形式的風險時會採用一系列的風險管理和分析工具。此等工具亦持續地在被改良和提升以配合不斷改變的業務需要和監管機構的要求。

(丙) 業務部門信貸委員會

本集團各營運部門均擁有其信貸或風險委員會，該等委員會負責核定和推薦其業務範圍內的政策、限額和風險控制的權責。這體制反映本集團在集團風險部統籌下把風險管理的責任融入各項業務之管理運作中。故此，各業務之信貸風險功能均向其支援的業務及集團風險部匯報。風險管理及監控部乃屬集團風險部之一部份且直接向集團風險部主管匯報。

25. Management of risks (Continued)

(b) Group risk

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

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

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

(c) Business division credit committees

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

(廿五) 風險管理 (續)

(丁) 信貸風險

本集團之主要信貸風險為借貨人或交易對手未能履行對本集團之償款責任。該等責任乃源自本集團之融資、交易活動(以貸款形式)、持作買賣用途之資產或衍生工具。

本集團設有集團信貸委員會，每部門均設有信貸委員會，由若干執行董事及高級信貸人員組成，並由行政總裁擔任主席。每個信貸委員會負責在集團風險部所訂之範圍內，制定及修訂其部門之信貸政策及程序。信貸政策及程序界定提供貸款之條件及指引、信貸批核及評分、檢討及監管過程，以及貸款分類及撥備之系統。

本集團基於業務、財務、市場、行業及抵押資料，評估不同類型的客戶及交易對方的信貸風險值，並根據信貸批核及檢討政策而審慎地管理所有類型的信貸風險。不同的管理階層會基於已制定的指引而批核各種信貸產品、客戶或交易對手及信貸額。管理層、信貸委員會及集團風險部會定期監察及控制信貸風險、信貸限額及資產質素。本集團內部審核師會作定期審核及檢查以確保信貸政策、程序及監管指引得以遵從。

個別業務的信貸政策亦確定新產品及活動的審批政策及程序，亦兼顧信貸等級、評分、程序和撥備政策等細節事宜。

為避免風險的集中，對個別客戶或其有關集團之大額風險均被規限於資本基礎的某個百分比。對各行業的貸款亦規管於批准限額內以求組合達致平衡。

在適當的時候，為減低信貸風險，本集團會收取抵押品作為信貸額的擔保。認可抵押品之類別及其特性和各類貸款與估值比率皆確定於信貸政策內。

所有信貸，無論有否收取抵押品，皆取決於客戶或交易對手的現金流量情況及其還款能力。

25. Management of risks (Continued)

(d) Credit risk

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

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

The Group manages all types of credit risk on a prudent basis, in accordance with the credit approval and review policies, by evaluating the credit worthiness of different types of customers and counterparties based on assessment of business, financial, market, industry sector and collateral information applicable to the types of loans and counterparty dealings. Credits are extended within the limits set out in the credit policies, for each product, customer or counterparty and are approved by different levels of management based upon established guidelines. Actual credit exposures, limits and asset quality are regularly monitored and controlled by management, credit committees and Group Risk. The Group's internal auditors conduct regular reviews and audits to ensure compliance with credit policies and procedures and regulatory guidelines.

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

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

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

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

(廿五) 風險管理 (續)

(戊) 流動資產風險

本集團審慎地管理流動資產以確保流動資產比率於全年度均能保持高於法定最低要求的流動資產比率。一如下述披露的資本充足及流動資產比率，實質平均流動資產比率遠高於銀行業條例最低要求的百分之二十五。

本集團的資產及負債管理委員會定期檢討貸款和存款的組合和變化、融資需求及預測、到期錯配狀況及對流動資產比率作出持續的監管。本集團亦對流動資產定下適當的限額及持有充足的流動資產以確保能應付所有短期資金需求。

本集團的資金主要包括客戶存款、已發行的存款證及中期票據。存款證及中期票據的發行有助延長融資的年期及減少到期錯配，在少數情況下，亦會選用短期銀行同業存款。本集團是銀行同業市場的淨放款人。

(己) 利率風險

本集團承擔的利率風險，主要是源於以浮動利率存款來融資定息貸款及固定收入證券投資。當利率上升或下降時，利率差距及淨利息收入將會因不變的定息貸款或債券所賺取的利息而受影響。市場利率的波動除了影響盈利外，亦會影響集團的資產、負債及資產負債表外狀況的經濟價值，繼而影響集團的資產淨值。

本集團應用利率對沖工具減低部份利率風險。整體及個別組合之交易賬冊及銀行賬冊之利率風險由集團風險部以合約名義金額、期限及利率感應限額為組合，分別每日及每月管理及監控。

25. Management of risks (Continued)

(e) Liquidity risk

The Group manages its liquidity on a prudent basis to ensure that a sufficiently high liquidity ratio relative to the statutory minimum is maintained throughout the year. As disclosed in the capital adequacy and liquidity ratios shown below, the average liquidity ratio of the Group during the year was well above the 25% minimum ratio set by the Banking Ordinance.

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

The Group's funding comprises mainly deposits of customers, certificates of deposit and medium term notes issued. The issuance of certificates of deposit and medium term notes helps lengthen the funding maturity and reduce the maturity mismatch. Short-term interbank deposits are taken on a limited basis and the Group is a net lender to the interbank market.

(f) Interest rate risk

The Group's interest rate risk mainly arises from the funding of fixed-rate loans and investments in fixed income securities by floating rate deposits. When interest rates rise or fall, the interest spread and net interest income will be affected as interest income generated by the existing fixed-rate loans or securities will not change. In addition to changes in earnings, the variations in market interest rates will also affect the economic values of the Group's assets, liabilities and off-balance sheet positions, which can, in turn affect the net worth of the Group.

The Group's interest rate risk is mitigated in part by the use of interest rate hedging instruments. The overall and individual portfolio interest rate risk is managed and monitored using a combination of notional, duration and sensitivity limits by Group Risk, on a daily basis for the trading book and on a monthly basis for the banking book.

(廿五) 風險管理 (續)

(庚) 外匯風險

除美元外，本集團承擔的淨外匯風險十分有限，因為由客戶交易引致的外匯持倉及外匯結存，通常會與其他的客戶交易或市場交易互相抵銷。淨風險持倉，無論是個別貨幣或總體而言，每日皆由本集團財資部控制在已制定的外匯限額內。

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

以下為本集團於二零零五年六月三十日所持有的美元外匯狀況 (佔所持有外匯淨盤總額百分之十或以上)，及於當日之第二大外匯淨盤總額狀況：

25. Management of risks (Continued)

(g) Foreign exchange risk

The Group has very limited net foreign exchange exposure (except for USD) as foreign exchange positions and foreign currency balances arising from customer transactions are normally offset against other customer transactions or transactions with the market. The net exposure positions, both by individual currency and in aggregate, are managed by the Treasury of the Group on a daily basis within established foreign exchange limits.

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

The following is the Group's net USD position which constitutes more than 10% of the total net position in all foreign currencies as at 30th June 2005, and the next largest net foreign exchange position as at the same date:

	Equivalent in millions of Hong Kong dollars	二零零五年六月三十日 As at 30th June 2005		二零零四年十二月三十一日 As at 31st Dec. 2004	
		美元 USD	歐元 EUR	美元 USD	歐元 EUR
現貨資產	Spot assets	18,923	1,098	21,602	1,968
現貨負債	Spot liabilities	(18,716)	(446)	(19,270)	(1,053)
遠期買入	Forward purchases	11,748	555	13,234	254
遠期賣出	Forward sales	(11,364)	(1,252)	(12,126)	(1,172)
長 / (短) 盤淨額	Net long/(short) position	591	(45)	3,440	(3)

(廿五) 風險管理 (續)

(辛) 市場風險

市場風險乃指由市場上利率及價格變化而引致對資產、負債及資產負債表外持倉之虧損風險。本集團之市場風險一般只涉及作買賣交易而在外匯、債務證券、權益性證券及衍生工具之持倉。

各類交易之市場風險均在資產及負債管理委員會及財資風險委員會所制定之風險限額及指引內處理。整體風險限額包含利率、外匯及股票價格之不同風險類別的限額細分。風險管理及監察是透過持倉上限、止蝕限額、名義金額及本金金額、感應限額及運用市場風險數值之各種風險管理方法執行。所有涉及市場風險的買賣持倉受財資部監察及管理，需要每日按市值入賬。獨立的監察、價值評估、檢查及確認交易均由本集團風險部之中的風險管理及監控部負責，該部門獨立於財資部。風險管理及監控部透過每日的風險監控過程，比較風險和已審批額度及提議具體行動去確保整體及個別市場風險被限制於在可接受水平內。

本集團之審核部則會進行定期的獨立檢查及以抽查方式查核，以確保財資部和有關負責部門遵從市場風險限額與指引。所有不符合核准限額之情況均須經適當管理層或資產及負債管理委員會審查及批准。

市場風險數值是一種按既定信心水平估計由於市場匯率、利率及股票價格在特定持盤時間內之變動而使風險持倉盤可能出現虧損之統計技巧。本集團計算市場風險數值之模式採用方差／協方差基準，利用過往市場利率及價格變動資料，按百分之九十九信心水平及一日持倉期之基準作推算。

25. Management of risks (Continued)

(h) Market risk

Market risk is the risk of losses in assets, liabilities and off-balance sheet positions arising from movements in market rates and prices. Generally, the Group's market risk is associated with its positions in foreign exchange, debt securities, equity securities and derivatives in the trading book.

Market risk exposure for different types of transactions is managed within risk limits and guidelines approved by ALCO and the Treasury Risk Committee. The overall risk limits comprise sub-limits for each of the different risk categories which are, interest rate, foreign exchange and equity prices. Exposures are managed and monitored by a combination of risk management techniques including position limits, stop-loss limits, notional and principal amounts, sensitivity limits and value-at-risk ("VaR"). All market risk trading positions are subject to daily mark-to-market valuation, monitored and managed by Treasury. Independent monitoring, valuation, checking and trade confirmation are undertaken by the Risk Management and Control Department ("RMCD"), which as part of Group Risk, is independent of the Treasury Division. RMCD, through the daily risk monitoring process, measures risk exposures against approved limits and initiates specific action to ensure the overall and the individual market risks are managed within an acceptable level.

The Group's Internal Audit function performs regular independent review and testing to ensure compliance with the market risk limits and guidelines by Treasury and other relevant units. All exceptions to approved limits have to be reviewed and sanctioned by the appropriate level of management or ALCO.

VaR is a statistical technique which estimates the potential losses that could arise on risk positions taken, due to movements in foreign exchange, interest rates and equity prices over a specified time horizon and to a given level of confidence. The model used by the Group to calculate portfolio and individual VaR on a variance/co-variance basis uses historical movements in market rates and prices, a 99% confidence level and a 1-day holding period.

(廿五) 風險管理 (續)

25. Management of risks (Continued)

(辛) 市場風險 (續)

(h) Market risk (Continued)

交易賬冊中各項風險之市場風險數值如下：

The VaR for the various types of exposures in the trading book were as follows:

		二零零五年 六月三十日 As at 30th June 2005 HK\$'000	二零零四年 十二月三十一日 As at 31st Dec. 2004 HK\$'000
買賣盤之利率風險值	Interest rate risk trading exposures	2,116	2,247
外匯買賣盤之風險值	Foreign exchange trading exposures	588	2,892
股票買賣盤之風險值	Equity trading exposures	136	—
買賣盤之市場風險值	Market risk trading exposures	2,840	5,139
年／期度內平均市場風險值	Average VaR for the period/year	3,517	4,815

本集團在截至二零零五年六月三十日止之六個月內，從市場風險相關的財資活動賺取的收益平均每日達494,000港元(2004: 309,000港元)，其標準差是5,509,000港元(2004: 2,699,000港元)。截至二零零五年六月三十日止之六個月內及截至二零零四年六月三十日止之六個月內主要交易活動的每日平均收益及標準差分別分析如下：

The average daily revenue earned from the Group's market risk related treasury activities in the six months ended 30th June 2005 was HK\$494,000 (2004: HK\$309,000) and the standard deviation for such daily revenue was HK\$5,509,000 (2004: HK\$2,699,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing activities for the six months ended 30th June 2005 and 30th June 2004 respectively:

		每日平均收益 Average daily revenue		標準差 Standard deviation	
		2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000
外匯交易	Foreign exchange dealing	775	352	5,694	905
利率交易	Interest rate dealing	(246)	(43)	1,505	2,711

(廿五) 風險管理 (續)

25. Management of risks (Continued)

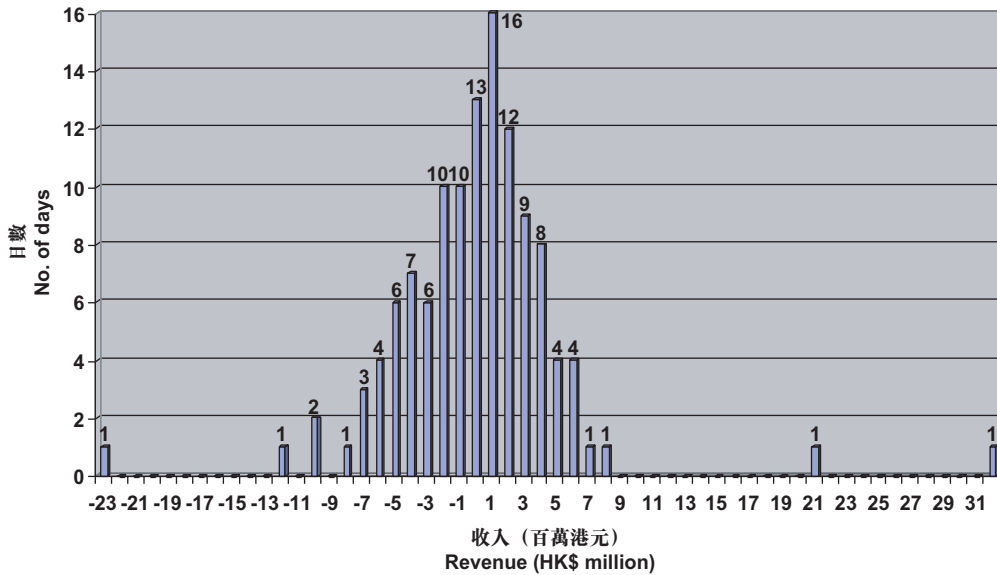
(辛) 市場風險 (續)

(h) Market risk (Continued)

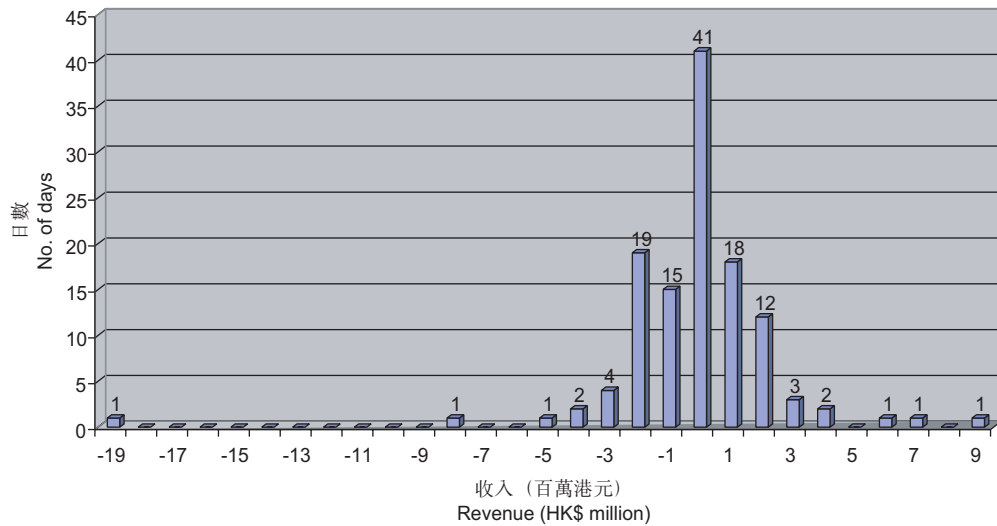
下圖是與市場風險有關的每日收入分佈情況：

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

截至二零零五年六月三十日止六個月
Six months ended 30th June 2005



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



截至二零零五年六月三十日止之六個月內，最高單日收益為32,449,000港元(2004：9,691,000港元)，最大單日虧損為22,885,000港元(2004：18,792,000港元)。

During the six months ended 30th June 2005, the highest daily gain was HK\$32,449,000 (2004: HK\$9,691,000) and the maximum daily loss was HK\$22,885,000 (2004: HK\$18,792,000).

(廿五) 風險管理 (續)

(壬) 衍生工具的使用

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

(i) 持作或發行作買賣用途的衍生工具

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

(ii) 持作或發行作對沖用途的衍生工具

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

(癸) 審核處的角色

本集團之審核部是一獨立、客觀及顧問性質的部門，集中於改進和維持本集團業務及後勤部門良好的內部控制。該部向一獨立非執行董事所主持的集團審核委員會作出功能上的匯報。審核部處理各類不同形式的內部控制活動，例如合規性審計、操作和系統覆查以確定本集團控制系統的完整性、效率和有效性。

25. Management of risks (Continued)

(i) Use of derivatives

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

i) Derivatives held or issued for trading purposes

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

ii) Derivatives held or issued for hedging purposes

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

(j) The role of Internal Audit

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

財務比率

FINANCIAL RATIOS

		截至 二零零五年 六月三十日止 之有關期間 Period ended 30th June 2005	截至 二零零四年 六月三十日止 之有關期間 Period ended 30th June 2004
淨利息收入／營運收入	Net interest income/operating income	68.8%	74.7%
成本對收入比率	Cost to income ratio	47.3%	34.4%
平均總資產回報(年率)	Return on average total assets (annualised)	1.2%	1.7%
平均股東資金回報(年率)	Return on average shareholders' funds (annualised)	10.9%	16.9%
貸款對存款比率(不包括 優先及後償債務)	Loan to deposit ratio (excluding senior and subordinated debts)	69.1%	62.1%
資本充足比率(註一)	Capital adequacy ratio (Note 1)	19.2%	18.3%
經調整資本充足比率(註二)	Adjusted capital adequacy ratio (Note 2)	19.7%	18.1%
平均流動資產比率(註三)	Average liquidity ratio (Note 3)	53.0%	56.3%
淨息差(年率)	Net interest margin (annualised)	2.06%	3.02%

附註：

Notes:

- 一、 資本充足比率為集團內附屬銀行公司(包括大新銀行有限公司，豐明銀行有限公司及D.A.H. Hambros Bank (Channel Islands) Limited)於六月三十日或十二月三十一日之合併比率。資本充足比率乃參照銀行業條例第三附表所載列之方法計算。
 - 二、 經調整資本充足比率表示集團內附屬銀行公司於六月三十日或十二月三十一日之合併比率。該經調整資本充足比率乃參照香港金融管理局所發出監管政策手冊「就市場風險維持充足資本」指引所載列之方法計算。是項經調整比率已顧及市場風險。
 - 三、 流動資產比率表示集團內附屬銀行公司於有關報告期間每個曆月的平均流動資產比率的簡單平均數。流動資產比率是參照銀行業條例第四附表所載列之方法計算。
 - 四、 銀行業條例下之最低資本充足比率及流動資產比率僅適用於集團內於本地註冊成立之銀行附屬公司。上述合併比率僅供參考之用。
1. The capital adequacy ratio represents the combined ratio of the banking subsidiaries within the Group comprising Dah Sing Bank, Limited, MEVAS Bank Limited and D.A.H. Hambros Bank (Channel Islands) Limited as at 30th June or 31st December. The capital adequacy ratio is computed with reference to the methods set out in the Third Schedule of the Banking Ordinance.
 2. The adjusted capital adequacy ratio represents the combined ratio of the banking subsidiaries within the Group as at 30th June or 31st December. The adjusted capital adequacy ratio is computed with reference to the methods set out in the Supervisory Policy Manual entitled "Maintenance of Adequate Capital Against Market Risks" issued by the Hong Kong Monetary Authority. The adjusted ratio takes into account market risk.
 3. The liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of the banking subsidiaries within the Group for the relevant reporting period. The liquidity ratio of each banking subsidiary within the Group is computed with reference to the methods set out in the Fourth Schedule of the Banking Ordinance.
 4. Only the locally incorporated banking subsidiaries within the Group are subject to the minimum capital adequacy ratio and liquidity ratio requirements under the Banking Ordinance. The above ratios of the Group are calculated for reference only.

扣減後的資本基礎

根據本集團附屬銀行公司資本基礎之扣減後的綜合資本基礎及用作計算上述資本充足比率的分析如下：

CAPITAL BASE AFTER DEDUCTIONS

The consolidated capital base after deductions used in the calculation of the above capital adequacy ratios, based on the capital bases of the banking subsidiaries of the Group is analysed as follows:

		二零零五年 六月三十日 At 30th June 2005 HK\$'000	二零零四年 十二月三十一日 At 31st Dec. 2004 HK\$'000
核心資本	Core capital		
繳足股款的普通股股本	Paid up ordinary share capital	1,207,749	1,207,749
儲備	Reserves	4,593,041	4,464,858
核心資本總額	Total core capital	<u>5,800,790</u>	<u>5,672,607</u>
附加資本	Supplementary capital		
土地及土地權益價值 重估的儲備	Reserve on revaluation of land and interest in land	190,775	197,326
持有非用作買賣用途的證券 的重估儲備	Reserve on revaluation of holding of securities not held for trading purposes	(83,107)	52,957
綜合評估減值準備／ 一般呆賬準備	Collective impairment allowance/General provisions for doubtful debts	128,329	324,598
監管儲備	Regulatory reserve	244,835	–
有期後償債務	Term subordinated debts	<u>2,137,273</u>	<u>971,794</u>
可計算的附加資本總額	Total eligible supplementary capital	<u>2,618,105</u>	<u>1,546,675</u>
扣減前的資本基礎總額	Total capital base before deductions	8,418,895	7,219,282
資本基礎總額的扣減項目	Deductions from total capital base	<u>(83,504)</u>	<u>(83,297)</u>
扣減後的資本基礎總額	Total capital base after deductions	<u>8,335,391</u>	<u>7,135,985</u>

中期股息

董事會宣派截至二零零五年六月三十日止六個月中期股息每股0.23港元予二零零五年九月十五日辦公時間結束時載於股東名冊上之股東，各股東可選擇收取以新發行及經繳足之新股代替現金股息。零碎部份之新股將不予發行選擇收取新股之股東，惟將滙集出售，收益撥歸本公司賬內。該等新股除未能享有二零零五年中期現金股息外，一切權益與現已發行股份相同。選擇以股代息收取中期股息獲發新股數目，乃按本公司已發行股份截至二零零五年九月九日（包括當日）止連續五個交易日在香港聯合交易所有限公司之平均收市價作基準。以股代息建議詳情連同有關選擇表格約於二零零五年九月十六日寄發各股東。以股代息建議仍有待香港聯合交易所有限公司上市委員會批准。現金股息之股息單及／或以股代息之新股股票將於二零零五年十月十二日（星期三）以平郵方式寄發各股東。

暫停辦理股東登記

本公司將於二零零五年九月十二日（星期一）至二零零五年九月十五日（星期四）（包括首尾兩天）暫停辦理股東登記。如欲符合資格享有中期股息，須於二零零五年九月九日（星期五）下午四時或以前將過戶表格連同有關股票送達香港皇后大道東一八三號合和中心十七樓香港中央證券登記有限公司，本公司之股東登記處辦理過戶手續。

集團概覽

本集團於二零零四年獨立上市時，清晰表明其增長策略，當中包括內部增長及透過併購活動的潛在增長。於回顧期內，本公司宣佈收購怡泰富財務（香港）有限公司（「怡泰富財務」）以及收購澳門商業銀行及其相關綜合及人壽保險業務。

INTERIM DIVIDEND

The Directors declared an interim dividend of HK\$0.23 per share for the six months ended 30th June 2005, with an option to receive newly issued and fully paid shares in lieu of cash dividend to Shareholders whose names are on the Register of Shareholders as at the close of business on 15th September 2005. No fractional shares will be issued to Shareholders electing for scrip dividend and shares representing fractional entitlements will be disposed of for the benefit of the Company. Newly issued shares will rank *pari passu* in all respects with the existing shares except that they will not rank for the 2005 interim cash dividend. New share entitlements will be calculated by reference to the average of the closing prices of the existing shares of the Company on The Stock Exchange of Hong Kong Limited for the five trading days up to and including 9th September 2005. Particulars of the scrip dividend scheme will be detailed in a circular to Shareholders together with an election form to be released on or about 16th September 2005. The scrip dividend scheme is subject to the approval of the Listing Committee of The Stock Exchange of Hong Kong Limited. Dividend warrants for cash dividend and/or share certificates for the scrip dividend will be sent to Shareholders by ordinary mail on or about Wednesday, 12th October 2005.

CLOSING OF REGISTER OF SHAREHOLDERS

The Register of Shareholders will be closed from Monday, 12th September 2005 to Thursday, 15th September 2005, both days inclusive. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 9th September 2005.

CORPORATE OVERVIEW

At the time of the separate listing of Dah Sing Banking Group in 2004, the Group articulated its strategy for growth, including organic growth and potential growth through M&A activities. During the period under review, the Company announced the acquisition of Pacific Finance (Hong Kong) Limited ("Pacific Finance") and the acquisition of Banco Comercial de Macau ("BCM").

集團概覽 (續)

本公司於二零零五年六月二十八日宣佈透過大新銀行有限公司(「大新銀行」)簽訂一份協議，以九億三千六百萬港元向怡和有限公司(「怡和」)及J.P. Morgan International Finance(「JPMIF」)收購怡泰富財務百分之一百權益。該收購須取得若干監管批准後方告完成，預期將於二零零五年十月二十七日或以前完成。怡泰富財務主要在香港提供消費及中小型企業融資服務，包括運輸、設備、物業融資與無抵押貸款，並由怡和及JPMIF各佔百分之五十所持有。怡泰富財務於一九九四年十一月成立，並已於其主要業務領域建立均衡及多元化之業務產品及客戶基礎。根據怡泰富財務截至二零零四年十二月三十一日止年度之經審核財務報表，其股東資金為五億三千一百八十萬港元、除稅後溢利則為六千八百萬港元。

本公司於二零零五年八月三日宣佈透過大新銀行簽訂一份協議，向Banco Comercial Português(「BCP」)收購澳門商業銀行百分之一百股權及其附屬綜合保險及人壽保險公司百分之九十六股權，總代價為十七億一千九百萬澳門幣(約十六億六千九百萬港元)。該收購須待若干慣常之交易成交條件(包括取得香港及澳門監管當局之批准)達成後方告完成，預期將於本年年底前完成。澳門商業銀行成立於一九七四年，主要在澳門提供零售及商業銀行服務，提供多元化之產品及服務，以分行數目計算為澳門第三大銀行，而以資產總額計算為澳門第八大銀行。澳門商業銀行集團透過其相關人壽及綜合保險公司，其保險業務以保險總額計算為澳門最大綜合保險公司及第五大人壽保險公司，以管理資產總額計算，更為澳門第二大之退休金管理公司。於二零零四年十二月三十一日，澳門商業銀行之資產淨值為五億四千九百六十萬澳門幣，其除稅後溢利則為六千三百三十萬澳門幣。收購澳門商業銀行標誌本集團進駐逐漸富裕、經濟持續增長之澳門市場，並促使本集團於當地銀行業務領域上取得相當之市場佔有率。在完成收購澳門商業銀行後，本公司及大新銀行計劃在將其相關之綜合及人壽保險公司轉讓予分別經營保險業務之母公司，大新金融集團有限公司。

收購怡泰富財務及澳門商業銀行，均符合本集團之併購策略，並與其現有之銀行業務相符。收購怡泰富財務將擴大本集團於香港之業務規模，而收購澳門商業銀行則讓本集團在澳門這一新市場之銀行業務中處於有利位置。

CORPORATE OVERVIEW (Continued)

The Company announced on 28th June 2005 that, through Dah Sing Bank (“DSB”), it had entered into an agreement to acquire 100% of Pacific Finance from Jardine Matheson & Co. (“Jardine Matheson”) and J.P. Morgan International Finance (“JPMIF”) for HK\$936 million. It is expected that the acquisition will be completed by 27th October 2005, subject to the fulfilment of a number of regulatory approvals. Pacific Finance is primarily engaged in consumer and SME finance activities in Hong Kong in relation to vehicle finance, equipment finance, property finance and unsecured loans, and is owned as to 50% by Jardine Matheson and 50% by JPMIF. Pacific Finance was incorporated in November 1994, and has developed a balanced and diversified product and customer base in its major business areas. Based on the audited financial statement of Pacific Finance for the year ended 31st December 2004, the shareholders’ funds of Pacific Finance were HK\$531.8 million and its net profits after taxation was HK\$68.0 million.

The Company announced on 3rd August 2005 that, through DSB, it had entered into an agreement to acquire 100% of BCM and 96% equity interests in BCM’s general and life insurance subsidiaries, from Banco Comercial Português (“BCP”), for a total consideration of MOP1,719 million (approximately HK\$1,669 million). It is expected that the acquisition will be completed by the end of the year, subject to the satisfaction of a number of customary closing conditions, including regulatory approvals from both Hong Kong and Macau authorities. BCM is primarily engaged in retail and commercial banking in Macau. Established in 1974, BCM is the third largest bank in Macau by number of branches and the eighth largest by total assets, and offers a diversified range of product and services. Through its associated life and general insurance companies, the BCM group also includes the largest general insurance company in Macau and the fifth largest life assurance company, on the basis of gross written premiums, and is also the second largest pension fund administrator, by assets under management, in Macau. As at 31st December 2004, the net asset value of BCM was MOP549.6 million, and its profit after tax was MOP63.3 million. The acquisition of BCM represents the Group’s entry into the Macau market, which is an increasingly affluent market with a growing economy, and allows the Group to gain significant market share in the banking businesses. It is the intention of the Company and of DSB, following completion of the acquisition of BCM, to transfer its related general and life insurance companies to Dah Sing Financial Holdings Limited, the parent company which separately operates insurance businesses.

The acquisitions of Pacific Finance and BCM are wholly in line with both the M&A strategy of the Group and its existing business areas of banking. Pacific Finance will bring additional scale to our businesses in Hong Kong, whilst BCM gives us a meaningful position in a new market, Macau, in the banking business.

業務回顧

隨著新行政長官上任，香港之經濟於上半年持續增長及失業率持續下降均有利於本集團之銀行業務，特別是本集團銀行業務之貸款增長及信貸成本。

然而，受本年年初銀行同業拆息飆升影響，加上香港最優惠利率增長放緩，利率狀況極為不利，令本地最優惠利率與同業拆息間之息差收窄。二零零五年五月十八日宣佈對聯繫匯率制度之調整，進一步推高本港銀行同業拆息及縮減本地最優惠利率與同業拆息之間之息差。從更廣泛之投資角度看，聯邦儲備局調高美元利率使孳息曲線拉平，從而減少早前於市場出現之獲利良機。

受惠於相對良好之香港經濟狀況及中國大陸經濟之持續強勁增長，本集團在商業銀行業務之帶動下於期內達至百分之九點七之貸款增長，而旗下所有主要借貸業務(包括按揭借貸、信用卡及無抵押消費借貸)亦能達至貸款增長。

由於香港經濟狀況改善及個人破產宗數持續減少，信貸質素得以顯著改善。整體貸款減值支出較二零零四年同期下降百分之七十八點五至三千一百萬港元。本集團個人銀行業務之信貸成本更錄得令人鼓舞之顯著跌幅，信用卡組合之撇賬率由二零零四年上半年百分之四點四下跌至二零零五年上半年百分之二點一。此撇賬率水平乃本集團自二零零一年信貸成本開始上升以來之最低水平。負資產按揭亦大幅減少，截至本年中僅佔本集團整體按揭總額百分之一點二。

本集團持續增聘員工以支援其高於市場之貸款增長及應付合規監督及監管之更高要求，此舉連同增加現有員工薪酬及為提升後勤辦公室系統而增加資訊科技的成本，導致營運支出上升。

BUSINESS REVIEW

With the appointment of a new Chief Executive for the SAR, Hong Kong's economy continued to grow in the first half of the year, and unemployment continued its downward trend, both of which were beneficial for our banking business, particularly as regards loan growth and credit cost in our banking business.

Interest rate conditions, however, were adverse, affected by sharp rises in interbank rates from the early part of the year, with a slower rate of increase in the Hong Kong Prime rate, thus narrowing the spread between Prime and HIBOR. The adjustments to the Linked Exchange Rate System announced on 18th May 2005, had the effect of further increasing the Hong Kong interbank rates, and reducing the Prime/HIBOR spread. On the wider investment arena, the increases in US interest rates by the Federal Reserve led to a flattening of the yield curve and reducing the opportunities for the market gains experienced previously.

Benefitting from the relatively benign economic conditions in Hong Kong, and the continued strong growth of the economy in Mainland China, we were able to achieve loan growth for the period of 9.7%, principally driven by our Commercial Banking business, although we were also able to achieve loan growth in all of our main lending businesses, including mortgage lending, credit cards and unsecured consumer lending.

Credit quality improved significantly as a result of the improved economic conditions and a continuing reduction in the number of personal bankruptcies in Hong Kong. Overall loan impairment charges reduced by 78.5% compared with the same period in 2004 to HK\$31 million. We were particularly encouraged by a substantial reduction in the credit cost in our Personal Banking division, with charge-off on our credit card portfolio falling from 4.4% in the first half of 2004 to 2.1% in the first half of 2005, on an annualised basis. This level of charge-off is the lowest level that we have experienced since credit costs started to increase in 2001. Negative equity mortgages also reduced substantially, and at the mid-year, only represented 1.2% of our overall mortgage book.

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

業務回顧 (續)

雖然經濟狀況有助本集團之所有主要借貸業務持續增長，然而市場之利息狀況，特別是本地最優惠利率與同業拆息間之息差顯著收窄，導致期內資金成本上漲，對本集團借貸息差具負面影響。儘管今年上半年信貸息差收窄對期內之出售收益有莫大貢獻，然而利息狀況卻不利於本集團之財資業務。

本集團之深圳分行業績於期內穩步上揚，自二零零四年六月起之首年全經營已錄得溢利。本集團將繼續開拓中國大陸市場之商機，務求進一步擴大其網絡及業務。

財務回顧

在應用新會計準則要求下，本集團截至二零零五年六月三十日止六個月之股東應佔溢利為四億六千一百萬港元，較二零零四年上半年減少百分之十四點五。

儘管二零零五年上半年貸款資產錄得強勁增長，投機資金流出導致同業拆息急速上升，加上香港金融管理局推出三項優化聯繫匯率制度運作之措施，導致二零零五年上半年本地最優惠利率與同業拆息間之息差收窄。據此，利息支出上升超越利息收入之增幅。與二零零四年同期比較，淨利息收入減少二億二千一百萬港元或百分之二十五點六。根據新會計準則之變動，資金管理所產生之貨幣掉期須確認為買賣衍生工具，致使淨利息收入三千六百萬港元不獲確認。因此，在資金成本增長之帶動下，淨息差由去年同期百分之三點零二收窄至百分之二點零六。

淨服務費及佣金收入減少百分之十一點四。由於利率上升，客戶轉存至銀行存款以致財富管理產品之收費收入下降。

淨買賣收入上升二千三百萬港元，主要因會計準則變動為貨幣掉期合約帶來重估收益。其他營運收入增加一百萬港元或百分之五點四。

鑑於本集團增加開支以支援業務增長及加強營運能力，營運支出因而增加了百分之十點九。由於較高人事費用，廣告支出增加及投資新系統而導致額外的電腦支出，成本對收入比率由去年同期百分之三十四點四上升至百分之四十七點三。

BUSINESS REVIEW (Continued)

Whilst economic conditions were conducive to volume growth in all of our major lending businesses, the interest rate conditions in the market, particularly the significantly narrower Prime/HIBOR spread, had a negative impact on the lending spreads we were able to achieve, due to the higher funding cost experienced for the period. The interest rate conditions were also negative for our treasury business, although tightening credit spreads in the first part of the year were a major contributor to the healthy disposal gains achieved during the period.

Our Shenzhen branch continued to make steady progress during the period, and we are pleased that it has been able to report a profit for its first full year of operation, since June 2004. We continue to explore opportunities to develop further our network and business in the Mainland China market.

FINANCIAL REVIEW

Allowing for changes due to the new accounting standards introduced during the period, profit attributable to shareholders of the Group for the six months ended 30th June 2005 was HK\$461 million, 14.5% lower than the first half of 2004.

Despite the aggressive growth in loan assets in the first half of 2005, rapidly rising HIBOR triggered by the outflow of speculative capital and the introduction of measures to refine the operation of the Linked Exchange System by the Hong Kong Monetary Authority resulted in a contraction in the Prime-Hibor spread during the first half of 2005. As a result, the growth in interest expense outpaced the growth in interest income. Net interest income reduced by HK\$221 million or 25.6% when compared with the same period in 2004. Under the new accounting standards, currency swaps entered into for funding purposes are now treated as trading derivatives, resulting in derecognition of net interest income of HK\$36 million. Consequently, the net interest margin narrowed to 2.06% from 3.02% in the same period last year driven mainly by the rising cost of funds.

Net fee and commission decreased by 11.4%. Higher interest rates resulted in lower fee income from wealth management products as customers switched their money into bank deposits.

Net trading income rose HK\$23 million due mainly to the inclusion of a revaluation gain on funding currency swaps arising from the change in accounting standard. Other operating income increased by HK\$1 million or 5.4%

Operating expenses rose 10.9% as the group increased its spending to support business growth and strengthen operational capabilities. The cost to income ratio increased to 47.3% in the period from 34.4% in the corresponding period last year as a result of higher staff costs, increased advertising spend and additional computer expenses arising from the investment in new systems.

業務回顧 (續)

扣除減值開支前之營運溢利為四億九千四百萬港元，較二零零四年上半年減少二億六千七百萬港元或百分之三十五點一。

由於市場環境好轉、失業率下跌及物業價格上升，以及可取得消費信貸及中小企業借貸之信貸數據，期內資產質素大幅改善。新增準備之減少、收回款項之增加及因採納新會計準則導致一般準備之回撥，令貸款及墊款減值虧損減少一億一千三百萬港元或百分之七十八點五至三千一百萬港元。

期內扣除減值開支後之營運溢利為四億六千三百萬港元，較二零零四年上半年減少百分之二十五。

期內出售可供出售證券之淨收益為九千萬港元，較二零零四年上半年三千五百萬港元之出售溢利上升百分之一百五十五點六。

期內一般業務溢利為五億五千三百萬港元，較去年同期下跌百分之十五點二。

於二零零五年六月三十日，本集團之貸款總額達三百五十六億七千三百萬港元，較去年年底上升百分之九點七。各不同種類貸款均錄得增長，尤其以房產及按揭融資，貿易融資及汽車融資更為強勁。客戶存款(包括結構性存款)總額為四百四十一億一千萬港元，較二零零四年年底起上升百分之一點五。已發行之存款證達七十億五千三百萬港元，其中三十六億五千九百萬港元為零售存款證。其他已發行債務證券總額為二十三億一千九百萬港元。貸款對存款比率上升百分之七至百分之六十九點一。

大新銀行乘著融資市場之良好市況，於二零零五年四月額外發行後償債務一億五千萬美元，藉以加強其資本基礎以促進業務增長。

前瞻

本集團預期香港經濟將於本年下半年持續增長，而中國大陸經濟增長率雖稍微放緩，但仍將有理想表現。本集團相信，此趨勢允許本集團維持全部主要借貸範疇交易量增長的目標。經濟狀況改善亦有助提升信貸質素，儘管本集團認為長遠而言將難以維持目前極低之信貸成本水平。然而，經濟改善勢將對本集團成本增加上升壓力。

FINANCIAL REVIEW (Continued)

Operating profit before impairment charges was HK\$494 million, which was HK\$267 million or 35.1% lower than the first half of 2004.

Due to improved market conditions, lower unemployment and appreciation of property prices, as well as sharing of credit data in consumer finances and SME lending, asset quality in the period improved significantly. Lower new provisions, higher recoveries and new approaches to assessing loan impairment according to the new accounting standards reduced the impairment charges on loans and advances by HK\$113 million or 78.5% to HK\$31 million.

Operating profit after impairment charges for the period was HK\$463 million, 25% lower when compared with the first half of 2004.

There was a net gain on disposal of available-for-sale securities in the period of HK\$90 million, up 155.6% when compared with the HK\$35 million disposal profit in the first half of 2004.

Profit on ordinary activities for the period was HK\$553 million, a drop of 15.2% relative to the same period last year.

As at 30th June 2005, the Group's total gross loans and advances amounted to HK\$35,673 million, up 9.7% relative to the end of last year. Growth was recorded in most loan types, and was particularly strong in property and mortgage finance, trade finance, and transport financing. Customers' deposits including structured deposits totaled HK\$44,110 million, an increase of 1.5% since the end of 2004. Issued certificates of deposit amounted to HK\$7,053 million of which retail certificates of deposit accounted for HK\$3,659 million. Other issued debt securities totaled HK\$2,319 million. The loan to deposit ratio increased to 69.1%, up 7%.

Taking advantage of the benign credit market, Dah Sing Bank issued additional subordinated debt of US\$150 million in April 2005 in order to strengthen its capital base in furtherance of its business growth.

PROSPECTS

We expect that the Hong Kong economy will continue to grow in the second half of the year, and despite some slowing in the rate of growth, that the Mainland China economy will also continue to perform well. We believe that this will allow us to continue to target volume growth in all of our major lending areas. Better economic conditions will also support good credit quality, although we believe that the current very low levels of credit cost would be difficult to maintain over the long term. However, the improving economy is likely to continue to place upwards pressure on our costs.

前瞻 (續)

本集團已策略性地採取多項措施，包括透過內部增長及併購行動來擴展業務。本集團預期可於二零零五年下半年完成收購怡泰富財務及澳門商業銀行，並將致力確保以快速有效之方式完成有關整合。

本集團仍堅守其增長策略，相信銀行市場之低息差將會持續一段時間，而爭取貸款增長仍為一個有效減低低息差壓力的方法。香港仍然屬於本集團核心市場，惟有見及中國內地無數商機提供之新機會，這乃推動本集團擴展至作為通往珠江三角洲西部大門之澳門市場的決定的因素。

董事權益

於二零零五年六月三十日，根據本公司依循「證券及期貨條例」第352條規定而設置之董事及最高人員權益及淡倉登記冊所載記錄顯示，或因遵照上市公司董事進行證券交易的標準守則令本公司及聯交所獲知，各董事按照「證券及期貨條例」第XV部界定所持有本公司及其相聯法團之股份、股本衍生工具及債券之權益及淡倉詳情如下：

PROSPECTS (Continued)

Strategically, we have taken a number of steps to expand our business both organically and through M&A activities. We expect to complete the acquisitions of both Pacific Finance and BCM in the second half of 2005, and will work to ensure that integration with our group will take place in a speedy and efficient manner.

We remain committed to our strategy of growth. The lower margins available in the banking market we believe will persist for some time to come, and that loan growth remains an effective way in which to combat this margin pressure. Whilst Hong Kong remains our core market, we see clear opportunities in the Mainland, and this has been a driving factor in our decision to expand into Macau, which forms a gateway into the Western part of the Pearl River Delta.

DIRECTORS' INTERESTS

At 30th June 2005, the interests of the Directors in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance Ordinance (the "SFO")) recorded in the register of directors' and chief executive's interests and short positions required to be maintained under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:—

		普通股股份之數量			合計普通股	
		Number of ordinary shares			股份權益	佔全部股本
		個人權益	法團權益 ⁽¹⁾	其他權益	Total	之百分比
董事	Directors	Personal	Corporate	Other	Interests in	% of the
		Interests	Interests ⁽¹⁾	Interests	Number of	Issued Share
					Ordinary Shares	Capital
持有本公司每股面值1港元的普通股股份		Number of ordinary shares of HK\$1 each in the Company				
王守業	David Shou-Yeh Wong	–	719,956,596 ⁽²⁾	–	719,956,596	78.27
持有大新金融每股面值2港元的普通股股份		Number of ordinary shares of HK\$2 each in DSFH				
王守業	David Shou-Yeh Wong	–	4,416,768	92,132,682 ⁽³⁾	96,549,450	38.84
莊先進	John William Simpson	10,000 ⁽⁴⁾	–	–	10,000	0.00
趙龍文	Lung-Man Chiu (John Chiu)	38,800	–	–	38,800	0.02

董事權益 (續)

註：

- (1) 董事之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- (2) 由於王守業擁有大新金融96,549,450股實益股份權益，佔於二零零五年六月三十日相關已發行股本百分之三十八點八四，因而按證券及期貨條例第XV部的定義被視作擁有本公司股份之法團權益。
- (3) 此等股份乃由為王守業及其家屬利益而成立之全權信託受託人匯豐國際信託有限公司（「匯豐信託」）間接持有。
- (4) 此等股份乃由莊先進先生及其妻子共同擁有。

根據本公司及其相聯法團之認股權計劃（「該等計劃」），本公司、其控股公司、其附屬公司及其同母系附屬公司若干董事獲授予認股權之權利。截至二零零五年六月三十日止，在該等計劃下仍未行使之可認購股權結餘詳情如下：

DIRECTORS' INTERESTS (Continued)

Notes:

- (1) The corporate interest is in respect of shares held by a company in which the director has an interest of one third or more.
- (2) Such shares represent the corporate interest of David Shou-Yeh Wong under Part XV of the SFO by virtue of his interest in 96,549,450 ordinary shares of DSFH, representing 38.84% of its entire share capital currently in issue as at 30th June 2005.
- (3) Such shares are indirectly held by HSBC International Trustee Limited ("HSBCIT"), the trustee of a discretionary trust established for the benefit of David Shou-Yeh Wong and his family.
- (4) Such shares are jointly owned by John William Simpson and his wife.

Pursuant to the Share Option Schemes (the "Schemes") of the Company and its associated corporation, certain Directors of the Company, its holding company, its subsidiaries and its fellow subsidiaries were granted options under the Schemes. Details of the share options outstanding as at 30th June 2005 which have been granted under the Schemes are as follows:—

		認股權股份數目			行使價	授予日期	行使期	
		於01/01/05	期內行使	於30/06/05			由	至
		持有	Exercised	持有	Exercise	授予日期	From	To
		Held at	During	Held at	Price	Grant Date	(日/月/年)	(日/月/年)
		01/01/2005	the Period	30/06/2005	(港元)	(日/月/年)	(日/月/年)	(日/月/年)
					(HK\$)	(D/M/Y)	(D/M/Y)	(D/M/Y)
本公司之	Share Option Scheme							
認股權計劃	of the Company							
董事	Director							
趙龍文	Lung-Man Chiu (John Chiu)	250,000	—	250,000	16.70	25/11/2004	25/11/2005	25/11/2010
僱員	An Employee	250,000	—	250,000	16.70	25/11/2004	25/11/2005	25/11/2010
大新金融集團	Share Option Scheme of							
有限公司之	Dah Sing Financial							
認股權計劃	Holdings Limited							
董事	Directors							
黃漢興	Hon-Hing Wong (Derek Wong)	1,000,000	—	1,000,000	64.00	25/11/2004	25/11/2005	25/11/2010
王伯凌	Gary Pak-Ling Wang	400,000	—	400,000	64.00	25/11/2004	25/11/2005	25/11/2010
王祖興	Harold Tsu-Hing Wong	250,000	—	250,000	64.00	25/11/2004	25/11/2005	25/11/2010
僱員 ⁽²⁾	An employee ⁽²⁾	200,000	200,000	—	26.28	03/04/2000	03/04/2001	03/04/2005
		250,000	—	250,000	64.00	25/11/2004	25/11/2005	25/11/2010
其他	Other	250,000	—	250,000	64.00	25/11/2004	25/11/2005	25/11/2010

董事權益 (續)

註：

- (1) 該等計劃下授予各承授人之所有以上認股權可於授予日起計一年後依據各別指定年期按年平均有效享有，並可於獲授予日起計一年後至各別授予到期日期間以不同數額行使。
- (2) 行使日期為二零零五年三月三十一日。於行使認股權當日，大新金融股份收市價為每股49.70港元。依據其認股權計劃賦予之酌情權，大新金融以現金支付代替配發股份。該等款額為認股權行使當日大新金融股份每股收市價與其設定認購價26.28港元之溢價。支付總額為4,684,000港元，可認購200,000股之認股權則視作已全數行使。
- (3) 截至二零零五年六月三十日止六個月期間，由於大新金融附屬公司一名董事之離任，每股行使價為54.25港元之三十萬股認股權因而於期內被取消。
- (4) 截至二零零五年六月三十日止六個月期間，於該等計劃下並無授出任何認股權。
- (5) 截至二零零五年六月三十日止六個月期間，並無依據該等計劃須予界定為失效之認股權。
- (6) 在該等計劃下，並無承授人獲授予多於個人上限之認股權。

除上述所載述外，截至二零零五年六月三十日的六個月期間本公司、其控股公司、其附屬公司及其同母系附屬公司概無簽訂任何協議，使本公司董事及其配偶與未滿十八歲之子女可藉購買本公司或任何其他法團之股份或債券而取得利益。

股東權益

於二零零五年六月三十日，依據「證券及期貨條例」第336條而設置之股東股份權益及淡倉登記冊，顯示本公司已接獲有關下列持有本公司發行股本及相關股份百分之五或以上權益之通知，而已載於以上董事權益中據實披露之此等權益於下述則不再重覆。

DIRECTORS' INTERESTS (Continued)

Notes:

- (1) All the above share options granted to the grantees under the Schemes can be vested evenly over specific number of years varied by tranches of grant on yearly basis after one year from the date of grant, and can be exercised in varying amounts after one year from the dates of grant up to the expiry of exercise period of respective tranches of grant.
- (2) The exercise date was 31st March 2005. At the date of options were exercised, the closing market price per share of Dah Sing Financial Holdings Limited ("DSFH") was HK\$49.70. Instead of allotting new shares, DSFH exercised discretion as allowed under its Share Option Scheme by making a cash payment in lieu of the required share allotment. The amount is the excess of the closing price of DSFH's shares upon exercise of the options over the predetermined exercise price of HK\$26.28 each. The aggregate payment amounted to HK\$4,684,000 and the options so granted to subscribe for 200,000 shares were deemed as having exercised.
- (3) During the six months ended 30th June 2005, 300,000 share options at an exercise price of HK\$54.25 per share were cancelled under the DSFH Share Option Scheme due to resignation of a director of a subsidiary of DSFH.
- (4) During the six months ended 30th June 2005, no share options were granted under the Schemes.
- (5) During the six months ended 30th June 2005, no share options were lapsed in accordance with the terms of the Schemes.
- (6) None of the grantees under the Schemes were granted share options exceeding respective individual limits.

Apart from the above, at no time during the six months ended 30th June 2005 did the Company, its holding company, its subsidiaries or its fellow subsidiaries a party to any arrangements to enable the Directors of the Company nor their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SHAREHOLDERS' INTERESTS

At 30th June 2005, the register of shareholders' interests in shares and short positions maintained under section 336 of the SFO showed that the Company had been notified of the following interests, which are in addition to those already disclosed above in respect of Directors, being 5% or more held in the share and underlying shares of the Company.

股東權益 (續)

股東	Shareholders	身份 Capacity	合計普通股 股份權益 Total Interests in Number of Ordinary Shares	佔全部股本 之百分比 % of the Issued Share Capital
大新金融集團有限公司	Dah Sing Financial Holdings Limited	實質權益 Beneficial interest	719,956,596	78.27
匯豐國際信託有限公司	HSBC International Trustee Limited	法團權益 Corporate interest	719,956,596 ⁽¹⁾	78.27
王嚴君琴	Christine Yen Wong	因其配偶之須予披露權益 而被視作擁有權益 Deemed interest by virtue of her spouse having a notifiable interest	719,956,596 ⁽²⁾	78.27

註：

- (1) 匯豐信託乃為王守業及其家屬利益而成立之全權信託受託人，因而被視作持有大新金融的股份權益。匯豐信託須就由其受控公司持有本公司相關股份而作出披露。此等股份已於上述「董事權益」中披露。
- (2) 此等股份屬王嚴君琴被視作擁有之權益，皆因其配偶(王守業)乃大新金融之主要股東而被視作擁有本公司相關股本的權益。王嚴君琴因此須就其配偶之被視作擁有之權益而作出披露。此等權益與王守業於「董事權益」披露中所載持有之股份相同。

所有上述權益皆屬好倉。於二零零五年六月三十日，本公司之股東權益及淡倉登記冊內並無淡倉紀錄。

符合企業管治常規守則

無任何董事知悉足以合理地指出本公司在本中期報表包括之會計期間內任何時間概無或曾無遵守香港聯合交易所有限公司上市規則附錄十四建議之最佳應用守則，惟本公司之薪酬委員會，作為董事會之委員會，則於二零零五年八月十六日通過成立。

SHAREHOLDERS' INTERESTS (Continued)

股東	Shareholders	身份 Capacity	合計普通股 股份權益 Total Interests in Number of Ordinary Shares	佔全部股本 之百分比 % of the Issued Share Capital
大新金融集團有限公司	Dah Sing Financial Holdings Limited	實質權益 Beneficial interest	719,956,596	78.27
匯豐國際信託有限公司	HSBC International Trustee Limited	法團權益 Corporate interest	719,956,596 ⁽¹⁾	78.27
王嚴君琴	Christine Yen Wong	因其配偶之須予披露權益 而被視作擁有權益 Deemed interest by virtue of her spouse having a notifiable interest	719,956,596 ⁽²⁾	78.27

Notes:

- (1) By virtue of the deemed interest in DSFH shares indirectly held by HSBCIT in trust for a discretionary trust established for the benefit of David Shou-Yeh Wong and his family. HSBCIT is taken to have a duty of disclosure in relation to the relevant shares of the Company held through its controlled companies. Relevant shares have been included in the "Corporate interests" of David Shou-Yeh Wong as disclosed under the heading of "Directors' Interests" above.
- (2) Such shares represented deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong, being a substantial shareholder of DSFH and having a deemed interest in relevant share capital of the Company. Christine Yen Wong is taken to have a duty of disclosure in relation to the deemed interest of the Company held by her spouse. This interest comprised the same interests of David Shou-Yeh Wong under the heading of "Directors' Interests" above.

All the interests stated above represent long positions. As at 30th June 2005, no short positions were recorded in the register of shareholders' interests in shares and short positions.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by this report, in compliance with Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited, except that the Company's Remuneration Committee, as a Committee of the Board, was approved and set up by the Board on 16th August 2005.

符合「上市公司董事進行證券交易的標準守則」聲明

本公司已採納一套自行制定且條款不低於主板上市規則附錄十「上市公司董事進行證券交易的標準守則」所載規定的董事進行證券交易的行為守則。經向所有董事作出特定查證後，合理顯示有關「標準守則」及董事進行證券交易的行為守則所規定的標準已完全遵行。

符合監管政策手冊「本地註冊認可機構披露中期財務資料」指引

本集團已完全遵照香港金融管理局頒佈的監管政策手冊「本地註冊認可機構披露中期財務資料」指引之各項準則披露其銀行業務之業績。

薪酬及員工發展

本公司員工薪酬、薪酬政策及員工培訓的資料與二零零四年年報披露者大致相同，並無重大改變。

未經審核財務報表

本中期業績報告之財務資料為未經審核及不構成法定之賬目。

審核委員會

審核委員會在管理層的協助下，經已省覽集團沿用之會計準則與實務，並就有關內部監管及財務報告事宜（包括審閱截至二零零五年六月三十日止期間之未經審核財務報表）進行商討研究。

本公司股份買賣

截至二零零五年六月三十日止六個月期間，本公司或其任何附屬公司並無購買、出售或贖回本公司之已上市股份。

COMPLIANCE WITH MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

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

COMPLIANCE WITH SUPERVISORY POLICY MANUAL ON "INTERIM FINANCIAL DISCLOSURE BY LOCALLY INCORPORATED AUTHORIZED INSTITUTIONS"

The Group has fully complied with the requirements set out in the Supervisory Policy Manual entitled "Interim Financial Disclosure by Locally Incorporated Authorized Institutions" in disclosing the results of its banking business.

REMUNERATION AND STAFF DEVELOPMENT

There have been no material change to the information disclosed in the Company's 2004 Annual Report in respect of the remuneration of employees, remuneration policies and training schemes.

UNAUDITED FINANCIAL STATEMENTS

The financial information in this interim report is unaudited and does not constitute statutory accounts.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited financial statements for the period ended 30th June 2005.

DEALINGS IN THE COMPANY'S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares during the six months ended 30th June 2005.

中期報告

此份載有上市條例附錄十六規定全部資料之本公司二零零五年中期報告，可向香港告士打道一零八號大新金融中心三十六樓大新銀行有限公司公司秘書部索取，或於大新銀行網頁 <http://www.dahsing.com> 下載。

董事會

於二零零五年八月十七日，本公司的執行董事為王守業先生、黃漢興先生、趙龍文先生、王伯凌先生、王祖興先生、邱達宏先生。獨立非執行董事為莊先進先生、韓以德先生、史習陶先生及梁君彥先生。非執行董事為村岡隆司先生。

承董事會命
公司秘書 **蘇海倫** 謹啟

香港 二零零五年八月十七日(星期三)

INTERIM REPORT

Further copies of this 2005 Interim Report of the Company containing all the information required by Appendix 16 of the Listing Rules could be obtained from Corporate Secretarial Department, Dah Sing Bank, Limited of 36th Floor, Dah Sing Financial Centre, 108 Gloucester Road, Hong Kong; or from Dah Sing Bank's website <http://dahsing.com>.

BOARD OF DIRECTORS

As at 17th August 2005, the Executive Directors of the Company are Messrs David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Lung-Man Chiu (John Chiu), Gary Pak-Ling Wang, Harold Tsu-Hing Wong and Dennis Tat-Wang Yau. The Independent Non-executive Directors are Messrs John William Simpson, David Richard Hinde, Robert Tsai-To Sze and Andrew Kwan-Yuen Leung. The Non-executive Director is Mr. Takashi Muraoka.

By Order of the Board
H L Soo
Company Secretary

Hong Kong, Wednesday, 17th August 2005