（以港幣千元位列示） (Expressed in thousands of Hong Kong dollars)

以下有關本集團資料披露只列作財務報表中附帶資料，並不屬於經審核財務報表之一部份。

The following information relates to the Group and is disclosed as part of the accompanying information to the financial statements and does not form part of the audited financial statements.

1. 客戶貸款 Advances to customers

(甲) 客戶貸款總額 — 按行業及貸款用途分類：

(a) Gross advances to customers by loan industry sector classified according to the usage of the loans are:

集團	Group	二零零六年 2006	二零零五年 2005 經重列 Restated
在香港使用的貸款	Loans for use in Hong Kong		
工商金融	Industrial, commercial and financial		
— 物業發展	– Property development	**409,887**	183,481
— 物業投資	– Property investment	**6,107,283**	4,672,013
— 金融企業	– Financial concerns	**424,368**	520,278
— 股票經紀	– Stockbrokers	**49,845**	14,994
— 批發與零售業	– Wholesale and retail trade	**1,086,361**	965,061
— 製造業	– Manufacturing	**1,334,677**	1,331,248
— 運輸及運輸設備	– Transport and transport equipment	**3,563,617**	3,772,620
— 其他	– Others	**1,410,582**	1,160,957
		14,386,620	12,620,652
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	**1,850,462**	1,929,198
— 購買其他住宅物業貸款	– Loans for the purchase of other residential properties	**10,917,179**	10,772,390
— 信用卡貸款	– Credit card advances	**3,154,851**	2,759,308
— 其他	– Others	**5,614,419**	4,637,350
		21,536,911	20,098,246
在香港使用的貸款	Loans for use in Hong Kong	**35,923,531**	32,718,898
貿易融資	Trade finance	**4,385,560**	3,914,072
在香港以外使用的貸款	Loans for use outside Hong Kong	**9,599,597**	8,285,648
		49,908,688	44,918,618

（以港幣千元位列示） (Expressed in thousands of Hong Kong dollars)

1. 客戶貸款（續） 1. Advances to customers (Continued)

上述之分類是參考香港金融管理局所發出之指引而編製。由二零零六年九月三十日起，在該等指引內原定義歸類為「在香港以外使用之貸款」項目中的「在中國之非銀行信貸風險」被修訂為包括對中國境外的公司及個人獲授信在中國境內使用之貸款，比較數字已因此而作出重列以符合新要求。

The above classification is made by reference to the guidelines issued by the HKMA. With effect from 30 September 2006, the scope of "non-bank China exposures" which form part of "Loans for use outside Hong Kong" as defined in these guidelines was revised to include loans to companies and individuals outside China where the credit is granted or funds are for use in China. Comparative figures have therefore been restated to conform with this new requirement.

2. 逾期未償還及經重組資產 2. Overdue and rescheduled assets

(甲) 各項貸款 *(a) Advances*

(i) 逾期未償還貸款總額 *(i) Gross amount of overdue loans*

集團	Group	二零零六年 2006	佔客戶貸款百分比 % of total advances to customers	二零零五年 2005	佔客戶貸款百分比 % of total advances to customers
未償還客戶貸款總額，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	**99,855**	**0.20**	118,065	0.26
－六個月以上至一年	– one year or less but over six months	**61,973**	**0.12**	59,799	0.13
－一年以上	– over one year	**119,804**	**0.24**	128,051	0.29
		281,632	**0.56**	305,915	0.68
有抵押之逾期貸款所持的抵押品市值	Market value of securities held against the secured advances	**168,065**		256,219	
有抵押逾期貸款	Secured overdue advances	**133,324**		180,623	
無抵押逾期貸款	Unsecured overdue advances	**148,308**		125,292	
減值準備	Impairment allowances	**118,518**		114,365	

(以港幣千元位列示)

(Expressed in thousands of Hong Kong dollars)

2. 逾期未償還及經重組資產(續)

2. Overdue and rescheduled assets (Continued)

(甲) 各項貸款(續)

(a) Advances (Continued)

(ii) 經重組貸款(已扣除載於上述逾期未償還貸款)

(ii) Rescheduled advances net of amounts included in overdue advances

集團	Group	二零零六年 2006	佔客戶貸款百分比 % of total advances to customers	二零零五年 2005	佔客戶貸款百分比 % of total advances to customers
經重組貸款	Rescheduled advances	**69,106**	**0.14**	181,654	0.40
減值準備	Impairment allowances	**6,886**		25,123	

於二零零六年十二月三十一日及二零零零五年十二月三十一日本集團並無對銀行及其他金融機構貸款須列作減值、逾期三個月以上或經重組之貸款。

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

(乙) 貿易票據

(b) Trade bills

集團	Group	二零零六年 2006	二零零五年 2005
逾期:	Overdue for:		
— 一年以上	– over one year	**–**	363

(丙) 收回資產

(c) Repossessed assets

集團	Group	二零零六年 2006	二零零五年 2005
收回物業	Repossessed properties	**32,223**	45,401

3. 風險管理

3. Risk management

(甲) 集團銀行系

(A) Banking Group

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。

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

風險管理專注於五大範圍:信貸風險、市場風險、利率風險,流動資產風險及經營風險。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。

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.

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（甲）集團銀行系（續）

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）有關。

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。

運營風險乃因內部程序、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。

除財務報表附註三披露之財務風險管理外，其他方面之風險管理詳述如下：

(i) 集團風險管理架構

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

— 批准整體的策略及政策以確保能在交易及組合層面適當地管理信貸及其他風險；

— 財務和非財務方面的風險管理，透過營運和行政控制，包括集團審核委員會的操作；業績檢討（比對預測）、營運統計和政策問題作出監控；及

— 比對預算檢討業績和分析主要非財務指標。

執行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。

3. Risk management (Continued)

(A) *Banking Group (Continued)*

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 trading positions including 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.

Apart from the description of financial risk management disclosed in Note 3 to the financial statements, the other risk management aspects are disclosed below:

(i) *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.

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（甲）集團銀行系（續）

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

本集團風險管理的專業知識持續提升借貸組合的整體質素，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。

(iii) 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。據此，各業務之信貸風險功能部門均向其支援的業務及集團風險部匯報。

3. Risk management (Continued)

(A) Banking Group (Continued)

(ii) 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.

(iii) Business division credit committees

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

（以港幣千元位列示） (Expressed in thousands of Hong Kong dollars)

3. 風險管理（續） 3. Risk management (Continued)

（甲）集團銀行系（續） (A) *Banking Group (Continued)*

(iv) 市場風險 (iv) *Market Risk*

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，按百分之九十九置信水平及一日持倉期之基準作推算。

The Group uses value-at-risk ("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.

在十二月三十一日，買賣倉中各項風險之市場風險數值如下：

As at 31 December, the VaR for the various types of exposures in the trading book were as follows:

		二零零六年 2006	二零零五年 2005
利率風險買賣盤之風險值	Interest rate risk trading exposures	**2,779**	1,981
外匯買賣盤之風險值	Foreign exchange trading exposures	**924**	113
信貸買賣盤之風險值	Credit trading exposures	**413**	–
股票買賣盤之風險值	Equity trading exposures	**–**	158
買賣盤市場風險之風險值	Market risk trading exposures	**4,116**	2,252
年度內平均市場風險值	Average VaR for the year	**3,172**	3,034

本集團在二零零六年內，從市場風險相關的財資活動賺取的收益平均每日達382,000港元（二零零五年：553,000港元），其標準差是3,655,000港元（二零零五年：4,318,000港元）。截至十二月三十一日止年度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 2006 was HK$ 382,000 (2005: HK$553,000) and the standard deviation for such daily revenue was HK$3,655,000 (2005: HK$4,318,000). The following are the average daily revenue and the standard deviation for daily revenue analysed by principal dealing activities for the years ended 31 December:

		每日平均收益 Average daily revenue		標準差 Standard deviation	
		二零零六年 2006	二零零五年 2005	二零零六年 2006	二零零五年 2005
利率交易	Interest rate dealing	**(77)**	(130)	**1,133**	1,707
外匯交易	Foreign exchange dealing	**432**	692	**3,489**	3,985
信貸交易	Credit trading	**24**	(9)	**373**	479
股票交易	Equity trading	**3**	–	**129**	–

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（甲）集團銀行系（續）

(iv) 市場風險（續）

下圖是與市場風險有關的每日收入分佈情況：

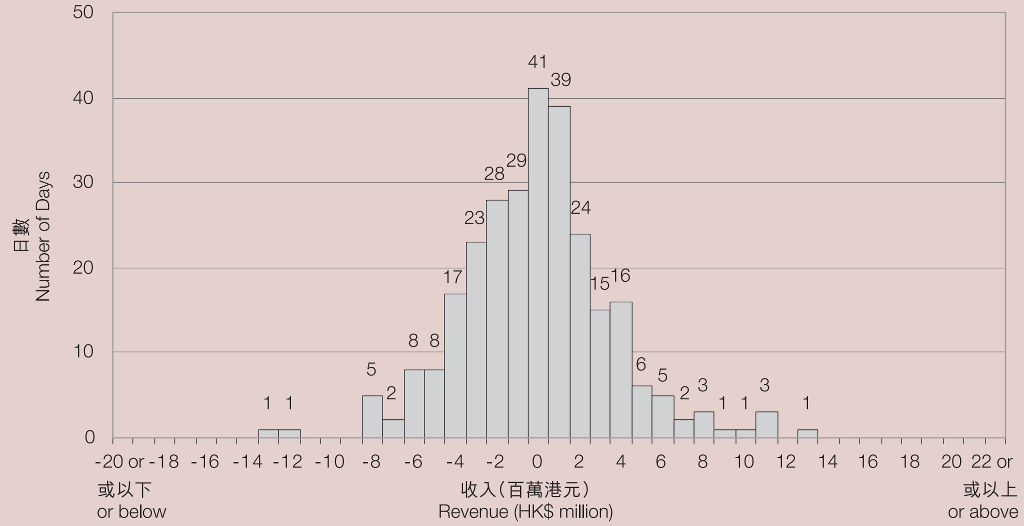
3. Risk management (Continued)

(A) Banking Group (Continued)

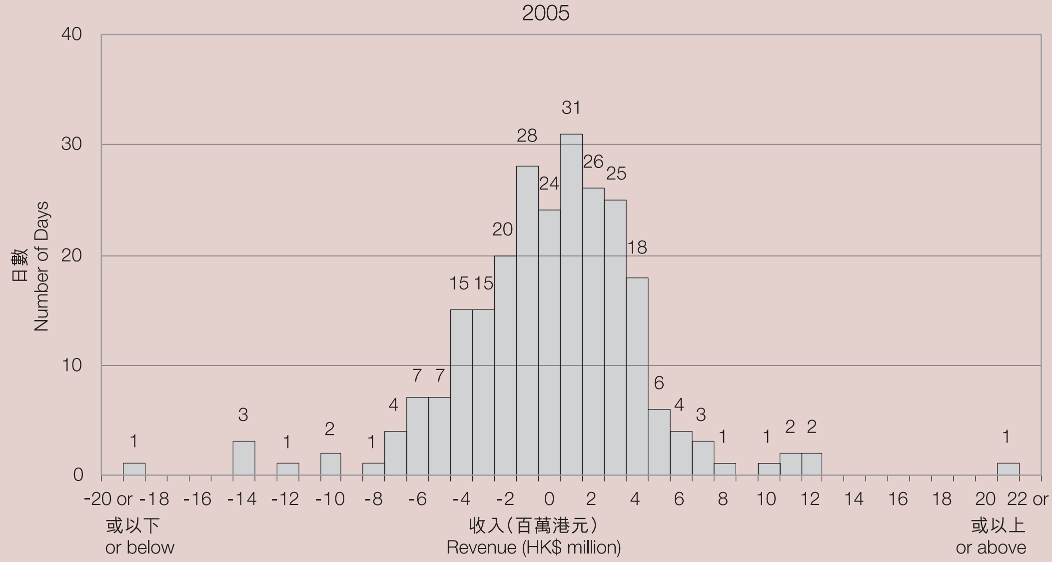
(iv) Market Risk (Continued)

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

二零零六年
2006



二零零五年
2005



本年度內，最高單日收益為13,535,000港元（二零零五年：21,249,000港元），最大單日虧損為12,959,000港元（二零零五年：18,108,000港元）。

During the year, the highest daily gain was HK$13,535,000 (2005: HK$21,249,000) and the maximum daily loss was HK$12,959,000 (2005: HK$18,108,000).

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（甲）集團銀行系（續）

(v) 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協議II之規定。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。

(vi) 執行巴塞爾II資本協議

經修訂之資本充足框架（即巴塞爾協議II）於二零零七年一月起對所有在香港之本地註冊財務機構生效。香港金融管理局於二零零六年底頒佈最終版本之《銀行業資本規則》及《銀行業披露規則》以實施巴塞爾協議II。

巴塞爾協議II之架構環繞三大支柱。第一支柱除修訂了巴塞爾協議I對信貸風險及市場風險之處理方法外，並加入了銀行對營運風險之最低資本要求。第二支柱要求銀行必須有完善之內部程序，按照其風險（包括該等未包含在第一支柱之風險）之全面評估，及監察人員應當對此程序進行監察審查，以評估其資本之充足度。第三支柱透過要求銀行對其風險組合、資本充足度及風險管理作出公開披露，增加市場之透明度及紀律，以補助第一支柱及第二支柱。

3. Risk management (Continued)

(A) Banking Group (Continued)

(v) 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.

(vi) Implementation of the Basel II Capital Accord

The revised capital adequacy framework known as Basel II has come into force for all locally incorporated authorized institutions in Hong Kong from January 2007. To implement Basel II, the Hong Kong Monetary Authority published the final Banking (Capital) Rules and Banking (Disclosure) Rules at the end of 2006.

Basel II is structured around three “pillars”. Pillar 1 sets out the minimum capital requirements for a bank’s operational risk, in addition to revising the “Basel I” treatment of credit risk and market risk. Pillar 2 requires that banks should have in place sound internal processes to assess the adequacy of their capital, based on a thorough assessment of their risks including those risks not covered under Pillar 1, and that supervisors should carry out supervisory review of this process. Pillar 3 complements Pillar 1 and Pillar 2 through enhanced market transparency and market discipline by requiring banks to make public disclosure of information on their risk profiles, capital adequacy and risk management.

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（甲）集團銀行系（續）

(vi) 執行巴塞爾II資本協議（續）

二零零七年一月起，大新銀行及豐明銀行採納標準法計算信貸風險及市場風險，及採納基本指標法計算營運風險。此等均為《銀行業資本規則》內列明之認可方法。據此，本集團已全面檢查其系統及管理以符合該等方法要求之標準。本集團再進一步正準備採用更完善的方法，即內部評級基礎計算法（「內部評級法」）以計算信貸風險。此方法將令本集團重大地增強其分辨、評估、監控、控制及減少風險之風險管理能力。本集團並以朝向使用標準法計算營運風險為目標。

是年內，本集團成立一個專注於巴塞爾協議II之小組，其職責為提出整體方向及協調業務部門及支援部門之間修改基礎設施及運作以符合監管規定。該小組在來年將繼續擴大及提昇能力以符合第二支柱及第三支柱之規定，並為邁向採用內部評級法建設基礎。

（乙）集團保險系

本集團的保險業務涉及多種風險，包括保險風險、產品風險、投資風險及業務風險。本集團相信有效的風險管理是控制及經營保險業務的關鍵，有助維持本集團業務的盈利能力和穩健。

保險業務的主要風險及相關的控制程序如下：

3. Risk management (Continued)

(A) *Banking Group (Continued)*

(vi) *Implementation of the Basel II Capital Accord (Continued)*

Starting January 2007, Dah Sing Bank and MEVAS Bank adopt the standardised approach for credit risk and market risk, and the basic indicator approach for operational risk. These are the default approaches as specified in the Banking (Capital) Rules. Accordingly, the Group has overhauled its systems and controls in order to meet the standards required for these approaches. As a step forward, the Group is preparing for the use of the more advanced approach i.e. foundation internal ratings-based ("FIRB") approach for the calculation of credit risk. This will enable the Group to enhance significantly its risk management capabilities in identifying, assessing, monitoring, controlling and mitigating risks. The Group also targets to advance to the standardised approach in calculating its operational risk.

During the year, a dedicated Basel II team has been set up with the responsibility to provide an overall direction to and co-ordinate with relevant business divisions and support units in revamping the infrastructure and operations for meeting the compliance imperative. The team will continue to expand and upgrade its capabilities in the coming years to meet the requirements of Pillar 2 and Pillar 3, and to build the foundation for migration to the FIRB approach.

(B) *Insurance Group*

The Groups insurance business is exposed to multiple risks, including insurance risk, product risk, investment risk and business risks. We believe that effective risk management is an integral part of our insurance business' control process and operations, and that effective control of risks assists to maintain the profitability and stability of our business.

The key risks of our insurance business and related risk control process are as follows:

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（乙）集團保險系（續）

(i) 保險風險

本集團的保險業務是承保有關保險的風險，而所承保之各類別或事件的風險，視乎風險的種類均設有最高保額，超額的風險將按不時檢討之各種轉保及相關協議分保。另外，保險集團亦採取分保作災難補償安排以減低因特定事件索償（可能涉及多項索償）對本集團的風險。

承保及索償方法及程序均需記錄及檢討。外界獨立精算師亦被聘用負責衡量保險儲備是否充足。

(ii) 產品風險

新產品及現有產品的重大修改須通過產品認可程序，包括檢討產品的盈利能力及如有需要交由內部及外界的獨立精算師評核。

(iii) 投資風險

保險集團的投資方式是維持盡量平衡保險業務資產與對保單人的負債之回報、年期及貨幣的配合，並以保守投資組合盡力保持投資價值，當中考慮的因素包括相關的風險、稅務及監管規定。

(iv) 業務風險

大新人壽及大新保險按照本集團的政策及程序評估其業務風險，包括緊急應變及對影響業務持續營運的計劃，及為僱員及代理提供培訓，以符合保險業有關法規與監管要求。本集團之澳門附屬保險公司，澳門保險有限公司及澳門人壽保險有限公司，用其以遵守澳門有關規定之政策及程序，評估其業務風險。

3. Risk management (Continued)

(B) *Insurance Group (Continued)*

(i) *Insurance risk*

The Group's insurance operation is in the business of underwriting insurance risk and retains various maximum amounts per risk or event dependent on the type of risk with the excess being reinsured through various reinsurance and related agreements which are regularly reviewed. Catastrophe cover arrangements are also in place whereby a number of claims relating to a specific incident in aggregate would represent a material risk to the Group are reinsured.

Underwriting and claims practices and procedures are documented and reviewed. External independent actuaries are engaged to evaluate the adequacy of the insurance reserves.

(ii) *Product risk*

New products and major revisions to existing products undergo a product approval process with the profitability being reviewed and where appropriate assessed by internal and external independent actuaries.

(iii) *Investment risk*

Our investment practice is to maintain a conservatively invested portfolio which attempts to maintain value whilst matching assets and policyholder liabilities as appropriate, by yield, duration and currency taking account of the associated risks, taxation and regulatory requirements.

(iv) *Business risks*

DSLA and DSGI follow the policies and procedures of the Group in assessing business risk in terms of contingency and interruption planning as well as providing training for staff and agents to comply with the relevant rules and regulations covering their businesses. Macau Insurance Company Limited and Macau Life Insurance Company Limited, insurance subsidiaries of the Group operating in Macau, have their own policies and procedures to comply with the relevant requirements in Macau.

（以港幣千元位列示）

(Expressed in thousands of Hong Kong dollars)

3. 風險管理（續）

（丙）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。

3. Risk management (Continued)

(C) *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.