

(二) 金融風險管理(續)

(g) 金融資產及負債之公平價值(續)

未於本集團資產負債表內按公平價值呈列之金融資產及負債之公平價值估計如下：

(i) 存放同業

存放同業的浮息存款和隔夜存款的公平價值即其賬面值。固定利率存款(存款期通常少於一年)的估計公平價值，是基於貼現現金流量按具同類信貸風險和剩餘到期日債務的通行貨幣市場利率計算。因此，公平價值約等於其賬面值。

(ii) 商業票據、貸款及其他賬項

商業票據、貸款及其他賬項在扣除減值撥備後列賬。除小部份外，絕大部份客戶貸款均以浮動利率計息。本集團計算商業票據及客戶貸款之公平價值時已考慮相關之市場利率，並注意到公平價值總額與賬面值總額並無重大差別。

(iii) 同業存款及客戶存款

同業存款及客戶存款(未註明到期日，包括不帶有利息之存款)的估計公平價值為即時償還的金額。該等浮息結餘的公平價值即其賬面值。

定息同業存款及客戶存款而無市場報價，其估計公平價值是基於貼現現金流量按具同類剩餘到期日的新債務利率計算。由於該等結餘期限通常少於一年，因此，其公平價值約等於其賬面值。

(iv) 發行之存款證

發行之存款證公平價值乃根據市場上公開報價。若未能得到公開報價，以類似其尚餘年期之近期交易所用的息率以貼現現金模式計算其公平價值。本集團計算發行之存款證之公平價值時已考慮相關之市場利率，並注意到公平價值總額與賬面值總額並無重大差別。

2 Financial risk management (continued)

(g) Fair value of financial assets and liabilities (continued)

The fair values of financial assets and liabilities not presented at fair value in the Group's balance sheet are estimated as follows:

(i) Balances and placement with banks and other financial institutions

The fair value of floating rate placements and overnight deposits is their carrying amounts. The estimated fair value of fixed interest bearing deposits, which is normally less than one year, is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity. Therefore the fair value is approximately equal to its carrying value.

(ii) Trade bills, advances and other accounts

Trade bills, advances and other accounts are net of allowances for impairment. All except a very insignificant portion of loans and advances to customers bear interest at a floating rate. The Group has assessed the fair value of trade bills and advances to customers, after taking into account the relevant market interest rates and noted that the total fair value is not materially different from the total carrying value.

(iii) Deposits and balances of banks and other financial institutions and from customers

The estimated fair value of deposits and balances with no stated maturity, which include non-interest bearing deposits, is the amount repayable on demand. The fair value of those balances having an interest at a floating rate is their carrying value.

The estimated fair value of fixed interest-bearing deposits of banks and deposits from customers without quoted market price is based on discounted cash flows using interest rates for new debts with similar remaining maturity. As they are normally less than one year, their fair values are approximately equal to their carrying values.

(iv) Certificates of deposit issued

The fair value of certificates of deposit issued is based on quoted market prices. For those where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity. The Group has assessed the fair value of certificates of deposit after taking into account the relevant yield curve and noted that the total fair value is not materially different from the total carrying value.

(二) 金融風險管理(續)

(g) 金融資產及負債之公平價值(續)

(v) 其他賬項及預提

其他賬項及預提一般為不帶有利息之結餘，因此，其公平價值為其賬面值。

除上述資產負債表項目外，下表概述未於本集團資產負債表內按公平價值呈列的有關金融資產和負債的賬面值和概約公平價值。

本集團

金融資產

持至到期證券

本行

金融資產

持至到期證券

持至到期證券只包括帶有利息並持至到期之資產，因可供出售的資產及持作買賣用途的資產係以公平價值列示。持至到期證券之公平價值是根據市價或經紀/經銷商之報價。若未能得到此等資料，則參考有類似信用、年期及回報率之證券之公開市價作為公平價值。

2 Financial risk management (continued)

(g) Fair value of financial assets and liabilities (continued)

(v) Other accounts and accruals

The estimated fair value of other accounts and accruals, which are normally non-interest bearing balances, is their carrying value.

Except for the above balance sheet items, the following table summarises the carrying amounts and fair values of other financial assets and liabilities not presented on the Group's balance sheet at their fair value.

The Group

	賬面值		公平價值	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Financial assets				
Held-to-maturity securities	4,353,813	3,706,678	4,370,148	3,694,714

The Bank

	賬面值		公平價值	
	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Financial assets				
Held-to-maturity securities	4,137,805	3,551,451	4,154,948	3,541,155

Held-to-maturity securities include only interest-bearing assets held to maturity, as assets available-for-sale and assets held for trading are measured at fair value. Fair value for held-to-maturity securities is based on market prices or broker/dealer price quotations. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

(三) 主要會計估計及假設

本集團作出估計及假設，會於下一財政年度內影響資產及負債已列報之金額。本集團會根據過往經驗及其他因素，包括在此等情況下，對未來事項作出相信是合理的預期，持續地評估所作出之估計及判斷。

(a) 貸款減值準備

本集團至少每季檢視其貸款組合以評估其減值。對於減值虧損應否記錄於收益表上，本集團會評估有何顯著數據指出貸款組合在預計之現金流量確認個別貸款減少前有可量化之減少。這顯示可能包括有可觀察數據指示出對本集團的借款人之負債狀況有不良影響，或全國性或地區性經濟情況與集團之資產拖欠相關。當作估計將來現金流量時，管理層會基於過往有相關貸款風險特性的資產損失經驗，及與類似貸款組合客觀評估。這個用以預算未來現金流量的總額及時間的方法及假設將被定期重新檢視，以減少預計及實際損失之差別。改變所採用的假設會影響已列報的貸款減值準備。

(b) 金融工具之公平價值

在活躍市場沒有報價的金融工具以估值方法去釐定其公平價值。當採用估值方法(例如模型)去決定公平價值時，該等方法須由獨立於交易部門並具有相關資格的人去確認及定期檢視，以能反映出真實數據及相對市場價格。在可行之範圍內，模型只會用可觀察之數據，但某些範疇如信貸風險(包括自己及交易對手)，波幅及相互關係，管理層必須作出一些估計。改變關於這些因素之假設會影響所列報的金融工具之公平價值。

(c) 投資物業公平價值之估計

投資物業之公平價值乃根據獨立專業估值師按公開市值作基準而估計。此公平價值之估計乃採用投資估值方法，將物業之淨收入資本化而計算。合約租金及預計未來的市場租金收入，扣除開支及維修成本後，均以就觀察所得之市場回報率予以資本化。估計市值時所採用之主要假設包括：所收到的合約租金、對未來市值租金之預測、空置期、維修保養需要、及就觀察所得之市場回報率。

3 Critical accounting estimates and assumptions

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment allowances on loans and advances

The Group reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. Changes in the assumptions used would affect the reported impairment allowances on loans and advances.

(b) Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the department that created them to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors would affect the reported fair value of financial instruments.

(c) Estimate of fair value of investment properties

The fair values of investment properties are estimated based on the valuation made by an independent professional valuer on an open market basis. The fair values are assessed based on the capitalisation of the net income for the properties using Investment Method of Valuation. The contractual rental income and the expected future market rental income after allowing for outgoings and maintenance requirements are capitalised at observed market yields. The principal assumptions underlying the estimation of market value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and observed market yields.

(三) 主要會計估計及假設(續)

(c) 投資物業公平價值之估計(續)

此外，估值師亦會以相關市場上相若地區之類似市場實際交易報告作參考，並就該等物業相關的因素，如地點的不同、樓齡、交易的時間、商舖的座向及人流等作出適當的調整。

任何用於估值上假設有所改變均會影響投資物業的公平價值。

(四) 利息收入

庫存現金及存放同業
證券投資
– 上市公司
– 非上市公司
貸款及其他賬項
其他

利息收入按金融資產類別分析如下：

未以公平價值誌入損益賬之金融資產
持作買賣用途之證券

以公平價值誌入損益賬之金融資產
利率掉期合約

包括在利息收入內計有減值貸款折扣轉回利息收入港幣九百九十二萬元(二〇〇五年為港幣三百五十五萬三千元)。

3 Critical accounting estimates and assumptions (continued)

(c) Estimate of fair value of investment properties (continued)

In addition, the valuations are also assessed by reference to comparable market transactions as reported in the relevant market at similar locations. Appropriate adjustments have been made on the values of the subject properties for relevant factors, such as location difference, building age, time of transaction, shop frontage and pedestrian flow, etc.

Changes in the assumptions used in the valuation would affect the fair value of investment properties.

4 Interest income

	2006 HK\$'000	2005 HK\$'000
Cash and balances with banks and other financial institutions	1,218,957	678,993
Investments in securities		
– listed	192,583	170,267
– unlisted	373,718	335,736
Advances and other accounts	2,171,455	1,441,852
Others	82,810	86,745
	<u>4,039,523</u>	<u>2,713,593</u>

Interest income is analysed by types of financial assets as follows:-

	2006 HK\$'000	2005 HK\$'000
Financial assets that are not at fair value		
through profit or loss	3,765,630	2,501,499
Trading securities	77,167	37,382
Financial assets designated at fair value		
through profit or loss	125,040	113,226
Interest rate swaps	71,686	61,486
	<u>4,039,523</u>	<u>2,713,593</u>

Included in interest income is unwinding of discount on impaired loans of HK\$9,920,000 (2005: HK\$3,553,000).

(五) 利息支出

同業存款/客戶存款
發行之存款證
其他

利息支出按金融負債類別分析如下：

未以公平價值誌入損益賬之金融負債
交易賬項下之負債

以公平價值誌入損益賬之金融負債
利率掉期合約

5 Interest expense

	2006 HK\$'000	2005 HK\$'000
Banks and other financial institutions/ Deposits from customers	2,331,007	1,407,449
Certificates of deposit issued	234,743	107,262
Others	74,748	64,264
	<u>2,640,498</u>	<u>1,578,975</u>

Interest expense is analysed by types of financial liabilities as follows:-

	2006 HK\$'000	2005 HK\$'000
Financial liabilities that are not at fair value through profit or loss	2,461,111	1,483,638
Trading liabilities	24,812	9,685
Financial liabilities designated at fair value through profit or loss	112,752	46,884
Interest rate swaps	41,823	38,768
	<u>2,640,498</u>	<u>1,578,975</u>

(六) 保險營業收入及保險申索準備

保險營業收入
承保之毛利保費總額
分出之再保險費
未滿期保費之調整

保險費收入
佣金收入
其他收入
佣金支出

保險申索準備(註釋)

6 Insurance operating income and charge for insurance claims

	2006 HK\$'000	2005 HK\$'000
Insurance operating income		
Gross insurance premium written	670,657	618,907
Reinsurance premium outward	(141,357)	(130,924)
Adjustment for unearned premium	(11,527)	(4,254)
	<u>517,773</u>	<u>483,729</u>
Premium income	517,773	483,729
Commission income	5,847	5,017
Other income	1,363	1,177
Commission expenses	(113,085)	(109,937)
	<u>411,898</u>	<u>379,986</u>
Charge for insurance claims (note)	<u>(319,401)</u>	<u>(286,325)</u>
	<u>92,497</u>	<u>93,661</u>

註釋：保險申索準備乃本集團之保險業務所承擔之賠償淨額及其有關之了結申索的開支。

Note: Charge for insurance claims represents net claims incurred on the Group's insurance business and the related claims settlement expenses.

(七)其他營業收入**7 Other operating income**

		2006	2005
		HK\$'000	HK\$'000
服務費及佣金收入	Fees and commission income		
證券經紀及投資服務	Securities brokerage and investment services	167,135	97,885
信用卡業務	Credit card	72,176	59,578
有關信貸業務之服務費及佣金	Credit related fees and commission	46,583	36,389
貿易融資	Trade finance	17,588	18,165
其他零售銀行業務	Other retail banking service	17,740	13,702
其他服務費收入	Other fees income	25,344	26,097
		346,566	251,816
服務費及佣金支出	Fees and commission expense	(58,077)	(49,874)
服務費及佣金淨收入	Net fees and commission income	288,489	201,942
持作買賣用途之證券淨收益/(虧損)	Net gain/(loss) from trading securities	62,127	(8,439)
以公平價值誌入損益賬之金融工具淨收益/(虧損)	Net gain/(loss) arising from financial instruments designated at fair value through profit or loss	175,625	(47,312)
衍生金融工具買賣淨(虧損)/收益	Net (loss)/gain arising from derivative financial instruments	(120,253)	63,917
外匯買賣淨收益	Net gain from foreign exchange trading	101,811	94,165
股息收入	Dividend income		
– 上市股權證券	– Listed equity securities	17,360	12,781
– 非上市股權證券	– Unlisted equity securities	1,936	1,670
投資物業之租金收入減除直接開支港幣三千二百一十六萬元(二〇〇五年為港幣二千二百三十八萬五千元)	Rental income from investment properties less direct outgoings of HK\$32,160,000 (2005:HK\$22,385,000)	33,063	59,134
保管箱租金淨收益	Net rental income on safe deposit boxes	22,373	20,538
其他	Others	10,917	13,052
		593,448	411,448

(八) 營業支出

人事費用
– 薪金及其他人事費用
– 退休福利支出[註釋(十一)]
房產及設備支出，不包括折舊
– 物業租金
– 其他
折舊[註釋(三十)]
租賃土地之溢價攤銷[註釋(二十九)]
廣告及業務推廣
電子數據處理
郵遞及通訊
文具及印刷
核數師酬金
其他

8 Operating expenses

	2006	2005
	HK\$'000	HK\$'000
Staff costs		
– Salaries and other costs	392,668	331,044
– Retirement benefit costs (note 11)	6,072	2,474
Premises and equipment expenses, excluding depreciation		
– Rental of premises	10,500	9,073
– Others	30,707	23,397
Depreciation (note 30)	53,248	46,468
Amortisation of land lease premium (note 29)	4,172	4,171
Advertising and business promotion	39,575	36,857
Electronic data processing	35,432	31,578
Postage and communications	21,694	20,441
Printing and stationery	10,982	10,681
Auditors' remuneration	3,109	2,948
Others	66,598	56,961
	<u>674,757</u>	<u>576,093</u>

(九) 貸款減值準備調撥

個別評估
– 新增
– 撥回
– 收回[註釋(二十四)]
綜合評估
– (撥回)/新增[註釋(二十四)]
支取收益表淨額[註釋(二十四)]

9 Charge for impairment allowances on loans and advances

	2006	2005
	HK\$'000	HK\$'000
Individually assessed		
– new allowances	66,974	36,858
– releases	(8,966)	(26,809)
– recoveries (note 24)	(4,717)	(5,707)
	<u>53,291</u>	<u>4,342</u>
Collectively assessed		
– (releases)/new allowances (note 24)	(9,037)	15,488
Net charge to the income statement (note 24)	<u>44,254</u>	<u>19,830</u>

(十) 董事及高層管理人員酬金 10 Directors' and senior management emoluments**(a) 董事酬金****(a) Directors' remuneration**

根據香港《公司條例》第161條規定披露各董事之酬金如下：

The remuneration of every director disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is set out below:

二〇〇六年

2006

董事名稱	Name of director	薪金、津貼 及實物收益 Salaries, allowances Directors' fees HK\$'000	董事袍金 in kind HK\$'000	酌情花紅 Discretionary bonuses HK\$'000	退休金 計劃供款 Retirement scheme contributions HK\$'000	合計 Total HK\$'000
常務董事	Executive directors					
伍步高	Dr Michael Po-ko WU	120	4,991	2,481	—	7,592
伍步剛	Dr Patrick Po-kong WU	100	4,480	2,227	—	6,807
伍步謙 (行政總裁)	Dr Philip Po-him WU (Chief Executive)	80	3,961	1,905	353	6,299
鍾子森	Mr Che-shum CHUNG	80	3,482	1,681	312	5,555
非執行董事	Non-executive directors					
伍步昌	Mr Albert Po-cheung WU	80	—	—	—	80
伍步揚	Mr Ivan Po-young WU	80	—	—	—	80
伍兆燦 *	Dr Siu-chan NG *	120	—	—	—	120
梁乃鵬 *	Dr Norman Nai-pang LEUNG *	140	—	—	—	140
蘇洪亮 *	Mr Lincoln Hung-leung SOO *	120	—	—	—	120
伍尚豐	Mr Anthony Shang-fung WU	80	912	91	91	1,174
曾崇光 *	Mr Shung-kwong TSANG *	120	—	—	—	120
馬毅強 (伍步揚之代行董事)	Mr Kenneth Ngai-keung MA (Alternate to Mr Ivan Po-young WU)	—	—	—	—	—
伍尚思 (伍步昌之代行董事)	Ms Alice Shang-sze WU (Alternate to Mr Albert Po-cheung WU)	—	—	—	—	—
		1,120	17,826	8,385	756	28,087

* 獨立非執行董事

* Independent non-executive directors

(十) 董事及高層管理人員酬金(續) 10 Directors' and senior management emoluments (continued)

(a) 董事酬金(續)

(a) Directors' remuneration (continued)

二〇〇五年

2005

董事名稱	Name of director	薪金、津貼 及實物收益		酌情花紅	退休金 計劃供款	合計
		董事袍金	Salaries, allowances and benefits in kind			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
常務董事 <i>Executive directors</i>						
伍步高	Dr Michael Po-ko WU	120	4,705	2,275	—	7,100
伍步剛	Dr Patrick Po-kong WU	100	4,224	2,042	—	6,366
伍步謙 (行政總裁)	Dr Philip Po-him WU (Chief Executive)	80	3,612	1,746	333	5,771
鍾子森	Mr Che-shum CHUNG	80	3,190	1,541	294	5,105
非執行董事 <i>Non-executive directors</i>						
伍步昌	Mr Albert Po-cheung WU	80	—	—	—	80
伍步揚	Mr Ivan Po-young WU	80	—	—	—	80
黃記祖 *	Mr Kee-choe NG *	—	—	—	—	—
伍兆燦 *	Dr Siu-chan NG *	100	—	—	—	100
梁乃鵬 *	Dr Norman Nai-pang LEUNG *	120	—	—	—	120
蘇洪亮 *	Mr Lincoln Hung-leung SOO *	100	—	—	—	100
伍尚豐	Mr Anthony Shang-fung WU	80	879	7	87	1,053
曾崇光 *	Mr Shung-kwong TSANG *	100	—	—	—	100
馬毅強 (伍步揚之代行董事)	Mr Kenneth Ngai-keung MA (Alternate to Mr Ivan Po-young WU)	—	—	—	—	—
伍尚思 (伍步昌之代行董事)	Ms Alice Shang-sze WU (Alternate to Mr Albert Po-cheung WU)	—	—	—	—	—
		<u>1,040</u>	<u>16,610</u>	<u>7,611</u>	<u>714</u>	<u>25,975</u>

* 獨立非執行董事

* Independent non-executive directors

(十) 董事及高層管理人員酬金(續)

(b) 五位薪酬最高者之酬金

本集團五位薪酬最高者包括四位董事(二〇〇五年為四位)，其酬金已於上文註釋十(a)披露。五位薪酬最高者的薪酬總額(包括各董事)分類如下：

董事袍金、薪金、津貼及實物收益
酌情花紅
退休金計劃供款

五位薪酬最高者之酬金，歸納入下列薪酬範圍：

薪酬範圍

港幣
3,000,001 - 3,500,000
3,500,001 - 4,000,000
5,000,001 - 5,500,000
5,500,001 - 6,000,000
6,000,001 - 6,500,000
6,500,001 - 7,000,000
7,000,001 - 7,500,000
7,500,001 - 8,000,000

(十一) 職員退休福利計劃

本集團為本行之職員設有四項職員退休福利計劃，另為本行一間附屬公司之職員設有一項強積金計劃。該四項職員退休福利計劃，其中主要的計劃(簡稱為「該計劃」)包括一個界定福利計劃部份及一個界定供款計劃部份，其他計有一項為界定福利退休計劃、一項為海外僱員而設之界定供款計劃及一項為強積金計劃。凡新入職之成員均可作一次性的選擇，參加該計劃的界定供款部份或參加強積金計劃。

在該計劃的界定供款部份中，本集團每月需按選擇此計劃之成員的月薪百分之十作出供款。本集團對該計劃界定供款部份的供款額可能因員工於獲得全數供款前離開該計劃而放棄其既有利益而減少。本年度已使用之放棄供款總額為港幣一百七十八萬四千元(二〇〇五年為港幣四百四十萬零一千元)。於年結日，未使用之放棄供款可作為減低將來之供款總額為港幣五十七萬七千元(二〇〇五年為港幣一十二萬九千元)。於年結日，並無應付供款(二〇〇五年為零)。

10 Directors' and senior management emoluments (continued)

(b) The emoluments of the five highest paid individuals

Of the five individuals with the highest emoluments, four (2005: four) are directors whose emoluments are disclosed in note (a) above. The aggregate of the emoluments in respect of the five highest paid individuals (including the directors) is as follows:

	2006 HK\$'000	2005 HK\$'000
Fees, salaries, allowances and benefits in kind	19,417	18,157
Discretionary bonuses	9,128	8,456
Retirement scheme contributions	1,304	1,137
	<u>29,849</u>	<u>27,750</u>

The emoluments of the five highest paid individuals fell within the following bands:

Emoluments band	人數 Number of individuals	
	2006	2005
HK\$		
3,000,001 - 3,500,000	-	1
3,500,001 - 4,000,000	1	-
5,000,001 - 5,500,000	-	1
5,500,001 - 6,000,000	1	1
6,000,001 - 6,500,000	1	1
6,500,001 - 7,000,000	1	-
7,000,001 - 7,500,000	-	1
7,500,001 - 8,000,000	1	-
	<u>5</u>	<u>5</u>

11 Staff retirement schemes

The Group operates four staff retirement schemes for the staff of the Bank and an MPF scheme for the staff of a subsidiary of the Bank. The four staff retirement schemes comprise a principal scheme (the "Scheme") which includes a defined benefit ("DB") section and a defined contribution ("DC") section, a defined benefit pension scheme, a defined contribution scheme for overseas employees and an MPF scheme. All new staff members who join the Bank are offered a one-off choice between the DC section of the Scheme and the MPF scheme.

Under the DC section of the Scheme, the Group is required to contribute 10% of the monthly salary of the members who opted for the DC arrangement. The Group's contributions to the DC section of this Scheme may be reduced by contributions forfeited by those employees who leave the Scheme prior to vesting fully in the contributions. Forfeited contributions totaling HK\$1,784,000 (2005: HK\$4,401,000) were utilised during the year. The unutilised forfeited contributions at the year end amounted to HK\$577,000 (2005: HK\$129,000) which are available to reduce future contributions. No contributions were payable at the year end (2005: Nil).