



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)

(股份代號 Stock Code : 2356)

二零零六年度中期報告 INTERIM REPORT 2006

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」）截至二零零六年六月三十日止六個月之中期業績報告及簡明綜合財務報表。截至二零零六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五億六千六百萬元。

未經審核之中期財務報表

此等本集團未經審核之二零零六年中期簡明綜合財務報表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「中期財務報告」而編製。

The Directors of Dah Sing Banking Group Limited (the "Company") are pleased to present the Interim Report and condensed consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2006. The unaudited profit attributable to shareholders after minority interests was HK\$566 million for the six months ended 30 June 2006.

UNAUDITED INTERIM FINANCIAL STATEMENTS

The unaudited 2006 interim condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

未經審核之綜合收益賬
截至六月三十日止六個月

UNAUDITED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June

| | | 附註 Note | 2006 HK\$'000 | 2005 HK\$'000 | 變動 Variance % |
|-------------------------------|--|------------|------------------|------------------|---------------------|
| 利息收入 | Interest income | | 2,384,585 | 1,249,381 | |
| 利息支出 | Interest expense | | (1,444,155) | (604,491) | |
| 淨利息收入 | Net interest income | | 940,430 | 644,890 | 45.8 |
| 服務費及佣金收入 | Fee and commission income | | 293,343 | 232,325 | |
| 服務費及佣金支出 | Fee and commission expense | | (40,027) | (27,107) | |
| 淨服務費及佣金收入 | Net fee and commission income | | 253,316 | 205,218 | 23.4 |
| 淨買賣收入 | Net trading income | 3 | 7,517 | 61,013 | |
| 其他營運收入 | Other operating income | 4 | 42,352 | 25,699 | |
| 營運收入 | Operating income | | 1,243,615 | 936,820 | 32.7 |
| 營運支出 | Operating expenses | 5 | (560,464) | (442,723) | 26.6 |
| 扣除貸款及墊款減值 提撥前之營運溢利 | Operating profit before impairment losses on loans and advances | | 683,151 | 494,097 | 38.3 |
| 貸款及墊款之減值提撥 | Impairment losses on loans and advances | 6 | (75,270) | (30,869) | 143.8 |
| 若干投資及固定資產 損益前之營運溢利 | Operating profit before gains on certain investments and fixed assets | | 607,881 | 463,228 | 31.2 |
| 出售固定資產之淨虧損 | Net loss on disposal of fixed assets | | (17) | (233) | |
| 出售附屬公司權益之 淨收益 | Net gain on disposal of interests in subsidiaries | 7 | 4,048 | – | |
| 出售可供出售證券 淨收益 | Net gain on disposal of available-for-sale securities | | 62,403 | 90,006 | |
| 應佔共同控制實體之業績 | Share of results of jointly controlled entities | | 2,675 | 900 | |
| 可供出售證券之減值回撥 | Reversal of impairment losses on available-for-sale securities | | 25,891 | – | |
| 除稅前溢利 | Profit before income tax | | 702,881 | 553,901 | 26.9 |
| 稅項 | Income tax expense | 8 | (133,729) | (92,006) | 45.3 |
| 期間溢利 | Profit for the period | | 569,152 | 461,895 | 23.2 |
| 少數股東應佔溢利 | Profit attributable to minority interests | | (2,849) | (1,259) | |
| 本公司股東應佔溢利 | Profit attributable to shareholders of the Company | | 566,303 | 460,636 | 22.9 |
| 股息 | Dividend | | 232,854 | 211,561 | |
| 每股盈利 | Earnings per share | 9 | | | |
| 基本 | Basic | | HK\$0.61 | HK\$0.50 | |
| 攤薄 | Diluted | | HK\$0.61 | HK\$0.50 | |
| 每股股息 | Dividend per share | | | | |
| 中期股息 | Interim dividend | | HK\$0.25 | HK\$0.23 | |

未經審核之綜合資產負債表

UNAUDITED CONSOLIDATED BALANCE SHEET

| | | 二零零六年 六月三十日 | 二零零五年 十二月三十一日 | |
|----------------------------|--|-----------------------------------|-----------------------------------|-------------------|
| | 附註 Note | As at 30 June 2006 HK\$'000 | As at 31 Dec. 2005 HK\$'000 | |
| 資產 | ASSETS | | | |
| 現金及在銀行及其他 金融機構的結餘 | Cash and balances with banks and other financial institutions | 10 | 5,465,423 | 8,040,676 |
| 在銀行及其他金融機構一 至十二個月內到期的存款 | Placements with banks and other financial institutions maturing between one and twelve months | | 1,125,051 | 1,169,174 |
| 持作買賣用途的證券 | Trading securities | 11 | 6,094,674 | 5,364,375 |
| 以公平值列入損益賬之金融資產 | Financial assets at fair value through profit or loss | 11 | 1,210,166 | 1,379,163 |
| 衍生金融工具 | Derivative financial instruments | 12 | 479,761 | 153,706 |
| 各項貸款及其他賬目 | Advances and other accounts | 13 | 48,540,085 | 46,568,778 |
| 可供出售證券 | Available-for-sale securities | 15 | 28,320,218 | 22,772,190 |
| 持至到期證券 | Held-to-maturity securities | 16 | 333,186 | 494,855 |
| 共同控制實體投資 | Investments in jointly controlled entities | | 32,859 | 30,184 |
| 商譽 | Goodwill | | 811,690 | 811,690 |
| 無形資產 | Intangible assets | | 187,896 | 203,214 |
| 行產及其他固定資產 | Premises and other fixed assets | | 1,350,046 | 1,378,643 |
| 投資物業 | Investment properties | | 340,998 | 320,939 |
| 即期及遞延稅項資產 | Current and deferred income tax assets | | 6,335 | 7,692 |
| 持作轉售用途之非流動資產 | Non-current assets held for resale | | – | 821,561 |
| 資產合計 | Total assets | | 94,298,388 | 89,516,840 |
| 負債 | LIABILITIES | | | |
| 銀行及其他金融機構存款 | Deposits from banks and other financial institutions | | 512,534 | 255,748 |
| 衍生金融工具 | Derivative financial instruments | 12 | 532,503 | 506,058 |
| 持作買賣用途的負債 | Trading liabilities | | 7,741,275 | 6,311,309 |
| 以公平值列入損益賬 之客戶存款 | Deposits from customers designated at fair value through profit or loss | | 2,597,236 | 1,904,280 |
| 客戶存款 | Deposits from customers | 17 | 58,259,426 | 56,449,982 |
| 已發行的存款證 | Certificates of deposit issued | 18 | 8,391,735 | 7,713,297 |
| 已發行的債務證券 | Issued debt securities | 19 | 2,265,548 | 2,287,095 |
| 後償債務 | Subordinated notes | 20 | 3,439,956 | 3,290,342 |
| 其他賬目及預提 | Other accounts and accruals | | 1,619,092 | 1,449,744 |
| 即期稅項負債 | Current income tax liabilities | | 100,911 | 40,322 |
| 遞延稅項負債 | Deferred income tax liabilities | | 98,320 | 104,334 |
| 持作轉售用途之非流動負債 | Non-current liabilities held for resale | | – | 531,023 |
| 負債合計 | Total liabilities | | 85,558,536 | 80,843,534 |
| 權益 | EQUITY | | | |
| 少數股東權益 | Minority interests | | 21,277 | 24,692 |
| 本公司股東應佔權益 | Equity attributable to the Company's shareholders | | | |
| 股本 | Share capital | | 931,416 | 931,416 |
| 保留盈利 | Retained earnings | | 4,442,698 | 4,109,249 |
| 其他儲備 | Other reserves | 21 | 3,111,607 | 3,254,011 |
| 擬派股息 | Proposed dividend | | 232,854 | 353,938 |
| 股東資金 | Shareholders' funds | | 8,718,575 | 8,648,614 |
| 權益合計 | Total equity | | 8,739,852 | 8,673,306 |
| 權益及負債合計 | Total equity and liabilities | | 94,298,388 | 89,516,840 |

未經審核之綜合權益變動報表
截至二零零六年六月三十日止六個月

UNAUDITED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY

For the six months ended 30 June 2006

| | | 本公司股東應佔權益 Attributable to the Shareholders of the Company | | | | 少數股東 權益 | 權益合計 Total equity | |
|----------------------------|---|--|-----------------------|------------------------|---------------------------|--------------------|----------------------|--|
| | | 股本 Share capital | 股份溢價 Share premium | 其他儲備 Other reserves | 保留盈利 Retained earnings | Minority interests | 權益合計 Total equity | |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| 二零零六年一月一日結餘 | Balance at 1 January 2006 | 931,416 | 2,209,149 | 1,044,862 | 4,463,187 | 24,692 | 8,673,306 | |
| 可供出售證券之公平值(虧損)/收益 | Fair value (losses)/gains on available-for-sale securities | - | - | (108,049) | - | 26 | (108,023) | |
| 出售可供出售證券 | Disposal of available-for-sale securities | - | - | (62,403) | - | - | (62,403) | |
| 出售可供出售證券及確認其公平值虧損而調回遞延稅項負債 | Deferred tax liabilities released on fair value losses on and disposal of available-for-sale securities | - | - | 27,960 | - | - | 27,960 | |
| 海外附屬公司財務報表的匯兌差異 | Exchange differences arising on translation of the financial statements of a foreign subsidiary | - | - | 88 | - | (32) | 56 | |
| 直接確認於權益之淨支出 | Net expense recognised directly in equity | - | - | (142,404) | - | (6) | (142,410) | |
| 期間溢利 | Profit for the period | - | - | - | 566,303 | 2,849 | 569,152 | |
| 截至二零零六年六月三十日止六個月確認之(支出)/收入 | Total recognised (expense)/income for the six months ended 30 June 2006 | - | - | (142,404) | 566,303 | 2,843 | 426,742 | |
| 出售附屬公司權益 | Disposal of interests in subsidiaries | - | - | - | - | (6,258) | (6,258) | |
| 二零零五年末期股息 | 2005 final dividend | - | - | - | (353,938) | - | (353,938) | |
| | | - | - | (142,404) | 212,365 | (3,415) | 66,546 | |
| 二零零六年六月三十日結餘 | Balance at 30 June 2006 | 931,416 | 2,209,149 | 902,458 | 4,675,552 | 21,277 | 8,739,852 | |
| | | 截至六月三十日止六個月 | | | | | | |
| | | Six months ended 30 June | | | | | | |
| | | 2006 | | | | | 2005 | |
| | | HK\$'000 | | | | | HK\$'000 | |
| 包括於保留盈利內之擬派中期股息 | Proposed interim dividend included in retained earnings | | | | 232,854 | | 211,561 | |

未經審核之綜合權益變動報表 (續)
截至二零零五年六月三十日止六個月

UNAUDITED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY (Continued)

For the six months ended 30 June 2005

| | | 本公司股東應佔權益 Attributable to the Shareholders of the Company | | | | 少數股東 權益 | 權益合計 Total equity |
|------------------------------------|---|--|-----------------------|------------------------|---------------------------|--------------------|----------------------|
| | | 股本 Share capital | 股份溢價 Share premium | 其他儲備 Other reserves | 保留盈利 Retained earnings | Minority interests | 權益合計 Total equity |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 二零零五年一月一日結餘 | Balance at 1 January 2005 | 919,831 | 2,054,513 | 814,984 | 4,045,450 | 19,990 | 7,854,768 |
| 可供出售證券之公平值 (虧損)/收益 | Fair value (losses)/gains on available-for-sale securities | - | - | (76,102) | - | 2 | (76,100) |
| 出售可供出售證券 | Disposal of available-for-sale securities | - | - | (90,006) | - | - | (90,006) |
| 出售可供出售證券及確認 其公平值虧損而調回 遞延稅項負債 | Deferred tax liabilities released on fair value losses on and disposal of available-for-sale securities | - | - | 22,156 | - | - | 22,156 |
| 海外附屬公司財務報表 的匯兌差異 | Exchange differences arising on translation of the financial statements of a foreign subsidiary | - | - | (16) | - | (5) | (21) |
| 直接確認於權益之淨支出 | Net expense recognised directly in equity | - | - | (143,968) | - | (3) | (143,971) |
| 期間溢利 | Profit for the period | - | - | - | 460,636 | 1,259 | 461,895 |
| 截至二零零五年六月三十日 止六個月確認之(支出)/收入 | Total recognised (expense)/income for the six months ended 30 June 2005 | - | - | (143,968) | 460,636 | 1,256 | 317,924 |
| 二零零四年末期股息 | 2004 final dividend | - | - | - | (349,536) | - | (349,536) |
| | | - | - | (143,968) | 111,100 | 1,256 | (31,612) |
| 二零零五年六月三十日結餘 | Balance at 30 June 2005 | <u>919,831</u> | <u>2,054,513</u> | <u>671,016</u> | <u>4,156,550</u> | <u>21,246</u> | <u>7,823,156</u> |

未經審核之綜合現金流量結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED CASH FLOW
STATEMENT

For the six months ended 30 June

| | 附註 Note | 2006 HK\$'000 | 2005 HK\$'000 |
|---|------------|--------------------|--------------------|
| 經營業務之現金流量 | | | |
| Cash flows from operating activities | | | |
| 經營業務所用的現金 | 24 | (2,303,952) | (887,060) |
| 支付已發行的後償債務 及債務證券之利息 | | (183,404) | (99,546) |
| 支付已發行的存款證之利息 | | (150,150) | (64,567) |
| 已繳香港利得稅 | | (49,652) | – |
| 已繳海外稅款 | | (106) | – |
| 經營業務所用現金淨額 | | <u>(2,687,264)</u> | <u>(1,051,173)</u> |
| 投資業務之現金流量 | | | |
| Cash flows from investing activities | | | |
| 出售附屬公司權益(扣除該公司 相關之現金及等同現金項目) | | 279,470 | – |
| 購置投資物業 | | (20,059) | – |
| 購置固定資產 | | (12,899) | (4,921) |
| 出售固定資產所得款項 | | – | 106 |
| 投資業務流入/(所用)現金淨額 | | <u>246,512</u> | <u>(4,815)</u> |
| 融資業務之現金流量 | | | |
| Cash flows from financing activities | | | |
| 發行存款證 | | 2,038,761 | 1,345,989 |
| 贖回存款證 | | (1,306,741) | (2,782,062) |
| 發行後償債務 | | 1,162,210 | 1,160,550 |
| 贖回後償債務 | | (970,069) | – |
| 派發普通股股息 | | (353,938) | (349,536) |
| 融資業務流入/(所用)現金淨額 | | <u>570,223</u> | <u>(625,059)</u> |
| 現金及等同現金項目減少 | | <u>(1,870,529)</u> | <u>(1,681,047)</u> |
| 期初現金及等同現金項目 | | <u>12,691,736</u> | <u>12,878,287</u> |
| 期末現金及等同現金項目 | | <u>10,821,207</u> | <u>11,197,240</u> |
| 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 | | 1,588,211 | 1,535,798 |
| 通知及短期存款 | | 3,877,212 | 5,071,840 |
| 原本期限為三個月以內的國庫債券 | | 4,743,267 | 2,560,904 |
| 原本期限為三個月以內在銀行 及其他金融機構的存款 with original maturity within three months | | 1,125,051 | 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 with original maturity within three months | | (512,534) | (461,793) |
| | | <u>10,821,207</u> | <u>11,197,240</u> |

中期簡明綜合財務報表附註

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(一) 一般資料

大新銀行集團有限公司(「本公司」)乃一間銀行控股公司。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、金融及其他相關服務。

(二) 編製基準及會計政策

編製二零零六年中期簡明綜合財務報表所採用之會計政策及計算方法與截至二零零五年十二月三十一日止年度已審核之年度財務報表所採用及所述者一致。

二零零六年中期簡明綜合財務報表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。

除另有註明外，此中期簡明綜合財務報表概以港幣千元位列示。

(三) 淨買賣收入

截至六月三十日止六個月

| | | 2006 | 2005 |
|---|---|--------------|---------------|
| 外匯買賣淨收益 | Net gain arising from dealing in foreign currencies | 54,643 | 93,999 |
| 以公平值列入損益賬之 金融工具、持作買賣 用途的證券及衍生工具 之淨虧損 | Net loss arising from financial instruments designated at fair value through profit or loss, trading securities and derivatives | (47,126) | (32,986) |
| | | <u>7,517</u> | <u>61,013</u> |

(四) 其他營運收入

截至六月三十日止六個月

| | | 2006 | 2005 |
|-------------------|--|---------------|---------------|
| 可供出售證券投資 之股息收入 | Dividend income from investments in available-for-sale securities | | |
| — 上市投資 | – listed investments | 34 | 3,516 |
| — 非上市投資 | – unlisted investments | 20,995 | 10,463 |
| 投資物業之租金收入總額 | Gross rental income from investment properties | 7,353 | 5,519 |
| 其他租金收入 | Other rental income | 3,318 | 2,937 |
| 其他 | Others | 10,652 | 3,264 |
| | | <u>42,352</u> | <u>25,699</u> |

1. General information

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 its subsidiaries (collectively the “Group”) provide banking, financial and other related services.

2. Basis of preparation and accounting policies

The accounting policies and methods of computation used in the preparation of the 2006 interim condensed consolidated financial statements are consistent with those used and described in the annual audited financial statements for the year ended 31 December 2005.

The 2006 interim condensed consolidated financial statements 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.

The interim condensed consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$'000), unless otherwise stated.

3. Net trading income

For the six months ended 30 June

4. Other operating income

For the six months ended 30 June

| (五) 營運支出 | 5. Operating expenses | | |
|----------------------------|---|-----------------|-------------|
| 截至六月三十日止六個月 | For the six months ended 30 June | 2006 | 2005 |
| 僱員福利支出 (包括董事酬金) | Employee benefit expenses (including directors' remuneration) | 310,732 | 258,774 |
| 折舊 | Depreciation | 41,479 | 30,566 |
| 行產及其他固定資產 支出，不包括折舊 | Premises and other fixed assets expenses, excluding depreciation | 58,255 | 46,358 |
| 其他 | Others | 149,998 | 107,025 |
| | | 560,464 | 442,723 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| (六) 貸款及墊款之減值提撥 | 6. Impairment losses on loans and advances | | |
| 截至六月三十日止六個月 | For the six months ended 30 June | 2006 | 2005 |
| 貸款及墊款減值淨支出 | Net charge of impairment losses on loans and advances | | |
| – 個別評估 | – Individually assessed | 41,084 | 4,442 |
| – 綜合評估 | – Collectively assessed | 34,186 | 26,427 |
| | | 75,270 | 30,869 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 其中： | Of which: | | |
| – 新增及額外 | – new and additional | 128,772 | 78,255 |
| – 收回 | – recoveries | (53,502) | (47,386) |
| | | 75,270 | 30,869 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| (七) 出售附屬公司權益之淨收益 | 7. Net gain on disposal of interests in subsidiaries | | |
| 截至六月三十日止六個月 | For the six months ended 30 June | 2006 | 2005 |
| 出售澳門附屬保險公司 權益之淨收益 (附註甲) | Net gain on disposal of interests in Macau Insurance subsidiaries (Note (a)) | 3,670 | – |
| 出售其他附屬公司權益 之淨收益 | Net gain on disposal of interests in other subsidiaries | 378 | – |
| | | 4,048 | – |
| | | <hr/> <hr/> | <hr/> <hr/> |

附註甲：

於二零零六年五月二十六日，本集團以對價280,582,000港元轉讓其於澳門保險有限公司及澳門人壽保險有限公司之權益予最終控股公司大新金融集團有限公司。該等附屬公司之資產及負債於之前被包含在本集團資產負債表內之「持作轉售用途之非流動資產／負債」項目下。此轉讓於二零零六年五月十九日已獲本公司之獨立股東批准並且與本集團於二零零五年十二月十九日購入該等附屬公司時之意向一致。

Note (a):

On 26 May 2006, the Group disposed of its interests in Macau Insurance Company Limited and Macau Life Insurance Company Limited to the ultimate holding company, Dah Sing Financial Holdings Limited, at a consideration of HK\$280,582,000. The assets and liabilities of these subsidiaries were previously included in the Group's balance sheet under "Non current assets/liabilities held for resale". The disposal was approved by the independent shareholders of the Company on 19 May 2006 and was consistent with the Group's intention at the time these subsidiaries were acquired on 19 December 2005.

(八) 稅項

香港利得稅乃按照期內估計應課稅溢利以稅率17.5% (二零零五年：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% (二零零五年：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。

截至六月三十日止六個月

| | |
|---------------|--|
| 即期稅項 | Current income tax |
| －香港利得稅 | － Hong Kong profits tax |
| －海外稅項 | － Overseas taxation |
| 遞延稅項 | Deferred income tax |
| －關於暫時差異的產生及撥回 | － relating to the origination and reversal of timing differences |

| | 2006 | 2005 |
|--|----------------|---------------|
| | 103,100 | 91,382 |
| | 7,065 | 624 |
| | 23,564 | – |
| | <u>133,729</u> | <u>92,006</u> |

(九) 每股基本及攤薄盈利

每股基本盈利乃按照盈利566,303,000港元 (二零零五年：460,636,000港元) 及期內已發行股份加權平均數931,416,279股 (二零零五年：919,830,827股) 計算。

每股攤薄盈利乃按盈利566,303,000港元 (二零零五年：460,636,000港元) 及期內已發行股份加權平均數931,451,321股 (二零零五年：919,830,827股) 經調整下表列示之所有潛在攤薄的普通股後計算。

| 股數 | Number of shares | 2006 | 2005 |
|-------------------------|---|--------------------|--------------------|
| 於六月三十日之普通股加權平均數 | Weighted average number of ordinary shares as at 30 June | 931,416,279 | 919,830,827 |
| 認股權的調整 | Adjustments for share options | 35,042 | – |
| 於六月三十日計算每股攤薄盈利之普通股加權平均數 | Weighted average number of ordinary shares for diluted earnings per share as at 30 June | <u>931,451,321</u> | <u>919,830,827</u> |

(十) 現金及在銀行及其他金融機構的結餘

| | |
|------------------|---|
| 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 |
| 通知及短期內到期存款 | Money at call and short maturity |

| 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|--|--|
| 1,588,211 | 1,560,495 |
| 3,877,212 | 6,480,181 |
| <u>5,465,423</u> | <u>8,040,676</u> |

8. Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 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 difference under the liability method using a taxation rate of 17.5% (2005: 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.

For the six months ended 30 June

9. Basic and diluted earnings per share

The calculation of basic earnings per share is based on earnings of HK\$566,303,000 (2005: HK\$460,636,000) and the weighted average number of 931,416,279 (2005: 919,830,827) shares in issue during the period.

The calculation of diluted earnings per share is based on earnings of HK\$566,303,000 (2005: HK\$460,636,000) and the weighted average number of 931,451,321 (2005: 919,830,827) shares in issue during the period after adjusting for the effect of all dilutive potential ordinary shares as shown below:

10. Cash and balances with banks and other financial institutions

(十一) 持作買賣用途的證券及以公平值列入損益賬之金融資產

11. Trading securities and financial assets at fair value through profit or loss

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|------------------------------------|---|--|--|
| 持作買賣用途的證券： | Trading securities: | | |
| 債務證券： | Debt securities: | | |
| – 香港上市 | – Listed in Hong Kong | 1,175,469 | 1,339,401 |
| – 非上市 | – Unlisted | 4,919,205 | 4,024,974 |
| 持作買賣用途的證券總額 | Total trading securities | <u>6,094,674</u> | <u>5,364,375</u> |
| 以公平值列入損益賬之 金融資產： | Financial assets at fair value through profit or loss: | | |
| 債務證券： | Debt securities: | | |
| – 香港上市 | – Listed in Hong Kong | – | 122,180 |
| – 非上市 | – Unlisted | 1,210,166 | 1,256,983 |
| 以公平值列入損益賬之 金融資產總額 | Total financial assets at fair value through profit or loss | <u>1,210,166</u> | <u>1,379,163</u> |
| 持作買賣用途的證券及 以公平值列入損益賬 之金融資產總額 | Total trading securities and financial assets at fair value through profit or loss | <u>7,304,840</u> | <u>6,743,538</u> |
| 上市證券之市場價值 | Market value of listed securities | <u>1,175,469</u> | <u>1,461,581</u> |
| 包含在債務證券： | Included within debt securities are: | | |
| – 包含在持作買賣 用途的證券內之 政府債券 | – Government bonds included in trading securities | 5,744,959 | 5,054,039 |
| – 持有的存款證 | – Certificates of deposit held | 350,314 | 362,694 |
| – 其他債務證券 | – Other debt securities | 1,209,567 | 1,326,805 |
| | | <u>7,304,840</u> | <u>6,743,538</u> |

(十二) 衍生金融工具

12. Derivative financial instruments

衍生工具之合約名義本金額及其公平值如下：

The notional principal amounts of outstanding derivatives contracts and their fair values were as follows:

| | | 二零零六年六月三十日 As at 30 Jun 2006 | | | 二零零五年十二月三十一日 As at 31 Dec 2005 | | |
|----------------|--|---|--------------------|-------------------|---|--------------------|-------------------|
| | | 合約/ 名義本金額 Contract/ notional amount | 公平值 Fair values | | 合約/ 名義本金額 Contract/ notional amount | 公平值 Fair values | |
| | | | 資產 Assets | 負債 Liabilities | | 資產 Assets | 負債 Liabilities |
| 1) 持作買賣用途之衍生工具 | 1) Derivatives held for trading | | | | | | |
| a) 外匯衍生工具 | a) Foreign exchange derivatives | | | | | | |
| 遠期及期貨合約 | Forward and future contracts | 64,492,604 | 78,404 | 104,296 | 24,391,023 | 22,428 | 77,123 |
| 貨幣掉換 | Currency swaps | 2,226,363 | 8,710 | 66,438 | 2,188,446 | 59,068 | 311 |
| 購入及沽出外匯期權 | Currency options purchased and written | 417,142 | 1,560 | 1,560 | 352,730 | 1,331 | 1,331 |
| b) 利率衍生工具 | b) Interest rate derivatives | | | | | | |
| 利率掉期 | Interest rate swaps | 10,192,539 | 4,340 | 273,962 | 13,222,923 | 1,828 | 133,881 |
| 利率期權 | Interest rate options | 600,000 | 79 | 1 | 555,102 | - | 2,940 |
| c) 權益性衍生工具 | c) Equity derivatives | | | | | | |
| 購入及沽出權益性期權 | Equity options purchased and written | 50,830 | 235 | 235 | 183,044 | 2,964 | 2,964 |
| 權益性期貨 | Equity futures | - | - | - | 12,287 | 123 | - |
| d) 信貸性衍生工具 | d) Credit derivatives | | | | | | |
| 信貸風險交換合約 | Credit default swaps | 1,592,286 | 1,491 | 2,012 | 1,124,490 | 3,112 | 4,648 |
| 持作買賣用途之衍生工具合計 | Total derivatives held for trading | 79,571,764 | 94,819 | 448,504 | 42,030,045 | 90,854 | 223,198 |
| 2) 持作對沖用途之衍生工具 | 2) Derivatives held for hedging | | | | | | |
| a) 以公平值對沖之衍生工具 | a) Derivatives designated as fair value hedges | | | | | | |
| 利率掉期 | Interest rate swaps | 9,688,588 | 384,942 | 83,999 | 9,252,272 | 62,852 | 282,860 |
| 持作對沖用途之衍生工具合計 | Total derivatives held for hedging | 9,688,588 | 384,942 | 83,999 | 9,252,272 | 62,852 | 282,860 |
| 所確認之衍生金融工具合計 | Total recognised derivative financial instruments | 89,260,352 | 479,761 | 532,503 | 51,282,317 | 153,706 | 506,058 |

上述資產負債表外之項目(不包括信貸風險交換合約)之信貸風險加權數額,未經計入本集團訂立之雙邊淨額結算安排,呈列如下:

The credit risk weighted amounts of the above off-balance sheet exposures (excluding credit default swaps) without taking into account the effect of bilateral netting arrangements that the Group entered into, are as follows:

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|---------|---------------------------|--|--|
| 衍生工具 | Derivatives | | |
| - 匯率合約 | - Exchange rate contracts | 164,195 | 99,288 |
| - 利率合約 | - Interest rate contracts | 165,177 | 76,925 |
| - 權益性合約 | - Equity contracts | - | 430 |
| | | 329,372 | 176,643 |

於二零零六年六月三十日信貸風險交換合約之信貸風險加權數額為1,203,924,000港元(二零零五年十二月三十一日:1,124,490,000港元)並已包含於附註二十二或然負債及承擔之信貸風險加權總額內。

As at 30 June 2006, the credit risk weighted amount of credit default swaps amounted to HK\$1,203,924,000 (31 December 2005: HK\$1,124,490,000) and is included in the total credit risk weighted amount of contingent liabilities and commitments in Note 22.

(十三) 各項貸款及其他賬目

13. Advances and other accounts

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-------------------|---|--|--|
| 客戶貸款總額 | Gross advances to customers | 46,215,271 | 44,918,618 |
| 銀行及其他金融機構 貸款總額 | Gross advances to banks and other financial institutions | 127,673 | 389,264 |
| 貿易票據 | Trade bills | 951,257 | 653,581 |
| 其他資產 | Other assets | 1,641,623 | 1,005,333 |
| 各項貸款及其他賬目總額 | Gross advances and other accounts | 48,935,824 | 46,966,796 |
| 扣除：減值準備 | Less: impairment allowances | | |
| — 個別評估 | — Individually assessed | (165,048) | (167,436) |
| — 綜合評估 | — Collectively assessed | (230,691) | (230,582) |
| | | (395,739) | (398,018) |
| 各項貸款及其他賬目 | Advances and other accounts | 48,540,085 | 46,568,778 |

(甲) 客戶貸款總額—按行業及貸款用途
分類：(a) Gross advances to customers by industry sector classified
according to the usage of loans are:

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 | 變動 Variance % |
|--|--|--|--|---------------------|
| 工商金融 | Industrial, commercial and financial | | | |
| — 物業發展 | — Property development | 238,655 | 191,512 | 24.6 |
| — 物業投資 | — Property investment | 5,096,759 | 4,715,772 | 8.1 |
| — 金融企業 | — Financial concerns | 363,344 | 528,033 | -31.2 |
| — 股票經紀 | — Stockbrokers | 14,917 | 14,994 | -0.5 |
| — 批發與零售業 | — Wholesale and retail trade | 1,348,192 | 1,256,740 | 7.3 |
| — 製造業 | — Manufacturing | 3,843,672 | 3,896,158 | -1.3 |
| — 運輸及運輸設備 | — Transport and transport equipment | 3,430,802 | 3,832,407 | -10.5 |
| — 其他 | — Others | 1,444,981 | 1,402,141 | 3.1 |
| | | 15,781,322 | 15,837,757 | -0.4 |
| 個人 | Individuals | | | |
| — 購買「居者有其 屋計劃」、 「私人參建居屋計劃」 及「租者置其屋 計劃」樓宇貸款 | — Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme | 1,861,886 | 1,929,198 | -3.5 |
| — 購買其他住宅物業貸款 | — Loans for the purchase of other residential properties | 10,575,683 | 10,773,683 | -1.8 |
| — 信用卡貸款 | — Credit card advances | 2,731,959 | 2,759,308 | -1.0 |
| — 其他 | — Others | 5,269,228 | 4,641,012 | 13.5 |
| | | 20,438,756 | 20,103,201 | 1.7 |
| 在香港使用的貸款 | Loans for use in Hong Kong | 36,220,078 | 35,940,958 | 0.8 |
| 貿易融資 | Trade finance | 4,301,046 | 3,914,072 | 9.9 |
| 在香港以外使用的貸款 | Loans for use outside Hong Kong | 5,694,147 | 5,063,588 | 12.5 |
| | | 46,215,271 | 44,918,618 | 2.9 |

本集團客戶貸款總額中近百分之九十，及於二零零六年六月三十日及於二零零五年十二月三十一日之逾期貸款及減值貸款中百分之九十以上，皆源自香港之業務營運，因此並沒有列示區域分析。

No geographical reporting is provided as close to 90% of the Group's gross advances to customers, and over 90% of the Group's overdue and impaired loans as at 30 June 2006 and 31 December 2005 are originated from business operations based in Hong Kong.

(十三) 各項貸款及其他賬目 (續)

13. Advances and other accounts (Continued)

(乙) 減值，逾期末償還及經重組資產

(b) Impaired, overdue and rescheduled assets

(i) 減值貸款

(i) Impaired loans

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-----------------|---|--|--|
| 減值貸款總額 (附註甲) | Gross impaired loans (Note a) | 311,767 | 312,530 |
| 佔客戶貸款總額之 百分比 | As a percentage of total advances to customers | 0.68% | 0.70% |
| 個別減值準備 | Individual impairment allowances | 165,048 | 167,436 |
| 持有抵押品價值 | Amount of collateral held | 143,549 | 182,604 |

附註：

Note:

甲. 減值貸款乃該等有客觀證據顯示一件或多件在確認該資產後發生之事項(「損失事件」)而引致其減值之貸款，且該損失事件對該貸款之估計未來現金流量造成影響，並能可靠地估量。

a. Impaired loans are defined as those loans having objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the loans that can be reliably estimated.

乙. 以上個別減值準備已考慮於六月三十日/十二月三十一日該等貸款有關之抵押品價值。

b. The above individual impairment allowances were made after taking into account the value of collateral in respect of such advances as at 30 June/31 December.

(ii) 逾期末償還貸款

(ii) Overdue loans

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 估客戶貸款 百分比 % of total advances to customers | 二零零五年 十二月三十一日 As at 31 Dec 2005 | 估客戶貸款 百分比 % of total advances to customers |
|---------------------|--|--|--|--|--|
| 未償還客戶貸款總額， 已逾期： | Gross advances to customers which have been overdue for: | | | | |
| — 三個月以上至六個月 | — six months or less but over three months | 75,160 | 0.16 | 118,065 | 0.26 |
| — 六個月以上至一年 | — one year or less but over six months | 99,571 | 0.22 | 59,799 | 0.13 |
| — 一年以上 | — over one year | 108,097 | 0.23 | 128,051 | 0.29 |
| | | 282,828 | 0.61 | 305,915 | 0.68 |
| 有抵押逾期貸款所持 的抵押品市值 | Market value of securities held against the secured overdue advances | 144,425 | | 256,219 | |
| 有抵押逾期貸款 | Secured overdue advances | 119,932 | | 180,623 | |
| 無抵押逾期貸款 | Unsecured overdue advances | 162,896 | | 125,292 | |
| 個別減值準備 | Individual impairment allowances | 126,416 | | 114,365 | |

(十三) 各項貸款及其他賬目 (續)

(乙) 減值、逾期未償還及經重組資產 (續)

(iii) 經重組貸款 (已扣除載於上述逾期未償還貸款)

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 估客戶貸款 百分比 % of total advances to customers | 二零零五年 十二月三十一日 As at 31 Dec 2005 | 估客戶貸款 百分比 % of total advances to customers |
|--------|----------------------------------|--|--|--|--|
| 經重組貸款 | Rescheduled advances | <u>175,758</u> | 0.38 | <u>181,654</u> | 0.40 |
| 個別減值準備 | Individual impairment allowances | <u>20,521</u> | | <u>25,123</u> | |

於二零零六年六月三十日及二零零五年十二月三十一日並無予銀行及其他金融機構之貸款被列為減值、逾期三個月以上、或經重組之貸款。

(iv) 貿易票據

| 逾期： | Overdue for: | | |
|-----------------|---|----------|------------|
| — 三個月以上 至六個月 | — six months or less but over three months | — | — |
| — 六個月以上 至一年 | — one year or less but over six months | — | — |
| — 一年以上 | — over one year | — | 363 |
| | | <u>—</u> | <u>363</u> |

(丙) 收回資產

本集團收回的資產如下：

| | | | |
|------|------------------------|---------------|---------------|
| 收回物業 | Repossessed properties | <u>54,858</u> | <u>45,401</u> |
|------|------------------------|---------------|---------------|

13. Advances and other accounts (Continued)

(b) Impaired, overdue and rescheduled assets (Continued)

(iii) Rescheduled advances net of amounts included in overdue advances shown above

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 估客戶貸款 百分比 % of total advances to customers | 二零零五年 十二月三十一日 As at 31 Dec 2005 | 估客戶貸款 百分比 % of total advances to customers |
|--------|----------------------------------|--|--|--|--|
| 經重組貸款 | Rescheduled advances | <u>175,758</u> | 0.38 | <u>181,654</u> | 0.40 |
| 個別減值準備 | Individual impairment allowances | <u>20,521</u> | | <u>25,123</u> | |

There were no advances to banks and other financial institutions, which were impaired, overdue for over 3 months or rescheduled as at 30 June 2006 and 31 December 2005.

(iv) Trade bills

| | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-----------------|--|--|
| 逾期： | | |
| — 三個月以上 至六個月 | — | — |
| — 六個月以上 至一年 | — | — |
| — 一年以上 | — | 363 |
| | <u>—</u> | <u>363</u> |

(c) Repossessed assets

The repossessed assets of the Group were as follows:

| | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|------|--|--|
| 收回物業 | <u>54,858</u> | <u>45,401</u> |

(十四) 各項貸款及其他賬目減值準備

14. Impairment allowances against advances and other accounts

| | | 個別評估 Individually assessed | 綜合評估 Collectively assessed | 合計 Total |
|-------------------|--|----------------------------------|----------------------------------|----------------|
| 二零零六年一月一日 | At 1 January 2006 | 167,436 | 230,582 | 398,018 |
| 撇除額 | Amounts written off | (53,081) | (72,004) | (125,085) |
| 收回已於往年撇除 之貸款 | Recoveries of advances written off in previous years | 11,534 | 37,927 | 49,461 |
| 在收益賬支出之 新增減值提撥 | New impairment allowances charged to income statement | 41,084 | 34,186 | 75,270 |
| 減值準備折現值撥回 | Unwind of discount of impairment allowance | (1,925) | - | (1,925) |
| 二零零六年六月三十日 | At 30 June 2006 | <u>165,048</u> | <u>230,691</u> | <u>395,739</u> |
| 扣減於： | Deducted from: | | | |
| 貿易票據 | Trade bills | - | 8,970 | 8,970 |
| 客戶貸款 | Advances to customers | 165,048 | 220,873 | 385,921 |
| 銀行及其他金融 機構貸款 | Advances to banks and other financial institutions | - | 777 | 777 |
| 其他資產 | Other assets | - | 71 | 71 |
| 二零零六年六月三十日 | At 30 June 2006 | <u>165,048</u> | <u>230,691</u> | <u>395,739</u> |
| | | 個別評估 Individually assessed | 綜合評估 Collectively assessed | 合計 Total |
| 二零零五年一月一日 | At 1 January 2005 | 116,697 | 152,432 | 269,129 |
| 收購附屬公司 | Acquisition of subsidiaries | 61,093 | 63,800 | 124,893 |
| 撇除額 | Amounts written off | (81,365) | (136,052) | (217,417) |
| 收回已於往年撇除 之貸款 | Recoveries of advances written off in previous years | 21,888 | 72,682 | 94,570 |
| 在收益賬支出之 新增減值提撥 | New impairment allowances charged to income statement | 52,857 | 77,720 | 130,577 |
| 減值準備折現值撥回 | Unwind of discount of impairment allowance | (3,734) | - | (3,734) |
| 二零零五年 十二月三十一日 | At 31 December 2005 | <u>167,436</u> | <u>230,582</u> | <u>398,018</u> |
| 扣減於： | Deducted from: | | | |
| 貿易票據 | Trade bills | - | 6,536 | 6,536 |
| 客戶貸款 | Advances to customers | 167,436 | 223,181 | 390,617 |
| 銀行及其他金融 機構貸款 | Advances to banks and other financial institutions | - | 776 | 776 |
| 其他資產 | Other assets | - | 89 | 89 |
| 二零零五年 十二月三十一日 | At 31 December 2005 | <u>167,436</u> | <u>230,582</u> | <u>398,018</u> |

(十五) 可供出售證券

15. Available-for-sale securities

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|------------------------|--|--|--|
| 債務證券 | Debt securities | | |
| – 香港上市 | – Listed in Hong Kong | 1,134,895 | 1,279,905 |
| – 香港以外上市 | – Listed outside Hong Kong | 9,599,810 | 8,869,359 |
| – 非上市 | – Unlisted | 16,838,874 | 11,603,830 |
| | | <u>27,573,579</u> | <u>21,753,094</u> |
| 權益性證券 | Equity securities | | |
| – 香港上市 | – Listed in Hong Kong | 2,253 | 2,129 |
| – 香港以外上市 | – Listed outside Hong Kong | 8,738 | 8,737 |
| – 非上市 | – Unlisted | | |
| – 於投資基金之權益 | – Interests in investment funds | 734,770 | 1,024,228 |
| – 其他 | – Others | 878 | 9,852 |
| | | <u>746,639</u> | <u>1,044,946</u> |
| 可供出售證券總額 | Total available-for-sale securities | 28,320,218 | 22,798,040 |
| 扣除：減值準備 | Less: Impairment allowances | – | (25,850) |
| | | <u>28,320,218</u> | <u>22,772,190</u> |
| 上市證券之市值 | Market value of listed securities | 10,745,696 | 10,160,130 |
| 包含在債務證券： | Included within debt securities are: | | |
| – 持有的存款證 | – Certificates of deposit held | 99,990 | 124,900 |
| – 其他債務證券 | – Other debt securities | 27,473,589 | 21,628,194 |
| | | <u>27,573,579</u> | <u>21,753,094</u> |
| 可供出售證券按發行 機構類別分析如下： | Available-for-sale securities are analysed by categories of issuers as follows: | | |
| – 中央政府和中央銀行 | – Central governments and central banks | 4,847,697 | 3,102,145 |
| – 公營機構 | – Public sector entities | 437,841 | 532,796 |
| – 銀行及其他金融機構 | – Banks and other financial institutions | 15,173,442 | 9,944,390 |
| – 企業 | – Corporate entities | 7,859,450 | 9,191,081 |
| – 其他 | – Others | 1,788 | 1,778 |
| | | <u>28,320,218</u> | <u>22,772,190</u> |

(十六) 持至到期證券

16. Held-to-maturity securities

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|------------------------|---|--|--|
| 債務證券 | Debt securities | | |
| – 香港以外上市 | – Listed outside Hong Kong | 77,805 | 185,808 |
| – 非上市 | – Unlisted | 255,381 | 309,047 |
| | | <u>333,186</u> | <u>494,855</u> |
| 上市證券之市值 | Market value of listed securities | 77,805 | 185,909 |
| 包含在債務證券： | Included within debt securities are: | | |
| – 持有的存款證 | – Certificates of deposit held | 155,381 | 209,047 |
| – 其他債務證券 | – Other debt securities | 177,805 | 285,808 |
| | | <u>333,186</u> | <u>494,855</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: | | |
| – 公營機構 | – Public sector entities | 1,485 | 3,686 |
| – 銀行及其他金融機構 | – Banks and other financial institutions | 316,130 | 455,057 |
| – 企業 | – Corporate entities | 15,571 | 36,112 |
| | | <u>333,186</u> | <u>494,855</u> |

(十七) 客戶存款

17. Deposits from customers

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|------------|--------------------------------------|--|--|
| 活期存款及往來存款 | Demand deposits and current accounts | 5,569,696 | 4,837,167 |
| 儲蓄存款 | Savings deposits | 7,774,798 | 7,359,349 |
| 定期、通知及短期存款 | Time, call and notice deposits | 44,914,932 | 44,244,963 |
| 其他存款 | Other deposits | – | 8,503 |
| | | <u>58,259,426</u> | <u>56,449,982</u> |

(十八) 已發行的存款證

18. Certificates of deposit issued

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-----------|---|--|--|
| 以公平值列入損益賬 | Designated at fair value through profit or loss | 4,586,336 | 4,525,120 |
| 按攤銷成本 | At amortised cost | 3,805,399 | 3,188,177 |
| | | <u>8,391,735</u> | <u>7,713,297</u> |

利率變更以外之因素對以公平值列入損益賬之已發行的存款證之公平值變動之影響極小。本集團在此存款證到期時按合約應付該等存款證之持有人的金額較以上所列之賬面值高123,000,000港元(二零零五年十二月三十一日：118,000,000港元)。

The change in the fair value of certificates of deposit issued and designed at fair value through profit or loss not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these certificates of deposit is HK\$123 million (31 December 2005: HK\$118 million) higher than the above carrying amount.

(十九) 已發行的債務證券

19. Issued debt securities

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-----------|---|--|--|
| 以公平值列入損益賬 | Designated at fair value through profit or loss | 1,100,460 | 1,123,830 |
| 按攤銷成本 | At amortised cost | 1,165,088 | 1,163,265 |
| | | <u>2,265,548</u> | <u>2,287,095</u> |

已發行債務證券餘額包括大新銀行有限公司(「大新銀行」)之全資附屬公司Dah Sing MTN Financing Limited透過大新銀行之歐洲市場中期票據計劃，於二零零四年十二月一日發行並在盧森堡交易所上市之150,000,000美元定息及150,000,000美元浮息之有擔保優先票據(「該票據」)。該票據由大新銀行擔保、為無抵押，最後到期日為二零零九年十二月一日，其成本透過大新銀行進行的利率掉期安排轉為浮息基準。

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

利率變更以外之因素對以公平值列入損益賬之已發行的債務證券之公平值變動之影響極小。本集團在此債務證券到期時按合約應付該等債務證券之持有人的金額較以上所列之賬面值高65,000,000港元(二零零五年十二月三十一日：39,000,000港元)。

The change in the fair value of issued debt securities designated at fair value not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these issued debt securities is HK\$65 million (31 December 2005: HK\$39 million) higher than the above carrying amount.

(二十) 後償債務

20. Subordinated notes

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|--|---|--|--|
| 125,000,000美元年息7.5% 於2011年到期的後償票據 (附註甲) | US\$125,000,000 7.5% Subordinated Bonds due 2011 (Note (a)) | — | 975,689 |
| 150,000,000美元於2015年 到期的浮息後償債務 (附註乙) | US\$150,000,000 Subordinated Floating Rate Notes due 2015 (Note (b)) | 1,165,087 | 1,163,265 |
| 150,000,000美元於2017年到期 的定息後償債務 (附註丙) | US\$150,000,000 Subordinated Fixed Rate Notes due 2017 (Note (c)) | 1,109,782 | 1,151,388 |
| 150,000,000美元於2016年到期 的浮息後償債務 (附註丁) | US\$150,000,000 Subordinated Floating Rate Notes due 2016 (Note (d)) | 1,165,087 | — |
| | | 3,439,956 | 3,290,342 |
| 以公平值列入損益賬 | Designed at fair value through profit or loss | 1,109,782 | 2,127,077 |
| 按攤銷成本 | At amortised cost | 2,330,174 | 1,163,265 |
| | | 3,439,956 | 3,290,342 |

附註:

Note:

- 甲. 大新銀行於二零零六年三月二十九日取得香港金融管理局之書面認可後，已行使其回購權，提早全額贖回此等年息七點五厘之125,000,000美元的後償票據。
- 乙. 此乃大新銀行於二零零五年四月二十九日發行之150,000,000美元在盧森堡交易所上市並被界定為二級資本的浮息後償債務(「債務」)。此等債務將於二零一五年五月六日到期，並以二零一零年五月六日定為選擇性贖還日。由發行日至其選擇性贖還日，此債務之利息按三個月期美元銀行同業拆息加六十點子，以每季釐訂一次。其後，倘債務未在選擇性贖還日贖回，往後的利息會重訂為按三個月期美元銀行同業拆息加一百六十點子。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由在付息日以票面價值贖回所有(非部分)債務。
- 丙. 此乃大新銀行於二零零五年八月十八日發行之150,000,000美元在盧森堡交易所上市並被界定為二級資本的定息後償債務(「債務」)。此等債務將於二零一七年八月十八日到期，並以二零一二年八月十八日定為選擇性贖還日。由發行日至其選擇性贖還日，年息為五點四五一厘，每半年付息一次。其後，倘債務未在選擇性贖還日贖回，往後的利息會重訂按當時五年期美國國庫債券息率加二百二十點子釐訂。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由在付息日以票面價值贖回所有(非部分)債務。大新銀行亦已與一國際銀行訂立利率掉期合約將債務的固定利息掉換為以美元銀行同業拆息為基礎的浮動利息付款。
- (a) On 29 March 2006, DSB exercised its call option to early redeem in full this US\$125,000,000 7.5% subordinated bonds after obtaining the prior approval of the Hong Kong Monetary Authority ("HKMA").
- (b) This represents US\$150,000,000 Subordinated Floating Rate Notes qualifying as Tier 2 capital of DSB issued on 29 April 2005 (the "Notes"), which are listed on the Luxembourg Stock Exchange. The Notes will mature on 6 May 2015 with an optional redemption date falling on 6 May 2010. Interest rate for the Notes is set on a quarterly basis based on 3-month LIBOR plus 60 basis points from the issue date to the optional redemption date. Thereafter, if the Notes are not redeemed, the interest rate will reset and the Notes will bear interest at 3-month LIBOR plus 160 basis points. DSB may, subject to receiving the prior approval of the HKMA, redeem the Notes in whole but not in part, at par either on the optional redemption date or for taxation reasons on interest payment date.
- (c) This represents US\$150,000,000 5.451% Subordinated Fixed Rate Notes qualifying as Tier 2 capital of DSB issued on 18 August 2005 (the "Notes"), which are listed on the Luxembourg Stock Exchange. The Notes will mature on 18 August 2017 with an optional redemption date falling on 18 August 2012. Interest at 5.451% is payable semi annually from the issue date to the optional redemption date. Thereafter, if the Notes are not redeemed, the interest rate will be reset and the Notes will bear interest at the then prevailing 5-year US Treasury rate plus 220 basis points. DSB may, subject to receiving the prior approval of the HKMA, redeem the Notes in whole but not in part, at par either on the optional redemption date or for taxation reasons on interest payment date. An interest rate swap contract to swap the fixed rate payment liability of the Notes to floating interest rate based on LIBOR has been entered into with an international bank.

(二十) 後償債務 (續)

附註：(續)

丁. 此乃大新銀行於二零零六年六月二日發行之150,000,000美元在新加坡交易所上市並被界定為二級資本的浮息後償債務(「債務」)。此等債務將於二零一六年六月三日期滿，並以二零一一年六月三日期定為選擇性贖還日。由發行日至其選擇性贖還日，此債務之利息為三個月期美元銀行同業拆息加七十五點子，每季釐訂一次。其後，倘債務未在選擇性贖還日贖回，往後的利息會重訂為三個月期美元銀行同業拆息加一百點子。若獲得香港金融管理局預先批准，大新銀行可於選擇性贖還日或因稅務理由於付息日以票面價值贖回債務。

利率變更以外之因素對以公平值列入損益賬之後償債務之公平值變動影響極小，本集團在此後償債務到期時按合約應付該等後償債務持有人的金額較以上所列之賬面值高55,000,000港元(二零零五年十二月三十一日：5,000,000港元)。

(廿一) 其他儲備

| | |
|--------|--------------------------------|
| 儲備 | Reserves |
| 股份溢價 | Share premium |
| 綜合儲備 | Consolidation reserve |
| 行產重估儲備 | Premises revaluation reserve |
| 投資重估儲備 | Investment revaluation reserve |
| 匯兌儲備 | Exchange reserve |
| 一般儲備 | General reserve |

本集團遵從香港金融管理局(「金管局」)規定，維持貸款減值準備(根據監管指引)高於香港會計準則之數額。大新銀行已於一般儲備中指定一筆為數242,503,000港元(二零零五年十二月三十一日：231,086,000港元)之金額作為「監管儲備」。該儲備連同銀行綜合減值準備已於採納香港會計準則第39號後，包含在二零零六年六月三十日大新銀行資本基礎之附加資本之內。未經金管局同意，該監管儲備不可供派發之用。

20. Subordinated notes (Continued)

Note: (Continued)

(d) This represents US\$150,000,000 Subordinated Floating Rate Notes qualifying as Tier 2 capital of DSB issued on 2 June 2006 (the "Notes"), which are listed on the Singapore Stock Exchange Securities Trading Limited. The Notes will mature on 3 June 2016 with an optional redemption date falling on 3 June 2011. Interest rate for the Notes is set on a quarterly basis based on 3-month LIBOR plus 75 basis points from the issue date to the optional redemption date. Thereafter, if the Notes are not redeemed, the interest rate will reset and the Notes will bear interest at 3-month LIBOR plus 100 basis points. DSB may, subject to receiving the prior approval of the HKMA, redeem the Notes at par either on the optional redemption date or for taxation reasons on interest payment date.

The change in the fair value of subordinated notes designated at fair value through profit or loss not attributable to changes in interest rate is minimal. The amount that the Group would be contractually required to pay at maturity to the holders of these subordinated notes is HK\$55 million (31 December 2005: HK\$5 million) higher than the above carrying amount.

21. Other reserves

| | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|--|--|--|
| | 2,209,149 | 2,209,149 |
| | (220,986) | (220,986) |
| | 551,350 | 551,350 |
| | (127,970) | 14,521 |
| | (190) | (277) |
| | 700,254 | 700,254 |
| | <u>3,111,607</u> | <u>3,254,011</u> |

The Group complies with the requirement of the Hong Kong Monetary Authority ("HKMA") to maintain loan impairment allowances (determined in accordance with regulatory guidelines) in excess of those determined in accordance with Hong Kong Accounting Standards. Dah Sing Bank ("DSB") has earmarked a "Regulatory Reserve" from general reserve for an amount of HK\$242,503,000 (31 December 2005: HK\$231,086,000) 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 30 June 2006. The regulatory reserve of DSB is not distributable without the consent of the HKMA.

(廿二) 或然負債及承擔

本集團資產負債表外承擔提供予客戶之借貸
金融工具合約金額及信貸風險加權數額如下：

22. Contingent liabilities and commitments

The contract and credit risk weighted amounts of the Group's off-
balance sheet financial instruments that commit it to extend credit to
customers are as follows.

| | | 合約金額 | |
|-------------------|--|--|--|
| | | Contract amounts | |
| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
| 直接信貸代替品 | Direct credit substitutes | 2,337,485 | 2,420,934 |
| 與交易相關之或然項目 | Transaction-related contingencies | 21,555 | 26,872 |
| 與貿易相關之或然項目 | Trade-related contingencies | 1,184,791 | 951,964 |
| 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 | 30,094,575 | 26,872,921 |
| – 一年及以上 | – 1 year and over | 1,040,623 | 592,304 |
| 遠期對遠期的存款 | Forward forward deposits placed | 326,167 | 1,006,592 |
| | | 35,005,196 | 31,871,587 |
| | | 信貸風險加權數額 | |
| | | Credit risk weighted amounts | |
| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
| 或然負債及承擔 | Contingent liabilities and commitments | 2,228,732 | 2,117,689 |

(廿三) 到期情況

下表按有關合約於結算日至到期日剩餘時間分類分析本集團之資產及負債。

23. Maturity profile

The table below analyses the Group's assets and liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

| | | 二零零六年六月三十日 | | | | | | |
|------------------------|--|--------------------|---------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| | | As at 30 Jun 2006 | | | | | | |
| | | 即時到期 | 三個月 | 三個月以上 | 一年以上 | 五年以上 | 無註明日期 | 合計 |
| | | Repayable | 3 months | 3 months | 1 year | Over | Undated | Total |
| | | on demand | or less | to 1 year | to 5 years | 5 years | | |
| 資產 | Assets | | | | | | | |
| 現金及在銀行及其他金融機構的結餘 | Cash and balances with banks and other financial institutions | 3,241,285 | 2,224,138 | - | - | - | - | 5,465,423 |
| 在銀行及其他金融機構一至十二個月內到期的存款 | Placement with banks and other financial institutions maturing between one and twelve months | - | 833,915 | 291,136 | - | - | - | 1,125,051 |
| 持作買賣用途的證券 | Trading securities | - | 4,153,212 | 1,540,093 | 401,369 | - | - | 6,094,674 |
| 以公平值列入損益賬之金融資產 | Financial assets at fair value through profit or loss | - | 1,176,165 | 34,001 | - | - | - | 1,210,166 |
| 衍生金融工具 | Derivative financial instruments | 22,361 | 52,077 | 3,889 | 34,786 | 366,648 | - | 479,761 |
| 各項貸款及其他賬目 | Advances and other accounts | 5,952,341 | 9,809,183 | 5,394,453 | 11,376,507 | 15,880,102 | 127,499 | 48,540,085 |
| 可供出售證券 | Available-for-sale securities | - | 4,585,702 | 7,184,223 | 5,991,393 | 9,823,879 | 735,021 | 28,320,218 |
| 持至到期證券 | Held-to-maturity securities | - | 26,941 | 136,296 | 169,949 | - | - | 333,186 |
| 共同控制實體投資 | Investments in jointly controlled entities | - | - | - | - | - | 32,859 | 32,859 |
| 商譽 | Goodwill | - | - | - | - | - | 811,690 | 811,690 |
| 無形資產 | Intangible assets | - | - | - | - | - | 187,896 | 187,896 |
| 行產及其他固定資產 | Premises and other fixed assets | - | - | - | - | - | 1,350,046 | 1,350,046 |
| 投資物業 | Investment properties | - | - | - | - | - | 340,998 | 340,998 |
| 即期及遞延稅項資產 | Current and deferred income tax assets | - | - | - | 5,619 | - | 716 | 6,335 |
| 資產合計 | Total Assets | 9,215,987 | 22,861,333 | 14,584,091 | 17,979,623 | 26,070,629 | 3,586,725 | 94,298,388 |
| 負債 | Liabilities | | | | | | | |
| 銀行及其他金融機構存款 | Deposits from banks and other financial institutions | 500,251 | - | 12,283 | - | - | - | 512,534 |
| 衍生金融工具 | Derivative financial instruments | 29,228 | 158,114 | 49,982 | 160,759 | 134,420 | - | 532,503 |
| 持作買賣用途的負債 | Trading liabilities | - | 6,413,093 | 948,438 | 379,744 | - | - | 7,741,275 |
| 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 | - | 2,399,371 | 51,276 | 146,589 | - | - | 2,597,236 |
| 客戶存款 | Deposits from customers | 16,744,826 | 37,718,953 | 3,333,873 | 461,774 | - | - | 58,259,426 |
| 已發行的存款證 | Certificates of deposit issued | - | 980,838 | 1,330,895 | 6,080,002 | - | - | 8,391,735 |
| 已發行的債務證券 | Issued debt securities | - | - | - | 2,265,548 | - | - | 2,265,548 |
| 後償債務 | Subordinated notes | - | - | - | 2,330,174 | 1,109,782 | - | 3,439,956 |
| 其他賬目及預提 | Other accounts and accruals | 20,046 | 961,021 | 120,970 | 5,894 | 3 | 511,158 | 1,619,092 |
| 即期稅項負債 | Current income tax liabilities | - | - | 100,911 | - | - | - | 100,911 |
| 遞延稅項負債 | Deferred income tax liabilities | - | - | - | - | - | 98,320 | 98,320 |
| 負債合計 | Total Liabilities | 17,294,351 | 48,631,390 | 5,948,628 | 11,830,484 | 1,244,205 | 609,478 | 85,558,536 |
| 淨流動性差距 | Net liquidity gap | (8,078,364) | (25,770,057) | 8,635,463 | 6,149,139 | 24,826,424 | 2,977,247 | 8,739,852 |

(廿三) 到期情況 (續)

23. Maturity profile (Continued)

二零零五年十二月三十一日

As at 31 Dec 2005

| | | 即時到期 Repayable on demand | 三個月 或以下 3 months or less | 三個月以上 至一年 Over 3 months to 1 year | 一年以上 至五年 Over 1 year to 5 years | 五年以上 Over 5 years | 無註明日期 Undated | 合計 Total |
|----------------------------|---|--------------------------------|-----------------------------------|---|---|-------------------------|------------------|-------------------|
| 資產 | Assets | | | | | | | |
| 現金及在銀行及其他 金融機構的結餘 | Cash and balances with banks and other financial institutions | 4,900,142 | 3,140,534 | - | - | - | - | 8,040,676 |
| 在銀行及其他金融機構 一至十二個月內到期的存款 | Placement with banks and other financial institutions maturing between one and twelve months | - | 886,997 | 282,177 | - | - | - | 1,169,174 |
| 持作買賣用途的證券 | Trading securities | - | 2,511,589 | 1,695,566 | 1,110,288 | 46,932 | - | 5,364,375 |
| 以公平值列入損益賬 之金融資產 | Financial assets at fair value through profit or loss | - | 1,331,772 | 47,391 | - | - | - | 1,379,163 |
| 衍生金融工具 | Derivative financial instruments | 689 | 23,398 | 59,893 | 17,980 | 51,746 | - | 153,706 |
| 各項貸款及其他賬目 | Advances and other accounts | 5,605,715 | 8,749,135 | 5,466,361 | 11,085,715 | 15,405,707 | 256,145 | 46,568,778 |
| 可供出售證券 | Available-for-sale securities | 233,931 | 3,418,337 | 951,395 | 5,599,318 | 11,520,184 | 1,049,025 | 22,772,190 |
| 持至到期證券 | Held-to-maturity securities | - | 128,686 | 108,316 | 257,853 | - | - | 494,855 |
| 共同控制實體投資 | Investments in jointly controlled entities | - | - | - | - | - | 30,184 | 30,184 |
| 商譽 | Goodwill | - | - | - | - | - | 811,690 | 811,690 |
| 無形資產 | Intangible assets | - | - | - | - | - | 203,214 | 203,214 |
| 行產及其他固定資產 | Premises and other fixed assets | - | - | - | - | - | 1,378,643 | 1,378,643 |
| 投資物業 | Investment properties | - | - | - | - | - | 320,939 | 320,939 |
| 即期及遞延稅項資產 | Current and deferred income tax assets | - | - | - | 7,692 | - | - | 7,692 |
| 持作轉售用途之非流動資產 | Non-current assets held for resale | - | - | 821,561 | - | - | - | 821,561 |
| 資產合計 | Total Assets | 10,740,477 | 20,190,448 | 9,432,660 | 18,078,846 | 27,024,569 | 4,049,840 | 89,516,840 |
| 負債 | Liabilities | | | | | | | |
| 銀行及其他金融機構存款 | Deposits from banks and other financial institutions | 235,946 | 9,302 | 10,500 | - | - | - | 255,748 |
| 衍生金融工具 | Derivative financial instruments | 2,992 | 92,769 | 18,229 | 116,582 | 275,486 | - | 506,058 |
| 持作買賣用途的負債 | Trading liabilities | - | 4,308,462 | 1,245,018 | 757,829 | - | - | 6,311,309 |
| 以公平值列入損益賬 之客戶存款 | Deposits from customers designated at fair value through profit or loss | - | 1,701,212 | 107,221 | 95,847 | - | - | 1,904,280 |
| 客戶存款 | Deposits from customers | 13,719,536 | 40,039,707 | 1,924,667 | 766,072 | - | - | 56,449,982 |
| 已發行的存款證 | Certificates of deposit issued | - | 1,352,174 | 2,628,175 | 3,732,948 | - | - | 7,713,297 |
| 已發行的債務證券 | Issued debt securities | - | - | - | 2,287,095 | - | - | 2,287,095 |
| 後償債務 | Subordinated notes | - | 975,689 | - | 1,163,265 | 1,151,388 | - | 3,290,342 |
| 其他賬目及預提 | Other accounts and accruals | 200,858 | 849,424 | 208,673 | 4,720 | 1,005 | 185,064 | 1,449,744 |
| 即期稅項負債 | Current income tax liabilities | - | - | 40,322 | - | - | - | 40,322 |
| 遞延稅項負債 | Deferred income tax liabilities | - | - | - | 104,334 | - | - | 104,334 |
| 持作轉售用途之非流動負債 | Non-current liabilities held for resale | - | - | 531,023 | - | - | - | 531,023 |
| 負債合計 | Total Liabilities | 14,159,332 | 49,328,739 | 6,713,828 | 9,028,692 | 1,427,879 | 185,064 | 80,843,534 |
| 淨流動性差距 | Net liquidity gap | (3,418,855) | (29,138,291) | 2,718,832 | 9,050,154 | 25,596,690 | 3,864,776 | 8,673,306 |

(廿四) 扣除減值提撥後之營運溢利與經營業務所用現金對賬表
截至六月三十日止六個月

24. Reconciliation of operating profit after impairment charges to cash absorbed by operations
For the six months ended 30 June

| | | 2006 | 2005 |
|---------------------------|--|--------------------|------------------|
| 扣除減值提撥後之營運溢利 | Operating profit after impairment charges | 607,881 | 463,228 |
| 貸款及墊款之減值提撥 | Impairment charges on loans and advances | 75,270 | 30,869 |
| 減除回收後之貸款 | Advances written off | | |
| 撤除淨額 | net of recoveries | (75,624) | (57,359) |
| 貸款減值準備之折現值撥回 | Unwind of discount on loan impairment allowances | (1,925) | (3,073) |
| 折舊 | Depreciation | 41,479 | 30,566 |
| 無形資產之攤銷 | Amortisation of intangible assets | 18,226 | - |
| 已發行後償債務及債務證券之利息支出 | Interest expense on subordinated notes and debt securities issued | 135,959 | 71,679 |
| 已發行的存款證利息支出 | Interest expense on certificates of deposit issued | 161,824 | 60,012 |
| | | <hr/> | <hr/> |
| 營運資產及負債變動前之營運溢利 | Operating profit before changes in operating assets and liabilities | 963,090 | 595,922 |
| 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) |
| 以公平值列入損益賬之證券之變動 | Change in securities measured at fair value through profit or loss | 168,997 | 99,518 |
| 持作買賣用途的證券之變動 | Change in trading securities | 275,334 | 775,714 |
| 各項客戶貸款及其他賬目之變動 | Change in advances and other accounts | (2,271,075) | (2,720,060) |
| 持至到期證券之變動 | Change in held-to-maturity securities | 161,669 | 75,559 |
| 可供出售證券之變動 | Change in available-for-sale securities | (5,630,218) | (1,924,607) |
| 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) |
| 客戶存款之變動 | Change in deposits from customers | 1,809,444 | 44,441 |
| 以公平值列入損益賬之客戶存款之變動 | Change in deposits from customers designated at fair value through profit or loss | 692,956 | 706,419 |
| 以公平值列入損益賬之負債之變動 | Change in liabilities designated at fair value through profit or loss | 1,429,966 | 2,012,059 |
| 其他賬目及預提之變動 | Change in other accounts and accruals | 83,003 | (307,270) |
| 匯兌調整 | Exchange adjustments | 12,882 | 3,998 |
| | | <hr/> | <hr/> |
| 經營業務所用現金 | Cash absorbed by operations | (2,303,952) | (887,060) |

(廿五) 跨境債權
相等於百萬港元

25. Cross-border claims
Equivalent in HK\$ millions

二零零六年六月三十日
As at 30 Jun 2006

| | | 銀行及其他 金融機構 Banks and other financial institutions | 公營機構 Public sector entities | 其他 Others | 合計 Total |
|-------------|----------------------------------|---|--------------------------------------|--------------|---------------|
| 亞太區，不包括香港在內 | Asia Pacific excluding Hong Kong | 5,700 | 258 | 4,633 | 10,591 |
| 北美及南美 | North and South America | 706 | – | 1,649 | 2,355 |
| 歐洲 | Europe | 12,961 | – | 3,392 | 16,353 |
| | | 19,367 | 258 | 9,674 | 29,299 |

二零零五年十二月三十一日
As at 31 Dec 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 | 合計 Total |
|-------------|----------------------------------|---|--------------------------------------|---------------|---------------|
| 亞太區，不包括香港在內 | Asia Pacific excluding Hong Kong | 4,904 | 250 | 4,075 | 9,229 |
| 北美及南美 | North and South America | 1,024 | – | 2,458 | 3,482 |
| 歐洲 | Europe | 10,498 | – | 4,720 | 15,218 |
| | | 16,426 | 250 | 11,253 | 27,929 |

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對外地交易對手最終面對的風險。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。資料只限於佔跨境債權總額百分之十或以上的地區才披露。

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.

(廿六) 分項報告

26. 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:

| | | 截至二零零六年六月三十日止六個月 For the six months ended 30 June 2006 | | | | | |
|-------------------------------------|---|---|-------------------------------|------------------|----------------------|-------------------|-------------|
| | | 個人銀行 Personal Banking | 商業銀行 Commercial Banking | 財資業務 Treasury | 未分類業務 Unallocated | 抵銷 Elimination | 合計 Total |
| 利息收入 | Interest income from | | | | | | |
| - 外界客戶 | - external customers | 812,656 | 810,876 | 754,257 | 6,796 | - | 2,384,585 |
| - 跨項目 | - inter-segments | 584,940 | - | 107 | 106,329 | (691,376) | - |
| 利息支出 | Interest expense to | | | | | | |
| - 外界客戶 | - external customers | (890,605) | (221,781) | (321,136) | (10,633) | - | (1,444,155) |
| - 跨項目 | - inter-segments | (12,996) | (244,238) | (434,107) | (35) | 691,376 | - |
| 淨利息收入/(支出) | Net interest income/(expense) | 493,995 | 344,857 | (879) | 102,457 | - | 940,430 |
| 淨服務費及佣金收入 | Net fee and commission income | 182,500 | 58,779 | 4,123 | 7,914 | - | 253,316 |
| 淨買賣及其他營運收入 | Net trading and other operating income | 12,750 | 6,473 | 16,322 | 14,324 | - | 49,869 |
| 營運收入 | Operating income | 689,245 | 410,109 | 19,566 | 124,695 | - | 1,243,615 |
| 營運支出 | Operating expenses | (382,861) | (131,978) | (28,719) | (16,906) | - | (560,464) |
| 扣除貸款及墊款減值 提撥前之營運溢利/(虧損) | Operating profit/(loss) before impairment losses on loans and advances | 306,384 | 278,131 | (9,153) | 107,789 | - | 683,151 |
| 貸款及墊款之減值提撥 | Impairment losses on loans and advances | (25,210) | (50,078) | - | 18 | - | (75,270) |
| 若干投資及固定資產收益/ (虧損)前之營運溢利/ (虧損) | Operating profit/(losses) before gains/(losses) on certain investments and fixed assets | 281,174 | 228,053 | (9,153) | 107,807 | - | 607,881 |
| 出售固定資產之淨虧損 | Net loss on disposal of fixed assets | (12) | - | - | (5) | - | (17) |
| 出售附屬公司權益淨收益 | Net gain on disposal of interests in subsidiaries | - | - | - | 4,048 | - | 4,048 |
| 出售可供出售證券之 淨收益/(虧損) | Net gain/(loss) on disposal of available-for-sale securities | (6) | - | 62,409 | - | - | 62,403 |
| 應佔共同控制實體之業績 | Share of results of jointly controlled entities | - | - | - | 2,675 | - | 2,675 |
| 可供出售證券之減值回撥 | Reversal of impairment losses on available-for-sale securities | - | - | 25,891 | - | - | 25,891 |
| 除稅前溢利 | Profit before income tax | 281,156 | 228,053 | 79,147 | 114,525 | - | 702,881 |
| 於二零零六年六月三十日 資產合計 | As at 30 June 2006 Total assets | 24,200,063 | 26,055,178 | 42,471,504 | 1,571,643 | - | 94,298,388 |
| 負債合計 | Total liabilities | 48,646,647 | 11,662,468 | 24,608,449 | 640,972 | - | 85,558,536 |
| 截至二零零六年六月三十日 止六個月 | For the six months ended 30 June 2006 | | | | | | |
| 折舊 | Depreciation | 26,780 | 9,299 | 2,090 | 3,310 | - | 41,479 |
| 資本支出 | Capital expenditure incurred | 9,709 | 822 | 323 | 2,045 | - | 12,899 |

(廿六) 分項報告 (續)

26. Segment Reporting (Continued)

截至二零零五年六月三十日止六個月

For the six months ended 30 June 2005

| | | 個人銀行 Personal Banking | 商業銀行 Commercial Banking | 財資業務 Treasury | 未分類業務 Unallocated | 抵銷 Elimination | 合計 Total |
|----------------------------|--|-----------------------------|-------------------------------|------------------|----------------------|-------------------|-------------|
| 利息收入 | Interest income from | | | | | | |
| – 外界客戶 | – external customers | 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 expense 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 |
| 淨服務費及佣金收入 | Net fee and commission income | 157,794 | 45,805 | (3,421) | 5,040 | – | 205,218 |
| 淨買賣及其他營運收入 | Net trading and other operating income | 4,123 | 138 | 69,796 | 12,655 | – | 86,712 |
| 營運收入 | 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) |
| 扣除貸款及墊款減值 提撥前之營運溢利 | Operating profit before impairment losses on loans and advances | 222,806 | 186,669 | 10,342 | 74,280 | – | 494,097 |
| 貸款及墊款之減值提撥 | Impairment losses on loans and advances | (23,099) | (7,763) | 65 | (72) | – | (30,869) |
| 若干投資及固定資產收益/ (虧損)前之營運溢利 | Operating profit before gains/(losses) on certain investments and fixed assets | 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) |
| 出售可供出售證券之淨收益 | Net gain on disposal of available-for-sale securities | (11) | – | 90,017 | – | – | 90,006 |
| 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 income tax | 199,468 | 178,901 | 100,424 | 75,108 | – | 553,901 |
| 於二零零五年十二月三十一日 資產合計 | As at 31 December 2005 Total assets | 23,049,782 | 24,685,945 | 39,104,212 | 2,676,901 | – | 89,516,840 |
| 負債合計 | Total liabilities | 46,148,503 | 10,795,679 | 22,772,599 | 1,126,753 | – | 80,843,534 |
| 截至二零零五年六月三十日 止六個月 | For the six months ended 30 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 |

(廿六) 分項報告 (續)

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

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

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

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

截至二零零六年六月三十日止六個月及於二零零六年六月三十日，本集團超過九成之溢利及近乎九成資產乃源自香港之業務。

(廿七) 外匯風險

相等於百萬港元

| 於二零零六年六月三十日 | At 30 Jun 2006 | 美元 USD | 人民幣 CNY | 澳門幣 MOP | 合計 Total |
|---------------|---------------------------|-----------|------------|------------|-------------|
| 現貨資產 | Spot assets | 24,614 | 722 | 3,445 | 28,781 |
| 現貨負債 | Spot liabilities | (22,004) | (710) | (3,933) | (26,647) |
| 遠期買入 | Forward purchases | 34,136 | – | – | 34,136 |
| 遠期賣出 | Forward sales | (35,484) | – | – | (35,484) |
| 長／(短) 盤淨額 | Net long/(short) position | 1,262 | 12 | (488) | 786 |
| 於二零零五年十二月三十一日 | At 31 Dec 2005 | 美元 USD | 人民幣 CNY | 澳門幣 MOP | 合計 Total |
| 現貨資產 | Spot assets | 26,575 | 773 | 3,140 | 30,488 |
| 現貨負債 | Spot liabilities | (21,097) | (756) | (3,353) | (25,206) |
| 遠期買入 | Forward purchases | 9,818 | – | 1 | 9,819 |
| 遠期賣出 | Forward sales | (14,496) | – | – | (14,496) |
| 長／(短) 盤淨額 | Net long/(short) position | 800 | 17 | (212) | 605 |

26. Segment Reporting (Continued)

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

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

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

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

For the six months ended 30 June 2006 and as at 30 June 2006, over 90% of the Group's profit and close to 90% of the Group's assets respectively are originated from business operations based in Hong Kong.

27. Currency concentrations

Equivalent in HK\$ millions

| 於二零零六年六月三十日 | At 30 Jun 2006 | 美元 USD | 人民幣 CNY | 澳門幣 MOP | 合計 Total |
|---------------|---------------------------|-----------|------------|------------|-------------|
| 現貨資產 | Spot assets | 24,614 | 722 | 3,445 | 28,781 |
| 現貨負債 | Spot liabilities | (22,004) | (710) | (3,933) | (26,647) |
| 遠期買入 | Forward purchases | 34,136 | – | – | 34,136 |
| 遠期賣出 | Forward sales | (35,484) | – | – | (35,484) |
| 長／(短) 盤淨額 | Net long/(short) position | 1,262 | 12 | (488) | 786 |
| 於二零零五年十二月三十一日 | At 31 Dec 2005 | 美元 USD | 人民幣 CNY | 澳門幣 MOP | 合計 Total |
| 現貨資產 | Spot assets | 26,575 | 773 | 3,140 | 30,488 |
| 現貨負債 | Spot liabilities | (21,097) | (756) | (3,353) | (25,206) |
| 遠期買入 | Forward purchases | 9,818 | – | 1 | 9,819 |
| 遠期賣出 | Forward sales | (14,496) | – | – | (14,496) |
| 長／(短) 盤淨額 | Net long/(short) position | 800 | 17 | (212) | 605 |

(廿八) 關連交易

於二零零六年上半年期間，本集團與有關連人士(包括本集團之最終控股公司、同系附屬公司、由最終控股公司股東或董事直接或間接控制或對其有重大影響力之公司)進行多項持續交易。此等持續關連交易之條款自本公司之獨立非執行董事審閱本集團截至二零零五年十二月三十一日止年度之關連人士交易及本集團二零零五年度財務報表刊載有關的披露以來並無重大改變。截至二零零六年六月三十日止六個月，所有持續關連交易均屬於本集團之正常業務，按一般商業條款，並依據有關協議的公平合理及符合本公司整體股東利益之條款進行。

本公司及本集團之全資附屬公司於期內與最終控股公司及同系附屬公司從簽訂之持續關連交易(定義見香港聯合交易所有限公司證券上市規則「上市規則」第14A.14段)收取收入及產生支出。此等交易之總值並不重大且遠低於根據上市規則第14A.35(2)及14A.36(1)段適用於本集團相應之年度上限。

本集團向本集團的主要管理人員、其配偶及其擁有重大影響力之公司提供信貸和接受其存款。於二零零六年上半年期間，此等信貸及存款之結餘與二零零五年十二月三十一日比較並無重大改變。

本公司之主要管理人員為執行董事，截至二零零六年六月三十日六個月，彼等報酬之條款自二零零五年十二月三十一日以來無重大改變。

本集團已於二零零六年五月二十六日，以對價280,582,000港元轉讓其於澳門保險有限公司及澳門人壽保險有限公司之權益予最終控股公司大新金融集團有限公司。出售淨收益披露於附註7。

28. Related-party transactions

During the first half of 2006, the Group entered into various continuing transactions with related parties including the ultimate holding company, fellow subsidiaries of the Group, companies directly or indirectly controlled or significantly influenced by the shareholders or directors of the ultimate holding company. There were no material change in the terms of these continuing connected transactions since the review by the Company's independent non-executive directors of related-party transactions of the Group for the year ended 31 December 2005 and related disclosure set out in the Group's 2005 annual financial statements. For the six months period ended 30 June 2006, all continuing connected transactions were conducted in the ordinary and usual course of business of the Group, on normal commercial terms, and in accordance with the relevant agreements on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company and its wholly-owned subsidiaries within the Group received and incurred income and expense from the continuing connected transactions (within the definition of Rule 14A.14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) entered into with the ultimate holding company and fellow subsidiaries during the period. The aggregate values of these transactions are not material and are well within the respective annual caps applicable to the Group under Rules 14A.35(2) and 14A.36(1) of the Listing Rules.

The Group provides credit facilities to, and takes deposits from the Group's key management personnel, their spouses and companies which the key management personnel have significant influence. During the first half of 2006, there were no significant change in the balances of these credit facilities and deposits as compared to 31 December 2005.

Key management personnel of the Company are executive directors and there were no significant change to their remuneration terms since 31 December 2005 in the six months ended 30 June 2006.

The Group disposed of its interests in Macau Insurance Company Limited and Macau Life Insurance Company Limited to the ultimate holding company, Dah Sing Financial Holdings Limited, on 26 May 2006 at a consideration of HK\$280,582,000. The net gain on disposal is disclosed in Note 7

(廿九) 風險管理

本集團明瞭各類風險會不停蛻變的特性並透過完善的管理架構作有效管理。

風險管理專注於五大範圍：信貸風險、市場風險、利率風險、流動資產風險及營運風險。信貸風險之產生主要源於本集團之信貸組合，其中包括商業、批發和零售借貸、機械和租購融資及財資部和金融機構業務部的批發借貸。

大部份的市場風險乃源於財資部。此主要與本集團資產負債表內之買賣交易及資產負債表外之買賣交易(包括對沖活動之有關持倉)。

利率風險指因利率的不利變動而引致本集團的財政狀況面臨的風險。

流動資產風險之產生遍佈本集團之資產負債表。

營運風險乃因內部程序、員工及系統之不足與疏忽或外來的項目而產生之直接或間接虧損之風險。

(a) 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)、營運統計和政策合規作出監控；及
- 比對預算檢討業績和分析主要非財務指標。

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

29. Risk management

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

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

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

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

Liquidity risk arises across the Group's balance sheet.

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

(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 compliance; and
- financial performance by analysis against approved budgets and analysis of variations in key non-financial measures.

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

(廿九) 風險管理 (續)

(b) 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各項業務表現。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。風險管理及監控部乃屬集團風險部之一部份且直接向集團風險部的主管匯報。各業務信貸風險部在功能上均向集團風險部匯報。

(c) 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建議其業務範圍內的政策、限額和風險控制的權責。這體制反映本集團在集團風險部統籌下把風險管理的責任融入各項業務之管理運作中。

29. Risk management (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 different types of risks. In determining risk policies, Group Risk takes into account the guidelines established by the Hong Kong Monetary Authority, business direction, and risk adjusted performance of each business. Group Risk is also represented on the lending or risk committees of the Group's operating divisions and businesses.

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. The Risk Management and Control function is part of Group Risk and reports directly to the Head of Group Risk. Each business credit risk department functionally reports to the Head of Group Risk.

(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.

(廿九) 風險管理 (續)

(d) 採用金融工具策略

本集團接受定息或浮息及不同年期之客戶存款，並透過投資所收取之資金於高質素資產以賺取息差收入。本集團尋求透過整合短期資金及按較高利率借出較長期之款項以增加此等息差收入，同時並保持足夠之流動資金以應付可能須付之所有債務。

集團亦透過向不同信貸級別之商業及零售借款入貸款，以獲取減除撥備後高於平均之息差，藉此提高息差。此等活動風險不單涉及資產負債表內之貸款及墊款，亦涉及本集團訂立擔保及其他承擔，例如信用證及其他承諾。

本集團亦通過交易所及場外交易買賣包括衍生工具之金融工具，藉著證券、債券、貨幣、利率及商品價格之短期波動賺取利潤。董事會制定交易限額以監控不同程度之市場持倉風險。除指定對沖安排外，有關外匯及利率之風險一般以訂立對銷持倉（包括與客戶及市場對手之交易）或利用衍生工具作對沖，藉此控制有關市場持倉套現之現金淨值。

本集團亦應用利率掉期及其他利率衍生工具以減輕因利率變動令定息資產公平值下降或定息有期負債公平值上升之利率風險。若干金融工具被用作公平值對沖，對沖項目之細節，包括被對沖項目、金額、利率、對沖期及目的，皆於各公平值對沖項目開始時被確定和記錄，亦於開始對沖時按預期基礎評估及不時根據實際經驗及估價重新評估對沖有效性。倘公平值對沖關係不符合對沖會計的有效性測試標準，則對沖會計方法將於此公平值對沖變失效日起停止。

(e) 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。此等責任乃源自本集團之貸款及投資活動、及買賣金融或衍生工具活動。

29. Risk management (Continued)

(d) Strategy in using financial instruments

The Group accepts deposits from customers at both fixed and floating rates, and for various periods, and seeks to earn positive interest margins by investing these funds in high-quality assets. The Group seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates, while maintaining sufficient liquidity to meet all claims that might fall due.

The Group also seeks to raise its interest margins by obtaining above-average margins, net of allowances, through lending to commercial and retail borrowers with a range of credit standing. Such exposures involve not just on-balance sheet loans and advances, as the Group also enters into guarantees and other commitments such as letters of credit and performance, and other bonds.

The Group also trades in financial instruments where it takes positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements in equities and bonds and in currency, interest rate and commodity prices. The Board places trading limits on the level of exposure that can be taken in relation to market positions. Apart from specific hedging arrangements, foreign exchange and interest rate exposures are normally offset by entering into counterbalancing positions (including transactions with customers or market counterparties), or by the use of derivatives, thereby controlling the variability in the net cash amounts required to liquidate market positions.

The Group also uses interest rate swap and other interest rate derivatives to mitigate interest rate risk arising from changes in interest rates that will result in decrease in the fair value of fixed rate assets or increase in the fair value of fixed rate term liabilities. Certain of these financial instruments are designated as fair value hedges, and the terms of hedge including hedged item, amount, interest rates, hedge period and purpose are determined and documented at the inception of each fair value hedge. Hedge effectiveness is assessed at inception on a prospective basis and is reassessed, on an ongoing basis, based on actual experience and valuation. Fair value hedge relationships that do not meet the effectiveness test requirement of hedge accounting are discontinued with effect from the date of ineffectiveness of the fair value hedge.

(e) 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 lending and investment activities, and trading of financial or derivative instruments.

(廿九) 風險管理 (續)

(e) 信貸風險 (續)

本集團設有集團信貸委員會，每部門均設有信貸委員會，由若干執行董事及高級信貸人員組成，並由行政總裁擔任主席。每個信貸委員會負責按集團風險部政策所訂下之範圍內，制訂及修訂其部門之信貸政策及程序。信貸政策及程序界定提供貸款之條件及指引、信貸批核及評分、檢討及監察過程，以及貸款分類及減值之制度。

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

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

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

在適當的時候，為減低信貸風險，本集團會收取抵押品作為信貸額的擔保。為控制因衍生工具淨盤而產生之交易對手信貸風險，本集團限制其衍生工具買賣對手為核准之財務機構，應用市場建立之慣例於信貸支援及抵押品之結算，減低對衍生工具對手之信貸風險。本集團信貸委員會參考個別對手之財務能力及信貸評價，訂立個別財務機構之信貸總額，包括其於衍生工具之市值額度及認可之抵押品類別及其特性和各類貸款與估值比率皆確定於信貸政策內。

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。

29. Risk management (Continued)

(e) Credit risk (Continued)

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

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 and industry risks applicable to the types of loans, collateral and counterparty dealings including dealing in or use of derivative financial instruments. Credits are extended within the parameters set out in the credit policies and are approved by different levels of management based upon established guidelines. Credit exposures, limits and asset quality are regularly monitored and controlled by management, credit committees and Group Risk. The Group's internal auditors conduct regular reviews and audits to ensure compliance with credit policies and procedures and regulatory guidelines.

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 impairment policies.

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

In order to mitigate the credit risk and where appropriate, the Group will obtain collateral to support the credit facility. To control credit risk exposure to counterparty arising from derivative positions, the Group limits its derivative dealings with approved financial institutions, and uses established market practices on credit support and collateral settlement to reduce credit risk exposure to derivative counterparties. Overall credit risk limit for each financial institution counterparty, including valuation limit for derivatives, is approved by the Group Credit Committee with reference to the financial strength and credit rating of each counterparty. The acceptable types of collateral and their characteristics are established within the credit policies, as are the respective margins of finance.

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

(廿九) 風險管理 (續)

(e) 信貸風險 (續)

(i) 衍生工具

本集團嚴格控制未平倉衍生合約淨額(即買賣合約的差額)之金額及期限。於任何時間,承受信貸風險之金額按有利於本集團之工具現行公平價值(即公平值為正數之該等資產)為限,此就衍生工具而言僅佔合約之一個小部分,或用以表達未償還工具數量之名義金額。信貸風險作為整體客戶借貸限度之一部分連同潛在市場變動風險一併予以管理。此等工具之信貸風險並不是經常獲得抵押品或其他抵押,惟本集團要求對手提供保證按金之情況除外。

(ii) 淨額結算整體安排

集團與進行大量交易的交易對方訂立淨額結算整體安排,藉此進一步減少信貸風險。淨額結算整體安排不一定會導致資產負債表上資產及債務的對銷,原因是交易通常按總額結算。然而,有利合約之相關信貸風險會借著淨額結算整體安排而降低,於拖欠發生時交易對方所有借貸將被停止及按淨額結算。

(iii) 信貸承諾

該等工具之主要目的乃確保資金足夠供應給客戶在有需要時提取。擔保及備用信用證乃不可撤回的保證,表示本集團將會在客戶未能向第三方履行責任時作出償付。該等工具帶有與貸款相同之信貸風險。跟單及商業信用證為本集團書面承諾代表客戶授權第三方按訂明之條款及條件向本集團提取某一訂明金額之款項,並一般以相關之付運貨物作為抵押,因此較直接借貸之風險為低。

29. Risk management (Continued)

(e) Credit risk (Continued)

(i) Derivatives

The Group maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e., assets where their fair values are positive), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Group requires margin deposits from counterparties.

(ii) Master netting arrangements

The Group further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of balance sheet assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis.

(iii) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit – which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties – carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions – are normally collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct borrowing.

(廿九) 風險管理 (續)

(e) 信貸風險 (續)

(iii) 信貸承諾 (續)

授出信貸承諾為以貸款、擔保書及信用證等形式授權授出之信貸未動用部分。有關授出信貸承擔之信貸風險，本集團所承擔之潛在損失風險相當於未動用承諾之總額。然而，可能虧損之金額乃低於未動用承諾，因為授出之信貸大部分承諾須視乎客戶之特定信貸水平而定。本集團會控制信貸承諾之到期年期，因較長年期之承諾比一般較短期承諾存在較大程度的信貸風險。

反映本集團主要信貸風險之按行業分類之客戶貸款已列於附註十三。

(f) 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並在外匯、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細分限額。風險管理及監察是透過持倉上限、止蝕限額、名義金額及本金金額、敏感限額及運用市場風險數值之各種風險管理方法執行。所有涉及市場風險的買賣持倉受財資部監察及管理，需要每日按市值入賬。獨立的監察、價值評估、檢查及確認交易均由本集團風險部之中的風險管理及監控部負責，該部門獨立於財資部。風險管理及監控部透過每日的風險監控過程，比較風險和已審批額度及提議具體行動去確保整體及個別市場風險被限制在可接受水平內。

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

29. Risk management (Continued)

(e) Credit risk (Continued)

(iii) Credit-related commitments (Continued)

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

An analysis on the breakdown of the Group's principal credit risk, as reflected in the Group's loan portfolio by industry sector is set out in Note 13.

(f) 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 the Group's Asset and Liabilities Management Committee ("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.

(廿九) 風險管理 (續)

(f) 市場風險 (續)

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

買賣倉中各項風險之市場風險數值如下:

買賣盤之利率風險值
外匯買賣盤之風險值
信貸買賣盤之風險值

Interest rate risk trading exposures
Foreign exchange trading exposures
Credit trading exposures

買賣盤之市場風險值

Market risk trading exposures

期內/年度內平均市場風險值

Average VaR for the period/year

二零零六年
六月三十日
As at
30 Jun 2006

二零零五年
十二月三十一日
As at
31 Dec 2005

1,054
833
1,535

1,981
113
–

3,422

2,094

2,594

3,034

本集團在截至二零零六年六月三十日止六個月內,從市場風險相關的財資活動賺取的收益平均每日達378,000港元(二零零五年:494,000港元),其標準差是3,363,000港元(二零零五年:5,509,000港元)。截至六月三十日止六個月之主要交易活動的每日平均收益及標準差分析如下:

The average daily revenue earned from the Group's market risk related treasury activities in the six months ended 30 June 2006 was HK\$378,000 (2005: HK\$494,000) and the standard deviation for such daily revenue was HK\$3,363,000 (2005: HK\$5,509,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing activities for the six months ended 30 June:

| | | 每日平均收益 | | 標準差 | |
|------|--------------------------|-----------------------|-------|--------------------|-------|
| | | Average daily revenue | | Standard deviation | |
| | | 2006 | 2005 | 2006 | 2005 |
| 外匯交易 | Foreign exchange dealing | 332 | 775 | 3,273 | 5,694 |
| 信貸買賣 | Credit trading | 10 | (35) | 446 | – |
| 利率交易 | Interest rate dealing | 36 | (246) | 619 | 1,505 |

29. Risk management (Continued)

(f) Market risk (Continued)

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

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

(廿九) 風險管理 (續)

29. Risk management (Continued)

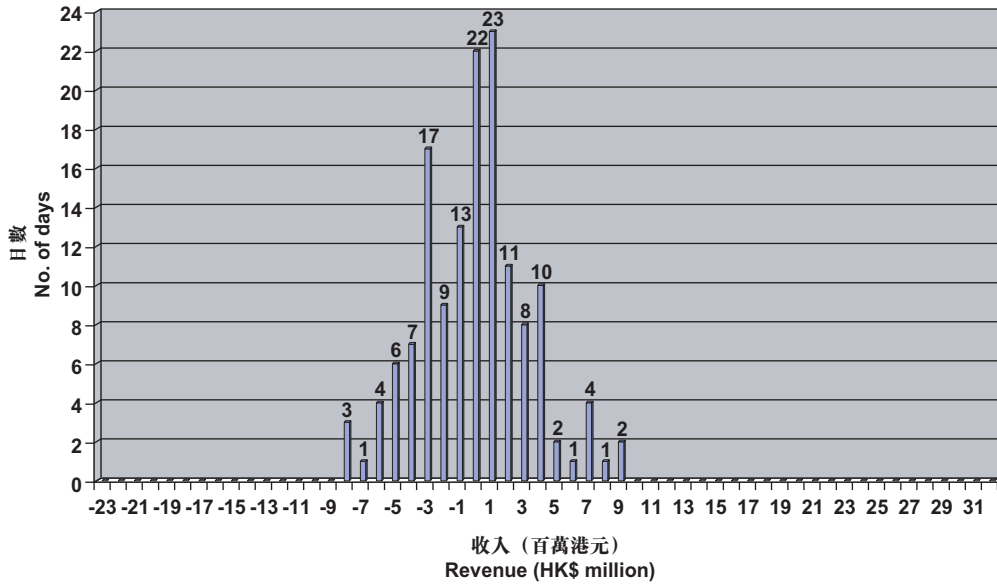
(f) 市場風險 (續)

(f) Market risk (Continued)

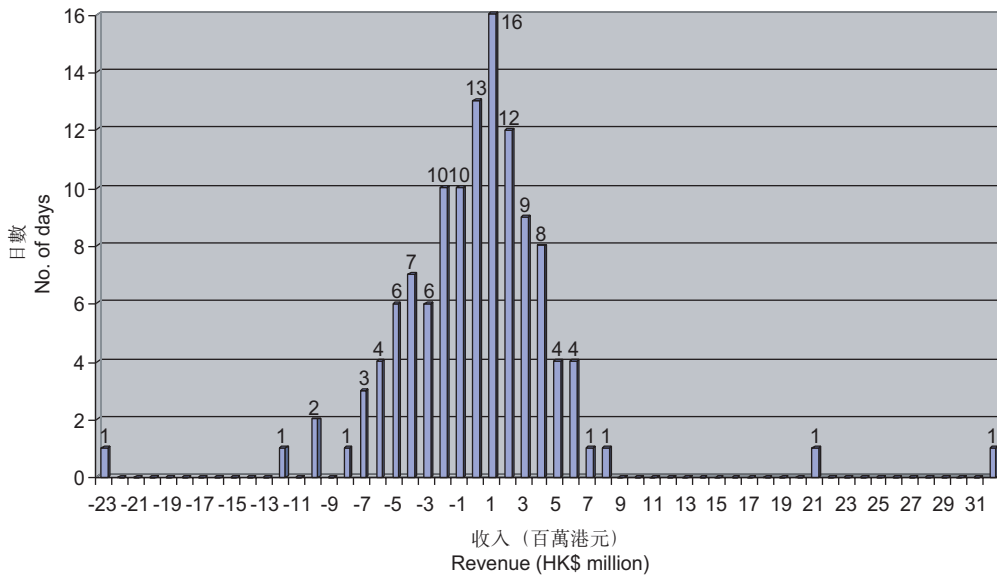
下圖是與市場風險有關的每日收入分佈情況：

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

截至二零零六年六月三十日止六個月
For the six months ended 30 June 2006



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



截至二零零六年六月三十日止六個月內，最高單日收益為9,732,000港元(二零零五年：32,449,000港元)，最大單日虧損為8,882,000港元(二零零五年：22,885,000港元)。

During the six months ended 30 June 2006, the highest daily gain was HK\$9,732,000 (2005: HK\$32,449,000) and the maximum daily loss was HK\$8,882,000 (2005: HK\$22,885,000).

(廿九) 風險管理 (續)

(g) 外匯風險

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

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

(h) 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定息貸款或證券所賺取的利息不會改變而受影響。市場利率的波動除影響盈利外，亦會影響集團的資產、負債及資產負債表外持倉的經濟價值，繼而影響集團的資產淨值。

(i) 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是年度內均能保持高於法定最低要求的流動資產比率。本集團是年內之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現行貸款和存款的組合及變化、融資需求及預測、對到期錯配狀況及流動資產比率作出持續監控。本集團亦對流動資產比率及到期錯配定下適當的限額並持有充足的流動資產以確保能應付所有短期資金需求。

本集團的資金主要包括客戶存款、已發行的存款證及中期票據。發行存款證及中期票據有助延長融資年期及減少到期錯配，在少數情況下，亦會吸納短期銀行同業存款。本集團乃銀行同業市場的淨放款人。

按有關合約於結算日至到期日剩餘時間歸類分析本集團之資產及負債詳列於附註二十三。

29. Risk management (Continued)

(g) Currency risk

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

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.

(h) 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.

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

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.

Details of the Group's assets and liabilities analysed into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date are shown in Note 23.

(廿九) 風險管理 (續)

(i) 流動資產風險 (續)

資產與負債期限及利率的相配和受控的錯配對集團管理層至為重要。由於進行的業務交易經常期限不定，且類型也不盡相同，因此銀行做到完全相配的情況並不普遍。不相配的情況既可能提高盈利能力，也會增加虧損風險。

資產與負債的到期日相配和以合理的成本替代到期之計息負債的能力，是評估集團流動資金狀況及其利率及匯率變動風險的重要因素。

應付擔保和備用信用證項下所需款項的流動資金需求遠少於承諾的金額，因為集團一般不預期第三方會根據該協議全數動用資金。由於很多信貸承諾毋須動用資金即告期滿或終止，因此提供信貸承擔的未償付合同總金額未必等同日後的現金需求。

(j) 營運風險

本集團在各業務之部門層級管理營運風險，並由營運處負責架構協調，然後向高級管理層匯報。自二零零三年起，本集團展開營運風險事件匯報及記錄營運損失數據。

本集團已成立專責營運風險管理之功能，負責推動和執行本集團之營運風險管理項目，目的為改善營運水平、內部監控程序和符合巴塞爾II規定。該功能負責推廣營運風險控制文化，以及在各部門執行及遵守營運風險管理政策及規定上提供支援。

(k) 審核處的角色

本集團之審核處是一個獨立、客觀及顧問性質的部門，集中於改進和維持本集團業務及後勤部門良好的內部控制。該處向一獨立非執行董事所主持的集團審核委員會作出功能上的匯報。審核處處處理各類不同形式的內部控制活動，例如合規性審計、操作和系統覆查以確保本集團控制系統的完整性、效率和有效性。

29. Risk management (Continued)

(i) Liquidity risk (Continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment because the Group does not generally expect the third parties to fully draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

(j) Operational risk

The Group manages operational risk at department level under respective businesses within a structure coordinated by the Operations Division with reporting to senior management. Since 2003, the Group has started the operational risk incident reporting and tracking of operational loss data.

A dedicated operational risk management function has been established to drive and implement the operational risk project of the Group with the objective to improve operations quality, internal control process and to meet the Basel II requirements. The function is responsible for promoting the operational risk control culture, and providing support to various departments in implementing and complying with the operational risk management policy and requirements.

(k) The role of Internal Audit

The Group's Internal Audit Division is an independent, objective assurance and consulting unit, which is designed to focus on enhancing and sustaining sound internal control in all business and operational units of the Group. The 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.

(三十) 資本充足比率

30. Capital adequacy ratio

| | | 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|-----------|---------------------------------|--|--|
| 資本充足比率 | Capital adequacy ratio | <u>18.2%</u> | <u>16.6%</u> |
| 經調整資本充足比率 | Adjusted capital adequacy ratio | <u>18.6%</u> | <u>16.8%</u> |

資本充足比率乃本集團附屬銀行公司包括大新銀行有限公司與其附屬銀行公司、豐明銀行有限公司及D.A.H.Hambros Bank (Channel Islands) Limited 於六月三十日／十二月三十一日之合併比率。該資本充足比率乃參考銀行業條例第三附表內的方法計算。

經調整資本充足比率乃本集團附屬銀行公司於六月三十日／十二月三十一日之合併比率。該經調整資本充足比率乃參考金管局所發出「就市場風險維持充足資本」指引內的方法計算，是項經調整比率已顧及在六月三十日／十二月三十一日之市場風險。

根據銀行業條例，僅本集團本地註冊之附屬銀行公司須遵守資本充足比率最低要求。澳門商業銀行須遵守澳門銀行監管規定。本集團上述的比率計算只供參考。

The capital adequacy ratio represents the combined ratio of the banking subsidiaries within the Group comprising Dah Sing Bank, Limited and its banking subsidiaries, MEVAS Bank Limited, D.A.H. Hambros Bank (Channel Islands) Limited as at 30 June/31 December. The capital adequacy ratio is computed with reference to the methods set out in the Third Schedule of the Banking Ordinance.

The adjusted capital adequacy ratio represents the combined ratio of the banking subsidiaries within the Group as at 30 June/31 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 HKMA. The adjusted ratio takes into account market risk as at 30 June/31 December.

Only the locally incorporated banking subsidiaries within the Group are subject to the minimum capital adequacy ratio requirement under the Banking Ordinance. Banco Comercial de Macau is subject to separate Macau banking regulations. The above ratios of the Group are calculated for reference only.

(三十) 資本充足比率 (續)

本集團根據銀行業條例所計算之合併資本基礎分析如下：

| 核心資本 | Core capital |
|-------------------|---|
| 繳足股款的普通股股本 | Paid up ordinary share capital |
| 儲備 | Reserves |
| 附加資本 | Supplementary capital |
| 土地及土地權益價值重估的儲備 | Reserves on revaluation of land and interests in land |
| 非持有用作買賣用途的證券的重估儲備 | Reserve on revaluation of the holding of securities not held for trading purposes |
| 減值資產之綜合減值準備及監管儲備 | Collective impairment allowances for impaired assets and regulatory reserve |
| 有期後償債項 | Term subordinated debt |
| 可計算的附加資本總額 | Eligible value of supplementary capital |
| 扣減前的資本基礎總額 | Total capital base before deductions |
| 扣減項目 | Deductions |
| 扣減後的資本基礎總額 | Total capital base after deductions |

(三十一) 流動資產比率

流動資產比率

流動資產比率為本集團附屬銀行公司於有關年內六個月／十二個月每個曆月的平均流動資產比率的簡單平均數。該流動資產比率是參考銀行業條例第四附表內的方法計算。

根據銀行業條例，僅本集團本地註冊之附屬銀行公司須遵守流動資產比率最低要求。本集團上述的比率計算只供參考。

30. Capital adequacy ratio (Continued)

The combined capital base of the Group computed on the basis of the Banking Ordinance is set out below:

| 二零零六年 六月三十日 As at 30 Jun 2006 | 二零零五年 十二月三十一日 As at 31 Dec 2005 |
|--|--|
| 2,707,749 | 2,207,749 |
| 4,620,544 | 3,928,002 |
| <u>7,328,293</u> | <u>6,135,751</u> |
| 238,402 | 238,402 |
| (147,770) | 25,604 |
| 450,688 | 458,783 |
| 3,439,956 | 3,067,875 |
| <u>3,981,276</u> | <u>3,790,664</u> |
| <u>11,309,569</u> | <u>9,926,415</u> |
| <u>(1,485,590)</u> | <u>(421,585)</u> |
| <u>9,823,979</u> | <u>9,504,830</u> |

31. Liquidity ratio

| 截至二零零六年 六月三十日 止六個月 Six months ended 30 Jun 2006 | 截止二零零五年 十二月三十一日 止年度 Year ended 31 Dec 2005 |
|---|--|
| 57.4% | 55.2% |

The liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of the Group's banking subsidiaries for the six/twelve months of the financial year. The liquidity ratio is computed with reference to the methods set out in the Fourth Schedule of the Banking Ordinance.

Only the locally incorporated banking subsidiaries within the Group are subject to the minimum liquidity ratio requirement under the Banking Ordinance. The above ratios of the Group are calculated for reference only.

財務比率

FINANCIAL RATIOS

| | | 截至 二零零六年 六月三十日止 六個月 For the six months ended 30 June 2006 | 截至 二零零五年 六月三十日止 六個月 For the six months ended 30 June 2005 |
|--------------------|--|--|--|
| 淨利息收入／營運收入 | Net interest income/operating income | 75.6% | 68.8% |
| 成本對收入比率 | Cost to income ratio | 45.1% | 47.3% |
| 貸款對存款(包括存款證) 比率 | Loan to deposit (including certificates of deposit) ratio | 66.4% | 69.1% |
| 平均總資產回報 | Return on average total assets | 1.1% | 1.2% |
| 平均股東資金回報 | Return on average shareholders' funds | 12.1% | 10.9% |
| 派發股息比率 | Dividend payout ratio | 41.1% | 45.9% |
| 淨息差 | Net interest margin | 2.46% | 2.06% |

中期股息

INTERIM DIVIDEND

董事會宣告於二零零六年十月三日(星期二)或之後派發二零零六年中期股息每股0.25港元予於二零零六年九月二十九日(星期五)辦公時間結束時載於股東名冊上之股東。

The Directors have declared an interim dividend of HK\$0.25 per share for 2006 payable on or after Tuesday, 3 October 2006 to shareholders whose names are on the Register of Shareholders at the close of business on Friday, 29 September 2006.

暫停辦理股東登記

CLOSING OF REGISTER OF SHAREHOLDERS

本公司將於二零零六年九月二十五日(星期一)至二零零六年九月二十九日(星期五)(包括首尾兩天)暫停辦理股東登記。如欲符合資格享有中期股息,須於二零零六年九月二十二日(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,本公司之股份登記處辦理過戶手續。

The Register of Shareholders will be closed from Monday, 25 September 2006 to Friday, 29 September 2006, 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, 22 September 2006.

集團及業務概覽

CORPORATE AND BUSINESS OVERVIEW

二零零六年上半年是本集團整固業務之時期,期間本集團積極整合於二零零五年完成的兩項收購,即怡泰富財務(香港)有限公司(「怡泰富財務」)及澳門商業銀行(「澳門商業銀行」)之業務。未計入收購之影響,本集團亦繼續取得內部增長,貸款和存款均錄得增幅。計入收購之影響後,本集團之總資產由二零零五年十二月底之八百九十五億港元增加至二零零六年六月三十日之逾九百四十億港元。

The first half of 2006 was a period of consolidation for our Group, during which we devoted significant effort to the integration of the two acquisitions made in 2005, namely Pacific Finance (Hong Kong) Limited ("PF") and Banco Comercial de Macau ("BCM"). We also continued to grow organically, with increases in both loans and deposits, not including the effects of the acquisitions. Including the effects of the acquisitions, our total assets grew from HK\$89.5 billion as at the end December 2005 to over HK\$94 billion as at 30 June 2006.

集團及業務概覽 (續)

整合怡泰富財務的主要部分已於期內完成，其全部貸款資產已於二零零六年六月三十日前轉移至大新銀行有限公司（「大新銀行」）。怡泰富財務之員工已轉移至大新銀行，而其業務現已完全與大新銀行融合。此舉有利於減省怡泰富財務每年營運成本達百分之四十。期內，怡泰富財務之淨溢利貢獻為四千五百萬港元，稍低於二零零五年上半年，因去年同期錄得二千萬港元衍生金融工具之公平值收益。

於期內，澳門商業銀行亦進行重組，本公司在於股東大會上獲得眾獨立股東一致同意後，於二零零六年五月二十六日完成將持有之兩間保險公司，澳門保險有限公司及澳門人壽保險有限公司轉讓予大新金融集團有限公司。期內，所有澳門業務均有出色表現，澳門商業銀行未經調整無形資產攤銷費用前之溢利上升百分之四十九至五千六百萬澳門幣。

經調整無形資產攤銷費用以及因二零零五年支付收購成本而導致對利息收入影響後，怡泰富財務及澳門商業銀行之整體貢獻有助提高本集團於期內之盈利。

本集團持續拓展中國內地之業務，深圳分行於二零零四年中設立並且於過去兩個年度均錄得溢利並已提交經營人民幣業務之申請。本集團亦為在內地開設第二間分行及向中國銀行業監督管理委員會提交申請作最後的準備。

本港方面，貸款增長仍然緩慢，尤其是零售銀行業務方面，於期內孳息曲線處於平坦甚至出現逆向、短期利率和資金成本上升，以及債券資產信用差價收窄之情況下，本集團之財資業務面對重重挑戰。儘管如此，上半年本港最優惠利率與本港同業拆息之息差較為擴闊，令本集團之淨息差得以受惠。

財務回顧

儘管利率持續攀升及燃油成本高企，本地經濟狀況於二零零六年上半年普遍向好，本地生產總值增長強勁，及失業情況進一步舒緩。在本地消費和出口持續增長帶動下，本地生產總值取得較強勁表現。

截至二零零六年六月三十日止六個月，本集團之股東應佔溢利為五億六千六百萬港元，較二零零五年上半年增長百分之二十三，此增長主要由較高營運收入帶動。

CORPORATE AND BUSINESS OVERVIEW (Continued)

The major part of the consolidation of PF was completed during the period, with the transfer of all of the loan assets to Dah Sing Bank, Limited (“DSB”) before 30 June 2006. PF staff have been transferred to DSB, and the PF business has now been fully integrated with those of DSB. This has given rise to operational cost savings for PF in the order of 40% on an annualised basis. The net profit contribution from PF in the period was HK\$45 million which was slightly lower than that of the first half of 2005, when a fair value gain of HK\$20 million on financial derivatives was reported.

BCM was also reorganised during the period under review, with a transfer of the two insurance companies held under BCM, Macau Insurance Company Limited and Macau Life Insurance Company Limited, to Dah Sing Financial Holdings Limited being completed on 26 May 2006, following unanimous approval by the Company’s independent shareholders in a general meeting. Our Macau businesses have performed well during the period, with an increase in profit of 49% to MOP56 million (prior to adjusting for the amortisation of intangible assets) for BCM.

The overall contribution of PF and BCM, after adjusting for the amortisation of intangible assets and the interest income foregone on the acquisition capital paid in 2005, was earnings enhancing in the period.

We continued with the expansion of our Mainland China business, submitting an application to conduct Renminbi business at our branch in Shenzhen, following two years of profitable operation after its establishment in mid-2004. We are also in the final stages of preparing an application to the China Banking Regulatory Commission for our second branch in the Mainland.

Domestically in Hong Kong, loan growth remained slow, particularly in the retail banking business, and our treasury business experienced challenging conditions with a flat or even inverted yield curve, and rising short-term interest rates and higher funding costs, as well as tight credit spreads on bond assets during the period. However, our net interest margin benefited from the wider Prime-Hibor spread prevailing in the market in the first half.

FINANCIAL REVIEW

Local economic conditions, despite rising interest rates and higher fuel costs, were generally favourable in the first half of 2006 with strong growth in GDP and further easing in unemployment. The stronger GDP performance was underpinned by continued increase in domestic consumption and exports.

Profit attributable to shareholders of the Group for the six months ended 30 June 2006 was HK\$566 million, 23% higher than the first half of 2005. The increase was mainly driven by higher operating income.

財務回顧 (續)

於二零零六年上半年，淨利息收入由去年同期之六億四千五百萬港元上升百分之四十六至九億四千萬元。增長強勁的原因是(1)最優惠利率與本港同業拆息之息差擴闊，(2)平均貸款結餘增加及(3)怡泰富財務及澳門商業銀行之貢獻(由於此等收購在二零零五年下半年後期完成，二零零五年上半年之業績並無計入)。該等正面因素之影響足以抵銷資金成本上漲對定息資產賺取之淨利息收入所造成之負面影響。本集團之淨息差由二零零五年上半年及全年分別百分之二點零六及百分之一點九八擴闊至百分之二點四六。

儘管二零零六年首六個月美元短期利率穩步上調，相對利好之港元貨幣市場狀況有助抑制港元同業拆息的升勢。最優惠利率與本港同業拆息之息差擴闊，特別對按最優惠利率定價之貸款有利。經調整於二零零五年因支付收購成本而引致較低之利息收入，怡泰富財務及澳門商業銀行仍帶來重大的淨利息收入貢獻。

淨服務費及佣金收入上升百分之二十三點四，主要由於商業及零售銀行業務之內部增長帶動貸款費用及佣金收入增加，及財富管理及投資服務收入上升，尤其是單位信託基金銷售額增長令佣金收入增加。併入怡泰富財務及澳門商業銀行淨服務費及佣金收入，亦有助推高整體增幅。

由於本集團財資交易須面對困難之投資市場及以公平值列入損益賬之財務負債錄得淨公平值虧損，淨買賣收入大幅下跌。

其他營運收入增長百分之六十五，這主要反映股息和租金收入增加及併入怡泰富財務及澳門商業銀行期內貢獻。

營運支出上升百分之二十七，乃由於併入於二零零五年下半年收購之怡泰富財務及澳門商業銀行之營運成本及因此等收購而被確認之無形資產之攤銷費用。若不包括該等支出及按照內部增長基礎計算，營運支出較去年上半年上升百分之三點二。

成本對收入比率為百分之四十五點一，低於去年同期之百分之四十七點三。

扣除貸款減值支出前之營運溢利為六億八千三百萬港元，較二零零五年上半年上升百分之三十八。

FINANCIAL REVIEW (Continued)

Net interest income in the first half of 2006 increased by 46% to HK\$940 million from HK\$645 million in the same period last year. The strong increase was the result of (1) wider Prime-Hibor spread, (2) higher average loan balance and (3) contribution from PF and BCM (their results in the first half of 2005 were not included as they were acquired in the latter part of the second half of 2005). The impacts of these positive factors more than outweighed the negative impact of rising funding costs to net interest income generated by the fixed-rate assets. The net interest margin of the Group widened to 2.46% from 2.06% and 1.98% in the first half and full year 2005 respectively.

Relatively benign HK\$ money market conditions helped contain the rise in HK\$ interbank interest rates, despite steady increases in US\$ short-term rates during the first six months of 2006. A wider Prime-Hibor spread was particularly favourable for loans priced on a Prime rate basis. PF and BCM made a meaningful contribution to net interest income after adjusting for the interest income foregone on the acquisition capital paid in 2005.

Net fee and commission income increased by 23.4%. The main causes were higher loan fee and commission income from the organic growth of our Commercial and Retail banking businesses, and higher income from wealth management and investment services, particularly stronger commission income on higher unit trust sales. The consolidation of PF and BCM net fee and commission income also helped to boost the overall increase.

Net trading income decreased significantly due to more difficult investment market for our treasury trading, and net fair value losses on financial liabilities designated at fair value through profit or loss.

Other operating income increased 65% in the period mainly attributed to increase in dividend and rental income, and the inclusion of PF and BCM contribution in the period.

Operating expenses rose 27% as a result of consolidating the expenses of PF and BCM acquired in the second half of 2005 and the amortisation costs for the intangible assets recognised on these acquisitions. Excluding these expenses and on an organic growth basis, operating expenses increased by 3.2% as compared to the first half of last year.

Cost income ratio in the period was 45.1%, lower than 47.3% in the same period last year.

Operating profit before impairment charges was HK\$683 million, up 38% relative to the first half of 2005.

財務回顧 (續)

貸款減值支出上升，部分原因是平均貸款結餘增加，及須為多名商業銀行、運輸及設備融資客戶增加個別評估減值撥備。併入怡泰富財務及澳門商業銀行之貸款組合並未對期內整體貸款虧損造成任何重大影響。然而，整體信貸質素依然理想，反映於二零零六年六月三十日持續低水平之減值貸款比率以及逾期加重組貸款總額比率，分別為百分之零點六八及百分之零點九九。

扣除減值支出後營運溢利為六億八百萬港元，較二零零五年上半年比較高百分之三十一。

出售可供出售證券之淨收益為六千二百萬港元，較二零零五年上半年下跌百分之三十一。美元利率持續上升，對本集團之債券投資組合造成負面影響及減低本集團出售債券獲利的機會。

本集團於期內全數收回於過去數年評級被下調至次投資級別之一項債券投資，使本集團全數回撥就此項投資已作出之減值撥備二千六百萬港元。

除稅前溢利為七億三百萬港元，與去年同期比較增幅為百分之二十六點九。

於二零零六年六月三十日，本集團之貸款及墊款總額達四百六十二億一千五百萬港元，較去年底上升百分之二點九。增幅主要來自商業銀行，並由貿易融資、銀團貸款及物業貸款帶動。整體零售銀行貸款組合增長溫和，增幅主要來自消費貸款(包括個人貸款及透支)，較二零零五年十二月三十一日上升百分之十三點五。

包括結構性存款之客戶存款合共六百零八億五千七百萬港元，較二零零五年底上升百分之四點三。已發行之存款證達八十三億九千二百萬港元，其中零售存款證達三十二億三百萬港元。其他已發行之債務證券合共為二十二億六千六百萬港元。貸款對存款比率由二零零五年十二月三十一日之百分之七十下跌至二零零六年六月三十日之百分之六十六點四。

於二零零六年三月，大新銀行行使其提早贖回權，全數贖回其首批一億二千五百萬美元於二零零一年三月發行之後償債券。為鞏固其二級資本基礎以支持業務增長，大新銀行於二零零六年六月發行一批一億五千萬美元之新十年期後償債券(可於五年後贖回)。

FINANCIAL REVIEW (Continued)

Higher loan impairment charges were recorded in the period, partly resulting from a higher average loan balances, and higher individual impairment allowances required on a number of Commercial Banking, transport and equipment finance customers. The consolidation of the loan portfolios of PF and BCM did not lead to any material effect in our overall loan losses in the period. Overall credit quality remained strong, as demonstrated by the continuing low impairment loan ratio of 0.68%, and a total overdue and rescheduled loan ratio of 0.99% as of 30 June 2006.

Operating profit after impairment charges for the period was HK\$608 million, 31% higher when compared with the first six months of 2005.

The net gain on disposal of available-for-sale securities in the period was HK\$62 million, a decline of 31% when compared to the first half of 2005. The continued increases in the US interest rates had an adverse impact on our bond portfolio and reduced the opportunities for us to realise securities disposal gains.

The full recovery in the period of a bond investment (downgraded to sub investment grade in the past few years) enabled us to fully write back the HK\$26 million impairment allowance made on this investment.

Profit before income tax in the period was HK\$703 million, an increase of 26.9% relative to the same period last year.

As at 30 June 2006, the Group's total gross loans and advances amounted to HK\$46,215 million, up 2.9% relative to the end of last year. Growth was recorded mainly in the Commercial Banking sector, and was led by trade finance, syndicated loans and property lending. The overall Retail Banking loan portfolio experienced a mild growth, with the increase coming mainly from consumer loans (including personal loans and overdraft) which were 13.5% higher when compared with 31 December 2005.

Customers' deposits including structured deposits totalled HK\$60,857 million, an increase of 4.3% relative to the end of 2005. Issued certificates of deposit amounted to HK\$8,392 million of which retail certificates of deposit accounted for HK\$3,203 million. Other issued debt securities totalled HK\$2,266 million. The loan to deposit ratio decreased from 70.0% as at 31 December 2005 to 66.4% as at 30 June 2006.

DSB exercised its call option to fully redeem its first US\$125 million subordinated debt (issued in March 2001) in March 2006. To strengthen its tier 2 capital base to support business growth, DSB issued a new US\$150 million 10-year subordinated debt (callable after 5 years) in June 2006.

前瞻

於二零零六年上半年，香港經濟持續其穩步增長之步伐。然而，本地貸款增長(尤其是零售銀行業務方面)相對依然緩慢。儘管本集團預料今年下半年香港市場將進一步錄得增長，但現階段仍難確定增長幅度是否可觀。失業率持續下跌，應有助零售銀行業務之信貸成本維持在可接受水平。儘管上半年商業貸款業務大致保持良好信貸質素，但此情況能否於下半年維持仍屬未知之數，尤其是假若香港或中國之主要出口市場呈現大幅度的放緩。由於預期孳息曲線處於扁平，本集團之財資業務於下半年可能將繼續面對充滿挑戰之環境。

澳門的經濟持續蓬勃發展，本集團預期澳門商業銀行下半年貸款業務之增長速度將較在香港之大新銀行快。本集團注意到澳門市場上持續有重大建築活動，而數項新賭場及酒店在完成建築工程後於下半年開業。

本集團現正探討不同能促進於中國內地市場加速發展之途徑，包括擴展分行網絡和透過與本集團策略一致之合理投資或合營安排。本集團預期於年底時匯報關於在中國開設第二間分行申請之進展。

整體而言，本集團仍然貫徹本集團之發展策略，並有意繼續尋求充分利用任何機會，在未來年度在香港本地市場、澳門及內地市場取得增長。

PROSPECTS

The Hong Kong economy has continued to experience solid growth during the first half of 2006. However, domestic loan growth, particularly in the retail banking segment, has remained relatively slow. Whilst we expect to continue to see further growth in the Hong Kong market in the second half of the year, it is uncertain at this stage whether it will accelerate to any significant degree. The continuing decrease in the unemployment rate is likely to be of assistance in maintaining an acceptable level of credit cost in the retail banking business. Whilst we have experienced generally continuing good credit quality in the commercial lending business in the first half of the year, it is less certain whether this will maintain in the second half of the year, particularly if there is any meaningful slowdown in Hong Kong or China's major export markets. Our treasury business is likely to see a continuing challenging environment in the second half of the year due to the expected flat yield curve.

The market in Macau continues to be robust, and we expect that in the second half of the year, the rate of growth in BCM's loan book in Macau will be faster than that of DSB in Hong Kong. We have noted significant construction activity continuing in the market, and several of the new casino and hotel projects that have been under construction will begin operation in the second half of the year.

We are currently examining ways in which to accelerate our development in the Mainland China market, both through the expansion of our branch network and through possible investments or joint venture arrangements in line with our strategy. We expect to be able to report progress on our second China branch application by the year end.

Overall, we remain committed to our strategy of growth and intend to continue to seek to make full use of any opportunities to grow in our domestic Hong Kong market, in Macau and in the Mainland market in the years to come.

董事及行政總裁權益

於二零零六年六月三十日，根據本公司依循「證券及期貨條例」第352條規定而設置之董事及最高行政人員權益及淡倉登記冊所載記錄顯示，及根據香港聯合交易所有限公司證券上市規則（「上市規則」）所披露，各董事按照「證券及期貨條例」第308條界定所持有本公司及其相聯法團之股份、股本衍生工具及債券之權益及淡倉詳情如下：

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

At 30 June 2006, the interests of the Directors in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (as defined under section 308 of the Securities and Futures Ordinance (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 and disclosed in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

| 董事 | Director | 普通股股份數量 | | | 合計普通股 股份權益 Total Interests in Number of Ordinary Shares | 佔已發行 股本之 百分比 % of Issued Share Capital |
|-----------------------------------|--|-------------------------------|--|----------------------------|--|---|
| | | 個人權益 Personal Interests | 法團權益 ⁽¹⁾ Corporate Interests ⁽¹⁾ | 其他權益 Other Interests | | |
| 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 ⁽²⁾ | David Shou-Yeh Wong ⁽²⁾ | – | 697,969,170 | – | 697,969,170 | 74.94 |
| 持有大新金融集團 有限公司每股面值 2港元的普通股股份 | Number of ordinary shares of HK\$2 each in Dah Sing Financial Holdings Limited | | | | | |
| 王守業 ⁽⁴⁾ | David Shou-Yeh Wong ⁽⁴⁾ | – | 4,476,219 | 93,596,049 ⁽³⁾ | 98,072,268 | 39.22 |
| 莊先進 | John William Simpson | 10,000 ⁽⁵⁾ | – | – | 10,000 | 0.00 |
| 趙龍文 | Lung-Man Chiu (John Chiu) | 38,800 | – | – | 38,800 | 0.02 |

附註：

- (1) 董事之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- (2) 此等股份乃由王守業以其於大新金融集團有限公司（「大新金融」）之實益權益，從而按證券及期貨條例第XV部定義被視作擁有本公司74.94%之法團權益所持有。
- (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滙豐國際信託有限公司（「滙豐信託」）間接持有。
- (4) 於二零零六年八月二十九日中期業績公佈當日，王守業於大新金融持有98,084,268股股份權益，佔相關已發行股本39.22%。
- (5) 此等股份乃由為莊先進及其妻子共同擁有。

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 beneficial interest in the shares of Dah Sing Financial Holdings Limited ("DSFH"), which held a current controlling interest of 74.94% in the Company.
- (3) Such shares are indirectly held by HSBC International Trustee Limited ("HSBCIT"), a trustee of the discretionary trust established for the benefit of David Shou-Yeh Wong and his family.
- (4) As at 29 August 2006 when the interim results were announced, David Shou-Yeh Wong was interested in 98,084,268 shares of the Company, representing 39.22% of the relevant entire share capital of DSFH in issue.
- (5) Such shares are jointly owned by John William Simpson and his wife.

董事及行政總裁權益 (續)

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。截至二零零六年六月三十日止，在該等計劃下仍未行使之可認購股份權利結餘詳情如下：

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS (Continued)

Pursuant to the Share Option Schemes (the "Schemes") of the Company and associated corporation, certain Directors of the Company, its holding company, its subsidiaries and fellow subsidiaries were granted options under the Schemes. Details of the share options outstanding as at 30 June 2006 which have been granted under the Schemes are as follows:

| | | 認股權股份數目 Number of share options | | | | | 行使價 Exercise price 港元 HK\$ | 授予日 Grant date (日/月/年) (D/M/Y) | 行使期 Exercise period | |
|--------------------|---|---|---|---|---|--|-------------------------------------|---|---------------------------------|-------------------------------|
| | | 於 二零零六年 一月一日 持有 Held at 1/1/2006 | 期內授予 Granted during the period | 期內行使 Exercised during the period | 期內失效 ／取消 Lapsed/ cancelled during the period | 於 二零零六年 六月三十日 持有 Held at 30/06/2006 | | | 由 From (日/月/年) (D/M/Y) | 至 To (日/月/年) (D/M/Y) |
| 本公司認股權計劃 | Share Option Scheme 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 | |
| 僱員總計 | Aggregate of employees | | | | | | | | | |
| 第一次 ⁽⁴⁾ | First tranche ⁽⁴⁾ | 250,000 | - | - | - | 250,000 | 16.70 | 25/11/2004 | 25/11/2005 25/11/2010 | |
| 第二次 | Second tranche | 550,000 | - | - | - | 550,000 | 14.40 | 25/8/2005 | 25/8/2006 25/8/2011 | |
| 第三次 | Third tranche | 250,000 | - | - | - | 250,000 | 14.32 | 30/12/2005 | 30/12/2006 30/12/2011 | |
| 大新金融 | Share Option Scheme of DSFH | | | | | | | | | |
| 認股權計劃 | | | | | | | | | | |
| 董事 | Director | | | | | | | | | |
| 黃漢興 | Hon-Hing Wong (Derek Wong) | 1,000,000 | - | - | - | 1,000,000 | 51.71 | 25/8/2005 | 25/8/2006 25/8/2011 | |
| 王伯凌 | Gary Pak-Ling Wang | 400,000 | - | - | - | 400,000 | 51.71 | 25/8/2005 | 25/8/2006 25/8/2011 | |
| 王祖興 | Harold Tsu-Hing Wong | 250,000 | - | - | - | 250,000 | 51.71 | 25/8/2005 | 25/8/2006 25/8/2011 | |
| 僱員 | An employee | 250,000 | - | - | - | 250,000 | 51.71 | 25/8/2005 | 25/8/2006 25/8/2011 | |

董事及行政總裁權益 (續)

附註：

- (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) 在二零零六年六月三十日止六個月期間，該等計劃下並無承授人獲授予多於根據上市規則規定之個人上限之認股權。
- (3) 載於本項之內容乃關於在截至二零零六年六月三十日止六個月期間，本公司授予若干僱員仍未行使認股權的詳情(及變動)。彼等為本公司若干主要營運附屬公司的董事或高級行政人員，並為香港僱傭條例下「連續合約」工作的僱員。
- (4) 一名辭任之承授人於二零零六年八月十六日所退還曾獲授予該等計劃之250,000股本公司股份認股權已根據該等計劃有關條款宣告失效。
- (5) 除以上所披露，於二零零六年六月三十日止六個月期間，本公司並無授予任何人士認購本公司股本或債務證券之權利，而亦無任何人士曾行使該等權利。

所有上述權益皆屬好倉。於二零零六年六月三十日，本公司依據「證券及期貨條例」而設置之董事及行政總裁權益及淡倉登記冊內並無董事持有淡倉的紀錄。

除上述所載述外，截至二零零六年六月三十日止六個月期間，本公司及其附屬公司概無簽訂任何協議，使本公司董事及其配偶與未滿十八歲之子女可藉購買本公司或任何其他法團之股份或債券而取得利益。

DIRECTORS' AND CHIEF EXECUTIVE'S 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 dates of grant up to the expiry of exercise period of respective tranches of grant.
- (2) During the six months ended 30 June 2006, none of the grantees under the Schemes were granted share options exceeding respective individual limits as prescribed under the Listing Rules.
- (3) Set out under this item are particulars (and movements) during the six months ended 30 June 2006 of the Company's outstanding share options granted to certain eligible employees, who are senior executives or officers of the Company's major operating subsidiaries and are working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance of Hong Kong.
- (4) Options to subscribe 250,000 shares of the Company under the Schemes surrendered by a resigned grantee on 16 August 2006 were lapsed in accordance with the terms of the Schemes.
- (5) Except as disclosed above, no option to subscribe for equity or debt securities of the Company has been granted to, nor have any such rights been exercised by, any person during the six months ended 30 June 2006.

All the interests stated above represent long position. As at 30 June 2006, none of Directors of the Company held any short positions as defined under the SFO which are required to be recorded in the register of directors' and chief executive's interests and short positions.

Apart from the above, at no time during the six months ended 30 June 2006 was the Company, its subsidiaries or its holding company a party to any arrangement 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.

股東權益

於二零零六年六月三十日，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份或相關股份百分之五或以上權益之通知，而已載於以上據實披露之董事權益，於下述股東權益中則不再重覆。

SHAREHOLDERS' INTERESTS

At 30 June 2006, 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 shares and underlying shares of the Company.

| 股東 | Shareholder | 身份 Capacity | 合計普通股股份權益 Total Interests in Number of Ordinary Shares | 佔已發行 股本之百分比 % of Issued Share Capital |
|------------|---------------------------------------|--|---|--|
| 大新金融 | DSFH | 實益權益 Beneficial interest | 697,969,170 | 74.94 |
| 王嚴君琴 | Christine Yen Wong | 因其配偶擁有須據實披露權益而視作其權益 Deemed interest by virtue of her spouse having a notifiable interest | 697,969,170 ⁽¹⁾ | 74.94 |
| 滙豐國際信託有限公司 | HSBC International Trustee Limited | 法團權益及信託人 Corporate interest and trustee | 698,071,170 ⁽²⁾ | 74.94 |

附註：

- (1) 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)擁有本公司相關股本的權益而持有須予披露之權益。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「董事及行政總裁權益」披露中所載持有之股份相同。
- (2) 有關股份主要包括本公司透過滙豐信託被視作持有之大新金融的股份權益，而滙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。滙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「董事及行政總裁權益」中王守業之「法團權益」項內披露。

所有上述權益皆屬好倉。於二零零六年六月三十日，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》

截至二零零六年六月三十日止六個月期間，本公司已完全遵守香港聯合交易所有限公司上市規則附錄十四之《企業管治常規守則》。

Notes:

- (1) Such shares represented deemed interest of Christine Yen Wong by virtue of her spouse, David Shou-Yeh Wong, having a notifiable interest in the 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 interests comprised the same interest of David Shou-Yeh Wong under the heading of "Directors' and Chief Executive's Interests" shown above.
- (2) Such shares mainly comprised of the deemed share interest of DSFH in the Company 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' and Chief Executive's Interests" above.

All the interests stated above represent long positions. As at 30 June 2006, no short positions were recorded in the register of shareholders' interests in shares and short positions maintained by the Company.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2006.

符合《上市發行人董事進行證券交易的標準守則》聲明

本公司已採納一套自行制定且條款不低於主板上市規則附錄十《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，本公司確定有關本公司之《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。

未經審核之中期財務報表

本中期報告之財政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（包括審閱此截至二零零六年六月三十日止六個月之中期報告及未經審核財務報表）進行商討研究。

薪酬及員工發展

本公司員工薪酬、薪酬政策及員工發展與二零零五年年報披露者大致相同，並無重大改變。

本公司股份買賣

於二零零六年一月一日至二零零六年六月三十日期間，本公司及其任何附屬公司並無購買、出售或回購其已上市之股份。

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二零零六年中期報告，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。

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors (Appendix 10 of the Main Board Rules). After having made specific enquiry of all Directors, the Company confirmed that the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions have 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.

UNAUDITED FINANCIAL STATEMENTS

The financial information in this Interim Report is unaudited and does not constitute statutory financial statements.

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 interim report and the unaudited financial statements for the period ended 30 June 2006.

REMUNERATION AND STAFF DEVELOPMENT

There have been no material change to the information disclosed in the Company's 2005 Annual Report in respect of the remuneration of employees, remuneration policies and training schemes.

DEALINGS IN THE COMPANY'S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares during the period from 1 January 2006 to 30 June 2006.

INTERIM REPORT

Further copies of this 2006 Interim Report of the Company containing all the information required by Appendix 16 of the Listing Rules could be obtained from the 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://www.dahsing.com>.

董事會成員

於二零零六年八月二十九日，本公司的董事會成員包括主席王守業先生、董事總經理黃漢興先生、獨立非執行董事韓以德先生、莊先進先生、史習陶先生及梁君彥先生、非執行董事古川弘介先生、和執行董事趙龍文先生、王伯凌先生、王祖興先生及邱達宏先生。

BOARD OF DIRECTORS

As at 29 August 2006, the Board of Directors of the Company comprises Mr. David Shou-Yeh Wong as the Chairman, Mr. Hon-Hing Wong (Derek Wong) as the Managing Director, Messrs. David Richard Hinde, John William Simpson, Robert Tsai-To Sze and Andrew Kwan-Yuen Leung as independent non-executive directors, Mr. Kosuke Furukawa as non-executive director, and Messrs. Lung-Man Chiu (John Chiu), Gary Pak-Ling Wang, Harold Tsu-Hing Wong and Dennis Tat-Wang Yau as executive directors.