



**CIIH**

中保國際控股有限公司

China Insurance International Holdings Company Limited

Stock Code 股份代號: 966

**Interim Report 2008**

二零零八年中期報告

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# CONSOLIDATED INCOME STATEMENT

## 綜合損益表

for the six months ended 30 June 2008 – unaudited  
截至二零零八年六月三十日止六個月 — 未經審核  
(Expressed in Hong Kong dollars)  
(以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
<b>Revenue</b>	收入		
Gross premiums written and policy fees	毛承保保費及保單費收入	13,299,679	8,317,647
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉分份額	(293,200)	(216,230)
Net premiums written and policy fees	淨承保保費及保單費收入	13,006,479	8,101,417
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(553,910)	(415,164)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	12,452,569	7,686,253
Net investment income	投資收入淨額	2,050,731	975,064
Net realised investment gains	已實現投資收益淨額	926,040	1,176,401
Net unrealised investment (losses)/gains and impairment	未實現投資(虧損)/收益及減值淨額	(2,765,884)	316,658
Net exchange loss	匯兌虧損淨額	(43,656)	(4,373)
Other income	其他收入	47,426	37,839
Total revenue	收入總額	12,667,226	10,187,842
<b>Benefits, losses and expenses</b>	給付、賠款及費用		
Policyholders' benefits	保單持有人利益	(2,500,829)	(1,869,202)
Net commission expenses	佣金支出淨額	(1,386,329)	(916,726)
Administrative and other expenses	行政及其他費用	(1,341,518)	(843,592)
Change in life insurance funds, net of reinsurance	壽險責任準備金變化，減再保險	(6,678,753)	(5,699,569)
Total benefits, losses and expenses	給付、賠款及費用總額	(11,907,429)	(9,329,089)
<b>Profit from operations</b>	經營溢利	759,797	858,753
Share of losses of associates	應佔聯營公司虧損	(46,941)	(2,149)
Finance costs	財務費用	(76,953)	(73,658)
<b>Profit before taxation</b>	除稅前溢利	635,903	782,946
Income tax credit/(charge)	稅項抵免/(支出)	139,350	(148,024)
<b>Profit after taxation</b>	除稅後溢利	775,253	634,922
<b>Attributable to:</b>	應佔：		
Equity holders of the company	股東權益	381,336	488,582
Minority interests	少數股東權益	393,917	146,340
		775,253	634,922
<b>Earnings per share attributable to the equity holders of the company</b>	股東應佔每股盈利		
		<b>cents</b> 仙	<b>cents</b> 仙
Basic	基本	27.0	34.7
Diluted	攤薄	26.6	34.2

The accompanying notes on pages 7 to 55 form an integral part of this interim financial report.

第7至55頁所附附註為本中期財務報告的組成部份。

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

at 30 June 2008 – unaudited

於二零零八年六月三十日 — 未經審核

(Expressed in Hong Kong Dollars)

(以港幣列示)

		Note	At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
<b>Assets</b>	<b>資產</b>			
Statutory deposits	法定存款	14	702,741	653,239
Fixed assets	固定資產			
— Investment properties	— 投資物業	11	89,373	78,560
— Other property, plant and equipment	— 其他物業、機械裝置及設備	11	1,554,697	1,313,147
			1,644,070	1,391,707
Goodwill	商譽		228,185	228,185
Interest in associates	於聯營公司的權益		402,319	530,436
Deferred tax assets	遞延稅項資產		179,406	2,648
Investments in debt and equity securities	債務及股本證券投資	12	46,270,691	40,245,879
Amounts due from group companies	應收集團內公司款項		9,954	17,488
Insurance debtors	保險客戶應收賬款	13	1,089,812	616,540
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備		641,361	376,740
Other debtors	其他應收賬款		2,841,996	1,687,658
Pledged deposits at banks	已抵押銀行存款		92,736	97,417
Deposits at banks with original maturity more than three months	原到期日超過三個月的銀行存款		5,413,355	4,631,977
Cash and cash equivalents	現金及現金等價物	15	4,860,327	5,137,635
			64,376,953	55,617,549
<b>Liabilities</b>	<b>負債</b>			
Life insurance funds	壽險責任準備金		47,915,333	38,529,656
Unearned premium provisions	未到期責任準備金		1,544,186	893,924
Provision for outstanding claims	未決賠款準備		2,763,269	2,496,932
Investment contract liabilities	投資合約負債		200,097	157,421
Deferred tax liabilities	遞延稅項負債		452	949,031
Interest-bearing notes	需付息票據		3,065,277	2,960,377
Amounts due to group companies	應付集團內公司款項		102	46
Insurance creditors	保險客戶應付賬款	16	253,617	394,116
Accrued charges and other creditors	應計費用及其他應付賬款		1,126,252	1,046,389
Current taxation	當期稅項		528,651	85,999
Insurance protection fund	保險保障基金		12,681	7,976
			57,409,917	47,521,867
<b>Net assets</b>	<b>資產淨值</b>		<b>6,967,036</b>	<b>8,095,682</b>
<b>Capital and reserves attributable to the company's equity holders</b>	<b>股東應佔資本及儲備</b>			
Share capital	股本	17	70,958	70,764
Reserves	儲備	19	4,771,632	5,614,862
			4,842,590	5,685,626
<b>Minority interests</b>	<b>少數股東權益</b>		<b>2,124,446</b>	<b>2,410,056</b>
<b>Total equity</b>	<b>總權益</b>		<b>6,967,036</b>	<b>8,095,682</b>

The accompanying notes on pages 7 to 55 form an integral part of this interim financial report.

第7至55頁所附附註為本中期財務報告的組成部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

for the six months ended 30 June 2008 – unaudited  
截至二零零八年六月三十日止六個月 – 未經審核  
(Expressed in Hong Kong Dollars)  
(以港幣列示)

		Total equity attributable to: 應佔總權益：		
		Equity holders of the company	Minority interests 少數	Total
		股東權益	股東權益	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
	Note 附註			
<b>Balance at 1 January 2008</b>	於二零零八年一月一日之結餘	<b>5,685,626</b>	<b>2,410,056</b>	<b>8,095,682</b>
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區附屬公司財務報表的匯兌差額	19	181,382	352,941
Net changes in fair value of available-for-sale securities, net of deferred tax	可供出售證券公允價值變動淨額，減遞延稅項	19	(860,909)	(2,160,670)
Net loss recognised directly in equity	直接確認於權益之淨虧損	19	(679,527)	(1,807,729)
Profit for the period	本財務期溢利	19	393,917	775,253
Total recognised loss for the period	本財務期確認之總虧損		(285,610)	(1,032,476)
Dividend paid	已付股息	19	—	(141,445)
Movements in equity arising from capital transactions with equity holders:	與股東進行股本交易而產生之股東權益變動：			
— Shares issued under share option scheme	— 根據認股權計劃發行之股份		—	194
— Net share premium received	— 已收取之股份溢價淨值		—	13,725
Change in shares held for Share Award Scheme	為股份獎勵計劃而持有之股份變化	19	—	15,750
Equity settled share-based transactions	股本償付之股份為本交易	19	—	15,606
<b>Balance at 30 June 2008</b>	於二零零八年六月三十日之結餘	<b>4,842,590</b>	<b>2,124,446</b>	<b>6,967,036</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

## 綜合權益變動表 (續)

for the six months ended 30 June 2008 – unaudited  
截至二零零八年六月三十日止六個月 – 未經審核  
(Expressed in Hong Kong Dollars)  
(以港幣列示)

		Total equity attributable to: 應佔總權益：			
		Equity holders of the company	Minority interests 少數	Total	
		股東權益	股東權益	總額	
		\$'000	\$'000	\$'000	
		千元	千元	千元	
	Note 附註				
<b>Balance at 1 January 2007</b>	於二零零七年一月一日之結餘	4,178,319	1,404,322	5,582,641	
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區附屬公司財務報表的匯兌差額	19	50,174	46,988	97,162
Net changes in fair value of available-for-sale securities, net of deferred tax	可供出售證券投資公允價值變動淨額，減遞延稅項	19	(143,755)	(84,921)	(228,676)
Net loss recognised directly in equity	直接確認於權益之淨虧損	19	(93,581)	(37,933)	(131,514)
Profit for the period	本財務期溢利	19	488,582	146,340	634,922
Total recognised income for the period	本財務期確認之總收入		395,001	108,407	503,408
Capital contributions made to a subsidiary	向一間附屬公司注入資本		—	80,052	80,052
Movements in equity arising from capital transactions with equity holders:	與股東進行股本交易而產生之股東權益變動：				
— Shares issued under share option scheme	— 根據認股權計劃發行之股份		318	—	318
— Net share premium received	— 已收取之股份溢價淨值		19,605	—	19,605
Equity settled share-based transactions	股本償付之股份為本交易	19	(724)	—	(724)
<b>Balance at 30 June 2007</b>	於二零零七年六月三十日之結餘		4,592,519	1,592,781	6,185,300

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# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

## 簡明綜合現金流量表

for the six months ended 30 June 2008 – unaudited  
 截至二零零八年六月三十日止六個月 – 未經審核  
 (Expressed in Hong Kong Dollars)  
 (以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
	Note 附註		
Net cash from operating activities	經營業務現金流入淨額	9,347,257	4,730,984
Net cash used in investing activities	投資業務現金流出淨額	(9,610,946)	(2,368,045)
Net cash used in financing activities	融資活動現金流出淨額	(13,619)	(5,478)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額	(277,308)	2,357,461
Cash and cash equivalents at 1 January	於一月一日的現金及 現金等價物	5,137,635	6,081,010
Cash and cash equivalents at 30 June	於六月三十日的現金及 現金等價物	4,860,327	8,438,471
	15		

The accompanying notes on pages 7 to 55 form an integral part of this interim financial report.

第7至55頁所附附註為本中期財務報告的組成部份。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

## 未經審核中期財務報告的附註

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 1 BASIS OF PREPARATION

The interim financial report has been prepared in accordance with the applicable requirements of the Listing Rules, including compliance with HKAS 34 "Interim financial reporting" issued by the HKICPA. It was authorised for issuance on 29 August 2008.

The financial information relating to the financial year ended 31 December 2007 included in the interim financial report does not constitute the company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2007 are available from the company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 18 March 2008.

The accounting policies and methods of computation adopted in the 2007 annual financial statements have been applied consistently to this interim financial report.

In 2008, the group adopted the new HKFRS below, which is relevant to its operations and has resulted in changes to the group's accounting policies for the current and prior periods.

HK (IFRIC)-Int 11, HKFRS 2 – Group and treasury share transactions

The adoption of the new HKFRS does not have any effect on the profit after taxation and net assets of the group.

### 2 SEGMENT REPORTING

Segmental information is presented in respect of the group's businesses and geographical segments. Business segment information is chosen as the primary reporting format.

#### By business segments:

The group is comprised of the following main business segments:

- Reinsurance business;
- Life insurance business; and
- Corporate and other businesses which is comprised of the asset management business, insurance intermediary business, pension business, and financial and corporate assets.

### 1 編製基準

本中期財務報告已根據聯交所上市規則的規定，並遵照香港會計師公會所頒佈的《香港會計準則》第34號「中期財務報告」的準則編製。並於二零零八年八月二十九日核准發放。

本中期財務報告包含截至二零零七年十二月三十一日止財政年度的財務資料，這些財務資料均取自本公司該財政年度的法定賬項，惟並不構成本公司該財政年度的法定賬項。截至二零零七年十二月三十一日止年度的法定賬項可於本公司的註冊辦事處索取。核數師已於二零零八年三月十八日所發佈的核數師報告中，表示對這些賬項提出無保留意見。

編製本中期財務報告所採納的會計政策及計算方法，均與截至二零零七年年度全年財務報告所採納的一致。

本集團於二零零八年採納以下有關其業務的新訂《香港財務報告準則》，並導致本財務期及過往期間的本集團會計政策出現變動。

香港（國際財務報告準則解釋委員會）一詮釋第十一號，香港財務報告準則第二號—集團及庫存股份交易

採納該新訂《香港財務報告準則》，不會對本集團的除稅後溢利及資產淨值造成任何影響。

### 2 分類匯報

分類資料的匯報是按本集團的業務及地區區分，其中業務類別被選擇作為首要的匯報格式。

#### 按業務分類：

本集團設有下列的主要業務分類：

- 再保險業務；
- 人壽保險業務；及
- 企業及其他業務，包括資產管理業務、保險中介業務、養老保險業務、財務及企業資產。



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(a) Segmental income statement for the six months ended 30 June 2008

(a) 截至二零零八年六月三十日止六個月分類損益表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Revenue</b>	<b>收入</b>				
Gross premiums written	毛承保保費	1,493,698	11,802,807	—	13,296,505
Policy fees	保單費收入	—	3,174	—	3,174
		1,493,698	11,805,981	—	13,299,679
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額 及轉分份額	(240,493)	(52,707)	—	(293,200)
Net premiums written and policy fees	淨承保保費及保單費收入	1,253,205	11,753,274	—	13,006,479
Change in unearned premium provisions, net of reinsurance	未到期責任準備金 變化，減再保險	(516,557)	(37,353)	—	(553,910)
Net earned premiums and policy fees	已賺取保費及 保單費收入淨額	736,648	11,715,921	—	12,452,569
Net investment income (note (i))	投資收入淨額 (註 (i))	91,513	1,889,077	70,141	2,050,731
Net realised investment (losses)/gains (note (ii))	已實現投資 (虧損) / 收益淨額 (註 (ii))	(37,500)	1,006,740	(43,200)	926,040
Net unrealised investment losses and impairment (note (iii))	未實現投資虧損及 減值淨額 (註 (iii))	(34,145)	(2,651,655)	(80,084)	(2,765,884)
Net exchange gain/(loss)	匯兌收益 / (虧損) 淨額	34,916	(78,822)	250	(43,656)
Other income	其他收入	618	12,161	89,344	102,123
Inter-segment transactions	分類之間交易	—	—	(54,697)	(54,697)
		792,050	11,893,422	(18,246)	12,667,226
<b>Benefits, losses and expenses</b>	<b>給付、賠款及費用</b>				
Policyholders' benefits	保單持有人利益	(360,541)	(2,140,288)	—	(2,500,829)
Net commission expenses	佣金支出淨額	(319,040)	(1,088,420)	—	(1,407,460)
Administrative and other expenses	行政及其他費用	(33,192)	(1,163,325)	(178,567)	(1,375,084)
Change in life insurance funds, net of reinsurance	壽險責任準備金 變化，減再保險	—	(6,678,753)	—	(6,678,753)
Inter-segment transactions	分類之間交易	3,526	51,171	—	54,697
		(709,247)	(11,019,615)	(178,567)	(11,907,429)
<b>Profit/(loss) from operations</b>	<b>經營溢利 / (虧損)</b>	82,803	873,807	(196,813)	759,797
Share of losses of associates	應佔聯營公司虧損	—	(105)	(46,836)	(46,941)
Finance costs	財務費用	—	(36,870)	(40,083)	(76,953)
<b>Profit/(loss) before taxation</b>	<b>除稅前溢利 / (虧損)</b>	82,803	836,832	(283,732)	635,903
Income tax credit/(charge)	稅項抵免 / (支出)	985	144,205	(5,840)	139,350
<b>Profit/(loss) after taxation</b>	<b>除稅後溢利 / (虧損)</b>	83,788	981,037	(289,572)	775,253
Minority interests	少數股東權益	—	(490,027)	96,110	(393,917)
<b>Profit/(loss) attributable to equity holders</b>	<b>股東應佔溢利 / (虧損)</b>	83,788	491,010	(193,462)	381,336

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(a) Segmental income statement for the six months ended 30 June 2008 (Continued)

(a) 截至二零零八年六月三十日止六個月分類損益表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (i): Net investment income</b>	<b>註 (i): 投資收入淨額</b>				
Interest income from debt securities	債務證券利息收入				
— Held-to-maturity	— 持有至到期日	32,806	119,614	345	152,765
— Available-for-sale	— 可供出售	17,730	569,465	12,625	599,820
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	4,077	4,055	840	8,972
Dividend income from direct equity securities	直接股本證券股息收入				
— Available-for-sale	— 可供出售	10,133	20,074	5,384	35,591
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	1,923	5,260	272	7,455
Dividend income from equity investment funds	股本投資基金股息收入				
— Available-for-sale	— 可供出售	—	296,943	—	296,943
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	—	761,185	1,573	762,758
Dividend income from composite investment funds	綜合投資基金股息收入				
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	1,595	—	33,474	35,069
Bank deposits and other interest income	銀行存款及其他利息收入	21,813	179,522	15,775	217,110
Rentals receivable from investment properties	應收投資物業租金	1,436	—	—	1,436
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	—	(67,041)	(147)	(67,188)
		<b>91,513</b>	<b>1,889,077</b>	<b>70,141</b>	<b>2,050,731</b>
<b>Note (ii): Net realised investment (losses)/gains</b>	<b>註 (ii): 已實現投資 (虧損) / 收益淨額</b>				
Debt securities	債務證券				
— Available-for-sale	— 可供出售	—	33,293	241	33,534
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	16	(31,427)	543	(30,868)
Direct equity securities	直接股本證券				
— Available-for-sale	— 可供出售	(38,261)	863,327	(31,996)	793,070
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	745	24,352	(2,174)	22,923
Equity investment funds	股本投資基金				
— Available-for-sale	— 可供出售	—	116,200	—	116,200
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	—	995	(2,011)	(1,016)
Composite investment funds	綜合投資基金				
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	—	—	(7,803)	(7,803)
		<b>(37,500)</b>	<b>1,006,740</b>	<b>(43,200)</b>	<b>926,040</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(a) Segmental income statement for the six months ended 30 June 2008 (Continued)

(a) 截至二零零八年六月三十日止六個月分類損益表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (iii): Net unrealised investment losses and impairment</b>	<b>註 (iii): 未實現投資虧損及減值淨額</b>				
Debt securities	債務證券				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(15,676)	(15,040)	662	(30,054)
Direct equity securities	直接股本證券				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(14,236)	(801,062)	(5,431)	(820,729)
Equity investment funds	股本投資基金				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	–	(1,743,453)	(4,991)	(1,748,444)
Composite investment funds	綜合投資基金				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(2,046)	–	(67,324)	(69,370)
Surplus on revaluation of investment properties	投資物業重估盈餘	10,813	–	–	10,813
Impairment on available-for-sale equities	可供出售股本投資減值	(13,000)	(92,100)	(3,000)	(108,100)
		(34,145)	(2,651,655)	(80,084)	(2,765,884)

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(b) Segmental balance sheet as at 30 June 2008

(b) 於二零零八年六月三十日分類資產負債表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	20,277	568,720	113,744	702,741
Investment properties	投資物業	89,373	—	—	89,373
Other property, plant and equipment	其他物業、機械裝置及設備	3,031	1,478,810	72,856	1,554,697
Debt securities (note (i))	債務證券 (註 (i))	2,121,384	34,783,752	618,422	37,523,558
Direct equity securities (note (ii))	直接股本證券 (註 (ii))	644,013	2,318,154	321,463	3,283,630
Equity investment funds (note (iii))	股本投資基金 (註 (iii))	—	5,273,421	19,758	5,293,179
Composite investment funds (note (iv))	綜合投資基金 (註 (iv))	89,905	—	80,419	170,324
Cash and bank deposits	現金及銀行存款	1,419,359	8,137,352	809,707	10,366,418
Goodwill	商譽	—	154,909	73,276	228,185
Interest in associates	於聯營公司的權益	—	4,430	397,889	402,319
Reinsurers' share of insurance contract provisions	分保公司應佔 保險合約準備	580,243	61,118	—	641,361
Deferred tax assets	遞延稅項資產	8,749	166,418	4,239	179,406
Other segment assets	其他分類資產	889,852	3,007,559	44,351	3,941,762
<b>Total assets</b>	<b>總資產</b>	<b>5,866,186</b>	<b>55,954,643</b>	<b>2,556,124</b>	<b>64,376,953</b>
Life insurance funds	壽險責任準備金	—	47,915,333	—	47,915,333
Unearned premium provisions	未到期責任準備金	1,154,192	389,994	—	1,544,186
Provision for outstanding claims	未決賠款準備	2,561,831	201,438	—	2,763,269
Investment contract liabilities	投資合約負債	—	200,097	—	200,097
Interest-bearing notes	需付息票據	—	1,706,160	1,359,117	3,065,277
Deferred tax liabilities	遞延稅項負債	405	—	47	452
Other segment liabilities	其他分類負債	158,543	1,575,609	187,151	1,921,303
<b>Total liabilities</b>	<b>總負債</b>	<b>3,874,971</b>	<b>51,988,631</b>	<b>1,546,315</b>	<b>57,409,917</b>
<b>Minority interests</b>	<b>少數股東權益</b>	<b>—</b>	<b>2,141,714</b>	<b>(17,268)</b>	<b>2,124,446</b>
<b>Net assets attributable to the equity holders of the company</b>	<b>股東應佔資產淨值</b>	<b>1,991,215</b>	<b>1,824,298</b>	<b>1,027,077</b>	<b>4,842,590</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(b) Segmental balance sheet as at 30 June 2008 (Continued)

(b) 於二零零八年六月三十日分類資產負債表  
(續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (i): Debt securities</b>	<b>註(i): 債務證券</b>				
— Held-to-maturity	— 持有至到期日	1,179,662	9,842,437	16,668	11,038,767
— Available-for-sale	— 可供出售	810,278	24,672,889	504,993	25,988,160
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	131,444	268,426	96,761	496,631
		<b>2,121,384</b>	<b>34,783,752</b>	<b>618,422</b>	<b>37,523,558</b>
<b>Note (ii): Direct equity securities</b>	<b>註(ii): 直接股本證券</b>				
— Available-for-sale	— 可供出售	589,945	1,512,146	305,883	2,407,974
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	54,068	806,008	15,580	875,656
		<b>644,013</b>	<b>2,318,154</b>	<b>321,463</b>	<b>3,283,630</b>
<b>Note (iii): Equity investment funds</b>	<b>註(iii): 股本投資基金</b>				
— Available-for-sale	— 可供出售	—	2,377,519	—	2,377,519
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	—	2,895,902	19,758	2,915,660
		—	<b>5,273,421</b>	<b>19,758</b>	<b>5,293,179</b>
<b>Note (iv): Composite investment funds</b>	<b>註(iv): 綜合投資基金</b>				
— Available-for-sale	— 可供出售	52,478	—	—	52,478
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	37,427	—	80,419	117,846
		<b>89,905</b>	—	<b>80,419</b>	<b>170,324</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(c) Segmental income statement for the six months ended 30 June 2007

(c) 截至二零零七年六月三十日止六個月分類損益表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Revenue</b>	<b>收入</b>				
Gross premiums written	毛承保保費	1,320,725	6,993,534	—	8,314,259
Policy fees	保單費收入	—	3,388	—	3,388
		1,320,725	6,996,922	—	8,317,647
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額 及轉分份額	(181,261)	(34,969)	—	(216,230)
Net premiums written and policy fees	淨承保保費及保單費收入	1,139,464	6,961,953	—	8,101,417
Change in unearned premium provisions, net of reinsurance	未到期責任準備金 變化，減再保險	(414,363)	(801)	—	(415,164)
Net earned premiums and policy fees	已賺取保費及 保單費收入淨額	725,101	6,961,152	—	7,686,253
Net investment income (note (i))	投資收入淨額 (註 (i))	91,242	836,946	46,876	975,064
Net realised investment gains (note (ii))	已實現投資 收益淨額 (註 (ii))	174,494	942,201	59,706	1,176,401
Net unrealised investment gains (note (iii))	未實現投資 收益淨額 (註 (iii))	5,355	282,219	29,084	316,658
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	33,659	(34,351)	(3,681)	(4,373)
Other income	其他收入	2,577	1,797	51,952	56,326
Inter-segment transactions	分類之間交易	(150)	(1,090)	(17,247)	(18,487)
		1,032,278	8,988,874	166,690	10,187,842
<b>Benefits, losses and expenses</b>	<b>給付、賠款及費用</b>				
Policyholders' benefits	保單持有人利益	(398,750)	(1,470,452)	—	(1,869,202)
Net commission expenses	佣金支出淨額	(283,738)	(632,988)	—	(916,726)
Administrative and other expenses	行政及其他費用	(24,940)	(735,311)	(101,828)	(862,079)
Change in life insurance funds, net of reinsurance	壽險責任準備金 變化，減再保險	—	(5,699,569)	—	(5,699,569)
Inter-segment transactions	分類之間交易	6,213	11,034	1,240	18,487
		(701,215)	(8,527,286)	(100,588)	(9,329,089)
<b>Profit from operations</b>	<b>經營溢利</b>	331,063	461,588	66,102	858,753
Share of losses of associates	應佔聯營公司虧損	—	(149)	(2,000)	(2,149)
Finance costs	財務費用	—	(33,772)	(39,886)	(73,658)
<b>Profit before taxation</b>	<b>除稅前溢利</b>	331,063	427,667	24,216	782,946
Income tax charge	稅項支出	(19,591)	(120,908)	(7,525)	(148,024)
<b>Profit after taxation</b>	<b>除稅後溢利</b>	311,472	306,759	16,691	634,922
Minority interests	少數股東權益	—	(153,226)	6,886	(146,340)
<b>Profit attributable to equity holders</b>	<b>股東應佔溢利</b>	311,472	153,533	23,577	488,582

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(c) Segmental income statement for the six months ended 30 June 2007 (Continued)

(c) 截至二零零七年六月三十日止六個月分類損益表 (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (i): Net investment income</b>	<b>註(i): 投資收入淨額</b>			
Interest income from debt securities	債務證券利息收入			
– Held-to-maturity	32,001	–	195	32,196
– Available-for-sale	10,943	363,820	3,406	378,169
– Designated at fair value through profit or loss	5,945	1,297	14,855	22,097
Dividend income from direct equity securities	直接股本證券股息收入			
– Available-for-sale	3,580	5,726	1,395	10,701
– Designated at fair value through profit or loss	1,324	1,856	220	3,400
Dividend income from equity investment funds	股本投資基金股息收入			
– Available-for-sale	–	182,369	–	182,369
– Designated at fair value through profit or loss	–	214,478	93	214,571
Dividend income from composite investment funds	綜合投資基金股息收入			
– Available-for-sale	464	–	–	464
– Designated at fair value through profit or loss	899	–	–	899
Bank deposits and other interest income	34,851	130,760	26,058	191,669
Rentals receivable from investment properties	1,235	–	–	1,235
Interest expenses on securities sold under repurchase agreements	–	(63,360)	654	(62,706)
	91,242	836,946	46,876	975,064
<b>Note (ii): Net realised investment (losses)/gains</b>	<b>註(ii): 已實現投資(虧損)/收益淨額</b>			
Debt securities	債務證券			
– Available-for-sale	–	(530)	–	(530)
– Designated at fair value through profit or loss	(20)	18,861	414	19,255
Direct equity securities	直接股本證券			
– Available-for-sale	174,320	184,990	52,413	411,723
– Designated at fair value through profit or loss	446	212,014	1,572	214,032
Equity investment funds	股本投資基金			
– Available-for-sale	–	333,848	–	333,848
– Designated at fair value through profit or loss	–	193,018	5,307	198,325
Investment properties	(252)	–	–	(252)
	174,494	942,201	59,706	1,176,401

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(c) Segmental income statement for the six months ended 30 June 2007 (Continued)

(c) 截至二零零七年六月三十日止六個月分類損益表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (iii): Net unrealised investment gains</b>	<b>註 (iii) : 未實現投資收益淨額</b>				
Debt securities	債務證券				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	152	79,472	1,387	81,011
Direct equity securities	直接股本證券				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	2,447	72,223	1,899	76,569
Equity investment funds	股本投資基金				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	–	130,524	25,798	156,322
Composite investment funds	綜合投資基金				
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	536	–	–	536
Derivative financial instruments	衍生金融工具	453	–	–	453
Surplus on revaluation of investment properties	投資物業重估盈餘	1,767	–	–	1,767
		5,355	282,219	29,084	316,658



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(d) Segmental balance sheet as at 31 December 2007

(d) 於二零零七年十二月三十一日分類資產負債表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	12,475	533,970	106,794	653,239
Investment properties	投資物業	78,560	—	—	78,560
Other property, plant and equipment	其他物業、機械裝置及設備	3,106	1,231,432	78,609	1,313,147
Debt securities (note (i))	債務證券 (註 (i))	1,734,132	25,434,221	322,170	27,490,523
Direct equity securities (note (ii))	直接股本證券 (註 (ii))	638,930	5,833,575	527,947	7,000,452
Equity investment funds (note (iii))	股本投資基金 (註 (iii))	—	5,493,209	121,747	5,614,956
Composite investment funds (note (iv))	綜合投資基金 (註 (iv))	90,841	—	49,107	139,948
Cash and bank deposits	現金及銀行存款	1,795,332	6,942,180	1,129,517	9,867,029
Goodwill	商譽	—	154,909	73,276	228,185
Interest in associates	於聯營公司的權益	—	4,262	526,174	530,436
Reinsurers' share of insurance contract provisions	分保公司應佔 保險合約準備	323,498	53,242	—	376,740
Other segment assets	其他分類資產	587,619	1,618,787	117,928	2,324,334
<b>Total assets</b>	<b>總資產</b>	<b>5,264,493</b>	<b>47,299,787</b>	<b>3,053,269</b>	<b>55,617,549</b>
Life insurance funds	壽險責任準備金	—	38,529,656	—	38,529,656
Unearned premium provisions	未到期責任準備金	566,064	327,860	—	893,924
Provision for outstanding claims	未決賠款準備	2,349,612	147,320	—	2,496,932
Investment contract liabilities	投資合約負債	—	157,421	—	157,421
Interest-bearing notes	需付息票據	—	1,601,910	1,358,467	2,960,377
Deferred tax liabilities	遞延稅項負債	2,012	945,584	1,435	949,031
Other segment liabilities	其他分類負債	175,574	1,158,751	200,201	1,534,526
<b>Total liabilities</b>	<b>總負債</b>	<b>3,093,262</b>	<b>42,868,502</b>	<b>1,560,103</b>	<b>47,521,867</b>
<b>Minority interests</b>	<b>少數股東權益</b>	<b>—</b>	<b>2,348,861</b>	<b>61,195</b>	<b>2,410,056</b>
<b>Net assets attributable to the equity holders of the company</b>	<b>股東應佔資產淨值</b>	<b>2,171,231</b>	<b>2,082,424</b>	<b>1,431,971</b>	<b>5,685,626</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

### 2 分類匯報 (續)

(d) Segmental balance sheet as at 31 December 2007 (Continued)

(d) 於二零零七年十二月三十一日分類資產負債表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Corporate and other businesses 企業及 其他業務 \$'000 千元	Total 總額 \$'000 千元
<b>Note (i): Debt securities</b>	<b>註(i): 債務證券</b>				
— Held-to-maturity	— 持有至到期日	1,013,616	—	5,458	1,019,074
— Available-for-sale	— 可供出售	572,333	25,094,065	281,146	25,947,544
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	148,183	340,156	35,566	523,905
		<u>1,734,132</u>	<u>25,434,221</u>	<u>322,170</u>	<u>27,490,523</u>
<b>Note (ii): Direct equity securities</b>	<b>註(ii): 直接股本證券</b>				
— Available-for-sale	— 可供出售	569,548	4,168,794	504,826	5,243,168
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	69,382	1,664,781	23,121	1,757,284
		<u>638,930</u>	<u>5,833,575</u>	<u>527,947</u>	<u>7,000,452</u>
<b>Note (iii): Equity investment funds</b>	<b>註(iii): 股本投資基金</b>				
— Available-for-sale	— 可供出售	—	2,220,712	—	2,220,712
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	—	3,272,497	121,747	3,394,244
		<u>—</u>	<u>5,493,209</u>	<u>121,747</u>	<u>5,614,956</u>
<b>Note (iv): Composite investment funds</b>	<b>註(iv): 綜合投資基金</b>				
— Available-for-sale	— 可供出售	51,378	—	—	51,378
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	39,463	—	49,107	88,570
		<u>90,841</u>	<u>—</u>	<u>49,107</u>	<u>139,948</u>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 2 SEGMENT REPORTING (Continued)

By geographical segments:

For the six months ended 30 June 2008

	Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國 (香港及 澳門除外) \$'000 千元	Japan 日本 \$'000 千元	Rest of Asia 亞洲 其他地區 \$'000 千元	Europe 歐洲 \$'000 千元	Rest of the world 其他地區 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written and policy fees	232,529	12,273,159	96,124	395,563	226,248	76,056	13,299,679

For the six months ended 30 June 2007

	Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國 (香港及 澳門除外) \$'000 千元	Japan 日本 \$'000 千元	Rest of Asia 亞洲 其他地區 \$'000 千元	Europe 歐洲 \$'000 千元	Rest of the world 其他地區 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written and policy fees	244,108	7,349,787	81,432	356,782	215,579	69,959	8,317,647

### 2 分類匯報 (續)

按地區分類：

截至二零零八年六月三十日止六個月

截至二零零七年六月三十日止六個月

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 3 GROSS PREMIUMS WRITTEN AND POLICY FEES

#### Principal activities

The principal activity of the company is investment holding. The principal activities of the company and its subsidiaries are the underwriting of all classes of reinsurance business and direct life insurance business.

Apart from these, the group also carries on asset management, insurance intermediary and pension businesses and, to support its insurance activities, holds money market, fixed income, equity and property investments.

Turnover represents gross premiums written and policy fees from the reinsurance business and life insurance business.

### 3 毛承保保費及保單費收入

#### 主要業務

本公司的主要業務是投資控股。本公司及其附屬公司的主要業務是承接各類再保險業務及直接人壽保險業務。

此外，本集團也從事資產管理、保險中介及養老保險業務，並為配合保險業務而持有各類貨幣、固定收入證券、股票及物業投資。

營業額是指再保險業務及人壽保險業務毛承保保費及保單費收入。

Six months ended 30 June 2008  
截至二零零八年六月三十日止六個月

		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Investment contracts 投資合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	1,493,698	11,802,807	—	13,296,505
Policy fees	保單費收入	—	—	3,174	3,174
		<b>1,493,698</b>	<b>11,802,807</b>	<b>3,174</b>	<b>13,299,679</b>

Six months ended 30 June 2007  
截至二零零七年六月三十日止六個月

		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Investment contracts 投資合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	1,320,725	6,993,534	—	8,314,259
Policy fees	保單費收入	—	—	3,388	3,388
		<b>1,320,725</b>	<b>6,993,534</b>	<b>3,388</b>	<b>8,317,647</b>

In respect of the reinsurance business, a substantial proportion of reinsurance premium income is written in the first half of each year because of the seasonal nature of the reinsurance market.

關於再保險業務，因再保險市場的季節性因素，大部份的再保險保費收入已於每年的上半年承保。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 4 INVESTMENT INCOME

### 4 投資收入

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
<b>Net investment income (note (a))</b>	投資收入淨額 (註 (a))	<b>2,050,731</b>	975,064
<b>Net realised investment gains (note (b))</b>	已實現投資收益淨額 (註 (b))	<b>926,040</b>	1,176,401
<b>Net unrealised investment (losses)/gains and impairment (note (c))</b>	未實現投資 (虧損) / 收益及減值淨額 (註 (c))	<b>(2,765,884)</b>	316,658
		<b>210,887</b>	2,468,123
<b>(a) Net investment income</b>	<b>(a) 投資收入淨額</b>		
Interest income from debt securities (note (i)):	債務證券利息收入 (註 (i)):		
— Held-to-maturity	— 持有至到期日	152,765	32,196
— Available-for-sale	— 可供出售	599,820	378,169
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	8,972	22,097
Dividend income from direct equity securities (note (ii)):	直接股本證券股息收入 (註 (ii)):		
— Available-for-sale	— 可供出售	35,591	10,701
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	7,455	3,400
Dividend income from equity investment funds (note (ii)):	股本投資基金股息收入 (註 (ii)):		
— Available-for-sale	— 可供出售	296,943	182,369
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	762,758	214,571
Dividend income from composite investment funds (note (iii)):	綜合投資基金股息收入 (註 (iii)):		
— Available-for-sale	— 可供出售	—	464
— Designated at fair value through profit or loss	— 指定為通過損益以反映公允價值	35,069	899
Bank deposits and other interest income	銀行存款及其他利息收入	217,110	191,669
Rentals receivable from investment properties	應收投資物業租金	1,436	1,235
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	(67,188)	(62,706)
		<b>2,050,731</b>	975,064

Notes:

註:

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(i) Interest income from debt securities:	(i) 債務證券利息收入:		
— Listed	— 上市	729,281	400,850
— Unlisted	— 非上市	32,276	31,612
(ii) Dividend income from direct equity securities and equity investment funds:	(ii) 直接股本證券及股本投資基金股息收入:		
— Listed	— 上市	943,807	267,650
— Unlisted	— 非上市	158,940	143,391
(iii) Dividend income from composite investment funds:	(iii) 綜合投資基金股息收入:		
— Listed	— 上市	34,478	1,363
— Unlisted	— 非上市	591	—

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 4 INVESTMENT INCOME (Continued)

### 4 投資收入 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
<b>(b) Net realised investment gains</b>	<b>(b) 已實現投資收益淨額</b>		
Debt securities (note (i)):	債務證券 (註 (i))		
– Available-for-sale	– 可供出售	33,534	(530)
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(30,868)	19,255
Direct equity securities (note (ii)):	直接股本證券 (註 (ii))		
– Available-for-sale	– 可供出售	793,070	411,723
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	22,923	214,032
Equity investment funds (note (ii)):	股本投資基金 (註 (ii))		
– Available-for-sale	– 可供出售	116,200	333,848
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(1,016)	198,325
Composite investment funds (notes (iii)):	綜合投資基金 (註 (iii))		
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(7,803)	–
Loss on disposal of investment properties	投資物業出售虧損	–	(252)
		<b>926,040</b>	<b>1,176,401</b>

Notes:

註：

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(i) Net realised investment gains/(losses) on debt securities:	(i) 債務證券已實現投資收益/(虧損)淨額：		
Listed	上市	2,050	18,745
Unlisted	非上市	616	(20)
(ii) Net realised investment gains on direct equity securities and equity investment funds:	(ii) 直接股本證券及股本投資基金已實現投資收益淨額：		
Listed	上市	770,491	873,348
Unlisted	非上市	160,686	284,580
(iii) Net realised investment losses on composite investment funds:	(iii) 綜合投資基金已實現投資虧損淨額：		
Listed	上市	(5,446)	–
Unlisted	非上市	(2,357)	–

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 4 INVESTMENT INCOME (Continued)

### 4 投資收入 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(c) Net unrealised investment (losses)/gains and impairment	(c) 未實現投資(虧損)/收益及減值淨額		
Debt securities (note (i)):	債務證券(註(i)):		
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(30,054)	81,011
Direct equity securities (note (ii)):	直接股本證券(註(ii)):		
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(820,729)	76,569
Equity investment funds (note (ii)):	股本投資基金(註(ii)):		
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(1,748,444)	156,322
Composite investment funds (note (iii)):	綜合投資基金(註(iii)):		
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(69,370)	536
Derivative financial instruments	衍生金融工具	–	453
Surplus on revaluation of investment properties	投資物業重估盈餘	10,813	1,767
Impairment on available-for-sale equities	可供出售股本投資減值	(108,100)	–
		(2,765,884)	316,658

Notes:

註:

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(i) Net unrealised investment (losses)/gains on debt securities:	(i) 債務證券未實現投資(虧損)/收益淨額:		
Listed	上市	(24,905)	80,156
Unlisted	非上市	(5,149)	855
(ii) Net unrealised investment (losses)/gains on direct equity securities and equity investment funds:	(ii) 直接股本證券及股本投資基金未實現投資(虧損)/收益淨額:		
Listed	上市	(2,177,106)	42,647
Unlisted	非上市	(392,067)	190,244
(iii) Net unrealised investment (losses)/gains on composite investment funds:	(iii) 綜合投資基金未實現投資(虧損)/收益淨額:		
Listed	上市	(69,370)	536

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 5 OTHER INCOME

### 5 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Income from asset management business	資產管理業務收入	6,088	1,714
Income from insurance intermediary business	保險中介業務收入	11,053	8,492
Income from pension business	養老保險業務收入	13,827	1,985
Net loss on sale of fixed assets	出售固定資產虧損淨額	(55)	(35)
Write back of bad debts written off	呆壞賬款沖銷回撥	162	1,740
Others	其他	16,351	23,943
		<b>47,426</b>	<b>37,839</b>

### 6 POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES

### 6 保單持有人利益及佣金支出淨額

#### (a) Policyholders' benefits

#### (a) 保單持有人利益

		Six months ended 30 June 2008 截至二零零八年六月三十日止六個月		
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	589,155	302,575	891,730
Less: Reinsurers' and retrocessionaires' share	減：再保份額及轉分份額	(228,614)	(26,011)	(254,625)
		<b>360,541</b>	<b>276,564</b>	<b>637,105</b>
Surrenders	退保	—	1,777,123	1,777,123
Annuity and maturity payments	年金及到期付款	—	49,984	49,984
Policy dividends	保單分紅	—	36,617	36,617
		<b>360,541</b>	<b>2,140,288</b>	<b>2,500,829</b>
		Six months ended 30 June 2007 截至二零零七年六月三十日止六個月		
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	422,823	208,607	631,430
Less: Reinsurers' and retrocessionaires' share	減：再保份額及轉分份額	(24,073)	(25,636)	(49,709)
		<b>398,750</b>	<b>182,971</b>	<b>581,721</b>
Surrenders	退保	—	1,228,004	1,228,004
Annuity and maturity payments	年金及到期付款	—	42,130	42,130
Policy dividends	保單分紅	—	17,347	17,347
		<b>398,750</b>	<b>1,470,452</b>	<b>1,869,202</b>



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 6 POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES (Continued)

### 6 保單持有人利益及佣金支出淨額 (續)

#### (b) Net commission expenses

#### (b) 佣金支出淨額

		Six months ended 30 June 2008 截至二零零八年六月三十日止六個月		
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	374,643	1,078,185	1,452,828
Reinsurance commission income	再保險佣金收入	(55,603)	(10,896)	(66,499)
Net commission expenses	佣金支出淨額	319,040	1,067,289	1,386,329

		Six months ended 30 June 2007 截至二零零七年六月三十日止六個月		
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance contracts 人壽保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	321,548	639,150	960,698
Reinsurance commission income	再保險佣金收入	(37,810)	(6,162)	(43,972)
Net commission expenses	佣金支出淨額	283,738	632,988	916,726

### 7 PROFIT BEFORE TAXATION

### 7 除稅前溢利

Profit before taxation is arrived at after charging:

除稅前溢利已扣除：

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(a) Finance costs:	(a) 財務費用：		
Interest on interest-bearing notes	需付息票據利息	76,953	73,658
(b) Staff costs:	(b) 員工成本：		
Salaries, wages and other benefits	薪金、工資及其他利益	656,324	390,035
Employee share-based compensation benefits	以股份為本之僱員補償利益	23,802	2,869
Contributions to defined contribution retirement plans	已訂定供款退休計劃供款	64,808	38,914
		744,934	431,818

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 7 PROFIT BEFORE TAXATION (Continued)

Profit before taxation is arrived at after charging: (Continued)

(c) Other items:	(c) 其他項目：
Auditors' remuneration	核數師酬金
Depreciation of fixed assets	折舊
Operating lease charges in respect of properties	有關物業的經營租賃 費用
Share of associates' taxation charge	佔聯營公司稅項支出

### 7 除稅前溢利 (續)

除稅前溢利已扣除：(續)

Six months ended 30 June  
截至六月三十日止六個月

2008	2007
二零零八年	二零零七年
\$'000	\$'000
千元	千元

		902	1,711
		43,549	29,150
		78,237	48,925
		13,089	492

### 8 INCOME TAX (CREDIT)/CHARGE

Income tax (credit)/charge in the consolidated income statement represents:

Current tax — Provision for Hong Kong Profits Tax	當期稅項 — 香港利得稅準備
Current tax — Overseas Provision for the period Over-provision in respect of prior years	當期稅項 — 香港以外地區 本財務期稅項準備 多提以往年度稅項準備
Deferred tax (credit)/charge (note)	遞延稅項(抵免)/支出(註)

Note: Deferred tax (credit)/charge mainly represents deferred tax assets and liabilities recognised in respect of unrealised investment (losses)/gains and life insurance funds recognised in a subsidiary of the group outside of Hong Kong.

The provision for Hong Kong Profits Tax represents the group's estimated Hong Kong Profits Tax liability calculated at the standard tax rate of 16.5% (2007: 17.5%) on its assessable profits from reinsurance, asset management and insurance intermediary businesses except for its assessable profits from the business of reinsurance of offshore risks, which is calculated at 8.25% (2007: 8.75%), one-half of the standard tax rate.

### 8 稅項(抵免)/支出

綜合損益表所示的稅項(抵免)/支出為：

Six months ended 30 June  
截至六月三十日止六個月

2008	2007
二零零八年	二零零七年
\$'000	\$'000
千元	千元

		1,088	28,421
		443,545	—
		—	(1,622)
		(583,983)	121,225
		(139,350)	148,024

註：遞延稅項(抵免)/支出主要代表本集團一家香港以外地區的附屬公司確認的未實現投資(虧損)/收益及壽險責任準備金而確認的遞延稅項資產及負債。

香港利得稅準備是指本集團根據來自再保險、資產管理及保險中介業務的應評稅溢利，按16.5%（二零零七年：17.5%）的標準稅率計算的估計應繳利得稅，但來自海外風險的再保險業務應評稅溢利則按適用稅率8.25%（二零零七年：8.75%），即標準稅率的一半計算。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 8 INCOME TAX (CREDIT)/CHARGE (Continued)

Taxation outside Hong Kong for overseas subsidiaries is calculated at the rates prevailing in the relevant jurisdictions.

At 30 June 2008, the group did not recognise deferred tax assets in respect of tax losses of approximately \$9,261,000 (31 December 2007: \$9,261,000). These tax losses do not expire under current tax legislation.

### 9 DIVIDENDS

- (a) No interim dividend in respect of the interim period was declared and paid after 30 June 2008 (2007: \$Nil).
- (b) Dividends attributable to the previous financial year, approved and paid during the interim period.

### 8 稅項 (抵免) / 支出 (續)

海外附屬公司於香港以外地區的稅項以相關司法管轄區的現行稅率計算。

於二零零八年六月三十日，本集團有未確認就某些稅項虧損而產生的遞延稅項資產約為9,261,000元(二零零七年十二月三十一日：9,261,000元)。這些稅項虧損額在目前的稅務條例並無期限。

### 9 股息

- (a) 於二零零八年六月三十日後沒有屬於本財務期宣派及支付的中期股息(二零零七年：無)
- (b) 屬於上一個財政年度，並於中期財務期核准及支付的股息。

Six months ended 30 June  
截至六月三十日止六個月

2008	2007
二零零八年	二零零七年
\$'000	\$'000
千元	千元

Final dividend in respect of the previous financial year, approved and paid during the interim period of 10 cents per share (2007: \$Nil)	屬於上一個財政年度，並於中期財務期核准及支付的末期股息每股10仙(二零零七年：無)	141,915	—
Less: Dividend for shares held for Share Award Scheme	減：為股份獎勵計劃而持有之股份股息	470	—

	141,915	—
	470	—
	<b>141,445</b>	<b>—</b>

### 10 EARNINGS PER SHARE

#### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the company of \$381,336,000 (2007: \$488,582,000) and the weighted average of ordinary shares in issue during the period less shares held for the share award scheme of 1,412,626,425 (2007: weighted average of ordinary shares in issue during the period of 1,407,565,759).

### 10 每股盈利

#### (a) 每股基本盈利

每股基本盈利是按照股東應佔溢利381,336,000元(二零零七年：488,582,000元)，及扣除為股份獎勵計劃而持有之股份後的期內已發行普通股的加權平均數1,412,626,425股(二零零七年：期內已發行普通股的加權平均數1,407,565,759股)計算。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 10 EARNINGS PER SHARE (Continued)

#### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the company of \$381,336,000 (2007: \$488,582,000) and the weighted average of 1,432,776,896 ordinary shares (2007: 1,427,369,651 ordinary shares) after adjusting for the effects of the potential dilution from ordinary shares issuable under the company's share option scheme and share award scheme.

#### (c) Reconciliations

Weighted average number of ordinary shares less shares held for share award scheme used in calculating basic earnings per share	用作計算每股基本盈利的扣除股份獎勵計劃而持有之股份後之普通股加權平均股數	1,412,626,425	1,407,565,759
Effect of share option scheme	認股權計劃的影響	15,430,471	19,803,892
Effect of share award scheme	股份獎勵計劃的影響	4,720,000	—
Weighted average number of ordinary shares used in calculating diluted earnings per share	用作計算每股攤薄盈利的普通股加權平均股數	1,432,776,896	1,427,369,651

### 11 FIXED ASSETS

The group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually reviewed every two to three years to reflect market rentals. None of the leases include contingent rentals. The gross carrying amount of investment properties of the group held for use in operating leases was \$81,200,000 (31 December 2007: \$71,160,000).

### 10 每股盈利 (續)

#### (b) 每股攤薄盈利

每股攤薄盈利是按照股東應佔溢利381,336,000元(二零零七年: 488,582,000元)及已就本公司認股權計劃及股份獎勵計劃具備潛在攤薄影響的普通股作出調整得出的普通股加權平均數1,432,776,896股(二零零七年: 1,427,369,651股)計算。

#### (c) 對賬

At 30 June 於六月三十日	
2008 二零零八年	2007 二零零七年
No. of shares 股份數目	No. of shares 股份數目
1,412,626,425	1,407,565,759
15,430,471	19,803,892
4,720,000	—
1,432,776,896	1,427,369,651

### 11 固定資產

本集團以經營租賃租出投資物業。這些租賃一般初步為期二至三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款額通常會每二至三年檢討，以反映市場租金。各項租賃均不包括或然租金。本集團持作經營租賃的投資物業的賬面毛額為81,200,000元(二零零七年十二月三十一日: 71,160,000元)。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 11 FIXED ASSETS (Continued)

The group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

### 11 固定資產 (續)

本集團根據不可解除的經營租賃在日後應收的最低租賃付款總額的時段如下：

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Within 1 year	一年內	2,814	2,971
After 1 but within 5 years	一年後但五年內	604	1,478
		<b>3,418</b>	<b>4,449</b>

### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Held-to-maturity (note (i)):	持有至到期日 (附註 (i)) :		
– Debt securities	– 債務證券	11,038,767	1,019,074
Available-for-sale (note (ii)):	可供出售 (附註 (ii)) :		
– Debt securities	– 債務證券	25,988,160	25,947,544
– Direct equity securities	– 直接股本證券	2,407,974	5,243,168
– Equity investment funds	– 股本投資基金	2,377,519	2,220,712
– Composite investment funds	– 綜合投資基金	52,478	51,378
		<b>30,826,131</b>	<b>33,462,802</b>
Designated at fair value through profit or loss (note (iii)):	指定為通過損益以反映公允價值 (附註 (iii)) :		
– Debt securities	– 債務證券	496,631	523,905
– Direct equity securities	– 直接股本證券	875,656	1,757,284
– Equity investment funds	– 股本投資基金	2,915,660	3,394,244
– Composite investment funds	– 綜合投資基金	117,846	88,570
		<b>4,405,793</b>	<b>5,764,003</b>
Total	總額	<b>46,270,691</b>	<b>40,245,879</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

### 12 債務及股本證券投資 (續)

		Central governments and banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(i) Held-to-maturity	(i) 持有至到期日						
At 30 June 2008	於二零零八年六月三十日						
Listed outside Hong Kong	上市 — 香港以外地區	3,441,026	59,706	4,756,653	2,432,648	14,280	10,704,313
Unlisted	非上市	51,326	7,687	252,083	23,358	—	334,454
		<b>3,492,352</b>	<b>67,393</b>	<b>5,008,736</b>	<b>2,456,006</b>	<b>14,280</b>	<b>11,038,767</b>
Fair value of securities	證券公允價值	3,399,684	69,644	5,023,487	2,456,290	15,929	10,965,034
Market value of listed securities	上市證券市值	3,328,598	61,292	4,765,994	2,432,063	15,929	10,603,876
At 31 December 2007	於二零零七年十二月三十一日						
Listed outside Hong Kong	上市 — 香港以外地區	52,378	85,298	120,592	394,243	12,349	664,860
Unlisted	非上市	71,180	7,666	252,022	23,346	—	354,214
		<b>123,558</b>	<b>92,964</b>	<b>372,614</b>	<b>417,589</b>	<b>12,349</b>	<b>1,019,074</b>
Fair value of securities	證券公允價值	142,385	96,312	381,134	431,633	14,195	1,065,659
Market value of listed securities	上市證券市值	54,699	87,843	123,264	408,167	14,195	688,168

The held-to-maturity debt securities include an amount of \$324,858,000 (31 December 2007: \$300,815,000), which is maturing within one year, and are neither past due nor impaired.

持有至到期的債務證券包括價值324,858,000元（二零零七年十二月三十一日：300,815,000元）的債務證券，於一年內到期，既沒有逾期，也沒有減值。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
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### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

### 12 債務及股本證券投資 (續)

		Central governments and banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale	(ii) 可供出售						
At 30 June 2008	於二零零八年六月三十日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	39,474	–	80,670	15,618	–	135,762
– outside Hong Kong	– 香港以外地區	11,617,712	–	3,800,458	9,574,858	18,378	25,011,406
Listed direct equity securities	上市直接股本證券						
– in Hong Kong	– 香港	–	3,830	361,837	407,759	3,450	776,876
– outside Hong Kong	– 香港以外地區	–	–	55,642	1,319,120	–	1,374,762
Listed equity investment funds outside Hong Kong	上市股本投資基金 香港以外地區	–	–	–	324,052	–	324,052
Listed composite investment funds outside Hong Kong	上市綜合投資基金 香港以外地區	–	–	–	52,478	–	52,478
Unlisted debt securities	非上市債務證券	–	–	540,104	300,888	–	840,992
Unlisted direct equity securities	非上市直接股本證券	–	–	–	256,336	–	256,336
Unlisted equity investment funds	非上市股本投資基金	–	–	–	2,053,467	–	2,053,467
		11,657,186	3,830	4,838,711	14,304,576	21,828	30,826,131
Fair value of securities	證券公允價值	11,657,186	3,830	4,838,711	14,304,576	21,828	30,826,131
Market value of listed securities	上市證券市值	11,657,186	3,830	4,298,607	11,693,885	21,828	27,675,336
Current	當期	11,657,186	3,830	4,838,711	14,304,576	21,828	30,826,131
Non-current	非當期	–	–	–	–	–	–
		11,657,186	3,830	4,838,711	14,304,576	21,828	30,826,131

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

### 12 債務及股本證券投資 (續)

		Central governments and banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale (Continued)	(ii) 可供出售 (續)						
At 31 December 2007	於二零零七年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	40,020	–	15,697	–	–	55,717
– outside Hong Kong	– 香港以外地區	13,345,430	7,759	3,129,686	8,662,685	17,637	25,163,197
Listed direct equity securities	上市直接股本證券						
– in Hong Kong	– 香港	639	5,205	552,682	396,537	–	955,063
– outside Hong Kong	– 香港以外地區	–	–	17,375	4,252,170	–	4,269,545
Listed equity investment funds outside Hong Kong	上市股本投資基金 香港以外地區	–	–	–	627,363	–	627,363
Listed composite investment funds outside Hong Kong	上市綜合投資基金 香港以外地區	–	–	–	51,378	–	51,378
Unlisted debt securities	非上市債務證券	–	–	466,522	262,108	–	728,630
Unlisted direct equity securities	非上市直接股本證券	–	–	–	18,560	–	18,560
Unlisted equity investment funds	非上市股本投資基金	–	–	–	1,593,349	–	1,593,349
		13,386,089	12,964	4,181,962	15,864,150	17,637	33,462,802
Fair value of securities	證券公允價值	13,386,089	12,964	4,181,962	15,864,150	17,637	33,462,802
Market value of listed securities	上市證券市值	13,386,089	12,964	3,715,440	13,990,133	17,637	31,122,263
Current	當期	13,386,089	12,964	4,181,962	15,864,150	17,637	33,462,802
Non-current	非當期	–	–	–	–	–	–
		13,386,089	12,964	4,181,962	15,864,150	17,637	33,462,802



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

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### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

### 12 債務及股本證券投資 (續)

		Central governments and banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Designated at fair value through profit or loss	(iii) 指定為通過損益以反映公允價值						
At 30 June 2008	於二零零八年六月三十日						
Listed debt securities outside Hong Kong	上市債務證券 香港以外地區	257,582	—	82,187	19,267	—	359,036
Listed direct equity securities	上市直接股本證券						
— in Hong Kong	— 香港	—	—	11,021	24,402	123	35,546
— outside Hong Kong	— 香港以外地區	—	—	27,982	812,128	—	840,110
Listed equity investment funds outside Hong Kong	上市股本投資基金 香港以外地區	—	—	—	915,179	11,463	926,642
Listed composite investment funds outside Hong Kong	上市綜合投資基金 香港以外地區	—	—	26,712	37,426	—	64,138
Unlisted debt securities	非上市債務證券	67,405	—	70,190	—	—	137,595
Unlisted equity investment funds	非上市股本投資基金	—	—	—	1,989,018	—	1,989,018
Unlisted composite investment funds	非上市綜合投資基金	—	—	53,708	—	—	53,708
		324,987	—	271,800	3,797,420	11,586	4,405,793
Fair value of securities	證券公允價值	324,987	—	271,800	3,797,420	11,586	4,405,793
Market value of listed securities	上市證券市值	257,582	—	147,902	1,808,402	11,586	2,225,472
Current	當期	324,987	—	271,800	3,797,420	11,586	4,405,793
Non-current	非當期	—	—	—	—	—	—
		324,987	—	271,800	3,797,420	11,586	4,405,793

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
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### 12 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

### 12 債務及股本證券投資 (續)

		Central governments and banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Designated at fair value through profit or loss (Continued)	(iii) 指定為通過損益以反映公允價值 (續)						
At 31 December 2007	於二零零七年十二月三十一日						
Listed debt securities outside Hong Kong	上市債務證券 香港以外地區	207,730	—	105,958	105,148	—	418,836
Listed direct equity securities	上市直接股本證券						
— in Hong Kong	— 香港	—	—	17,862	31,547	—	49,409
— outside Hong Kong	— 香港以外地區	—	—	33,523	1,674,352	—	1,707,875
Listed equity investment funds outside Hong Kong	上市股本投資基金 香港以外地區	—	—	53,457	2,430,847	—	2,484,304
Listed composite investment funds outside Hong Kong	上市綜合投資基金 香港以外地區	—	—	14,677	39,463	—	54,140
Unlisted debt securities	非上市債務證券	—	—	84,488	20,581	—	105,069
Unlisted equity investment funds	非上市股本投資基金	—	—	43,964	865,976	—	909,940
Unlisted composite investment funds	非上市綜合投資基金	—	—	34,430	—	—	34,430
		207,730	—	388,359	5,167,914	—	5,764,003
Fair value of securities	證券公允價值	207,730	—	388,359	5,167,914	—	5,764,003
Market value of listed securities	上市證券市值	207,730	—	225,477	4,281,357	—	4,714,564
Current	當期	207,730	—	388,359	5,167,914	—	5,764,003
Non-current	非當期	—	—	—	—	—	—
		207,730	—	388,359	5,167,914	—	5,764,003

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 13 INSURANCE DEBTORS

### 13 保險客戶應收賬款

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Amounts due from insurance customers and suppliers	應收保險客戶及 供應商款項	1,005,328	532,261
Deposits retained by cedants	分保人保留的按金	84,484	84,279
		<b>1,089,812</b>	<b>616,540</b>

All of the insurance debtors are expected to be recovered within one year.

Amounts due from insurance customers and suppliers include amounts due from fellow subsidiaries of \$18,499,000 (31 December 2007: \$15,904,000) which are trade related in nature.

The following is an ageing analysis of amounts due from insurance customers and suppliers that are not individually considered to be impaired:

所有保險客戶應收賬款預期在一年之內可以收回。

應收保險客戶及供應商款項包括應收同系附屬公司款項18,499,000元(二零零七年十二月三十一日: 15,904,000元)，有關款項屬營業性質。

未有發現個別減值的應收保險客戶及供應商款項，其賬齡分析如下：

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Neither past due nor impaired	未到期或未減值	648,664	270,056
Current	現已到期	316,476	233,831
More than 3 months but less than 12 months	超過三個月但少於十二個月	32,095	25,144
More than 12 months	超過十二個月	8,093	3,230
		<b>1,005,328</b>	<b>532,261</b>

### 14 STATUTORY DEPOSITS

### 14 法定存款

Certain subsidiaries of the group have placed \$682,464,000 (31 December 2007: \$640,764,000) with banks as capital guarantee funds, pursuant to the relevant PRC insurance rules and regulations. The funds can only be used with the prior approval of the relevant authorities in the event that the PRC subsidiaries cannot meet the statutory solvency requirements or go into liquidation.

本集團的附屬公司根據中國有關保險法規的規定將為數682,464,000元(二零零七年十二月三十一日: 640,764,000元)的款項存於銀行，作為資本保證基金。該筆款項只可在該附屬公司不能達到法定償付能力要求或清盤時，並得到有關政府部門批准，方可動用。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 15 CASH AND CASH EQUIVALENTS

### 15 現金及現金等價物

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Deposits with banks and other financial institutions with original maturity less than three months	原到期日少於三個月的銀行及其他財務機構存款	1,921,376	2,623,848
Money market funds	貨幣市場基金	226,450	393,259
Cash at bank and in hand	銀行及手頭現金	2,712,501	2,120,528
		<b>4,860,327</b>	<b>5,137,635</b>

### 16 INSURANCE CREDITORS

### 16 保險客戶應付賬款

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Amounts due to insurance customers and suppliers	應付保險客戶及供應商款項	62,978	53,312
Amounts due to insurance intermediaries	應付保險中介款項	53,543	101,732
Deposits retained from retrocessionaires	轉分保險人保留的按金	21,172	22,820
Prepaid premiums received	預收保費	115,924	216,252
		<b>253,617</b>	<b>394,116</b>

All of the amounts due to the insurance creditors are expected to be settled within one year.

所有保險客戶應付賬款預期將於一年內清償。

The amounts due to insurance customers and suppliers include amounts due to fellow subsidiaries of \$2,075,000 (31 December 2007: \$16,620,000) which are trade related in nature.

應付保險客戶及供應商款項包括應付同系附屬公司款項為2,075,000元(二零零七年十二月三十一日: 16,620,000元)，有關款項屬營業性質。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 16 INSURANCE CREDITORS (Continued)

The following is an ageing analysis of amounts due to insurance customers and suppliers:

### 16 保險客戶應付賬款 (續)

應付保險客戶及供應商款項之賬齡分析如下：

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Current	現時	21,453	18,890
More than 3 months but less than 12 months	超過三個月但少於十二個月	31,888	27,363
More than 12 months	超過十二個月	9,637	7,059
		<b>62,978</b>	<b>53,312</b>

### 17 SHARE CAPITAL

### 17 股本

		At 30 June 2008 於二零零八年 六月三十日		At 31 December 2007 於二零零七年 十二月三十一日	
		No. of shares 股份數目	\$'000 千元	No. of shares 股份數目	\$'000 千元
<b>Authorised:</b>	<b>法定股本：</b>				
Ordinary shares of \$0.05 each	每股面值0.05元 普通股	2,000,000,000	100,000	2,000,000,000	100,000
<b>Issued and fully paid:</b>	<b>已發行及繳足股本：</b>				
At the beginning of the period/year	於期初／年初	1,415,272,592	70,764	1,406,251,592	70,313
Shares issued under share option scheme (note 18)	根據認股權計劃 發行的股份 (附註18)	3,881,000	194	9,021,000	451
At the end of the period/year	於期末／年末	<b>1,419,153,592</b>	<b>70,958</b>	<b>1,415,272,592</b>	<b>70,764</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 18 EQUITY COMPENSATION BENEFITS

#### (a) Share Options Scheme

##### (i) Movements in share options

		<b>At 30 June 2008</b>	At 31 December 2007
		於二零零八年 六月三十日	於二零零七年 十二月三十一日
		<b>Number</b>	Number
		數目	數目
At the beginning of the period/year	於期初／年初	<b>20,701,000</b>	28,590,000
Granted	已授出	<b>175,000</b>	1,150,000
Exercised (note 17)	已行使 (附註17)	<b>(3,881,000)</b>	(9,021,000)
Lapsed	失效	<b>—</b>	(18,000)
At the end of the period/year	於期末／年末	<b>16,995,000</b>	20,701,000
Options vested at the end of the period/year	於期末／年末已歸屬的認股權	<b>16,728,000</b>	20,167,000

##### (ii) Terms of unexpired and unexercised share options at the balance sheet date

<b>Date granted</b>	<b>Exercise period</b>	<b>Exercise price</b>	<b>At 30 June 2008</b>	At 31 December 2007
授出日期	行使期	行使價 \$ 元	於二零零八年 六月三十日	於二零零七年 十二月三十一日
			<b>Number</b>	Number
			數目	數目
25 September 2000 to 9 October 2000 2000年9月25日至 2000年10月9日	25 September 2000 to 8 October 2010 2000年9月25日至 2010年10月8日	1.1100	<b>1,950,000</b>	2,350,000
9 February 2001 to 17 February 2001 2001年2月9日至 2001年2月17日	9 February 2001 to 16 February 2011 2001年2月9日至 2011年2月16日	0.9500	<b>1,000,000</b>	1,000,000
12 September 2002 to 23 September 2002 2002年9月12日至 2002年9月23日	12 September 2002 to 22 September 2012 2002年9月12日至 2012年9月22日	3.2250	<b>1,200,000</b>	2,700,000
7 January 2003 2003年1月7日	7 January 2003 to 6 January 2013 2003年1月7日至 2013年1月6日	3.9750	—	156,000
5 January 2004 2004年1月5日	5 January 2004 to 4 January 2014 2004年1月5日至 2014年1月4日	3.9800	—	350,000

### 18 股本補償福利

#### (a) 認股權計劃

##### (i) 認股權的變動

##### (ii) 於結算日尚未屆滿及尚未行使的認股權的年期

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 18 EQUITY COMPENSATION BENEFITS (Continued)

### 18 股本補償福利 (續)

#### (a) Share Options Scheme (Continued)

#### (a) 認股權計劃 (續)

(ii) Terms of unexpired and unexercised share options at the balance sheet date (Continued)

(ii) 於結算日尚未屆滿及尚未行使的認股權的年期 (續)

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	At 30 June 2008 於二零零八年 六月三十日 Number 數目	At 31 December 2007 於二零零七年 十二月三十一日 Number 數目
31 December 2004 2004年12月31日	27 January 2005 to 26 January 2015 2005年1月27日至 2015年1月26日	3.2000	—	350,000
2 November 2005 2005年11月2日	23 November 2005 to 27 November 2015 2005年11月23日至 2015年11月27日	2.8750	11,345,000	11,945,000
30 December 2005 2005年12月30日	3 January 2006 to 2 January 2016 2006年1月3日至 2016年1月2日	3.3000	—	350,000
30 June 2006 2006年6月30日	30 June 2006 to 29 June 2016 2006年6月30日至 2016年6月29日	5.0000	—	175,000
29 December 2006 2006年12月29日	29 December 2006 to 28 December 2016 2006年12月29日至 2016年12月28日	9.8000	175,000	175,000
26 February 2007 2007年2月26日	26 February 2007 to 25 February 2017 2007年2月26日至 2017年2月25日	9.4900	800,000	800,000
29 June 2007 2007年6月29日	29 June 2007 to 28 June 2017 2007年6月29日至 2017年6月28日	14.2200	175,000	175,000
31 December 2007 2007年12月31日	31 December 2007 to 30 December 2017 2007年12月31日至 2017年12月30日	21.4000	175,000	175,000

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 18 EQUITY COMPENSATION BENEFITS (Continued)

#### (a) Share Options Scheme (Continued)

(ii) Terms of unexpired and unexercised share options at the balance sheet date (Continued)

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	At 30 June 2008 於二零零八年 六月三十日 Number 數目	At 31 December 2007 於二零零七年 十二月三十一日 Number 數目
30 June 2008 2008年6月30日	30 June 2008 to 29 June 2018 2008年6月30日至 2018年6月29日	19.3160	175,000	—
			16,995,000	20,701,000

Notes:

- (i) No options were lapsed during the period (31 December 2007: 18,000).
- (ii) 267,000 options were unvested, which have vesting periods up to 26 February 2009.
- (iii) Details of share options granted/(lapsed), all of which were granted for \$1 in consideration

### 18 股本補償福利 (續)

#### (a) 認股權計劃 (續)

(ii) 於結算日尚未屆滿及尚未行使的認股權的年期 (續)

At 30 June 2008 於二零零八年 六月三十日 Number 數目	At 31 December 2007 於二零零七年 十二月三十一日 Number 數目
175,000	—
16,995,000	20,701,000

註:

- (i) 沒有認股權於期內失效 (二零零七年十二月三十一日: 18,000)。
- (ii) 其中267,000認股權屬於尚未歸屬的認股權, 於二零零九年二月二十六日前歸屬。
- (iii) 已授出/(失效)的認股權詳情, 該等認股權全部均為以代價1元授出

Exercise period 行使期	Exercise price 行使價 \$ 元	Six months ended 30 June 2008 截至二零零八年 六月三十日止六個月 Number 數目	Year ended 31 December 2007 截至二零零七年 十二月三十一日止年度 Number 數目
23 November 2005 to 27 November 2015	2005年11月23日至 2015年11月27日	2.8750	(18,000)
26 February 2007 to 25 February 2017	2007年2月26日至 2017年2月25日	9.4900	800,000
29 June 2007 to 28 June 2017	2007年6月29日至 2017年6月28日	14.2200	175,000
31 December 2007 to 30 December 2017	2007年12月31日至 2017年12月30日	21.4000	175,000
30 June 2008 to 29 June 2018	2008年6月30日至 2018年6月29日	19.3160	—
		175,000	1,132,000



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 18 EQUITY COMPENSATION BENEFITS (Continued)

#### (a) Share Options Scheme (Continued)

(iv) Details of share options exercised

Exercise date	行使日期	Exercise price 行使價 \$ 元	Weighted average market value per share at exercise date 行使日加權平均每股市價 \$ 元	Proceeds received 所得款項 \$'000 千元	Number 數目
11 January	一月十一日	1.110	19.6085	222	200,000
23 January	一月二十三日	1.110	17.7445	222	200,000
27 March	三月二十七日	3.225	18.0123	4,838	1,500,000
27 March	三月二十七日	3.975	18.0123	620	156,000
27 March	三月二十七日	3.980	18.0123	1,393	350,000
27 March	三月二十七日	3.200	18.0123	1,120	350,000
27 March	三月二十七日	2.875	18.0123	1,725	600,000
27 March	三月二十七日	3.300	18.0123	1,155	350,000
27 March	三月二十七日	5.000	18.0123	875	175,000
<b>Six months ended 30 June 2008</b>	<b>截至二零零八年 六月三十日止六個月</b>			<b>12,170</b>	<b>3,881,000</b>
Year ended 31 December 2007	截至二零零七年 十二月三十一日止年度			22,346	9,021,000

(v) Fair value of share options and assumptions

The estimate of the fair value of the share options granted is measured based on the Black-Scholes pricing model.

### 18 股本補償福利 (續)

#### (a) 認股權計劃 (續)

(iv) 已行使的認股權詳情

Exercise date	行使日期	Exercise price 行使價 \$ 元	Weighted average market value per share at exercise date 行使日加權平均每股市價 \$ 元	Proceeds received 所得款項 \$'000 千元	Number 數目
11 January	一月十一日	1.110	19.6085	222	200,000
23 January	一月二十三日	1.110	17.7445	222	200,000
27 March	三月二十七日	3.225	18.0123	4,838	1,500,000
27 March	三月二十七日	3.975	18.0123	620	156,000
27 March	三月二十七日	3.980	18.0123	1,393	350,000
27 March	三月二十七日	3.200	18.0123	1,120	350,000
27 March	三月二十七日	2.875	18.0123	1,725	600,000
27 March	三月二十七日	3.300	18.0123	1,155	350,000
27 March	三月二十七日	5.000	18.0123	875	175,000
<b>Six months ended 30 June 2008</b>	<b>截至二零零八年 六月三十日止六個月</b>			<b>12,170</b>	<b>3,881,000</b>
Year ended 31 December 2007	截至二零零七年 十二月三十一日止年度			22,346	9,021,000

(v) 認股權的公允價值及假設

授出認股權之估計公允價值按Black-Scholes認股權定價模式。

Date of grant  
30 June 2008  
授出日  
二零零八年六月三十日

Fair value at measurement date (\$)	於計量日的公允價值(元)	12.47972
Share price (\$)	股價(元)	18.600
Exercise price (\$)	行使價(元)	19.316
Expected volatility (note i)	預期波動率(註i)	61.32%
Option life (Year)	認股權年期(年)	10
Expected dividends (note ii)	預期股息(註ii)	0.54%
Risk-free interest rate (note iii)	無風險利率(註iii)	3.469%

Notes:

- (i) The expected volatility is based on the historical volatility of the share price one year immediately preceding the grant date.
- (ii) Expected dividends are based on historical dividends since the listing of the company.
- (iii) Risk-free interest rate is based on the yield of the 10-year Hong Kong Exchange Fund Note.

註:

- (i) 預計波動是根據授出日過往一年股價的波幅。
- (ii) 預期股息按本公司上市以來過往的股息。
- (iii) 無風險利率按十年期的香港外匯基金票據的孳息率。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 18 EQUITY COMPENSATION BENEFITS (Continued)

### 18 股本補償福利 (續)

#### (b) Share Award Scheme

#### (b) 股份獎勵計劃

(i) *Movements in the number of awarded shares and their related average fair value were as follows:*

(i) 獎授股份數目變化及其有關平均公允價值如下：

		At 30 June 2008 於二零零八年 六月三十日 Number 數目	At 31 December 2007 於二零零七年 十二月三十一日 Number 數目
At 1 January	於一月一日	3,286,000	—
Awarded (note i)	已獎授 (註i)	644,500	3,286,000
Forfeited	沒收	(1,000)	—
At the end of the period/year (note ii)	於期末/年末 (註ii)	<b>3,929,500</b>	3,286,000

Notes:

註：

- (i) Included in the total number of awarded shares, 366,000 shares are purchased from the market during the period (31 December 2007: 3,286,000 shares).
- (ii) At the end of the period the average fair value per share of \$20.41 (31 December 2007: \$20.50). The average fair value of the awarded shares is based on the average purchase cost per share acquired from the market.

- (i) 包括在已獎授股份數目中，366,000股獎授股份於期內從市場購入(二零零七年十二月三十一日：3,286,000股)。
- (ii) 於期末平均每股公允價值為20.41元(二零零七年十二月三十一日：20.50元)。獎授股份的每股平均公允價值是根據從市場購入的平均每股購入成本。

Apart from the awarded shares, as at 30 June 2008, 790,500 shares (31 December 2007: 1,968,000 shares) are deemed as unallocated shares which are held under Share Award Scheme and are available for future award and/or disposal pursuant to the rules of Share Award Scheme.

除已獎授股份外，於二零零八年六月三十日，790,500股(二零零七年十二月三十一日：1,968,000股)被視為未分配的股份以股份獎勵計劃持有，可供日後根據股份獎授計劃獎勵及/或出售。

(ii) *The remaining vesting periods of the awarded shares outstanding as follows:*

(ii) 獎授股份的餘下歸屬期如下：

	At 30 June 2008 於二零零八年六月三十日		At 31 December 2007 於二零零七年十二月三十一日	
	Remaining vesting period 餘下歸屬期	Number of awarded shares 獎授股份數目	Remaining vesting period 餘下歸屬期	Number of awarded shares 獎授股份數目
Fair value \$20.50 公允價值20.50元	1.5 years to 2.5 years 1.5年至2.5年	3,285,000	2 years to 3 years 2年至3年	3,286,000
Fair value \$19.95 公允價值19.95元	2.5 years 2.5年	644,500	—	—
		<b>3,929,500</b>		<b>3,286,000</b>

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 19 RESERVES

### 19 儲備

		Capital reserve	Share premium	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Retained profits	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2008	於二零零八年一月一日	567,458	2,201,064	200,357	726,901	23,336	(111,147)	2,006,893	5,614,862
Shares issued and share options exercised	已發行股份及已行使 認股權	—	13,725	—	—	—	—	—	13,725
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區 附屬公司賬項的 匯兌差異	—	—	171,559	—	—	—	—	171,559
Available-for-sale securities (note(i)):	可供出售證券 (註 (i)) :	—	—	—	(1,299,761)	—	—	—	(1,299,761)
— changes in fair value	— 公允價值變化	—	—	—	(1,047,673)	—	—	—	(1,047,673)
— deferred tax recognised	— 確認遞延稅項	—	—	—	294,076	—	—	—	294,076
— transferred to profit or loss	— 轉至綜合損益表	—	—	—	(546,164)	—	—	—	(546,164)
Profit for the period	本財務期溢利	—	—	—	—	—	—	381,336	381,336
Dividend approved in respect of the previous year	屬於上一個年度之已 核准股息	—	—	—	—	—	—	(141,445)	(141,445)
Change in shares held for Share Award Scheme	為股份獎勵計劃而 持有之股份變化	—	—	—	—	—	15,750	—	15,750
Equity settled share-based transactions	股本償付之股份為本 交易	—	—	—	—	15,606	—	—	15,606
At 30 June 2008	於二零零八年六月三十日	567,458	2,214,789	371,916	(572,860)	38,942	(95,397)	2,246,784	4,771,632

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 19 RESERVES (Continued)

### 19 儲備 (續)

		Capital reserve	Share premium	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Retained profits	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2007	於二零零七年一月一日	567,458	2,174,123	46,986	841,088	20,530	—	457,821	4,108,006
Shares issued and share options exercised	已發行股份及已行使 認股權	—	26,941	—	—	—	—	—	26,941
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區 附屬公司賬項的 匯兌差異	—	—	153,371	—	—	—	—	153,371
Available-for-sale securities (note(i)):	可供出售證券 (註 (i)) :	—	—	—	(114,187)	—	—	—	(114,187)
— changes in fair value	— 公允價值變化	—	—	—	1,479,070	—	—	—	1,479,070
— deferred tax recognised	— 確認遞延稅項	—	—	—	145,934	—	—	—	145,934
— transferred to profit or loss	— 轉至綜合損益表	—	—	—	(1,739,191)	—	—	—	(1,739,191)
Profit for the year	本財務年度溢利	—	—	—	—	—	—	1,549,072	1,549,072
Shares purchased for Share Award Scheme	為股份獎勵計劃 購入之股份	—	—	—	—	—	(111,147)	—	(111,147)
Equity settled share-based transactions	股本償付之股份為本 交易	—	—	—	—	2,806	—	—	2,806
At 31 December 2007	於二零零七年 十二月三十一日	567,458	2,201,064	200,357	726,901	23,336	(111,147)	2,006,893	5,614,862

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 19 RESERVES (Continued)

### 19 儲備 (續)

Notes:

註：

		30 June 2008 二零零八年六月三十日			
		Reinsurance	Life	Corporate and other	Total
		再保險	人壽保險	企業及	總額
		\$'000	\$'000	其他業務	\$'000
		千元	千元	千元	千元
<b>Note (i)</b>	<b>註(i)</b>				
Debt securities	債務證券	(21,905)	995,380	(2,664)	970,811
Direct equity securities	直接股本證券	(125,272)	(2,146,451)	(188,544)	(2,460,267)
Equity investment funds	股本投資基金	—	(1,147,201)	—	(1,147,201)
Composite investment funds	綜合投資基金	1,087	—	—	1,087
		(146,090)	(2,298,272)	(191,208)	(2,635,570)
Deferred tax charged to reserves	於儲備入賬之遞延稅項	5,287	574,593	1,205	581,085
Share of associates	聯營公司份額	—	—	(106,185)	(106,185)
Shared by minority interests	少數股東應佔權益	—	860,978	(69)	860,909
		(140,803)	(862,701)	(296,257)	(1,299,761)
		31 December 2007 二零零七年十二月三十一日			
		Reinsurance	Life	Corporate and other	Total
		再保險	人壽保險	企業及	總額
		\$'000	\$'000	其他業務	\$'000
		千元	千元	千元	千元
<b>Note (i)</b>	<b>註(i)</b>				
Debt securities	債務證券	9,489	(2,386,703)	3,861	(2,373,353)
Direct equity securities	直接股本證券	(99,922)	1,414,304	7,365	1,321,747
Equity investment funds	股本投資基金	—	451,170	—	451,170
Composite investment funds	綜合投資基金	4,271	—	—	4,271
		(86,162)	(521,229)	11,226	(596,165)
Deferred tax charged to reserves	於儲備入賬之遞延稅項	10,615	259,556	5,413	275,584
Share of associates	聯營公司份額	—	—	75,689	75,689
Shared by minority interests	少數股東應佔權益	—	130,705	—	130,705
		(75,547)	(130,968)	92,328	(114,187)

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 20 MATURITY PROFILE

### 20 到期情況

		Repayable on demand 接獲 要求時償還 \$'000 千元	3 months or less 三個月 或以下 \$'000 千元	1 year or less but over 3 months 一年以下 但超過 三個月 \$'000 千元	5 years or less but over 1 year 五年以下 但超過 一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Undated 未有期限 \$'000 千元	Total 總額 \$'000 千元
<b>At 30 June 2008</b>	<b>於二零零八年六月三十日</b>							
<b>Assets</b>	<b>資產</b>							
Deposits at banks and other financial institutions (including statutory deposits)	銀行及其他財務機構 存款 (包括法定存款)	269,971	1,588,278	1,151,091	5,028,132	—	—	8,037,472
Money market funds	貨幣市場基金	226,450	—	—	—	—	—	226,450
Pledged deposits at bank	已抵押予銀行的存款	—	—	92,736	—	—	—	92,736
Certificates of deposit (under held-to-maturity)	存款證 (持有至到期日)	—	—	38,995	204,975	—	—	243,970
Certificates of deposit (under available-for-sale)	存款證 (可供出售)	—	—	—	136,091	—	—	136,091
Debt securities (under held-to-maturity)	債務證券 (持有至到期日)	—	—	285,863	473,811	10,035,123	—	10,794,797
Debt securities (under available-for-sale)	債務證券 (可供出售)	—	78,341	132,803	3,787,353	21,772,363	81,212	25,852,072
Debt securities (under designated at fair value)	債務證券 (通過損益 以反映公允價值)	—	5,572	82,255	196,439	151,111	61,254	496,631
Loans and advances	貸款及墊款	—	—	360,028	113,744	159,242	—	633,014
		496,421	1,672,191	2,143,771	9,940,545	32,117,839	142,466	46,513,233
<b>Liabilities</b>	<b>負債</b>							
Interest-bearing notes	需付息票據	—	—	—	—	3,065,277	—	3,065,277

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 20 MATURITY PROFILE (Continued)

### 20 到期情況 (續)

		Repayable on demand 要求時償還 \$'000 千元	3 months or less 三個月 或以下 \$'000 千元	1 year or less but over 3 months 一年以下 但超過 三個月 \$'000 千元	5 years or less but over 1 year 五年以下 但超過 一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Undated 未有限限 \$'000 千元	Total 總額 \$'000 千元
At 31 December 2007	於二零零七年 十二月三十一日							
<b>Assets</b>	<b>資產</b>							
Deposits at banks and other financial institutions (including statutory deposits)	銀行及其他財務機構 存款 (包括法定存款)	505,734	2,253,553	418,681	4,731,096	—	—	7,909,064
Money market funds	貨幣市場基金	393,259	—	—	—	—	—	393,259
Pledged deposits at bank	已抵押予銀行的存款	—	—	97,417	—	—	—	97,417
Certificates of deposit (under held-to-maturity)	存款證 (持有至到期日)	—	—	—	243,910	—	—	243,910
Certificates of deposit (under available-for-sale)	存款證 (可供出售)	—	—	—	135,326	—	—	135,326
Debt securities (under held-to-maturity)	債務證券 (持有至到期日)	—	10,276	290,539	243,689	230,660	—	775,164
Debt securities (under available-for-sale)	債務證券 (可供出售)	—	—	147,178	6,270,405	19,394,635	—	25,812,218
Debt securities (under designated at fair value)	債務證券 (通過損益 以反映公允價值)	26,627	20,776	62,287	192,000	158,519	63,696	523,905
Loans and advances	貸款及墊款	—	—	276,219	106,794	149,512	—	532,525
		925,620	2,284,605	1,292,321	11,923,220	19,933,326	63,696	36,422,788
<b>Liabilities</b>	<b>負債</b>							
Interest-bearing notes	需付息票據	—	—	—	—	2,960,377	—	2,960,377

### 21 COMMITMENTS

### 21 承擔

(a) Capital commitments outstanding as of 30 June 2008 which have not provided for in the interim financial report were as follows:

(a) 於二零零八年六月三十日，尚未在本中期財務報告反映的資本性承諾如下：

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Contracted for	已訂約	2,152,809	25,788

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 21 COMMITMENTS (Continued)

- (b) As of 30 June 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 30 June 2008 於二零零八年 六月三十日 \$'000 千元	At 31 December 2007 於二零零七年 十二月三十一日 \$'000 千元
Within 1 year	一年內	36,890	101,101
After 1 year but within 5 years	一年後但五年內	246,135	99,059
After 5 years	五年後	—	111
		<b>283,025</b>	<b>200,271</b>

The group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 6 years, with an option to renew the leases when all terms are renegotiated. Lease payments are usually reviewed annually to reflect market rentals. None of the leases includes contingent rentals.

- (b) 於二零零八年六月三十日，根據不可解除的經營租賃在日後應付的最低租賃付款額如下：

本集團以經營租賃租入部份物業。這些租賃一般初步為期一至六年，並有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款通常會逐年檢討，以反映市場租金。各項租賃均不包括或然租金。

### 22 MATERIAL RELATED PARTY TRANSACTIONS

The following is a summary of significant transactions entered into between the group and its related parties during the period:

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Business ceded by related companies:	關連公司分出的業務：		
— Gross premiums written	— 毛承保保費		
— Commission expenses paid	— 佣金支出		
		<b>191,941</b>	197,384
		<b>66,853</b>	69,723

Note:

- (i) Certain fellow subsidiaries of the group ceded business to and received commission from a subsidiary of the company.

Apart from the above, the group has entered into the following non-recurring transactions with related parties:

- (a) On 20 March 2008, TPL entered into a Joint Bidding Agreement with TPI, CIHC and Ming An Insurance Company (China) Limited in relation to the purchase of a piece of land in Shenzhen and development of a commercial office building. The amount to be invested by TPL was RMB289,000,000.

以下是本集團與關連人士於期內進行的重大交易概要：

註：

- (i) 本集團若干同系附屬公司向本公司一間附屬公司轉介業務及向其收取佣金。

除此之外，本集團與關連人士進行以下非經常交易：

- (a) 於二零零八年三月二十日，太平人壽與太平保險、中保控股及民安保險(中國)有限公司就購買一幅位於深圳之土地及興建商業樓宇而訂立聯合競投協議。太平人壽將合共投資人民幣289,000,000元。



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 22 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (b) On 30 June 2008, the company entered into the conditional capital contribution agreement with CIHC, ICBC (Asia) and TPI pursuant to which CIHC and the company will contribute, in cash, in aggregate an amount of RMB270,000,000 as additional registered capital into TPI. Of the aggregate amount, RMB4,540,000 will be contributed by CIHC and RMB265,460,000 will be contributed by the company. ICBC (Asia) has decided to not participate in the capital contribution. TPI is an associated company of the company, in which the company holds a 40.025% equity interest prior to the capital contribution. Upon completion, each of CIHC, the company and ICBC (Asia) will be directly interested in 42.020%, 50.050% and 7.930%, respectively, of the equity interests in TPI. On 30 June 2008, CIHC, the company and ICBC (Asia) also entered into the conditional option deed pursuant to which CIHC has agreed to grant the right to ICBC (Asia) at nil consideration to, conditional upon completion, acquire from CIHC the equity interest of approximately 1.647% in TPI as enlarged by the capital contribution for a consideration of RMB25,858,900 within six months from the date of the option deed, or such later date as the parties may extend pursuant to the terms of the option deed. The option will be exercisable at the option of ICBC (Asia), and if exercised by ICBC (Asia), will have to be exercised in full. The company has waived its right to purchase the option interest if the option is exercised by ICBC (Asia). The capital contribution agreement and the option deed were approved by independent shareholders at an extraordinary general meeting held on 15 July 2008.
- (c) On 9 July 2007, the company entered into a conditional capital contribution agreement with CIHC, ICBC (Asia) and TPI pursuant to which CIHC and the company will contribute, in cash, an aggregate amount of RMB300,000,000 as additional registered capital into TPI. Of the aggregate amount, RMB179,925,000 will be contributed by CIHC and RMB120,075,000 will be contributed by the company. ICBC (Asia) has decided to not participate in the capital contribution. Upon completion, each of CIHC, the company and ICBC (Asia) will be directly interested in 50.398%, 40.025% and 9.577%, respectively, of the equity interests in TPI. The percentage of equity interests held by the company in TPI will remain unchanged after completion. In addition, CIHC, the company and ICBC (Asia) also entered into the conditional option deed pursuant to which CIHC has agreed, conditional upon completion, to grant the right to ICBC (Asia) at nil consideration to acquire from CIHC an equity interest of approximately 2.873% in TPI as enlarged by the capital contribution for a consideration of RMB37,350,000 within twelve months from the date of the option deed, or such later date as the parties may extend pursuant to the terms of the Option Deed. The company has waived its right to purchase this Option Interest if the Option is exercised by ICBC (Asia).

### 22 重大關連人士交易 (續)

- (b) 二零零八年六月三十日，本公司與中保控股、工銀(亞洲)及太平保險已訂立有條件增資協議，據此，中保控股及本公司將向太平保險增資現金合共人民幣270,000,000元，作為額外註冊資本。在該筆總額中，中保控股將增資人民幣4,540,000元，本公司則將增資人民幣265,460,000元。工銀(亞洲)已決定不參與增資。太平保險為本公司聯繫公司，本公司於增資前持有其40.025%股權。於完成時，中保控股、本公司及工銀(亞洲)各自將分別直接擁有太平保險之42.020%、50.050%及7.930%股權之權益。二零零八年六月三十日，中保控股、本公司與工銀(亞洲)亦已訂立有條件期權契據，據此，中保控股同意按無償代價授權予工銀(亞洲)，藉以待完成後，於期權契據日期起計六個月內或各訂約方根據期權契據條款可能延後之較後日期，向中保控股收購太平保險經增資擴大後約1.647%之股權，代價為人民幣25,858,900元。期權將可由工銀(亞洲)選擇行使，而一經工銀(亞洲)行使，則須全數行使。本公司已放棄其於工銀(亞洲)行使期權時購買期權權益之權利。增資協議及期權契據已於二零零八年七月十五日舉行之股東特別大會上，獲得獨立股東批准。
- (c) 於二零零七年七月九日，本公司與中保控股、工銀(亞洲)及太平保險已訂立有條件增資協議，據此，中保控股及本公司將向太平保險增資現金總額人民幣300,000,000元，作為額外註冊資本。在該筆總額中，中保控股將增資人民幣179,925,000元，本公司則將增資人民幣120,075,000元。工銀(亞洲)已決定不參與增資。於完成時，中保控股、本公司及工銀(亞洲)各自將分別直接擁有太平保險之50.398%、40.025%及9.577%股權之權益。完成後，本公司於太平保險持有之股權百分比將維持不變。此外，中保控股、本公司與工銀(亞洲)亦已訂立有條件期權契據，據此，中保控股同意按無償代價授權予工銀(亞洲)，藉以待完成後，於期權契據日期或各訂約方根據期權契據條款可能延後之較後日期起計十二個月內，向中保控股收購太平保險經增資擴大後約2.873%之股權，代價為人民幣37,350,000元。期權將可由工銀(亞洲)選擇行使。本公司已放棄其於工銀(亞洲)行使期權時購買期權權益之權利。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 22 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

The group operates in an economic environment in which enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "State-Owned Entities") are highly active and influential. During the period, the group had transactions with State-Owned Entities including but not limited to the sales of insurance policies and banking related services. These transactions are conducted in the ordinary course of the group's insurance business on terms similar to those that would have been entered into with non-state-owned entities. The group has also established its pricing strategy and approval processes for its major insurance products. Such pricing strategy and approval processes do not depend on whether the customers are State-Owned Entities or not. Having due regard to the substance of the relationships, the directors believe that none of these transactions are material related party transactions that require separate disclosure.

The group considers that the key management personnel of the group include the directors of the company only.

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT

#### (a) Underwriting strategy

##### Reinsurance

The group's reinsurance portfolio is made up of a mix of business spreading across different geographic regions and classes, with an emphasis towards Asian countries covering property damage, marine cargo and hull and miscellaneous non-marine classes. In addition to diversifying its underwriting portfolio, the group does not actively seek acceptance of any liability reinsurance business from customers operating outside the Asia Pacific region, in particular, the United States of America. In the Asia Pacific region, which is the core market of the group, liability reinsurance for motor, workers' compensation and general third party liability businesses are written on a limited scale in order to provide customers in the region with comprehensive reinsurance services.

##### Life insurance

The group operates its life insurance business in the PRC's life insurance market, offering a wide range of insurance products covering different types of individual and group life insurance, health insurance, accident insurance and annuity. With regards to the control of quality of the insurance policies underwritten, the group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

### 22 重大關連人士交易 (續)

本集團正處於一個以高度活躍及具影響力的國家控制實體之經濟制度下營運，那些國家控制實體是由中國政府通過其政府機構、代理機構、附屬機構或其他機構直接或間接擁有的（統稱為「國有實體」）。本集團於期內與國有實體進行包括但不限於保單銷售及銀行相關服務之交易，該些交易所執行的條款跟本集團日常保險業務過程中與非國有實體進行交易所執行的條款相似。本集團亦已制定就其主要保險產品的定價策略及審批程序。該等定價策略及審批程序與客戶是否國有實體無關。經考慮其關係的性質後，董事相信該等交易並非重大關連人士交易，故毋須獨立披露。

本集團認為本集團的主要管理人員只包括本公司的董事。

### 23 保險及財務風險管理

#### (a) 承保策略

##### 再保險

本集團的再保險組合由涵蓋不同地區及類別的一系列業務類別組成，重點在於亞洲國家，包括財產損毀、貨運及船隻保險以及其他非海事保險。除多元化承保組合外，本集團並無積極從亞太地區以外（尤其是美國）營運的客戶尋求任何責任再保險業務。在亞太地區，即本集團的核心市場，本集團會有限度承保汽車責任再保險、工傷賠償及一般第三者責任險，為區內客戶提供全面再保險服務。

##### 人壽保險

本集團人壽保險業務營運於中國人壽保險市場，提供各種各樣的保險產品，包括不同類型的個人及團體人壽保險、健康險、意外險及年金。在承保的保單質量控制方面，本集團已設立嚴格的承保及理賠操作程序，以控制保險承保的風險。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Reinsurance strategy

##### Reinsurance

The group purchases reinsurance protections in order to increase its underwriting capacity, to diversify its risk exposure and to optimize its net retention exposure to avoid any significant adverse impact on its financial performance which may be caused by single or multiple catastrophic losses. The reinsurance protections are chosen after careful consideration of each respective reinsurer's reputation and credit worthiness.

##### Life insurance

The group purchases reinsurance protection from other reinsurers in the normal course of business in order to limit the potential for losses arising from longer and concentrated exposures. In assessing the creditworthiness of reinsurers, the group takes into account, among other factors, ratings and evaluation performed by recognised credit rating agencies, their claims-paying and underwriting track record, as well as the group's past experience with them.

#### (c) Asset and liability matching

##### Reinsurance

A key aspect in the management of the group's risk is through matching the timing of cash flows from assets and liabilities.

The group actively manages its assets using an approach which balances quality, diversification, asset and liability matching, liquidity and investment return. The goal of the investment process is to maximise investment returns at a tolerable risk level, while ensuring that the assets and liabilities are managed on a cash flow and duration basis.

##### Life insurance

The objective of the group's asset and liability management is to match the group's assets with liabilities on the basis of duration. However, under the current regulatory and market environment in the PRC, the group is unable to invest in assets with a duration of sufficient length to match the duration of its life insurance liabilities. When the regulatory and market environment permits, the group intends to gradually lengthen the duration of its assets. The group monitors the duration gap between its assets and liabilities closely and prepares cash flow projection from assets and liabilities on a regular basis. Currently, the group intends to reduce the level of the asset-liability mismatch by:

- actively seeking to acquire longer dated fixed rate debt investments with an acceptable level of yield;
- upon the maturity dates of fixed rate debt investments, rolling over the proceeds to longer dated fixed rate debt investments;
- disposing of some of the shorter dated fixed rate debt investments, particularly those with lower yields, and rolling over the proceeds to longer dated fixed rate debt investments; and
- investing in equities for the long term.

### 23 保險及財務風險管理 (續)

#### (b) 再保險策略

##### 再保險

本集團購買再保險保障以提高承保能力、分散風險及優化自留風險，避免個別或多次災難性損失可能嚴重打擊本集團的財務表現。選擇再保險保障時會審慎考慮每家再保險公司各自的聲譽及信用水平。

##### 人壽保險

本集團於日常業務過程中向其他再保險公司購買再保險保障，以限制因較長期及集中風險而產生的潛在損失。在評估再保險公司的信用水平時，本集團會考慮認可信用評級機構的評級及評估、以往賠款及承保記錄及與本集團以往的交易經驗等因素。

#### (c) 資產與負債配對

##### 再保險

本集團管理風險的主要範疇之一在於資產與負債的現金流動配比時間。

本集團通過平衡質素、多元組合、資產與負債配比、流動性與投資回報等方面的手段來積極管理資產。投資過程的目標是在可容忍的風險程度內將投資回報提升至最高水平，同時確保資產與負債按現金流動及期限基準管理。

##### 人壽保險

本集團的資產與負債管理目標為按久期基準配对本集團的資產與負債。然而，有鑒於中國現行監管及市場環境，本集團未能投資於久期足以配其壽險負債的資產。在監管及市場環境允許的情況下，本集團有意逐步延長其資產的久期。本集團密切監督資產與負債的久期差距，定期進行其資產與負債的現金流動預測。目前，本集團有意透過以下方法降低資產與負債不配的程度：

- 積極尋求取得收益水平可接受的較長期定息債務投資；
- 於定息債務投資到期後，將所得款項滾存入較長期定息債務投資；
- 出售部份短期定息債務投資，尤其是收益率較低者，將收益滾存入較長期定息債務投資；及
- 長期投資股份。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

### 23 保險及財務風險管理 (續)

#### (d) Financial risk

Transactions in financial instruments may result in the group assuming financial risks. These include market risk, credit risk and liquidity risk. Each of these financial risks is described below, together with a summary of the ways in which the group manages these risks.

There is no significant change in the group's exposures to risk and how they arise, nor the group's objectives, policies and processes for managing each of these risks.

##### (i) Market risk

Market risk can be described as the risk of change in fair value of a financial instrument due to changes in interest rates, equity prices or foreign currency exchange rates.

##### (a) Interest rate risk

###### Reinsurance

Reinsurance premium and loss reserves are not discounted. In addition, most of the fixed rate debt securities are classified under the held-to-maturity category and stated at amortised cost. Therefore, interest rate risk to the group on these reserves for reinsurance contracts and investments is not significant.

###### Life insurance

The group is exposed to interest rate risk on its reserves for life insurance contracts and its fixed rate debt investment portfolio. The group monitors this exposure through periodic reviews of its asset and liability positions. Estimates of cash flows, as well as the impact of interest rate fluctuations relating to the investment portfolio and insurance liabilities, are modeled and reviewed periodically. Fixed rate debt investments (other than those held for unit-linked insurance contracts), are mostly classified as held-to-maturity and available-for-sale. Most of the group's fixed rate debt investments which are designated at fair value through profit or loss are held for unit-linked insurance contracts; consequently the group's profit is not very sensitive to any change in value of these debt investments arising from interest rate changes. The group, however, is exposed to interest rate risk on the guaranteed component of its universal life products.

#### (d) 財務風險

金融工具交易可引致本集團須承擔若干財務風險。該等風險包括市場風險、信用風險及流動資金風險。各有關財務風險連同本集團管理該等風險的方法闡述如下。

不論本集團承受的風險及該些風險如何產生或本集團就管理上述每一項風險的目標、政策及過程，皆沒有重大改變。

##### (i) 市場風險

市場風險乃指因利率、股本價格或外幣匯率變動造成金融工具的公允價值變動而引致的風險。

##### (a) 利率風險

###### 再保險

再保險保費及賠付儲備並無折扣。此外，大部份定息債券被歸類為持有至到期類，並按攤銷成本列賬。因此，本集團就再保險合約及投資的該等儲備方面並無重大利率風險。

###### 人壽保險

本集團就壽險合約及其定息債務投資組合的儲備須承擔利率風險。本集團透過定期審核其資產及負債情況監控該風險。就本集團投資組合而言，吾等會對現金流量估值以及因利率變動所帶來的影響均進行定期模擬及審核。定息債務投資（持有作投資連結保險合約除外）大部份被歸類為持有至到期日及可供出售。本集團大部份的定息債務投資並歸類為以損益反映公允價值者都是為持有作投資連結保險合約，因而這些債務投資因利率變化的價格變動對本集團的溢利影響不顯著。但本集團需就其萬能壽險產品的擔保部份承擔利率風險。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Financial risk (Continued)

##### (i) Market risk (Continued)

##### (b) Equity price risk

The group has a portfolio of marketable equity securities, which is carried at fair value and is exposed to price risk. This risk is defined as the potential loss in market value resulting from an adverse change in prices. The group's objective is to earn competitive relative returns by investing in a diverse portfolio of high quality and liquid securities.

##### Reinsurance

In respect of the reinsurance business, at 30 June 2008, the equity securities were carried at a fair value of \$644.01 million (31 December 2007: \$638.93 million), representing 1.1% (31 December 2007: 1.3%) of the total investments held by the group.

##### Life insurance

In respect of the life insurance business, at 30 June 2008, the equity securities and equity investment funds excluding assets held for unit-linked insurance contracts were carried at a fair value of \$4,035.60 million (31 December 2007: \$7,206.37 million), representing 7.7% (31 December 2007: 15.6%) of the total investments held by the group excluding assets held for unit-linked insurance contracts.

Because certain portions of the equity investments are held for life insurance contracts with participation features, the group is not very sensitive to equity price change.

### 23 保險及財務風險管理 (續)

#### (d) 財務風險 (續)

##### (i) 市場風險 (續)

##### (b) 股本價格風險

本集團的有價股本證券組合以公允價值列賬及須承擔價格風險。該風險指因價格的不利變動而造成的市值潛在損失。本集團的目標是透過投資於高質素的多元化流動證券組合以賺取具競爭力的相對回報。

##### 再保險

就再保險業務而言，於二零零八年六月三十日，股本證券以公允價值6.4401億元(二零零七年十二月三十一日：6.3893億元)列賬，佔本集團總投資額的1.1%(二零零七年十二月三十一日：1.3%)。

##### 人壽保險

就人壽保險業務而言，於二零零八年六月三十日，股本證券及股本投資基金不包括為投資連結保險合約而持有的資產以公允價值40.3560億元(二零零七年十二月三十一日：72.0637億元)列賬，佔本集團不包括為投資連結保險合約而持有的資產的總投資額7.7%(二零零七年十二月三十一日：15.6%)。

因為股本投資一部份是為分紅壽險合約而持有，所以本集團受股本價格變動影響不顯著。



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Financial risk (Continued)

##### (i) Market risk (Continued)

##### (c) Foreign exchange risk

###### Reinsurance

In respect of the reinsurance business, premiums are received mainly in HKD and USD and also in a number of foreign currencies which follow closely the movements of the USD currency rate. The group aims to hold assets in these currencies in broadly similar proportion to its insurance liabilities.

###### Life insurance

In respect of the life insurance business, premiums are received in RMB and the insurance regulation in the PRC requires insurers to hold RMB assets. The capital injections from the shareholders outside the PRC were in HKD and USD.

##### (ii) Credit risk

Credit risk is the risk of economic loss resulting from the failure of one of the obligors to make any payment of principal or interest when due.

###### Reinsurance

The group is exposed to credit risks primarily associated with reinsurance debtors and debt securities. To reduce the credit risk with reinsurance debtors, the group takes into account, among other factors, ratings and evaluation by recognised credit rating agencies, their claims payment and underwriting track record, as well as the group's past transaction experience with them. The group also spreads out the credit risk by reinsuring with a number of reinsurers who are domiciled in many different countries. To reduce the credit risk associated with debt securities, the group generally restricts investments in debt securities with credit ratings of below investment grade, i.e. lower than BBB, except for certain sovereign rated securities.

### 23 保險及財務風險管理 (續)

#### (d) 財務風險 (續)

##### (i) 市場風險 (續)

##### (c) 外匯風險

###### 再保險

就再保險業務而言，保費主要以港幣及美元計值，同時亦以多種緊隨美元匯率變動的外幣計值。本集團致力維持以該等貨幣持有資產的比例與其保險負債大致相同。

###### 人壽保險

就人壽保險業務而言，保費以人民幣計值，而中國保險法例規定保險公司持有人民幣資產。中國境外股東以港幣及美元注資。

##### (ii) 信用風險

信用風險是指債務人到期未能支付任何本金或利息而引起經濟損失的風險。

###### 再保險

本集團主要會承受的信用風險與再保險債務人及債務證券有關。為降低與再保險債務人有關的信用風險，本集團將(其中包括)認可信用評級機構的評級及估值、債務人賠款支付及承保的紀錄以及本集團與債務人的過往交易經驗等因素考慮在內。此外，本集團亦透過與不同國家的再保險公司分保，予以分散信用風險。為降低與債務證券投資有關的信用風險，本集團限制對信貸評級一般低於投資等級(即低於BBB)的債務證券的投資，但部份主權評級證券除外。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Financial risk (Continued)

##### (ii) Credit risk (Continued)

###### Life insurance

The group is exposed to credit risks primarily associated with its investments in debt securities issued by PRC enterprises. To reduce credit risk, the group has established a detailed credit control policy. In addition, the risk levels of the various investment sectors is continuously monitored with investment mix and allocations adjusted accordingly.

In assessing the need for impairment allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors.

The carrying amount of the financial assets set out in the consolidated balance sheet after deducting any impairment allowance represents the maximum exposure to credit risk at the balance sheet date.

##### (iii) Liquidity risk

The group has to meet daily calls on its cash resources, notably from claims arising from its reinsurance contracts and life insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due.

The group manages this risk by formulating policies and general strategies of liquidity management to ensure that the group can meet its financial obligations in normal circumstances and that an adequate stock of high-quality liquid assets is maintained in order to minimize the possibility of a liquidity crisis.

Apart from liquidity management and regulatory compliance, the group always strives to maintain a comfortable liquidity cushion as a safety net for dealing with unexpected large funding requirements and to maintain a contingency plan to be enacted should there be a company specific crisis.

### 23 保險及財務風險管理 (續)

#### (d) 財務風險 (續)

##### (ii) 信用風險 (續)

###### 人壽保險

本集團主要會遭受的信用風險與其對中國企業發行債務證券的投資有關。為降低信用風險，本集團制定一套詳盡的信用控制政策。此外，不同投資行業的風險水平受到嚴密監測，投資組合及投資選擇隨時調整。

在評定減值準備的需要時，管理人員考慮的因素包括信用質素、組合規模、集中程度及經濟因素。

列於綜合資產負債表的金融資產的賬面值減去任何減值準備，代表在資產負債表日的最高信貸風險。

##### (iii) 流動性風險

本集團須滿足其現金資源的每日調用，尤其是其再保險合約及人壽保險合約產生的賠款費用，因此存在現金不足以償還到期負債的風險。

本集團透過制定流動資金管理的政策及一般策略管理該風險，以確保本集團滿足正常財務需求及備存充裕的高質素流動資產，將可能產生的流動資金危機降至最低。

除流動資金管理及監管遵從外，本集團通常會留存適度的流動資金緩衝額作為應對意外大筆資金需求的安全措施，以及制定應急計劃以應付公司的特定危機。

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

## 未經審核中期財務報告的附註 (續)

(Expressed in Hong Kong dollars)  
(以港幣列示)

### 23 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

#### (e) Reserve adequacy

The group exercises great care and effort in setting up the reserves for its reinsurance business. The reserves are estimated by the group, using actuarial methods such as loss development methods and/or the Bornhuetter-Ferguson methods. The adequacy of reserves is regularly reviewed.

The computation of the group's reserves for its life insurance business is in accordance with accounting principles generally accepted in Hong Kong. The determination of annual reserves to be made are based on realistic assumptions on mortality and morbidity rates, returns on investment, persistency rates and policy maintenance expenses after reasonable and prudent adjustments for adverse deviation to ensure adequacy of reserves on a going concern basis.

#### (f) Risks associated with investment contracts without discretionary participation features ("DPF")

There is no material difference in risk exposure between life insurance contracts and investment contracts without DPF, except that the mortality risk of investment contracts is generally insignificant.

### 24 CONTINGENT LIABILITIES

The group has received a query issued by the Inland Revenue Department of Hong Kong in relation to the taxability of certain investment income from its offshore investments for the years of assessment from 1999 to 2006. The directors consider that the group has a strong legal base to support its tax position. As such, no provision for a potential tax exposure of approximately \$33,700,000 (31 December 2007: \$31,600,000) was made as of 30 June 2008.

Save as herein disclosed and other than those incurred in the normal course of the group's insurance businesses, there was no outstanding litigation nor any other contingent liabilities as of 30 June 2008.

### 25 POST BALANCE SHEET EVENT

Reference is made to the note 22(b) of the interim financial report. The capital contribution agreement and the option deed were completed on 15 July 2008. Immediately after the completion, TPI will become a non-wholly-owned subsidiary of the company and will be accounted for on a consolidation basis.

### 23 保險及財務風險管理 (續)

#### (e) 充足儲備

本集團為再保險業務建立儲備時極為審慎。本集團採用精算法如賠付發展法，及／或「BORNHUETTER-FERGUSON」法估算儲備。並定期檢討儲備金是否充足。

本集團根據香港公認會計準則來計算本集團人壽保險業務之儲備。每年的準備金是以符合現實的死亡率、傷病率、投資回報率、續保率和維護費用假設而釐定，並為可能出現的不利偏差在假設做了合理和審慎的調整，以確保在持續經營的基礎上準備金的充足性。

#### (f) 與不具酌情分紅特色的投資合約的有關風險

人壽保險合約與不具酌情分紅特色的投資合約的風險並無重大差異，惟投資合約的死亡率風險一般而言微不足道。

### 24 或然負債

本集團收到香港稅務局的詢問，關於一部份離岸投資收入於一九九九年至二零零六年評稅年度內的應課稅事宜。董事認為本集團的稅務觀點很可能得到支持，因此，於二零零八年六月三十日本集團毋需就約33,700,000元(二零零七年十二月三十一日：31,600,000元)的潛在稅務風險計提準備。

除本報告所披露者及在本集團日常保險業務中產生的訴訟外，於二零零八年六月三十日，本集團概無任何未決訴訟或或然負債。

### 25 資產負債表日後事件

茲提述載於本中期財務報告附註22(b)，增資協議及期權契據已於二零零八年七月十五日完成。緊隨完成後，太平保險將成為本公司非全資附屬公司，並以綜合基準合併在本公司賬目內。



# MANAGEMENT DISCUSSION AND ANALYSIS

## CONSOLIDATED FINANCIAL RESULTS

The performance highlights of the Group for the Period were as follows:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Gross premiums written and policy fees	<b>13,299.68</b>	8,317.65	59.9%
Net investment income	<b>2,050.73</b>	975.06	2.1 times
Net realised investment gains	<b>926.04</b>	1,176.40	(21.3%)
Net unrealised investment (losses)/gains and impairment	<b>(2,765.88)</b>	316.66	—
Net exchange loss	<b>(43.66)</b>	(4.37)	10.0 times
Profit before taxation	<b>635.90</b>	782.94	(18.8%)
Profit after taxation	<b>775.25</b>	634.92	22.1%
Net profit attributable to the equity holders	<b>381.34</b>	488.58	(22.0%)
Basic earnings per share (HK cent)	<b>27.0</b>	34.7	(7.7 cents)

The net profit/(loss) attributable to the equity holders by each business line is summarised below:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Reinsurance	<b>83.79</b>	311.47	(73.1%)
Life insurance	<b>491.01</b>	153.53	3.2 times
Property and casualty insurance <sup>1</sup>	<b>(41.85)</b>	2.40	—
Corporate and other businesses	<b>(151.61)</b>	21.18	—
Net profit attributable to the equity holders	<b>381.34</b>	488.58	(22.0%)

<sup>1</sup> The property and casualty insurance business is operated by TPI, which is an associate of the Group under the Hong Kong Financial Reporting Standards and is not consolidated into the Group on a line-by-line basis. Therefore, the property and casualty insurance business does not constitute a separate segment of the Group as defined in Note 2 of the interim financial report. Instead, the share of results of TPI for the financial period is recognised and reported as "Share of losses of associates" in the consolidated income statement. The equity interest of TPI held by the Group as at the balance sheet date is recognised and reported as "Interest in associates" in the consolidated balance sheet. They are grouped under the "Corporate and other businesses" segment in Note 2 of the interim financial report. Readers and investors are advised to pay attention to these details when reading Note 2 of the interim financial report.

## 管理層討論和分析

### 綜合財務業績

本集團期內重點表現如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
毛承保保費及保單費收入	<b>13,299.68</b>	8,317.65	59.9%
投資收入淨額	<b>2,050.73</b>	975.06	2.1 倍
已實現投資收益淨額	<b>926.04</b>	1,176.40	(21.3%)
未實現投資(虧損)/收益及減值淨額	<b>(2,765.88)</b>	316.66	—
匯兌虧損淨額	<b>(43.66)</b>	(4.37)	10.0 倍
除稅前溢利	<b>635.90</b>	782.94	(18.8%)
除稅後溢利	<b>775.25</b>	634.92	22.1%
股東應佔溢利淨額	<b>381.34</b>	488.58	(22.0%)
每股基本盈利(港仙)	<b>27.0</b>	34.7	(7.7仙)

按各業務分類之股東應佔溢利/(虧損)淨額概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
再保險	<b>83.79</b>	311.47	(73.1%)
人壽保險	<b>491.01</b>	153.53	3.2 倍
財產保險 <sup>1</sup>	<b>(41.85)</b>	2.40	—
企業及其他業務	<b>(151.61)</b>	21.18	—
股東應佔溢利淨額	<b>381.34</b>	488.58	(22.0%)

<sup>1</sup> 本集團之財產保險業務由太平保險營運。根據香港財務報告準則，太平保險屬於聯營公司，故並無以分項總計方法綜合於本集團之財務報表內。因此，誠如中期財務報告附註2之定義，財產保險業務並不構成本集團之分項分類，而本財務期分佔太平保險之業績於綜合損益表被確認及列報為「應佔聯營公司虧損」。本集團於結算日持有之太平保險權益，於綜合資產負債表被確認及列報為「於聯營公司之權益」。上述賬項於中期財務報告附註2被歸類為「企業及其他業務」。閱覽者及投資者閱覽中期財務報告附註2時，務請加倍留意。

# MANAGEMENT DISCUSSION AND ANALYSIS

The **gross premiums written and policy fees** for the Period increased to HK\$13,299.68 million from HK\$8,317.65 million in the Last Period. The increase was mainly due to strong premium growth at each of our business segments, in particular the life insurance business in which premiums increased by 68.8% to HK\$11,802.81 million from HK\$6,993.53 million in the Last Period.

The **net profit attributable to the equity holders** for the Period was HK\$381.34 million (2007: HK\$488.58 million). The Group's results declined compared to that of the Last Period primarily due to lower investment returns in both our Hong Kong and PRC investment portfolios.

The **reinsurance business** contributed net profit to the equity holders of HK\$83.79 million (2007: HK\$311.47 million).

The **life insurance business** contributed net profit to the equity holders of HK\$491.01 million (2007: HK\$153.53 million).

The **property and casualty business** contributed a net loss to the equity holders of HK\$41.85 million (2007: profit of HK\$2.40 million).

## CONSOLIDATED INVESTMENT PERFORMANCE

### Consolidated investment assets

The total investments of the Group are summarised as follows:

	At 30 June 2008		At 31 December 2007	
	HK\$ million	% of Total	HK\$ million	% of Total
Debt securities	37,523.56	65.3%	27,490.52	54.1%
Direct equity securities	3,283.63	5.7%	7,000.45	13.8%
Equity investment funds	5,293.18	9.2%	5,614.96	11.0%
Composite investment funds	170.32	0.3%	139.95	0.3%
Cash and bank deposits	11,069.16	19.3%	10,520.27	20.7%
Investment properties	89.37	0.2%	78.56	0.1%
<b>Total investments</b>	<b>57,429.22</b>	<b>100.0%</b>	<b>50,844.71</b>	<b>100.0%</b>

## 管理層討論和分析

於本財務期，毛承保保費及保單費收入由去年同期83.1765億港元增加至132.9968億港元。增加主要是因為每個業務分類的保費都增長強勁，特別是期內人壽保險保費收入由去年同期69.9353億港元增加68.8%至118.0281億港元。

於本財務期，股東應佔溢利淨額為3.8134億港元(二零零七年：4.8858億港元)。由於本集團的香港及中國大陸投資組合投資回報較低，令本集團業績較去年同期下跌。

再保險業務對股東淨溢利的貢獻為8,379萬港元(二零零七年：3.1147億港元)。

人壽保險業務對股東淨溢利的貢獻為4.9101億港元(二零零七年：1.5353億港元)。

財產保險業務使股東遭受淨虧損4,185萬港元(二零零七年：溢利240萬港元)。

### 綜合投資表現

#### 綜合投資資產

本集團的投資總值概述如下：

	於二零零八年六月三十日		於二零零七年十二月三十一日	
	百萬港元	佔總額百分比	百萬港元	佔總額百分比
債務證券	<b>37,523.56</b>	<b>65.3%</b>	27,490.52	54.1%
直接股本證券	<b>3,283.63</b>	<b>5.7%</b>	7,000.45	13.8%
股本投資基金	<b>5,293.18</b>	<b>9.2%</b>	5,614.96	11.0%
綜合投資基金	<b>170.32</b>	<b>0.3%</b>	139.95	0.3%
現金及銀行存款	<b>11,069.16</b>	<b>19.3%</b>	10,520.27	20.7%
投資物業	<b>89.37</b>	<b>0.2%</b>	78.56	0.1%
投資總額	<b>57,429.22</b>	<b>100.0%</b>	50,844.71	100.0%

## MANAGEMENT DISCUSSION AND ANALYSIS

The investments in securities are classified as Held-to-Maturity (“HTM”), Available-for-Sale (“AFS”) and Designated at Fair Value through Profit or Loss (“DTPL”). The detailed breakdown by such classifications for the total investment portfolio of the Group was as follows:

*At 30 June 2008, HK\$ million*

	HTM	AFS	DTPL	Total
Debt securities	11,038.77	25,988.16	496.63	37,523.56
Direct equity securities	—	2,407.98	875.65	3,283.63
Equity investment funds	—	2,377.52	2,915.66	5,293.18
Composite investment funds	—	52.47	117.85	170.32
	<b>11,038.77</b>	<b>30,826.13</b>	<b>4,405.79</b>	<b>46,270.69</b>

*At 31 December 2007, HK\$ million*

	HTM	AFS	DTPL	Total
Debt securities	1,019.07	25,947.54	523.91	27,490.52
Direct equity securities	—	5,243.17	1,757.28	7,000.45
Equity investment funds	—	2,220.71	3,394.25	5,614.96
Composite investment funds	—	51.38	88.57	139.95
	<b>1,019.07</b>	<b>33,462.80</b>	<b>5,764.01</b>	<b>40,245.88</b>

The percentages of the Group’s total investments held by each business segment in terms of carrying values at the balance sheet date were as follows:

	At 30 June 2008	At 31 December 2007
Reinsurance	7.6%	8.6%
Life insurance	89.0%	87.0%
Corporate and other businesses	3.4%	4.4%
	<b>100.0%</b>	<b>100.0%</b>

## 管理層討論和分析

證券投資被歸類為持有至到期日、可供出售及指定為通過損益以反映公允價值。按此歸類的分佈概述如下：

於二零零八年六月三十日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	11,038.77	25,988.16	496.63	37,523.56
直接股本證券	—	2,407.98	875.65	3,283.63
股本投資基金	—	2,377.52	2,915.66	5,293.18
綜合投資基金	—	52.47	117.85	170.32
	<b>11,038.77</b>	<b>30,826.13</b>	<b>4,405.79</b>	<b>46,270.69</b>

於二零零七年十二月三十一日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	1,019.07	25,947.54	523.91	27,490.52
直接股本證券	—	5,243.17	1,757.28	7,000.45
股本投資基金	—	2,220.71	3,394.25	5,614.96
綜合投資基金	—	51.38	88.57	139.95
	<b>1,019.07</b>	<b>33,462.80</b>	<b>5,764.01</b>	<b>40,245.88</b>

於結算日各業務分類佔本集團投資總額賬面值之百分比如下：

	於二零零八年 六月三十日	於二零零七年 十二月三十一日
再保險	7.6%	8.6%
人壽保險	89.0%	87.0%
企業及其他業務	3.4%	4.4%
	<b>100.0%</b>	<b>100.0%</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## Consolidated investment income

The total investment income of Group on a pre-tax basis recognised in the consolidated income statement were as follows:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Net investment income	<b>2,050.73</b>	975.06	2.1 times
Net realised investment gains	<b>926.04</b>	1,176.40	(21.3%)
Net unrealised investment (losses)/gains	<b>(2,657.78)</b>	316.66	—
Impairment on AFS equities	<b>(108.10)</b>	—	—
Total investment income	<b>210.89</b>	2,468.12	(91.5%)
Less: Investment (losses)/gains attributable to unit-linked products <sup>1</sup>	<b>(1,755.91)</b>	54.19	—
Total investment income excluding unit-linked products income	<b>1,966.80</b>	2,413.93	(18.5%)

<sup>1</sup> *Unit-linked products are the funds managed by the Group for its clients and policyholders. The investment returns attributable to such products do not directly impact the financial results of the Group.*

The total investment income (excluding unit-linked products income) of the Group recognised in the consolidated income statement decreased by 18.5% to HK\$1,966.80 million in the Period from HK\$2,413.93 million in the Last Period. The decrease was primarily attributable to equity investment losses from shares traded in Hong Kong and the PRC during the Period. Equity markets in Hong Kong and the PRC, after exceptionally strong performances in 2006 and 2007, experienced sharp downwards corrections during the Period.

According to the Group's impairment policy, available-for-sale investments in debt and equity securities are reviewed periodically to determine whether there is objective evidence of impairment. Objective evidence of impairment for available-for-sale equity securities may include specific information about the issuer but may also include information on material changes that have taken place in the technological, market, economic or legal environments, which taken together or taken alone may provide evidence that the cost of the equity securities may not be recovered. Under such criterion, significant or prolonged decline in the fair value of the asset below its cost is also objective evidence of impairment. In the first half of 2008, the impairment loss of available-for-sale equity securities recognised in income statement is HK\$108.10 million.

## 管理層討論和分析

### 綜合投資收入

本集團確認在綜合損益表內之稅前投資收入總額概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
投資收入淨額	<b>2,050.73</b>	975.06	2.1 倍
已實現投資收益淨額	<b>926.04</b>	1,176.40	(21.3%)
未實現投資(虧損)/收益淨額	<b>(2,657.78)</b>	316.66	—
可供出售股本投資減值	<b>(108.10)</b>	—	—
投資收入總額	<b>210.89</b>	2,468.12	(91.5%)
減：屬於投資連結產品 之投資(虧損)/收益 <sup>1</sup>	<b>(1,755.91)</b>	54.19	—
不含投資連結產品之投資收益	<b>1,966.80</b>	2,413.93	(18.5%)

<sup>1</sup> 由本集團為其客戶及保單持有人管理的投資連結產品所產生之投資回報不會直接影響本集團的財務業績。

本集團確認於綜合損益表內的投資收入(不含投資連結產品收入)總額由去年同期之24.1393億港元下跌18.5%至本財務期之19.6680億港元。下跌主要由於期內於香港及中國大陸股本投資錄得虧損。中國大陸及香港股票市場未能延續二零零六及二零零七年的卓越表現，期內股價經歷急劇下調。

按本集團減值政策，會定期檢討可供出售債務及股本證券投資，以釐訂有否客觀證據顯示減值的需要。可供出售股本證券減值的客觀證據可包括有關發行人的具體個別資料，但亦包括有關科技、市場、經濟或法律環境已發生重大變化的資料，而這些資料可提供證據顯示股本證券的成本可能無法收回。在這前提下，資產的公允值如大幅或長期下跌至低於其成本，亦被視為減值的客觀證據。於二零零八年上半年，確認在損益表內可供出售股本證券的減值為1.0810億港元。



## MANAGEMENT DISCUSSION AND ANALYSIS

The details of the Group's investment income on a pre-tax basis are summarised as follows:

*For the six months ended 30 June 2008, HK\$ million*

	Recognised in the consolidated income statement						Unrealised gains/ (losses) recognised in the fair value reserve	Grand total	
	Interest income/ (expense)	Dividend income	Rental income	Realised gains/ (losses)	Unrealised (losses)/ gains	Impairment			Sub-total
<b>Debt securities</b>									
HTM	152.77	—	—	—	—	—	152.77	—	152.77
AFS	599.82	—	—	33.53	—	—	633.35	970.81	1,604.16
DTPL	8.97	—	—	(30.86)	(30.05)	—	(51.94)	—	(51.94)
<b>Direct equity securities</b>									
AFS	—	35.59	—	793.07	—	(16.00)	812.66	(2,460.27)	(1,647.61)
DTPL	—	7.45	—	22.92	(820.73)	—	(790.36)	—	(790.36)
<b>Equity investment funds</b>									
AFS	—	296.94	—	116.20	—	(92.10)	321.04	(1,147.20)	(826.16)
DTPL	—	762.76	—	(1.02)	(1,748.44)	—	(986.70)	—	(986.70)
<b>Composite investment funds</b>									
AFS	—	—	—	—	—	—	—	1.09	1.09
DTPL	—	35.07	—	(7.80)	(69.37)	—	(42.10)	—	(42.10)
<b>Cash and bank deposits and other</b>	217.11	—	—	—	—	—	217.11	—	217.11
<b>Investment properties</b>	—	—	1.44	—	10.81	—	12.25	—	12.25
<b>Securities sold under repurchase agreements</b>	(67.19)	—	—	—	—	—	(67.19)	—	(67.19)
	911.48	1,137.81	1.44	926.04	(2,657.78)	(108.10)	210.89	(2,635.57)	(2,424.68)

## 管理層討論和分析

本集團稅前投資收入之詳細分析如下：

截至二零零八年六月三十日止六個月，百萬港元

	於綜合損益表內確認						於公允價值 儲備內確認		總額
	利息 收入/ (支出)	股息收入	租金收入	已實現 收益/ (虧損)	未實現 (虧損)/ 收益	減值	小計	之未實現 收益/ (虧損)	
<b>債務證券</b>									
持有至到期日	152.77	—	—	—	—	—	152.77	—	152.77
可供出售	599.82	—	—	33.53	—	—	633.35	970.81	1,604.16
指定為通過損益以反映公允價值	8.97	—	—	(30.86)	(30.05)	—	(51.94)	—	(51.94)
<b>直接股本證券</b>									
可供出售	—	35.59	—	793.07	—	(16.00)	812.66	(2,460.27)	(1,647.61)
指定為通過損益以反映公允價值	—	7.45	—	22.92	(820.73)	—	(790.36)	—	(790.36)
<b>股本投資基金</b>									
可供出售	—	296.94	—	116.20	—	(92.10)	321.04	(1,147.20)	(826.16)
指定為通過損益以反映公允價值	—	762.76	—	(1.02)	(1,748.44)	—	(986.70)	—	(986.70)
<b>綜合投資基金</b>									
可供出售	—	—	—	—	—	—	—	1.09	1.09
指定為通過損益以反映公允價值	—	35.07	—	(7.80)	(69.37)	—	(42.10)	—	(42.10)
現金及銀行存款及其他	217.11	—	—	—	—	—	217.11	—	217.11
投資物業	—	—	1.44	—	10.81	—	12.25	—	12.25
賣出回購證券	(67.19)	—	—	—	—	—	(67.19)	—	(67.19)
	911.48	1,137.81	1.44	926.04	(2,657.78)	(108.10)	210.89	(2,635.57)	(2,424.68)

# MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2007, HK\$ million

	Recognised in the consolidated income statement						Unrealised (losses)/ gains recognised in the fair value reserve	Grand total	
	Interest income/ (expense)	Dividend income	Rental income	Realised gains/ (losses)	Unrealised gains	Impairment			Sub-total
<b>Debt securities</b>									
HTM	32.20	—	—	—	—	—	32.20	—	32.20
AFS	378.17	—	—	(0.53)	—	—	377.64	(814.65)	(437.01)
DTPL	22.10	—	—	19.26	81.01	—	122.37	—	122.37
<b>Direct equity securities</b>									
AFS	—	10.70	—	411.72	—	—	422.42	363.56	785.98
DTPL	—	3.40	—	214.03	76.57	—	294.00	—	294.00
<b>Equity investment funds</b>									
AFS	—	182.37	—	333.85	—	—	516.22	302.22	818.44
DTPL	—	214.57	—	198.32	156.32	—	569.21	—	569.21
<b>Composite investment funds</b>									
AFS	—	0.46	—	—	—	—	0.46	2.99	3.45
DTPL	—	0.90	—	—	0.54	—	1.44	—	1.44
<b>Cash and bank deposits and other</b>	191.67	—	—	—	—	—	191.67	—	191.67
<b>Investment properties</b>	—	—	1.23	(0.25)	1.77	—	2.75	—	2.75
<b>Securities sold under repurchase agreements</b>	(62.71)	—	—	—	—	—	(62.71)	—	(62.71)
<b>Other</b>	—	—	—	—	0.45	—	0.45	—	0.45
	561.43	412.40	1.23	1,176.40	316.66	—	2,468.12	(145.88)	2,322.24

## 管理層討論和分析

截至二零零七年六月三十日止六個月，百萬港元

	於綜合損益表內確認						小計	於公允價值	總額
	利息 收入/ (支出)	股息收入	租金收入	已實現 收益/ (虧損)	未實現 收益	減值		儲備內確認 之未實現 (虧損)/ 收益	
<b>債務證券</b>									
持有至到期日	32.20	—	—	—	—	—	32.20	—	32.20
可供出售	378.17	—	—	(0.53)	—	—	377.64	(814.65)	(437.01)
指定為通過損益以反映公允價值	22.10	—	—	19.26	81.01	—	122.37	—	122.37
<b>直接股本證券</b>									
可供出售	—	10.70	—	411.72	—	—	422.42	363.56	785.98
指定為通過損益以反映公允價值	—	3.40	—	214.03	76.57	—	294.00	—	294.00
<b>股本投資基金</b>									
可供出售	—	182.37	—	333.85	—	—	516.22	302.22	818.44
指定為通過損益以反映公允價值	—	214.57	—	198.32	156.32	—	569.21	—	569.21
<b>綜合投資基金</b>									
可供出售	—	0.46	—	—	—	—	0.46	2.99	3.45
指定為通過損益以反映公允價值	—	0.90	—	—	0.54	—	1.44	—	1.44
現金及銀行存款及其他	191.67	—	—	—	—	—	191.67	—	191.67
投資物業	—	—	1.23	(0.25)	1.77	—	2.75	—	2.75
賣出回購證券	(62.71)	—	—	—	—	—	(62.71)	—	(62.71)
其他	—	—	—	—	0.45	—	0.45	—	0.45
	561.43	412.40	1.23	1,176.40	316.66	—	2,468.12	(145.88)	2,322.24

# MANAGEMENT DISCUSSION AND ANALYSIS

## REINSURANCE BUSINESS

The Group's reinsurance business is operated by CIRe, which is a Hong Kong-incorporated company and wholly-owned by the Group. CIRe is mainly engaged in the underwriting of all classes of global reinsurance business, except for liability reinsurance business outside of Asia. CIRe's key markets are Hong Kong and Macau, Mainland China, Japan, the rest of Asia, Europe and other parts of the world.

The key financial data and key performance indicators of the reinsurance business are summarised below:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Gross premiums written	<b>1,493.70</b>	1,320.73	13.1%
Net premiums written	<b>1,253.21</b>	1,139.46	10.0%
Net earned premiums	<b>736.65</b>	725.10	1.6%
Net claims incurred	<b>(360.54)</b>	(398.75)	(9.6%)
Net commission expenses	<b>(319.04)</b>	(283.74)	12.4%
Underwriting profit	<b>42.01</b>	31.88	31.8%
Total investment income	<b>19.87</b>	271.09	(92.7%)
Net exchange gain	<b>34.92</b>	33.66	3.7%
Profit before taxation	<b>82.80</b>	331.06	(75.0%)
Profit attributable to the equity holders	<b>83.79</b>	311.47	(73.1%)
Technical reserves ratio	<b>425.7%</b>	384.3%	41.4 pts
Retained ratio	<b>83.9%</b>	86.3%	(2.4 pts)
Earned premiums ratio	<b>49.3%</b>	54.9%	(5.6 pts)
Loss ratio <sup>1</sup>	<b>48.9%</b>	55.0%	(6.1 pts)
Expense ratio <sup>2</sup>	<b>26.7%</b>	25.8%	0.9 pt
Combined ratio <sup>3</sup>	<b>75.6</b>	80.8	(5.2 pts)

<sup>1</sup> The loss ratio is based on net earned premiums.

<sup>2</sup> The expense ratio is based on net premiums written. The Management believes that calculating the expense ratio under net premiums written is a fairer indicator and better reflects the underwriting performance of CIRe. If the net earned premium basis is applied, then the expense ratio would be 45.4% for the Period (2007: 40.6%).

<sup>3</sup> The combined ratio is the sum of the loss ratio and the expense ratio. If the expense ratio is based on net earned premiums, then the combined ratio would be 94.3 for the Period (2007: 95.6).

### Profit Attributable to the Equity Holders

CIRe contributed net profit to the equity holders of HK\$83.79 million (2007: HK\$311.47 million), representing a decrease of 73.1% compared to that of the Last Period, mainly due to equity investment losses in CIRe's investment portfolio in Hong Kong. CIRe's underwriting profit registered a slight increase over that of the Last Period.

## 管理層討論和分析

### 再保險業務

本集團之再保險業務由本集團全資擁有之香港註冊公司中再國際營運。中再國際主要從事承保全球各類再保險業務，但亞洲以外的責任險業務則除外。中再國際之主要市場為香港及澳門、中國大陸、日本、亞洲其他地區、歐洲及世界其他地方。

再保險業務之主要財務數據及主要表現指標概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
毛承保保費	1,493.70	1,320.73	13.1%
淨承保保費	1,253.21	1,139.46	10.0%
已賺取保費淨額	736.65	725.10	1.6%
賠款淨額	(360.54)	(398.75)	(9.6%)
佣金支出淨額	(319.04)	(283.74)	12.4%
承保溢利	42.01	31.88	31.8%
投資收入總額	19.87	271.09	(92.7%)
匯兌收益淨額	34.92	33.66	3.7%
除稅前溢利	82.80	331.06	(75.0%)
股東應佔溢利	83.79	311.47	(73.1%)
技術性儲備比率	425.7%	384.3%	41.4點
自留比率	83.9%	86.3%	(2.4點)
已賺取保費率	49.3%	54.9%	(5.6點)
賠付率 <sup>1</sup>	48.9%	55.0%	(6.1點)
費用率 <sup>2</sup>	26.7%	25.8%	0.9點
綜合成本率 <sup>3</sup>	75.6	80.8	(5.2點)

<sup>1</sup> 賠付率按已賺取保費淨額為基準計算。

<sup>2</sup> 費用率按淨承保保費為基準計算。管理層相信，按照淨承保保費計算費用率為更公平的指標，並可更好地反映中再國際的承保表現。倘使用已賺取保費淨額基準，則本財務期之費用率將為45.4% (二零零七年：40.6%)。

<sup>3</sup> 綜合成本率為賠付率與費用率的總和。倘費用率按已賺取保費淨額為基準計算，則本財務期之綜合成本率將為94.3 (二零零七年：95.6)。

### 股東應佔溢利

中再國際對股東淨溢利的貢獻為8,379萬港元(二零零七年：3.1147億港元)，較去年同期下跌73.1%，主要是中再國際的投資組合中香港股本投資錄得虧損。中再國際的承保溢利較去年同期錄得輕微上升。

# MANAGEMENT DISCUSSION AND ANALYSIS

## Gross Premiums Written

CIRe's gross premiums written during the Period increased by 13.1% to HK\$1,493.70 million compared to HK\$1,320.73 million in the Last Period. However, taking into account the relative weakness of the US dollar (and therefore the Hong Kong dollar) to the other major currencies during the Period, there was only marginal growth in premiums. Despite the continued softening of global reinsurance market pricing terms and conditions, as well as the abundance of available reinsurance capacity, CIRe managed to maintain its premium income levels, while succeeding in selectively growing its business among certain core clients in Mainland China. In its traditional core markets of Hong Kong and Macau, CIRe upheld its market position despite producing a slightly lower premium volume during the Period. In other Asian markets, CIRe was also able to maintain its market position.

CIRe's geographical distribution of gross premiums written is summarised as follows:

### *For the six months ended 30 June, HK\$ million*

	2008	% of Total	2007	% of Total
Hong Kong & Macau	232.53	15.6%	244.11	18.5%
Mainland China (& Taiwan)	467.18	31.3%	352.87	26.7%
Japan	96.12	6.4%	81.43	6.2%
Rest of Asia	395.56	26.5%	356.78	27.0%
Europe	226.25	15.1%	215.58	16.3%
Other	76.06	5.1%	69.96	5.3%
	<b>1,493.70</b>	<b>100.0%</b>	1,320.73	100.0%

## Net Claims Incurred

CIRe's net claims incurred decreased by 9.6% to HK\$360.54 million from HK\$398.75 million in the Last Period. The loss ratio decreased to 48.9% from 55.0% in the Last Period. During the Period, CIRe faced increased claims activity in several of its business lines, and also experienced higher incidences of natural catastrophes, in particular the rare snowstorm in Southern China in early 2008, and the tragic and serious earthquake in Sichuan Province, China on 12 May 2008. However, because of its prudent policy of taking out appropriate retrocession protections to properly risk-manage its own retention, CIRe was able to withstand the impact of such catastrophes. CIRe's underwriting result was therefore not adversely affected by these unusual loss events.

With the effective retrocession protections in place bringing down the net impact of the catastrophes, and also with the positive development of run-off liabilities of prior underwriting years — producing savings of loss reserve provisions which were originally set aside — CIRe's combined ratio during the Period was 75.6 (2007: 80.8), resulting in a slightly higher underwriting profit for CIRe during the Period.

## 管理層討論和分析

### 毛承保保費

中再國際之毛承保保費由去年同期之13.2073億港元上升13.1%至14.9370億港元。期內若非美元(及因此令港元)相對其他主要貨幣處於弱勢，期內毛保費增長實屬輕微。於本財務期內，儘管全球再保險市場定價條款及條件持續偏軟，以及再保險承保能力充斥，中再國際仍成功維持其保費收入水平，同時選擇性地拓展了在中國大陸若干主要客戶的業務。儘管在其傳統的核心市場，香港及澳門，期內的保費額出現輕微下降，但中再國際仍能維持其市場地位。在亞洲其他市場，中再國際亦成功維持了其市場地位。

中再國際按地區分佈劃分之毛承保保費簡報如下：

截至六月三十日止六個月，百萬港元

	二零零八年	佔總額百分比	二零零七年	佔總額百分比
香港及澳門	232.53	15.6%	244.11	18.5%
中國大陸(及台灣)	467.18	31.3%	352.87	26.7%
日本	96.12	6.4%	81.43	6.2%
亞洲其他地區	395.56	26.5%	356.78	27.0%
歐洲	226.25	15.1%	215.58	16.3%
其他	76.06	5.1%	69.96	5.3%
	<b>1,493.70</b>	<b>100.0%</b>	1,320.73	100.0%

### 淨賠款總額

中再國際之淨賠款總額由去年同期之3.9875億港元下跌9.6%至3.6054億港元。賠付率亦由去年同期的55.0%下跌至48.9%。於本財務期內，中再國際面對各類險種業務索賠增加，又經歷較多自然災害，例如二零零八年年初中國南方的罕見雪暴及二零零八年五月十二日中國四川省發生的強烈地震。然而，中再國際採取了審慎政策，安排合適轉分保障以妥善管理自留額的風險，從而成功抵禦該等災害的打擊。因此，該等不尋常事故並未對中再國際的承保業績構成重大影響。

一方面中再國際籍有效的轉分安排，減少了災害對自留額造成的影響，另一方面，過往承保年度的賠付發展出現正面趨勢，與原來預留的未決賠款準備金相比，有所節省。故此，中再國際本財務期之綜合成本率為75.6(二零零七年：80.8)，致使中再國際於本財務期內承保溢利輕微上升。



# MANAGEMENT DISCUSSION AND ANALYSIS

## Investment Performance

The composition of investments held by CIRe was as follows:

	At 30 June 2008		At 31 December 2007	
	HK\$ million	% of Total	HK\$ million	% of Total
Debt securities	2,121.38	48.4%	1,734.13	39.9%
Direct equity securities	644.01	14.7%	638.93	14.7%
Composite investment funds	89.91	2.1%	90.84	2.1%
Cash and bank deposits	1,439.64	32.8%	1,807.81	41.5%
Investment properties	89.37	2.0%	78.56	1.8%
<b>Total invested assets</b>	<b>4,384.31</b>	<b>100.0%</b>	4,350.27	100.0%

During the Period, CIRe continued to adopt a prudent and conservative investment philosophy aimed at generating stable cash inflows. Investments in debt securities, cash and bank deposits represented approximately 81.2% of total invested assets as at 30 June 2008 (31 December 2007: 81.4%). Almost all of CIRe's debt securities have received investment grade ratings from international credit rating agencies.

The classification of CIRe's investments in securities under HTM, AFS and DTPL was as follows:

### At 30 June 2008, HK\$ million

	HTM	AFS	DTPL	Total
Debt securities	1,179.66	810.28	131.44	2,121.38
Direct equity securities	—	589.94	54.07	644.01
Composite investment funds	—	52.48	37.43	89.91
	<b>1,179.66</b>	<b>1,452.70</b>	<b>222.94</b>	<b>2,855.30</b>

### At 31 December 2007, HK\$ million

	HTM	AFS	DTPL	Total
Debt securities	1,013.62	572.33	148.18	1,734.13
Direct equity securities	—	569.55	69.38	638.93
Composite investment funds	—	51.38	39.46	90.84
	<b>1,013.62</b>	<b>1,193.26</b>	<b>257.02</b>	<b>2,463.90</b>

## 管理層討論和分析

### 投資表現

中再國際持有之投資組合情況如下：

	於二零零八年六月三十日		於二零零七年十二月三十一日	
	百萬港元	佔總額百分比	百萬港元	佔總額百分比
債務證券	2,121.38	48.4%	1,734.13	39.9%
直接股本證券	644.01	14.7%	638.93	14.7%
綜合投資基金	89.91	2.1%	90.84	2.1%
現金及銀行存款	1,439.64	32.8%	1,807.81	41.5%
投資物業	89.37	2.0%	78.56	1.8%
<b>投資總額</b>	<b>4,384.31</b>	<b>100.0%</b>	<b>4,350.27</b>	<b>100.0%</b>

於本財務期內，中再國際繼續採取審慎穩健之投資理念，旨在產生穩定之現金收益。於二零零八年六月三十日，投資債務證券、現金及銀行存款佔投資資產總額約81.2%（二零零七年十二月三十一日：81.4%）。幾乎全部中再國際的債務證券均達到國際信貸評級機構認可之投資評級。

中再國際歸類為持有至到期日、可供出售及指定為通過損益以反映公允價值的證券投資如下：

於二零零八年六月三十日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	1,179.66	810.28	131.44	2,121.38
直接股本證券	—	589.94	54.07	644.01
綜合投資基金	—	52.48	37.43	89.91
	<b>1,179.66</b>	<b>1,452.70</b>	<b>222.94</b>	<b>2,855.30</b>

於二零零七年十二月三十一日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	1,013.62	572.33	148.18	1,734.13
直接股本證券	—	569.55	69.38	638.93
綜合投資基金	—	51.38	39.46	90.84
	<b>1,013.62</b>	<b>1,193.26</b>	<b>257.02</b>	<b>2,463.90</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

The total investment income and investment yield of CIRe's investments on a pre-tax basis recognised in the consolidated income statement were as follows:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Net investment income	<b>91.52</b>	91.24	0.3%
Net realised investment (losses)/gains	<b>(37.50)</b>	174.49	—
Net unrealised investment (losses)/gains	<b>(21.15)</b>	5.36	—
Impairment on AFS equities	<b>(13.00)</b>	—	—
Total investment income	<b>19.87</b>	271.09	(92.7%)
Total investment yield (year-to-date)	<b>0.4%</b>	6.9%	(6.5 pts)

CIRe's lower investment income and investment yield for the Period was due to equity investment losses in its investment portfolio, primarily from equities traded in Hong Kong. During the Period, almost all major equity markets in the world experienced losses and poor performance, as the prior years' strength in equities and strong appreciations in share prices have not lasted into 2008.

CIRe's recurrent income from cash and fixed income securities has been stable. In fact, as the spread for investment grade fixed income securities of some well-established and prominent global companies have widened, CIRe has strategically increased its fixed income positions in such issuers for relatively higher yields. However, this investment income was not able to overcome the significant decrease in market value of CIRe's equity investments, which dragged down the overall investment yield.

The above-mentioned investment income and investment yield figures do not include a net exchange gain of HK\$34.92 million (2007: HK\$33.66 million).

## 管理層討論和分析

中再國際在綜合損益表內確認之稅前投資收入總額及稅前投資收益率概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
投資收入淨額	<b>91.52</b>	91.24	0.3%
已實現投資(虧損)/收益淨額	<b>(37.50)</b>	174.49	—
未實現投資(虧損)/收益淨額	<b>(21.15)</b>	5.36	—
可供出售股本投資減值	<b>(13.00)</b>	—	—
投資收入總額	<b>19.87</b>	271.09	(92.7%)
總投資收益率(本期)	<b>0.4%</b>	6.9%	(6.5點)

本財務期中再國際較低的投資收入及投資收益率，主要是投資組合內香港股本投資虧損。於本財務期內，由於往年股票市場的強勢及價格大幅上升未有延續至二零零八年，幾乎世界所有主要股票市場的表現皆乏善足陳。

中再國際來自現金及固定收入證券的經常收入保持穩定。事實上，鑑於一些信譽卓著，聲名顯赫的全球性公司所發行之債券的息差擴大，它們均具備投資級別的評級，中再國際擇機增加其於此類發行之商之固定收入持倉份額，以獲取相對較高的收益率。然而，這些投資收入不足以沖銷中再國際股本投資因市值顯著下跌的影響，所以拖低了整體投資收益率。

上述投資收入及投資收益率並不包括3,492萬港元匯兌收益淨額(二零零七年：3,366萬港元)。

## MANAGEMENT DISCUSSION AND ANALYSIS

The details of CIRe's investment income on a pre-tax basis was as follows:

*For the six months ended 30 June 2008, HK\$ million*

	Recognised in the consolidated income statement						Unrealised (losses)/ gains recognised in the fair value reserve	Grand total
	Interest income	Dividend income	Rental income	Realised gains/ (losses)	Unrealised (losses)/ gains	Impairment		
<b>Debt securities</b>								
HTM	32.81	–	–	–	–	–	32.81	–
AFS	17.73	–	–	–	–	–	17.73	(21.91)
DTPL	4.08	–	–	0.02	(15.67)	–	(11.57)	–
<b>Direct equity securities</b>								
AFS	–	10.13	–	(38.26)	–	(13.00)	(41.13)	(125.27)
DTPL	–	1.92	–	0.74	(14.24)	–	(11.58)	–
<b>Composite investment funds</b>								
AFS	–	–	–	–	–	–	–	1.09
DTPL	–	1.60	–	–	(2.05)	–	(0.45)	–
<b>Cash and bank deposits and other</b>	21.81	–	–	–	–	–	21.81	–
<b>Investment properties</b>	–	–	1.44	–	10.81	–	12.25	–
	76.43	13.65	1.44	(37.50)	(21.15)	(13.00)	19.87	(146.09)

## 管理層討論和分析

中再國際稅前投資收入之詳細分析如下：

截至二零零八年六月三十日止六個月，百萬港元

	於綜合損益表內確認						於公允價值 儲備內確認 之未實現		總額
	利息收入	股息收入	租金收入	已實現 收益/ (虧損)	未實現 (虧損)/ 收益	減值	小計	收益 (虧損)/	
<b>債務證券</b>									
持有至到期日	32.81	—	—	—	—	—	32.81	—	32.81
可供出售	17.73	—	—	—	—	—	17.73	(21.91)	(4.18)
指定為通過損益以反映公允價值	4.08	—	—	0.02	(15.67)	—	(11.57)	—	(11.57)
<b>直接股本證券</b>									
可供出售	—	10.13	—	(38.26)	—	(13.00)	(41.13)	(125.27)	(166.40)
指定為通過損益以反映公允價值	—	1.92	—	0.74	(14.24)	—	(11.58)	—	(11.58)
<b>綜合投資基金</b>									
可供出售	—	—	—	—	—	—	—	1.09	1.09
指定為通過損益以反映公允價值	—	1.60	—	—	(2.05)	—	(0.45)	—	(0.45)
現金及銀行存款及其他	21.81	—	—	—	—	—	21.81	—	21.81
投資物業	—	—	1.44	—	10.81	—	12.25	—	12.25
	76.43	13.65	1.44	(37.50)	(21.15)	(13.00)	19.87	(146.09)	(126.22)

# MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2007, HK\$ million

	Recognised in the consolidated income statement						Unrealised gains/ (losses) recognised in the fair value reserve	Grand total	
	Interest income	Dividend income	Rental income	Realised		Sub-total			
				gains/ (losses)	Unrealised gains				Impairment
<b>Debt securities</b>									
HTM	32.00	—	—	—	—	—	32.00	—	32.00
AFS	10.94	—	—	—	—	—	10.94	(3.67)	7.27
DTPL	5.95	—	—	(0.02)	0.15	—	6.08	—	6.08
<b>Direct equity securities</b>									
AFS	—	3.58	—	174.32	—	—	177.90	56.04	233.94
DTPL	—	1.32	—	0.44	2.45	—	4.21	—	4.21
<b>Composite investment funds</b>									
AFS	—	0.46	—	—	—	—	0.46	2.99	3.45
DTPL	—	0.90	—	—	0.54	—	1.44	—	1.44
<b>Cash and bank deposits and other</b>	34.86	—	—	—	—	—	34.86	—	34.86
<b>Investment properties</b>	—	—	1.23	(0.25)	1.77	—	2.75	—	2.75
<b>Other</b>	—	—	—	—	0.45	—	0.45	—	0.45
	83.75	6.26	1.23	174.49	5.36	—	271.09	55.36	326.45

## 管理層討論和分析

截至二零零七年六月三十日止六個月，百萬港元

	於綜合損益表內確認						小計	於公允價值	總額
	利息收入	股息收入	租金收入	已實現 收益/ (虧損)	未實現 收益	減值		儲備內確認 之未實現 收益/ (虧損)	
<b>債務證券</b>									
持有至到期日	32.00	—	—	—	—	—	32.00	—	32.00
可供出售	10.94	—	—	—	—	—	10.94	(3.67)	7.27
指定為通過損益以反映公允價值	5.95	—	—	(0.02)	0.15	—	6.08	—	6.08
<b>直接股本證券</b>									
可供出售	—	3.58	—	174.32	—	—	177.90	56.04	233.94
指定為通過損益以反映公允價值	—	1.32	—	0.44	2.45	—	4.21	—	4.21
<b>綜合投資基金</b>									
可供出售	—	0.46	—	—	—	—	0.46	2.99	3.45
指定為通過損益以反映公允價值	—	0.90	—	—	0.54	—	1.44	—	1.44
現金及銀行存款及其他	34.86	—	—	—	—	—	34.86	—	34.86
投資物業	—	—	1.23	(0.25)	1.77	—	2.75	—	2.75
其他	—	—	—	—	0.45	—	0.45	—	0.45
	83.75	6.26	1.23	174.49	5.36	—	271.09	55.36	326.45



# MANAGEMENT DISCUSSION AND ANALYSIS

## LIFE INSURANCE BUSINESS

The Group's life insurance segment is operated by TPL, which is a PRC-incorporated company and is 50.05%-owned by the Group. TPL is principally engaged in the underwriting of life insurance policies in Mainland China.

The key financial data of the life insurance business is summarised below:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Gross premiums written	<b>11,802.81</b>	6,993.53	68.8%
Net premiums written and policy fees	<b>11,753.27</b>	6,961.95	68.8%
Net earned premiums and policy fees	<b>11,715.92</b>	6,961.15	68.3%
Total investment income	<b>244.16</b>	2,061.37	(88.2%)
Net exchange loss	<b>(78.82)</b>	(34.35)	2.3 times
Policyholders' benefits	<b>(2,140.29)</b>	(1,470.45)	45.6%
Net commission expenses	<b>(1,088.42)</b>	(632.99)	72.0%
Change in life insurance funds, net of reinsurance	<b>(6,678.75)</b>	(5,699.57)	17.2%
Administrative and other expenses	<b>(1,163.33)</b>	(735.31)	58.2%
Finance costs	<b>(36.87)</b>	(33.77)	9.2%
Profit before taxation	<b>836.83</b>	427.67	95.7%
Profit after taxation	<b>981.04</b>	306.76	3.2 times
Profit attributable to the equity holders	<b>491.01</b>	153.53	3.2 times

The key operational data of the life insurance business is summarised below:

	At 30 June 2008	At 31 December 2007	Change
Market share <sup>1</sup>	<b>2.5%</b>	3.2%	(0.7 pt)
Number of provincial branches	<b>32</b>	29	3
Number of sub-branches and marketing centres	<b>428</b>	317	111
Number of in-force policies	<b>5,850,083</b>	5,016,857	833,226
Number of individual agents	<b>44,284</b>	41,140	3,144
Persistency ratio — 13th month <sup>2</sup>	<b>83.3%</b>	83.0%	0.3 pt
Persistency ratio — 25th month <sup>2</sup>	<b>90.7%</b>	92.1%	(1.4 pts)

<sup>1</sup> Based on gross premiums written in accordance with PRC GAAP and published by the CIRC.

<sup>2</sup> Based on premium amounts.

## 管理層討論和分析

### 人壽保險業務

本集團之人壽保險業務由太平人壽經營，太平人壽是在中國註冊成立之公司，由本集團擁有50.05%權益。太平人壽主要在中國大陸從事承保人壽保險業務。

人壽保險業務之主要財務數據概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
毛承保保費	11,802.81	6,993.53	68.8%
淨承保保費及保單費收入	11,753.27	6,961.95	68.8%
已賺取保費及保單費收入淨額	11,715.92	6,961.15	68.3%
投資收入總額	244.16	2,061.37	(88.2%)
匯兌虧損淨額	(78.82)	(34.35)	2.3 倍
保單持有人利益	(2,140.29)	(1,470.45)	45.6%
佣金支出淨額	(1,088.42)	(632.99)	72.0%
壽險責任準備金變化，減再保險	(6,678.75)	(5,699.57)	17.2%
行政及其他費用	(1,163.33)	(735.31)	58.2%
財務費用	(36.87)	(33.77)	9.2%
除稅前溢利	836.83	427.67	95.7%
除稅後溢利	981.04	306.76	3.2 倍
股東應佔溢利	491.01	153.53	3.2 倍

人壽保險業務之主要經營數據概述如下：

	於二零零八年 六月三十日	於二零零七年 十二月三十一日	變化
市場份額 <sup>1</sup>	2.5%	3.2%	(0.7點)
省級分公司數目	32	29	3
支公司及市場推廣中心數目	428	317	111
有效之保單數目	5,850,083	5,016,857	833,226
個人銷售代理數目	44,284	41,140	3,144
第13個月之保費繼續率 <sup>2</sup>	83.3%	83.0%	0.3點
第25個月之保費繼續率 <sup>2</sup>	90.7%	92.1%	(1.4點)

<sup>1</sup> 據中國公認會計準則按毛承保保費計算並由中國保監會刊發。

<sup>2</sup> 按保費金額。

# MANAGEMENT DISCUSSION AND ANALYSIS

## Profit Attributable to the Equity Holders

The life insurance business contributed net profit to the equity holders of HK\$491.01 million (2007: HK\$153.53 million).

## Gross Premiums Written

TPL's gross premiums written increased by 68.8% to HK\$11,802.81 million from HK\$6,993.53 million in the Last Period. TPL's gross premiums written, by line of business, were as follows:

*For the six months ended 30 June 2008, HK\$ million*

	Non unit-linked products	Unit-linked products	Total	% of Total
Individual	2,130.44	285.59	2,416.03	20.5%
Group	603.76	—	603.76	5.1%
Bancassurance	7,126.92	1,656.10	8,783.02	74.4%
	<b>9,861.12</b>	<b>1,941.69</b>	<b>11,802.81</b>	<b>100.0%</b>

*For the six months ended 30 June 2007, HK\$ million*

	Non unit-linked products	Unit-linked products	Total	% of Total
Individual	1,116.73	805.52	1,922.25	27.5%
Group	732.78	1.68	734.46	10.5%
Bancassurance	4,146.26	190.56	4,336.82	62.0%
	<b>5,995.77</b>	<b>997.76</b>	<b>6,993.53</b>	<b>100.0%</b>

During the Period, the entire PRC life insurance industry grew at a rapid pace amidst continuing strong economic growth in Mainland China. During the Period, TPL produced strong premium growth across its various business and product lines in comparison to the Last Period. Because of the sharp losses in the A-share equity markets in the PRC during the Period, TPL's unit-linked product sales slowed relative to that of the second half of 2007. TPL's unit-linked product sales increased relative to that of the Last Period, but this is because the bulk of TPL's unit-linked sales in 2007 occurred during the second half of the year.

## 管理層討論和分析

### 股東應佔溢利

人壽保險業務為股東帶來之溢利淨額為4.9101億港元(二零零七年：1.5353億港元)。

### 毛承保保費

太平人壽之毛承保保費由去年同期之69.9353億港元上升68.8%至118.0281億港元。太平人壽按業務劃分之毛承保保費如下：

截至二零零八年六月三十日止六個月，百萬港元

	非投資連結產品	投資連結產品	總額	佔總額百分比
個人	2,130.44	285.59	2,416.03	20.5%
團體	603.76	—	603.76	5.1%
銀行保險	7,126.92	1,656.10	8,783.02	74.4%
	<b>9,861.12</b>	<b>1,941.69</b>	<b>11,802.81</b>	<b>100.0%</b>

截至二零零七年六月三十日止六個月，百萬港元

	非投資連結產品	投資連結產品	總額	佔總額百分比
個人	1,116.73	805.52	1,922.25	27.5%
團體	732.78	1.68	734.46	10.5%
銀行保險	4,146.26	190.56	4,336.82	62.0%
	<b>5,995.77</b>	<b>997.76</b>	<b>6,993.53</b>	<b>100.0%</b>

於本財務期內，中國大陸經濟維持強勁增長，中國整體人壽保險業也快速發展。期內，太平人壽來自各業務及產品種類之保費較去年同期大幅增長。由於期內中國A股市場急劇下挫，太平人壽的投資連結產品銷售較二零零七年下半年放緩。太平人壽的投資連結產品銷售較去年同期有所增長，惟該增長乃由於二零零七年太平人壽的大量投資連結產品銷售皆於下半年產生所致。

## MANAGEMENT DISCUSSION AND ANALYSIS

During the Period, TPL's premiums from non unit-linked products increased by 64.5% to HK\$9,861.12 million from HK\$5,995.77 million in the Last Period. TPL's non unit-linked product sales benefited substantially from its larger individual agency force, which reached 44,284 agents as of 30 June 2008 (30 June 2007: 30,051). Premiums distributed through individual agents increased substantially by 90.8% to HK\$2,130.44 million from HK\$1,116.73 million in the Last Period. Bancassurance sales also surged during the Period, as TPL continued to make inroads in this important and attractive line of business. Premiums distributed through the bank channel grew sharply by 71.9% to HK\$7,126.92 million from HK\$4,146.26 million in the Last Period.

During the Period, TPL continued to increase within its non unit-linked products the sales proportion of its products with regular premium. TPL's continued emphasis on regular premium products was maintained even as single premium products, such as Universal Life, experienced a resurgence of interest amongst policyholders in Mainland China and thereby experienced significant growth during the Period. The detailed breakdown of TPL's single premium products and regular premium products by line of business is summarised as follows:

### *For the six months ended 30 June, HK\$ million*

#### Individual

	2008	% of Total	2007	% of Total
Single Premium	15.26	0.7%	24.63	2.2%
Regular Premium — First Year	1,156.22	54.3%	485.68	43.5%
Regular Premium — Renewal Year	958.96	45.0%	606.42	54.3%
	<b>2,130.44</b>	<b>100.0%</b>	1,116.73	100.0%

#### Group

	2008	% of Total	2007	% of Total
Employee Benefit ("EB")	353.00	58.5%	316.51	43.2%
Annuity	250.76	41.5%	416.27	56.8%
	<b>603.76</b>	<b>100.0%</b>	732.78	100.0%

#### Bancassurance

	2008	% of Total	2007	% of Total
Single Premium	5,864.41	82.3%	3,424.10	82.6%
Regular Premium — First Year	567.76	8.0%	346.52	8.4%
Regular Premium — Renewal Year	694.75	9.7%	375.64	9.0%
	<b>7,126.92</b>	<b>100.0%</b>	4,146.26	100.0%

## 管理層討論和分析

於本財務期內，太平人壽的非投資連結產品保費由去年同期之59.9577億港元增加64.5%至98.6112億港元。太平人壽的非投資連結產品銷售主要受惠於其日漸擴大的個人代理隊伍，於二零零八年六月三十日，代理數目達44,284人(二零零七年六月三十日：30,051人)。通過個人代理分銷的保費亦由去年同期之11.1673億港元大幅上升90.8%至21.3044億港元。於本財務期內，太平人壽通過銀行渠道之銷售額也顯著增加，這具吸引力的重要業務分類繼續取得進展。通過銀行渠道分銷的保費由去年同期之41.4626億港元急劇上升71.9%至71.2692億港元。

於本財務期內，太平人壽致力拓大非投資連結產品及期繳保費產品銷售比例。儘管中國大陸保單持有人重燃對躉繳保費產品例如萬能壽險保單的興趣，導致期內躉繳保費產品銷售明顯增加，惟太平人壽繼續重視期繳保費產品銷售的策略不變。以下概述太平人壽按業務劃分的躉繳保費產品及期繳保費產品的詳細分析：

截至六月三十日止六個月，百萬港元

### 個人

	二零零八年	佔總額百分比	二零零七年	佔總額百分比
躉繳保費	15.26	0.7%	24.63	2.2%
期繳保費 — 首年	1,156.22	54.3%	485.68	43.5%
期繳保費 — 續年	958.96	45.0%	606.42	54.3%
	<b>2,130.44</b>	<b>100.0%</b>	1,116.73	100.0%

### 團體

	二零零八年	佔總額百分比	二零零七年	佔總額百分比
僱員福利	353.00	58.5%	316.51	43.2%
年金	250.76	41.5%	416.27	56.8%
	<b>603.76</b>	<b>100.0%</b>	732.78	100.0%

### 銀行保險

	二零零八年	佔總額百分比	二零零七年	佔總額百分比
躉繳保費	5,864.41	82.3%	3,424.10	82.6%
期繳保費 — 首年	567.76	8.0%	346.52	8.4%
期繳保費 — 續年	694.75	9.7%	375.64	9.0%
	<b>7,126.92</b>	<b>100.0%</b>	4,146.26	100.0%

## MANAGEMENT DISCUSSION AND ANALYSIS

During the Period, regular premium products accounted for 99.3% (Last Period: 97.8%/full year of 2007: 98.5%) and 17.7% (Last Period: 17.4%/full year of 2007: 17.6%) of the total non unit-linked product premiums produced by TPL's individual agents and bancassurance channels, respectively. The higher proportion of regular premium products significantly enhances the quality and value of TPL's premium income from an actuarial, profit margin perspective.

### Investment Performance

The composition of investments held by TPL was as follows:

*At 30 June 2008, HK\$ million*

	Investment assets (excluding Unit-linked product assets)		Unit-linked product assets		Total
	HK\$ million	% of Total	HK\$ million	% of Total	
Debt securities	34,515.32	74.3%	268.43	5.8%	34,783.75
Direct equity securities	1,512.14	3.3%	806.01	17.4%	2,318.15
Equity investment funds	2,523.46	5.4%	2,749.96	59.2%	5,273.42
Cash and bank deposits	7,888.29	17.0%	817.79	17.6%	8,706.08
<b>Total invested assets</b>	<b>46,439.21</b>	<b>100.0%</b>	<b>4,642.19</b>	<b>100.0%</b>	<b>51,081.40</b>

*At 31 December 2007, HK\$ million*

	Investment assets (excluding Unit-linked product assets)		Unit-linked product assets		Total
	HK\$ million	% of Total	HK\$ million	% of Total	
Debt securities	25,205.63	63.4%	228.59	5.0%	25,434.22
Direct equity securities	4,280.21	10.8%	1,553.37	34.3%	5,833.58
Equity investment funds	2,926.16	7.4%	2,567.05	56.7%	5,493.21
Cash and bank deposits	7,294.99	18.4%	181.16	4.0%	7,476.15
<b>Total invested assets</b>	<b>39,706.99</b>	<b>100.0%</b>	<b>4,530.17</b>	<b>100.0%</b>	<b>44,237.16</b>

The investments in debt securities and cash and bank deposits represented approximately 91.3% of total invested assets (excluding unit-linked product assets) as at 30 June 2008 (31 December 2007: 81.8%).

## 管理層討論和分析

於本財務期內，太平人壽個人代理渠道及銀行保險渠道之期繳產品保費在其非投資連結產品保費總額中的佔比分別為99.3%（去年同期：97.8%/二零零七年全年：98.5%）及17.7%（去年同期：17.4%/二零零七年全年：17.6%）。較高的期繳保費產品比例，顯著提升了太平人壽從精算及利潤角度衡量之保費收入質素及價值。

### 投資表現

太平人壽所持之投資組合如下：

於二零零八年六月三十日，百萬港元

	投資資產 (不含投資連結產品資產)		投資連結產品資產		總額
	百萬港元	佔總額百分比	百萬港元	佔總額百分比	
債務證券	34,515.32	74.3%	268.43	5.8%	34,783.75
直接股本證券	1,512.14	3.3%	806.01	17.4%	2,318.15
股本投資基金	2,523.46	5.4%	2,749.96	59.2%	5,273.42
現金及銀行存款	7,888.29	17.0%	817.79	17.6%	8,706.08
投資總額	46,439.21	100.0%	4,642.19	100.0%	51,081.40

於二零零七年十二月三十一日，百萬港元

	投資資產 (不含投資連結產品資產)		投資連結產品資產		總額
	百萬港元	佔總額百分比	百萬港元	佔總額百分比	
債務證券	25,205.63	63.4%	228.59	5.0%	25,434.22
直接股本證券	4,280.21	10.8%	1,553.37	34.3%	5,833.58
股本投資基金	2,926.16	7.4%	2,567.05	56.7%	5,493.21
現金及銀行存款	7,294.99	18.4%	181.16	4.0%	7,476.15
投資總額	39,706.99	100.0%	4,530.17	100.0%	44,237.16

截至二零零八年六月三十日，於債務證券、現金及銀行存款的投資約佔太平人壽投資資產總額（不含投資連結產品資產）91.3%（二零零七年十二月三十一日：81.8%）。



## MANAGEMENT DISCUSSION AND ANALYSIS

The classification of TPL's investments in securities under HTM, AFS and DTPL was as follows:

*At 30 June 2008, HK\$ million*

	HTM	AFS	DTPL	Total
Debt securities	9,842.44	24,672.89	268.42	34,783.75
Direct equity securities	—	1,512.14	806.01	2,318.15
Equity investment funds	—	2,377.52	2,895.90	5,273.42
	<b>9,842.44</b>	<b>28,562.55</b>	<b>3,970.33</b>	<b>42,375.32</b>

*At 31 December 2007, HK\$ million*

	HTM	AFS	DTPL	Total
Debt securities	—	25,094.06	340.16	25,434.22
Direct equity securities	—	4,168.80	1,664.78	5,833.58
Equity investment funds	—	2,220.71	3,272.50	5,493.21
	—	<b>31,483.57</b>	<b>5,277.44</b>	<b>36,761.01</b>

The total investment income and the investment yield of TPL on a pre-tax basis recognised in the consolidated income statement were as follows:

*For the six months ended 30 June, HK\$ million*

	2008	2007	Change
Net investment income	<b>1,889.08</b>	836.95	2.3 times
Net realised investment gains	<b>1,006.74</b>	942.20	6.9%
Net unrealised investment (losses)/gains	<b>(2,559.56)</b>	282.22	—
Impairment on AFS equities	<b>(92.10)</b>	—	—
Total investment income	<b>244.16</b>	2,061.37	(88.2%)
Less: Investment (losses)/gains attributable to unit-linked products	<b>(1,755.91)</b>	54.19	—
Total investment income excluding unit-linked products income	<b>2,000.07</b>	2,007.18	(0.4%)
Total investment yield (year-to-date) excluding unit-linked products income	<b>4.5%</b>	6.7%	(2.2 pts)

## 管理層討論和分析

太平人壽歸類為持有至到期日、可供出售及指定為通過損益以反映公允價值的證券投資如下：

於二零零八年六月三十日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	9,842.44	24,672.89	268.42	34,783.75
直接股本證券	—	1,512.14	806.01	2,318.15
股本投資基金	—	2,377.52	2,895.90	5,273.42
	9,842.44	28,562.55	3,970.33	42,375.32

於二零零七年十二月三十一日，百萬港元

	持有至到期日	可供出售	指定為通過 損益以反映 公允價值	總額
債務證券	—	25,094.06	340.16	25,434.22
直接股本證券	—	4,168.80	1,664.78	5,833.58
股本投資基金	—	2,220.71	3,272.50	5,493.21
	—	31,483.57	5,277.44	36,761.01

太平人壽確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
投資收入淨額	1,889.08	836.95	2.3 倍
已實現投資收益淨額	1,006.74	942.20	6.9%
未實現投資(虧損)/收益淨額	(2,559.56)	282.22	—
可供出售股本投資減值	(92.10)	—	—
投資收入總額	244.16	2,061.37	(88.2%)
減：屬於投資連結產品 之投資(虧損)/收益	(1,755.91)	54.19	—
不含投資連結產品之投資收益	2,000.07	2,007.18	(0.4%)
不含投資連結產品之總投資收益率(本期)	4.5%	6.7%	(2.2點)

## MANAGEMENT DISCUSSION AND ANALYSIS

The investment income (excluding unit-linked products income) marginally decreased as compared with that of the Last Period. During the Period, TPL recorded higher interest income on its cash and fixed income investments, as well as on the cash flows generated by its rapid growth of premiums written. In addition, during the Period, TPL sold a significant portion of its investments in equities, most of which were acquired in previous years and accounted for under AFS, and which had accumulated significant unrealized gains. The gains released from the sale of such securities in the AFS equities portfolio partially offset the losses which resulted from the poor performance of the A-share markets during the Period. Overall, the investment yield of 4.5% for the Period is satisfactory given prevailing, adverse investment market conditions in the PRC and globally. The above-mentioned investment income and investment yield figures do not include a net exchange loss of HK\$78.82 million (2007: HK\$34.35 million).

The details of TPL's investment income on a pre-tax basis was as follows:

*For the six months ended 30 June 2008, HK\$ million*

	Recognised in the consolidated income statement					Sub-total	Unrealised gains/ (losses) recognised in the fair value reserve	Grand total
	Interest income/ (expense)	Dividend income	Realised gains/ (losses)	Unrealised losses	Impairment			
<b>Debt securities</b>								
HTM	119.61	—	—	—	—	119.61	—	119.61
AFS	569.47	—	33.29	—	—	602.76	995.38	1,598.14
DTPL	4.06	—	(31.43)	(15.04)	—	(42.41)	—	(42.41)
<b>Direct equity securities</b>								
AFS	—	20.07	863.33	—	—	883.40	(2,146.45)	(1,263.05)
DTPL	—	5.26	24.35	(801.06)	—	(771.45)	—	(771.45)
<b>Equity investment funds</b>								
AFS	—	296.94	116.20	—	(92.10)	321.04	(1,147.20)	(826.16)
DTPL	—	761.19	1.00	(1,743.46)	—	(981.27)	—	(981.27)
<b>Cash and bank deposits and other</b>	179.52	—	—	—	—	179.52	—	179.52
<b>Securities sold under repurchase agreements</b>	(67.04)	—	—	—	—	(67.04)	—	(67.04)
	805.62	1,083.46	1,006.74	(2,559.56)	(92.10)	244.16	(2,298.27)	(2,054.11)

## 管理層討論和分析

與去年同期相比，投資收入(不含投資連結產品收入)僅輕微減少。期內，太平人壽之現金及固定收入投資，以及由承保保費快速增長所產生的現金流入所獲得之利息收入均錄得增長。此外，太平人壽於期內出售了其所持有的大部份股本投資。該等股票大部份均為以往年度所購買及被歸類為可供出售，且已累積一定的未變現收益。出售該等股份所得收益抵銷了期內A股市場下挫所造成的部分損失。總體而言，面對於本期內中國及全球惡劣的投資環境，4.5%投資回報率尚屬理想。上述之投資收入及投資收益率不含7,882萬港元的匯兌虧損淨額(二零零七年：3,435萬港元)。

太平人壽稅前投資收入之詳細分析如下：

截至二零零八年六月三十日止六個月，百萬港元

	利息 收入/ (支出)	股息收入	於綜合損益表內確認			於公允價值 儲備內確認之 未實現收益/ (虧損)	小計	總額
			已實現 收益/ (虧損)	未實現虧損	減值			
<b>債務證券</b>								
持有至到期日	119.61	—	—	—	—	119.61	119.61	
可供出售	569.47	—	33.29	—	—	602.76	1,598.14	
指定為通過損益以反映公允價值	4.06	—	(31.43)	(15.04)	—	(42.41)	(42.41)	
<b>直接股本證券</b>								
可供出售	—	20.07	863.33	—	—	883.40	(1,263.05)	
指定為通過損益以反映公允價值	—	5.26	24.35	(801.06)	—	(771.45)	(771.45)	
<b>股本投資基金</b>								
可供出售	—	296.94	116.20	—	(92.10)	321.04	(826.16)	
指定為通過損益以反映公允價值	—	761.19	1.00	(1,743.46)	—	(981.27)	(981.27)	
現金及銀行存款及其他	179.52	—	—	—	—	179.52	179.52	
賣出回購證券	(67.04)	—	—	—	—	(67.04)	(67.04)	
	805.62	1,083.46	1,006.74	(2,559.56)	(92.10)	244.16	(2,054.11)	

# MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2007, HK\$ million

	Recognised in the consolidated income statement					Sub-total	Unrealised (losses)/ gains recognised in the fair value reserve	Grand total
	Interest income/ (expense)	Dividend income	Realised gains/ (losses)	Unrealised losses	Impairment			
<b>Debt securities</b>								
AFS	363.82	—	(0.53)	—	—	363.29	(809.44)	(446.15)
DTPL	1.29	—	18.86	79.47	—	99.62	—	99.62
<b>Direct equity securities</b>								
AFS	—	5.73	184.99	—	—	190.72	253.47	444.19
DTPL	—	1.86	212.01	72.22	—	286.09	—	286.09
<b>Equity investment funds</b>								
AFS	—	182.37	333.85	—	—	516.22	302.22	818.44
DTPL	—	214.48	193.02	130.53	—	538.03	—	538.03
<b>Cash and bank deposits</b>	130.76	—	—	—	—	130.76	—	130.76
<b>Securities sold under repurchase agreements</b>	(63.36)	—	—	—	—	(63.36)	—	(63.36)
	432.51	404.44	942.20	282.22	—	2,061.37	(253.75)	1,807.62

## Policyholders' Benefits

The policyholders' benefits of TPL are summarised as follows:

For the six months ended 30 June, HK\$ million

	2008	2007	Change
Net claims	276.57	182.97	51.2%
Surrenders	1,777.12	1,228.00	44.7%
Annuity and maturity payments	49.98	42.13	18.6%
Policy dividends	36.62	17.35	2.1 times
	2,140.29	1,470.45	45.6%

## 管理層討論和分析

截至二零零七年六月三十日止六個月，百萬港元

	於綜合損益表內確認					小計	於公允價值 儲備內確認之	總額
	利息收入/ (支出)	股息收入	已實現收益/ (虧損)	未實現虧損	減值		未實現 (虧損)/ 收益	
<b>債務證券</b>								
可供出售	363.82	—	(0.53)	—	—	363.29	(809.44)	(446.15)
指定為通過損益以反映公允價值	1.29	—	18.86	79.47	—	99.62	—	99.62
<b>直接股本證券</b>								
可供出售	—	5.73	184.99	—	—	190.72	253.47	444.19
指定為通過損益以反映公允價值	—	1.86	212.01	72.22	—	286.09	—	286.09
<b>股本投資基金</b>								
可供出售	—	182.37	333.85	—	—	516.22	302.22	818.44
指定為通過損益以反映公允價值	—	214.48	193.02	130.53	—	538.03	—	538.03
現金及銀行存款	130.76	—	—	—	—	130.76	—	130.76
賣出回購證券	(63.36)	—	—	—	—	(63.36)	—	(63.36)
	432.51	404.44	942.20	282.22	—	2,061.37	(253.75)	1,807.62

### 保單持有人利益

太平人壽之保單持有人利益概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
賠償淨額	<b>276.57</b>	182.97	51.2%
退保額	<b>1,777.12</b>	1,228.00	44.7%
年金及到期付款	<b>49.98</b>	42.13	18.6%
保單分紅	<b>36.62</b>	17.35	2.1倍
	<b>2,140.29</b>	1,470.45	45.6%

# MANAGEMENT DISCUSSION AND ANALYSIS

## Net Commission Expenses

For the six months ended 30 June, HK\$ million

	2008	2007	Change
Net commission expenses	1,088.42	632.99	72.0%
Ratio of net commission expenses to gross premiums written	9.2%	9.1%	0.1 pt

## Administrative and Other Expenses

The administrative and other expenses of TPL are summarised as follows:

For the six months ended 30 June, HK\$ million

	2008	2007	Change
Staff costs	626.17	360.02	73.9%
Rental expenses	66.66	43.28	54.0%
Others	470.50	332.01	41.7%
	1,163.33	735.31	58.2%

## PROPERTY AND CASUALTY INSURANCE BUSINESS

The Group's property and casualty insurance business is operated by TPI, which is a PRC-incorporated company and is 40.025%-owned by the Group. It is principally engaged in the underwriting of motor, marine and non-marine insurance policies in Mainland China.

As at 30 June 2008, TPI was an associate of the Company and was consolidated under the equity accounting method. As TPI is not consolidated into the Group on a line-by-line basis, except for the profit/(loss) attributable to the equity holders, the following key financial data and ratios of TPI should not be applied to the consolidated financial statements.

Subsequent to 30 June 2008, the Company contributed additional capital of RMB265,460,000 into TPI. With this capital contribution, the Company's stake in TPI increased from 40.025% to 50.05%, allowing the Company to become the controlling shareholder of TPI. TPI will be consolidated into the Company's accounts on a line-by-line basis for the year ending 31 December 2008.

## 管理層討論和分析

### 佣金支出淨額

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
佣金支出淨額	1,088.42	632.99	72.0%
佣金支出淨額佔毛承保保費	9.2%	9.1%	0.1點

### 行政及其他費用

太平人壽之行政及其他費用概述如下：

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
員工成本	626.17	360.02	73.9%
租賃開支	66.66	43.28	54.0%
其他	470.50	332.01	41.7%
	1,163.33	735.31	58.2%

### 財產保險業務

本集團之財產保險業務由本集團擁有40.025%權益之中國註冊公司太平保險營運，主要從事承保中國大陸之車險、水險及非水險業務。

於二零零八年六月三十日，太平保險為本公司的聯營公司，並以權益會計法綜合。由於太平保險並沒有按分項方法綜合於本集團之財務報表內，除股東應佔溢利／(虧損)外，下列太平保險之主要財務數據及比率不適用於綜合財務報表。

於二零零八年六月三十日過後，本公司向太平保險注入額外資本人民幣265,460,000元。此次增資，本公司對太平保險的權益由40.025%上升至50.05%，令本公司成為太平保險的控股股東。太平保險將會以分項總計方法綜合於本公司截至二零零八年十二月三十一日止之年度賬目內。



# MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June, HK\$ million

	2008	2007	Change
Gross premiums written	<b>2,456.11</b>	1,787.74	37.4%
Net premiums written	<b>2,075.79</b>	1,510.62	37.4%
Net earned premiums	<b>1,731.33</b>	999.98	73.1%
Total investment income	<b>131.75</b>	172.47	(23.6%)
(Loss)/profit after taxation	<b>(104.56)</b>	6.01	—
(Loss)/profit attributable to the equity holders	<b>(41.85)</b>	2.40	—
Technical reserves ratio	<b>173.1%</b>	201.8%	(28.7 pts)
Retained ratio	<b>84.5%</b>	84.5%	—
Earned premiums ratio	<b>70.5%</b>	55.9%	14.6 pts
Loss ratio <sup>1</sup>	<b>57.3%</b>	52.7%	4.6 pts
Expense ratio <sup>2</sup>	<b>44.7%</b>	41.9%	2.8 pts
Combined ratio <sup>3</sup>	<b>102.0</b>	94.6	7.4 pts

<sup>1</sup> The loss ratio is based on net earned premiums.

<sup>2</sup> The expense ratio is based on net premiums written. The Management believes that calculating the expense ratio under net premiums written is a fairer indicator and better reflects the underwriting performance of TPI. If the net earned premium basis is applied, then the expense ratio would be 53.6% for the Period (2007: 63.2%).

<sup>3</sup> The combined ratio is the sum of the loss ratio and the expense ratio. If the expense ratio is based on net earned premiums, then the combined ratio would be 110.9 for the Period (2007: 115.9).

## Profit Attributable to the Equity Holders

TPI incurred a net loss to the equity holders of HK\$41.85 million during the Period (2007: profit of HK\$2.40 million). The loss was mainly due to the rapid expansion of its premium income and network during the Period. Because of TPI's relatively small operation, its current lack of sufficient economies of scale has resulted in higher unit costs and expenses. During the Period, TPI's results were also negatively affected by the losses from the snowstorm in Southern China and earthquake in Sichuan Province, as well as equity investment losses in its investment portfolio from the A-share markets in the PRC.

## 管理層討論和分析

截至六月三十日止六個月，百萬港元

	二零零八年	二零零七年	變化
毛承保保費	<b>2,456.11</b>	1,787.74	37.4%
淨承保保費	<b>2,075.79</b>	1,510.62	37.4%
已賺取保費淨額	<b>1,731.33</b>	999.98	73.1%
投資收入總額	<b>131.75</b>	172.47	(23.6%)
除稅後(虧損)/溢利	<b>(104.56)</b>	6.01	—
股東應佔(虧損)/溢利	<b>(41.85)</b>	2.40	—
技術性儲備比率	<b>173.1%</b>	201.8%	(28.7點)
自留比率	<b>84.5%</b>	84.5%	—
已賺取保費率	<b>70.5%</b>	55.9%	14.6點
賠付率 <sup>1</sup>	<b>57.3%</b>	52.7%	4.6點
費用率 <sup>2</sup>	<b>44.7%</b>	41.9%	2.8點
綜合成本率 <sup>3</sup>	<b>102.0</b>	94.6	7.4點

<sup>1</sup> 賠付率按已賺取保費淨額為基準計算。

<sup>2</sup> 費用率按淨承保保費為基準計算。管理層相信，按照淨承保保費計算費用率為更公平的指標，並可更好地反映太平保險的承保表現。倘使用已賺取保費淨額基準，則本財務期之費用率將為53.6% (二零零七年：63.2%)。

<sup>3</sup> 綜合成本率為賠付率與費用率的總和。倘費用率按已賺取保費淨額為基準計算，則本財務期之綜合成本率將為110.9 (二零零七年：115.9)。

### 股東應佔溢利

於本財務期內，太平保險為本集團股東帶來淨虧損4,185萬港元(二零零七年：溢利240萬港元)。虧損的主因是本財務期內其保費收入及網絡快速擴張。由於太平保險規模較小，目前缺乏足夠的規模經濟效應引致較高的單位成本及費用。於本財務期內，太平保險的業績亦受到中國南部雪暴及四川省地震的賠付及其投資組合於中國A股市場的股本投資虧損的負面影響。

# MANAGEMENT DISCUSSION AND ANALYSIS

## Gross Premiums Written

TPI's gross premiums written increased by 37.4% to HK\$2,456.11 million from HK\$1,787.74 million in the Last Period. The detailed breakdown of TPI's gross premiums written was as follows:

*For the six months ended 30 June, HK\$ million*

Business Line	2008	% of Total	2007	% of Total
Motor	1,879.53	76.5%	1,364.93	76.4%
Marine	95.96	3.9%	77.54	4.3%
Non-marine	480.62	19.6%	345.27	19.3%
	<b>2,456.11</b>	<b>100.0%</b>	1,787.74	100.0%

## Combined Ratio

TPI's loss ratio increased to 57.3% during the Period from 52.7% in the Last Period. TPI's expense ratio, calculated based on net premiums written, has increased to 44.7% from 41.9% in the Last Period. The combined ratio is one of the key performance indicators of the property and casualty insurance business. TPI's combined ratio of 102.0 during the Period is higher than the 94.6 of the Last Period and is not optimal. TPI's loss ratios, expense ratios and combined ratios over the past few years were as follows:

*For the six months ended 30 June*

	2008	2007	2006
Loss ratio	57.3%	52.7%	57.5%
Expense ratio	44.7%	41.9%	36.5%
Combined ratio	102.0	94.6	94.0

## 管理層討論和分析

### 毛承保保費

太平保險之毛承保保費由去年同期之17.8774億港元上升37.4%至24.5611億港元。太平保險毛承保保費詳細分析如下：

截至六月三十日止六個月，百萬港元

業務種類	二零零八年	佔總額百分比	二零零七年	佔總額百分比
車險	1,879.53	76.5%	1,364.93	76.4%
水險	95.96	3.9%	77.54	4.3%
非水險	480.62	19.6%	345.27	19.3%
	<b>2,456.11</b>	<b>100.0%</b>	1,787.74	100.0%

### 綜合成本率

於本財務期內，太平保險之賠付率由去年同期的52.7%上升至57.3%。其按淨承保保費為基準計算之費用率由去年的41.9%上升至44.7%。綜合成本率乃財產保險業務主要表現指標之一。期內，太平保險之綜合成本率為102.0，略高於去年同期之94.6，表現並非滿意。過去幾年太平保險之賠付率、費用率及綜合成本率情況如下：

截至六月三十日止六個月

	二零零八年	二零零七年	二零零六年
賠付率	57.3%	52.7%	57.5%
費用率	44.7%	41.9%	36.5%
綜合成本率	102.0	94.6	94.0

# MANAGEMENT DISCUSSION AND ANALYSIS

## OUTLOOK

### Reinsurance business – CIRe

After two years of no major catastrophes, the global reinsurance market has experienced heightened loss activity in most major markets in the world over the past six months. At the same time, global investment markets remain highly volatile and unpredictable, with market uncertainty likely to persist well into 2009. As such, CIRe is applying even more emphasis on proper risk management of its operations and investment portfolio in preparation for possible continued financial and economic turmoil in the major global economies.

CIRe will continue its strategy of selective growth in its key markets. In Mainland China, CIRe has made the strategic decision to enter the market by applying to open a branch in Beijing, which hopefully will begin operations in late 2008. In Mainland China, CIRe continues to be optimistic about the long-term potential demand for reinsurance. In Hong Kong and Macau, CIRe will closely monitor the current trends and developments, which thus far has brought fierce competition and a general concern about the adequacy of original premium pricing across many lines of businesses. CIRe is well-positioned in its local, “home” markets, and is confident to maintain its leading position at acceptable terms and conditions. In other parts of Asia and elsewhere, CIRe maintains constant contact and dialogue with its core clients and business intermediaries, and is well-positioned to maintain its market share. Recently, CIRe received an upgrade of its A- rating to a Positive outlook by Fitch Ratings, while its A- insurer financial strength rating with S&P and A.M. Best were reaffirmed with a Stable outlook. Such ratings reconfirm the strong commitment and excellent security offered by CIRe to its clients, which reinforces CIRe’s confidence in its operating outlook, despite the challenging financial and economic environment.

CIRe has experienced and gone through numerous catastrophes and calamities throughout its history, as well as numerous periods of turmoil in financial and investment markets. By being steadfast to its major disciplines of underwriting for a combined ratio of less than 100, investing for long term recurrent, stable investment income, and strictly adhering to prudent yet progressive strategies, CIRe strongly believes that it will be able to successfully operate through the current difficult period. Although CIRe’s net profit in 2008 will probably not be at the same level as that achieved in 2007, CIRe continues to be confident of a satisfactory result for the whole year of 2008.

### Life insurance business – TPL

With the PRC economy and life insurance industry likely to continue growing well in the remaining part of 2008, TPL is highly confident of achieving its operational benchmarks for 2008. In the second half of the year, TPL will continue to focus on building a solid foundation for sustainable and profitable growth into the future. TPL has opened new branch offices in Xinjiang, Guizhou and Gansu during the Period, with another new branch in Inner Mongolia opened after June 2008. Following the opening of these four branches, TPL will have a presence in every province and major city in Mainland China, except for Tibet, Qinghai, Ningxia and Hainan Island. Such a widespread, nationwide network provides TPL with vast opportunities for premium growth, and gives TPL the breadth and depth necessary to achieve scale economies. Thus far in the Period, TPL has opened up 111 new sub-branches and marketing centres throughout Mainland China, bringing its total number of sub-branches and marketing centres to 428. TPL plans to open more than 100 new sub-branches and marketing centres in the second half of the year.

### 展望

#### 再保險業務 — 中再國際

繼過去兩年未發生重大災害後，過去六個月，全球大部份再保險市場賠案有所增加。同時，全球投資市場仍將劇烈波動及難以預測，因此，市場不明朗因素極可能持續至二零零九年。因此，中再國際進一步強調對其營運及投資組合進行適當的風險管理，以防范主要全球經濟體可能出現的金融及經濟波動。

中再國際將繼續於主要市場進行策略性的擴張。在中國大陸，中再國際已經作出策略決定在北京申請開設分公司以進入市場，預期北京分公司有望於二零零八年年底開始運營。中再國際繼續對中國大陸再保險的長期發展潛力保持樂觀。在香港及澳門，中再國際將密切注視保險業的現行的趨勢及動向，目前香港及澳門的競爭十分激烈，市場普遍關注各類型業務的原保單定價的充足性。中再國際在本地的市場或「母體市場」具有良好定位，並對其以適當的條款及條件維持優先地位深具信心。在亞洲及其他地區，中再國際與其核心客戶及業務中介人保持密切聯繫及對話，並具備良好定位可繼續維持其市場地位。最近，中再國際獲惠譽國際將其A-評級調高至樂觀前景，而標準普爾及A.M. Best對其金融實力評級再次確定為A-級，前景穩定。該等評級再次證實中再國際對其客戶的強大承諾及卓越保障。儘管面臨金融及經濟環境的挑戰，中再國際對其營運前景仍抱滿信心。

中再國際在其歷史上已經歷無數次的災難及災禍，以及金融及投資市場的動盪。通過堅守其基本原則：即承保方面致力於綜合成本率低於100，投資方面致力於穩定可持續的投資收益，以及嚴格遵循穩健而又積極的經營策略；中再國際堅信有能力成功走出目前的困境。中再國際二零零八年度淨利潤或難以達到二零零七年度水平，然而，中再國際仍然相信二零零八年全年將取得令人滿意的業績。

#### 人壽保險業務 — 太平人壽

二零零八年下半年，中國經濟及人壽保險業繼續保持良好增長勢頭，太平人壽對實現二零零八年的經營目標非常樂觀。今年下半年，太平人壽繼續專注於建立穩固的基礎，實現未來可持續及可獲利的發展。上半年，太平人壽在新疆、貴州及甘肅開設了新分公司，而內蒙的新分公司亦已於二零零八年六月後開業。待上述四家分公司建成後，太平人壽將在中國大陸的每個省份的各主要城市（西藏、青海、寧夏以及海南島除外）均設有營業網點。如此龐大的全國性網絡將為太平人壽提供實現盈利增長的巨大機會，令其具備規模經濟的深度和廣度。至本財務期為止，太平人壽已經在中國大陸開設了111家新的支公司及市場推廣中心，令其支公司及市場推廣中心的總數達至428家。太平人壽計劃在下半年再開設超過100家新的支公司及市場推廣中心。

## MANAGEMENT DISCUSSION AND ANALYSIS

For its investment portfolio, TPL will continue to adopt a prudent and conservative policy whereby most of its assets are allocated to fixed income securities or bank deposits. During the Period, TPL sold a significant portion of its equity portfolio and maintained a reduced allocation to equities in response to the sharp downturn and continued uncertainty of the A-share markets of the PRC. For the remainder of 2008, TPL will continue to adopt a very conservative posture with its equity allocation. Greater focus will be given to risk management and procedures, in order to ensure the proper safeguarding of the overall investment portfolio.

Because the extraordinary investment gains in 2007 in the PRC equity markets are not expected to be repeated in 2008, TPL's net profit results in 2008 will most likely not reach the same level as that of 2007. However, TPL does expect a satisfactory performance in both top-line and bottom-line results in 2008, which will place TPL in a strong position to continue its profitable expansion in the years to come.

### Property and casualty insurance business – TPI

TPI's planned expansion in 2008 will continue during the second half of the Year. Although TPI will likely again produce operational losses in 2008, the planned expansion and premium growth will allow TPI to eventually achieve the economies of scale necessary for sustainable profitability into the future. TPI hopes to be able to achieve this objective and the scale necessary to consistently achieve combined ratios of below 100 sometime within the next 3 to 5 years.

In the near term, however, the fundamentals and competitive conditions of the PRC property and casualty insurance industry continue to be difficult. Nevertheless, the CIRC's recent, strong emphasis on insurers' solvency margin supervision, if applied effectively, may inevitably lead to a much healthier market environment, which would be beneficial to TPI and the entire industry. TPI expects a net operating loss again in 2008, which is expected, but not optimal.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and bank deposits as at 30 June 2008 amounted to HK\$11,069.16 million (31 December 2007: HK\$10,520.27 million). There was no bank borrowing during the Period except for certain temporary bank overdrafts for insignificant amounts. The interest-bearing notes as at 30 June 2008 amounted to HK\$3,065.28 million (31 December 2007: HK\$2,960.38 million). The gearing ratio, which represents interest-bearing notes issued divided by the total assets of the Group, was 4.8% as at 30 June 2008 (31 December 2007: 5.3%).

### CAPITAL STRUCTURE

During the Period, the Company issued 3,881,000 new shares (31 December 2007: 9,021,000 shares) for cash under the Company's employee share option scheme. Net proceeds received for the shares issued for cash in aggregate amounted to HK\$12.17 million (31 December 2007: HK\$22.35 million).

## 管理層討論和分析

在其投資組合中，太平人壽繼續採取審慎而保守的策略，將其大部份資產分配於固定收入證券或銀行存款。期內，在中國A股市場大幅下挫及不確定因素持續存在的情況下，太平人壽出售其大部份的股票投資組合，並減少股票配置。二零零八年後半段，太平人壽繼續對其股票配置採取十分審慎的策略。太平人壽將加大對風險管理及流程的關注，確保適當保護整體投資組合的安全。

由於中國股市二零零七年的巨大投資收益很難於二零零八年再現，太平人壽二零零八年度淨利潤也很難達至二零零七年的水平。然而，太平人壽仍預期二零零八年度的保費收入及盈利取得令人滿意的表現，為太平人壽未來幾年實現利潤可持續增長打下良好基礎。

### 財產保險業務 — 太平保險

太平保險將按計劃繼續於下半年擴張。雖然太平保險可能於二零零八年再次出現經營虧損，但按計劃的擴張及保費增長，可令太平保險達至具備可持續盈利能力所必需的規模經濟。太平保險期望能達到此目標及於未來三至五年達至綜合成本率可持續低於100的必須規模。

但近期而言，中國財產保險業的基本面及競爭環境仍然艱辛。然而，中國保監會近期強調保險公司償付能力的監督，如有效實施，必然令市場環境更健康，並有利於太平保險及整個行業。太平保險預期二零零八年將再次錄得經營淨虧損，這是可以預期的，雖然這並非是我們所願見的。

### 流動資金及財務資源

於二零零八年六月三十日，本集團的現金及銀行存款為110.6916億港元(二零零七年十二月三十一日：105.2027億港元)。除若干小額臨時銀行透支外，本財務期內並無任何銀行借貸。二零零八年六月三十日須付息票據總額為30.6528億港元(二零零七年十二月三十一日：29.6038億港元)。二零零八年六月三十日已發行須付息票據除以本集團總資產所得出的槓桿比率為4.8%(二零零七年十二月三十一日：5.3%)。

### 資本結構

本財務期根據本公司僱員認股權計劃，本公司以現金為代價發行3,881,000股新股(二零零七年十二月三十一日：9,021,000股)。發行新股換取現金的總代價淨額為1,217萬港元(二零零七年十二月三十一日：2,235萬港元)。



# MANAGEMENT DISCUSSION AND ANALYSIS

## STAFF AND STAFF REMUNERATION

As at 30 June 2008, the Group had a total of 12,715 employees (2007: 7,508 employees), an increase of 5,207 employees. Total remuneration for the Period amounted to HK\$744.93 million (2007: HK\$431.82 million), an increase of 72.5%. Bonuses are linked to both the performance of the Group and the performance of each individual.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## DONATIONS

During the Period, the Group made charitable donations of HK\$5.48 million, most of which were donated to the relief aid efforts for the snowstorm in Southern China and the earthquake in Sichuan Province. In addition, during the Period, the staff of the Group made charitable donations of HK\$5.34 million to the relief aid efforts of the earthquake in Sichuan Province.

## 管理層討論和分析

### 員工及員工酬金

於二零零八年六月三十日，本集團的僱員總人數達12,715人(二零零七年：7,508人)，增加5,207人。本財務期總酬金為7.4493億港元(二零零七年：4.3182億港元)，增加72.5%。花紅與本集團的業績及員工的個人表現掛鉤。

### 購買、出售或贖回本公司的上市證券

於本財務期內本公司或任何其附屬公司概無購入、出售或贖回任何本公司的上市證券。

### 捐款

於本財務期內，本集團作出548萬港元的慈善捐款，其中大部份為賑濟中國南方雪暴及四川省地震災民之捐款。此外，於本財務期內，本集團員工為賑濟四川省地震災民捐出534萬港元。

# EMBEDDED VALUE OF TPL

## 1. CAUTIONERY STATEMENT

The calculations of embedded value and the new business value are based on certain assumptions with respect to future experience and thus the actual results could differ significantly from what is envisioned when these calculations are made. From an investor's perspective, the valuation of the Company is measured by the stock market price of the Company's shares on any particular day. In valuing the Company's shares, investors should take into account not only the embedded value and the new business value, but also other various considerations. In addition, TPL is 50.05%-owned by the Company. The embedded value and the new business value as at 30 June 2008 as disclosed below should therefore not be applied 100% in valuing the Company. Investors are advised to pay particular attention to this factor, as well as the other assumptions underlying the calculations for the embedded value and new business value of TPL, if they believe such calculations are important and material to the valuation of the Company.

## 2. EMBEDDED VALUE

*HK\$ million*

		At 30 June 2008	At 30 June 2007	At 31 December 2007
Adjusted net worth	a	2,433	2,169	3,368
Value of in-force business before cost of capital and expense overrun	b	6,220	3,433	4,593
Cost of capital	c	947	459	640
Expense overrun	d	456	36	442
Value of in-force business after cost of capital and expense overrun	e=b-c-d	4,817	2,938	3,511
Embedded Value	f=a+e	7,250	5,107	6,879

Adjusted net worth is the shareholders' net assets of TPL as measured on a PRC statutory basis.

# 太平人壽之內涵價值

## 1. 提示聲明

計算內涵價值及新業務價值乃基於有關未來經驗之若干假設，故此實際結果可能與作出該等計算時之預測有重大差異。從投資者角度看，本公司之估值乃按照本公司股份於某個別日子之股市價格計量。於評估本公司股份時，投資者不僅要考慮及內涵價值及新業務價值，而且亦應考慮到其他多項因素。此外，本公司擁有太平人壽之50.05%股權。因此，不應把下列所披露之於二零零八年六月三十日之內涵價值及新業務價值百分百應用於本公司的估值。倘若彼等認為該等因素重要，及對本公司之估值關係重大。投資者務須特別留意該因素，及其他支持計算太平人壽內涵價值及新業務價值計算之因素。

## 2. 內涵價值

百萬港元

		於二零零八年 六月三十日	於二零零七年 六月三十日	於二零零七年 十二月三十一日
經調整資產淨值	a	2,433	2,169	3,368
有效業務扣除資本成本及 費用超支前之價值	b	6,220	3,433	4,593
資本成本	c	947	459	640
費用超支	d	456	36	442
有效業務扣除資本成本及 費用超支後之價值	e=b-c-d	4,817	2,938	3,511
內涵價值	f=a+e	7,250	5,107	6,879

調整後資產淨值是太平人壽按中國法定基準計量之股東資產淨值。

# EMBEDDED VALUE OF TPL

## 3. NEW BUSINESS VALUE

HK\$ million

		Six months ended 30 June 2008	Six months ended 30 June 2007	Year ended 31 December 2007
New business value before cost of capital and expense overrun	a	<b>1,098</b>	681	1,445
Cost of capital	b	<b>181</b>	108	225
Expense overrun	c	<b>474</b>	342	617
New business value after cost of capital and expense overrun	d=a-b-c	<b>443</b>	231	603

TPL's expense overrun is due to its significant investments in establishing a branch network infrastructure, initiating relationships with business partners, establishing computer systems and hiring a highly professional management team. As such expense overrun is due to the start-up costs of beginning and expanding upon TPL's business operations, the management of the Group and TPL believe that the expense overrun will diminish over time as TPL's scale of operations increases in the future.

## 太平人壽之內涵價值

### 3. 新業務之價值

百萬港元

		截至二零零八年 六月三十日止 六個月	截至二零零七年 六月三十日止 六個月	截至二零零七年 十二月三十一日止 年度
新業務扣除資本成本及 費用超支前之價值	a	<b>1,098</b>	681	1,445
資本成本	b	<b>181</b>	108	225
費用超支	c	<b>474</b>	342	617
新業務扣除資本成本及 費用超支後之價值	d=a-b-c	<b>443</b>	231	603

太平人壽之費用超支乃由於對建設分支網絡基礎設施、與業務夥伴建立關係、添置電腦系統及聘請高度專業之管理團隊作出重大投資所致。鑒於該等費用超支乃由於太平人壽業務運作起初之開辦費用及擴張所致，本集團及太平人壽之管理層認為，有關費用超支將隨著太平人壽經營規模於日後逐步擴大而下降。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2008, the interests or short positions of the directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Long Positions in shares and underlying shares of the Company:

Name of directors	Shares		Underlying shares pursuant to share options (Note 1)	Awarded shares (Note 2)	Total interests	Percentage of issued share capital %
	Personal interests	Family interests				
Feng Xiaozeng	1,000,000	—	2,350,000	—	3,350,000	0.2
Lin Fan	770,000	—	3,200,000	—	3,970,000	0.3
Song Shuguang	—	—	800,000	—	800,000	0.1
Xie Yiqun	150,000	—	500,000	—	650,000	0.1
Ng Yu Lam, Kenneth	366,000	693,000	3,200,000	82,000	4,341,000	0.3
Shen Koping, Michael	4,279,000	—	700,000	22,000	5,001,000	0.4
Lau Siu Mun, Sammy	806,000	—	1,550,000	67,000	2,423,000	0.2
Zheng Changyong	1,120,000	—	800,000	—	1,920,000	0.1

Note:

1 These figures represent interests of options granted to the directors under the Share Option Scheme of the Company adopted on 23 January 2003 to acquire shares of the Company, further details of which are set out in the section "Share Option Scheme".

2 These figures represent interests of awarded shares granted, but not yet vested, to the directors under the Employees' Share Award Scheme of the Company adopted on 10 September 2007, details of which are set out in the section "Share Award Scheme".

Save as disclosed above:

- (A) none of the directors of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO); and
- (B) during the Period, no directors of the Company nor any of their spouses or children under the age of 18 years held any rights to subscribe for equity or debt securities of the Company nor had there been any exercise of any such rights by any of them.

## 董事及最高行政人員的股份、相關股份及債權證的權益及淡倉

於二零零八年六月三十日，按證券及期貨條例第352條規定存置登記冊的記錄所載，或按上市公司董事進行證券交易的標準守則要求，已經知會本公司及聯交所，董事及最高行政人員在本公司及其相聯法團（根據證券及期貨條例第XV段的釋義）的股份、相關股份或債權證中擁有的權益及淡倉如下：

本公司的股份及相關股份的好倉情況：

董事名稱	股份		根據認股權的		總權益	佔已發行 股份 %
	個人權益	家族權益	相關股份 (註1)	獎授股份 (註2)		
馮曉增	1,000,000	—	2,350,000	—	3,350,000	0.2
林帆	770,000	—	3,200,000	—	3,970,000	0.3
宋曙光	—	—	800,000	—	800,000	0.1
謝一群	150,000	—	500,000	—	650,000	0.1
吳俞霖	366,000	693,000	3,200,000	82,000	4,341,000	0.3
沈可平	4,279,000	—	700,000	22,000	5,001,000	0.4
劉少文	806,000	—	1,550,000	67,000	2,423,000	0.2
鄭常勇	1,120,000	—	800,000	—	1,920,000	0.1

附註：

1 乃根據於本公司二零零三年一月二十三日採納之認股權計劃授予董事的認股權可認購本公司的股份份數，詳情載於「認股權計劃」文內。

2 此乃根據於本公司二零零七年九月十日採納之僱員股份獎勵計劃授予但未歸屬董事的獎授股份，詳情載於「股份獎勵計劃」文內。

除上述者外：

- (A) 並無任何董事擁有本公司或任何相聯法團（根據證券及期貨條例第XV段的釋義）任何股份、相關股份或債權證的權益或淡倉；與及
- (B) 在本財務期，並無任何董事或任何他們的配偶或未滿十八歲的子女擁有權利認購本公司的股本或債務證券，亦並無任何上述人士行使任何此等權利。



# SHARE OPTION AND SHARE AWARD SCHEME

## SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 7 January 2003, the shareholders of the Company approved the adoption of the New Scheme and the termination of the Old Scheme. The New Scheme is in line with the prevailing requirements of Chapter 17 of the Listing Rules in relation to share option schemes. All options granted under the Old Scheme shall continue to be valid and exercisable in accordance with the terms of the Old Scheme.

As of 30 June 2008, the Directors and employees of the Company had the following interests in options to subscribe for shares of the Company (market value per share at 30 June 2008 was HK\$18.60) granted at nominal consideration under the Old Scheme and the New Scheme, respectively. Each unit of option gives the holder the right to subscribe for one share.

Directors	No. of options outstanding at the beginning of the Year	No. of options outstanding at the end of the Period	Date granted	Period during which options exercisable	No. of options granted during the Period	No. of shares acquired in exercise of options during the Period	No of options cancelled during the Period	Price per share to be paid on exercise of options	<sup>1</sup> Market value per share at date of grant of options during the Period	<sup>2</sup> Market value per share on exercise of options during the Period
Feng Xiaozeng	2,350,000	2,350,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Lin Fan	700,000	700,000	12 September 2002	12 September 2002 to 11 September 2012	–	–	–	HK\$3.225	–	–
	2,500,000	2,500,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Song Shuguang	800,000	800,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Xie Yiqun	500,000	500,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Ng Yu Lam, Kenneth	1,300,000	1,300,000	28 September 2000	28 September 2000 to 27 September 2010	–	–	–	HK\$1.110	–	–
	500,000	500,000	12 February 2001	12 February 2001 to 11 February 2011	–	–	–	HK\$0.950	–	–
	400,000	400,000	12 September 2002	12 September 2002 to 11 September 2012	–	–	–	HK\$3.225	–	–
	1,000,000	1,000,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Shen Koping, Michael	1,500,000	–	12 September 2002	12 September 2002 to 11 September 2012	–	1,500,000	–	HK\$3.225	–	HK\$18.460
	156,000	–	7 January 2003	7 January 2003 to 6 January 2013	–	156,000	–	HK\$3.975	–	HK\$18.460
	350,000	–	5 January 2004	5 January 2004 to 4 January 2014	–	350,000	–	HK\$3.980	–	HK\$18.460
	350,000	–	31 December 2004	27 January 2005 to 26 January 2015	–	350,000	–	HK\$3.200	–	HK\$18.460
	600,000	–	2 November 2005	23 November 2005 to 22 November 2015	–	600,000	–	HK\$2.875	–	HK\$18.460
	350,000	–	30 December 2005	3 January 2006 to 2 January 2016	–	350,000	–	HK\$3.300	–	HK\$18.460
	175,000	–	30 June 2006	30 June 2006 to 29 June 2016	–	175,000	–	HK\$5.000	–	HK\$18.460
	175,000	175,000	29 December 2006	29 December 2006 to 28 December 2016	–	–	–	HK\$9.800	–	–
	175,000	175,000	29 June 2007	29 June 2007 to 28 June 2017	–	–	–	HK\$14.220	–	–
	175,000	175,000	31 December 2007	31 December 2007 to 30 December 2017	–	–	–	HK\$21.400	–	–
	–	175,000	30 June 2008	30 June 2008 to 29 June 2018	175,000	–	–	HK\$19.316	HK\$18.600	–

# 認股權及股份獎勵計劃

## 認股權計劃

於本公司在二零零三年一月七日舉行的股東特別大會上，本公司股東批准採納新計劃，並終止舊計劃。新計劃符合上市規則第十七章有關認股權計劃當時的規定。根據舊計劃授出的所有認股權將繼續有效，並可根據舊計劃的條款行使。

於二零零八年六月三十日，本公司的董事及僱員分別根據舊計劃及新計劃以名義價款獲賦予可認購本公司股份（於二零零八年六月三十日每股市價為18.60港元）的認股權中擁有以下權益。每份認股權賦予持有人認購一股股份的權利。

董事	於期初 未行使的 認股權數目	於期末 未行使的 認股權數目	賦予日期	可行使認股權期間	期內 已授出的 認股權數目	期內行使 認股權 購入的 股份數目	期內取消 認股權數目	行使 認股權時 應付的 每股股價	<sup>1</sup> 於期內 認股權 授出日期的 每股股價	<sup>2</sup> 於期內 行使認股權 日期的 每股股價
馮曉培	2,350,000	2,350,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
林帆	700,000	700,000	2002年9月12日	2002年9月12日 至2012年9月11日	—	—	—	3.225港元	—	—
	2,500,000	2,500,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
宋曙光	800,000	800,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
謝一群	500,000	500,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
吳俞霖	1,300,000	1,300,000	2000年9月28日	2000年9月28日 至2010年9月27日	—	—	—	1.110港元	—	—
	500,000	500,000	2001年2月12日	2001年2月12日 至2011年2月11日	—	—	—	0.950港元	—	—
	400,000	400,000	2002年9月12日	2002年9月12日 至2012年9月11日	—	—	—	3.225港元	—	—
	1,000,000	1,000,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
沈可平	1,500,000	—	2002年9月12日	2002年9月12日 至2012年9月11日	—	1,500,000	—	3.225港元	—	18.460港元
	156,000	—	2003年1月7日	2003年1月7日 至2013年1月6日	—	156,000	—	3.975港元	—	18.460港元
	350,000	—	2004年1月5日	2004年1月5日 至2014年1月4日	—	350,000	—	3.980港元	—	18.460港元
	350,000	—	2004年12月31日	2005年11月27日 至2015年11月26日	—	350,000	—	3.200港元	—	18.460港元
	600,000	—	2005年11月2日	2005年11月23日 至2015年11月22日	—	600,000	—	2.875港元	—	18.460港元
	350,000	—	2005年12月30日	2006年1月3日 至2016年1月2日	—	350,000	—	3.300港元	—	18.460港元
	175,000	—	2006年6月30日	2006年6月30日 至2016年6月29日	—	175,000	—	5.000港元	—	18.460港元
	175,000	175,000	2006年12月29日	2006年12月29日 至2016年12月28日	—	—	—	9.800港元	—	—
	175,000	175,000	2007年6月29日	2007年6月29日 至2017年6月28日	—	—	—	14.220港元	—	—
	175,000	175,000	2007年12月31日	2007年12月31日 至2017年12月30日	—	—	—	21.400港元	—	—
	—	175,000	2008年6月30日	2008年6月30日 至2018年6月29日	175,000	—	—	19.316港元	18.600港元	—

# SHARE OPTION AND SHARE AWARD SCHEME

Directors	No. of options outstanding at the beginning of the Year	No. of options outstanding at the end of the Period	Date granted	Period during which options exercisable	No. of options granted during the Period	No. of shares acquired in exercise of options during the Period	No of options cancelled during the Period	Price per share to be paid on exercise of options	<sup>1</sup> Market value per share at date of grant of options during the Period	<sup>2</sup> Market value per share on exercise of options during the Period
Lau Siu Mun, Sammy	750,000	550,000	27 September 2000	27 September 2000 to 26 September 2010	–	200,000	–	HK\$1.110	–	HK\$17.680
	400,000	400,000	12 February 2001	12 February 2001 to 11 February 2011	–	–	–	HK\$0.950	–	–
	600,000	600,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Zheng Changyong	800,000	800,000	2 November 2005	23 November 2005 to 22 November 2015	–	–	–	HK\$2.875	–	–
Employees	300,000	100,000	25 September 2000 to 9 October 2000	25 September 2000 to 8 October 2010	–	200,000	–	HK\$1.110	–	HK\$19.980
	100,000	100,000	9 February 2001 to 17 February 2001	9 February 2001 to 16 February 2011	–	–	–	HK\$0.950	–	–
	100,000	100,000	12 September 2002 to 23 September 2002	12 September 2002 to 22 September 2012	–	–	–	HK\$3.225	–	–
	2,795,000	2,795,000	2 November 2005	23 November 2005 to 27 November 2015	–	–	–	HK\$2.875	–	–
	800,000	800,000	26 February 2007	26 February 2007 to 25 February 2017	–	–	–	HK\$9.490	–	–

**Note:**

- Being the closing price quoted on the Stock Exchange immediately before the dates on which the options were granted during the Period.*
- Being the weighted average closing price quoted on the Stock Exchange immediately before the dates on which the options were exercised during the Period.*

The assumption used in estimating the fair value of the Company's share options granted during the Period is provided in note 18(a)(v) to the interim financial report.

Share options were granted as part of a service condition. This service condition does not take into account the fair value measurement of the share options to be granted. There were no market conditions associated with the share option granted.

Apart from the foregoing, at no time during the Period was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors or chief executives of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## 認股權及股份獎勵計劃

董事	於期初 未行使的 認股權數目	於期末 未行使的 認股權數目	賦予日期	可行使認股權期間	期內 已授出的 認股權數目	期內行使 認股權 購入的 股份數目	期內取消 認股權數目	行使 認股權時 應付的 每股股價	<sup>1</sup> 於期內 認股權 授出日期的 每股股價	<sup>2</sup> 於期內 行使認股權 日期的 每股股價
劉少文	750,000	550,000	2000年9月27日	2000年9月27日 至2010年9月26日	—	200,000	—	1.110港元	—	17.680港元
	400,000	400,000	2001年2月12日	2001年2月12日 至2011年2月11日	—	—	—	0.950港元	—	—
	600,000	600,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
鄭常勇	800,000	800,000	2005年11月2日	2005年11月23日 至2015年11月22日	—	—	—	2.875港元	—	—
僱員	300,000	100,000	2000年9月25日 至2000年10月9日	2000年9月25日 至2010年10月8日	—	200,000	—	1.110港元	—	19.980港元
	100,000	100,000	2001年2月9日 至2001年2月17日	2001年2月9日 至2011年2月16日	—	—	—	0.950港元	—	—
	100,000	100,000	2002年9月12日 至2002年9月23日	2002年9月12日 至2012年9月22日	—	—	—	3.225港元	—	—
	2,795,000	2,795,000	2005年11月2日	2005年11月23日 至2015年11月27日	—	—	—	2.875港元	—	—
	800,000	800,000	2007年2月26日	2007年2月26日 至2017年2月25日	—	—	—	9.490港元	—	—

附註：

- 1 期內緊接認股權授出日期前於聯交所所報的收市價。
- 2 期內緊接認股權行使日期前於聯交所所報的加權平均收市價。

有關於本財務期授出本公司的認股權的公允價值及假設載於本中期財務報告的附註18(a)(v)。

認股權的授予為服務條件之一。該服務條件並未納入計算授出認股權的公允價值。並無市場條件與授予認股權有關。

除上述者外，本公司、任何其控股公司、附屬公司或同系附屬公司均沒有在本財務其任何時間參與任何安排，致使本公司董事或最高行政人員或任何他們的配偶或未滿十八歲的子女，可以透過收購本公司或任何其他法團的股份或債權證而獲益。

# SHARE OPTION AND SHARE AWARD SCHEME

## SHARE AWARD SCHEME

The Share Award Scheme of the Company was adopted by the board of directors (the “Board”) on 10 September 2007 (“Adoption Date”). Unless terminated earlier by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date, and after such period no new award of Shares shall be granted.

A total of 4,720,000 shares have been purchased from the open market pursuant to the Share Award Scheme during the period ended 30 June 2008 (31 December 2007: 5,254,000 shares). 3,929,500 Shares were awarded to selected employees during the period ended 30 June 2008 (31 December 2007: 3,286,000 shares) subject to the terms of the Share Award Scheme, but have not yet vested in such selected employees.

Details of the Shares awarded to the Directors are set out below:

Name of Directors	Date of award (Note 1)	Number of awarded shares	Average fair value per share (Note 2)	Number of shares		Vesting date
				Lapsed during the Period	As at 30 June 2008	
Ng Yu Lam,	16 November 2007	27,000	HK\$18.75	—	27,000	31 December 2009
Kenneth	20 May 2008	55,000	HK\$18.01	—	55,000	31 December 2010
Shen Koping,	16 November 2007	10,000	HK\$18.75	—	10,000	31 December 2009
Michael	20 May 2008	12,000	HK\$18.75	—	12,000	31 December 2010
Lau Siu Mun,	16 November 2007	22,000	HK\$18.75	—	22,000	31 December 2009
Sammy	20 May 2008	45,000	HK\$18.01	—	45,000	31 December 2010

Notes:

1 The date of award refers to the date on which the selected employees agree to undertake to hold the awarded shares on the terms on which they are granted and agree to be bound by the rules of the Share Award Scheme.

2 The average fair value of the awarded shares are based on the average purchase cost per share.

## 認股權及股份獎勵計劃

### 股份獎勵計劃

董事會已於於二零零七年九月十日（「採納日」）採納本公司的股份獎勵計劃。除非董事會提早終止該計劃，否則，該計劃由採納日期起十年內有效，於該期間後不得獎授新股份。

於截至二零零八年六月三十日止財務期內，根據股份獎勵計劃，已從市場上購入總數4,720,000股股份（二零零七年十二月三十一日：5,254,000股）。當中3,929,500股已根據股份獎勵計劃的條款，於截至二零零八年六月三十日止財務期內獎授但未歸屬予選定僱員（二零零七年十二月三十一日：3,286,000股）。

董事獲獎授股份的資料臚列如下：

董事名稱	獎授日期 (註1)	獎授股份 數目	每股平均 公允價值 (註2)	股份數目		歸屬日期
				期內失效	於二零零八年 六月三十日	
吳俞霖	2007年11月16日	27,000	18.75港元	—	27,000	2009年12月31日
	2008年5月20日	55,000	18.01港元	—	55,000	2010年12月31日
沈可平	2007年11月16日	10,000	18.75港元	—	10,000	2009年12月31日
	2008年5月20日	12,000	18.75港元	—	12,000	2010年12月31日
劉少文	2007年11月16日	22,000	18.75港元	—	22,000	2009年12月31日
	2008年5月20日	45,000	18.01港元	—	45,000	2010年12月31日

附註：

- 1 獎授日是指選定僱員同意承擔持有根據股份獎勵計劃獎授的股份，並受到該等條款約束當日。
- 2 獎授股份每股平均公允價值是根據每股平均的購入成本。

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of 30 June 2008, the interests and short positions of the shareholders, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

Long Positions in Shares of the Company:

Substantial shareholders	Capacity	Number of ordinary shares (corporate interests)	Percentage of issued share capital
CIHC	Interest of controlled corporation	764,872,705 (Note 1)	53.90
CIHK	643,425,705 shares as beneficial owner and 121,447,000 shares as interest of controlled corporation	764,872,705	53.90
ICBC	Interest of controlled corporation	97,464,887 (Note 3)	6.87
ICBC (Asia)	Beneficial owner	97,464,887	6.87
JP Morgan Chase & Co.	342,000 shares as beneficial owner, 6,914,000 shares as investment manager and 78,275,993 shares as custodian corporation/approved lending agent	85,531,993	6.03

Notes:

- (1) CIHC's interest in the Company is held by CIHK, Golden Win Development Limited ("Golden Win"), Ming Lee Investment Limited ("Ming Lee"), Manhold Limited ("Manhold"), China Insurance Group Finance Company Limited. ("CIGFCL"), Panbillion Finance Company Limited ("Panbillion") and China Insurance Group Investment Company Limited. ("CIGICL"), all of which are wholly-owned subsidiaries of CIHC.
- (2) 71,544,000 shares are held by Golden Win, 18,672,000 shares are held by Ming Lee, 10,768,000 shares are held by Manhold, 13,144,000 shares are held by CIGFCL, 7,149,000 shares are held by Panbillion and 170,000 shares are held by CIGICL.
- (3) ICBC's interest in the Company is held by ICBC (Asia), a subsidiary of ICBC.

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the Shares and underlying Shares of the Company as at 30 June 2008.

## 主要股東及其他人仕的股份及相關股份的權益及淡倉

於二零零八年六月三十日，按證券及期貨條例第336條規定存置之登記冊的記錄所載不屬於本公司董事或最高行政人員的股東在本公司的股份及相關股份中擁有的權益及淡倉如下：

本公司股份的好倉情況：

主要股東	身份	普通股股數 (公司權益)	已發行股份 百分比
中保控股	控股公司權益	764,872,705 (註1)	53.90
香港中保	643,425,705股為實益擁有人及 121,447,000股(註2)為控股公司權益	764,872,705	53.90
中國工銀	控股公司權益	97,464,887 (註3)	6.87
工銀(亞洲)	實益擁有人	97,464,887	6.87
摩根大通	342,000股為實益擁有人， 6,914,000股為投資經理及 78,275,993股為保管人—法團	85,531,993	6.03

附註：

- (1) 中保控股於本公司之權益由香港中保、金和發展有限公司(「金和」)、民利投資有限公司(「民利」)、汶豪有限公司(「汶豪」)、中國保險集團財務有限公司(「中保財務」)、億茂財務有限公司(「億茂」)及中國保險集團投資有限公司(「中保投資」)持有，各公司均為中保控股之全資附屬公司。
- (2) 71,544,000股股份由金和持有，18,672,000股股份由民利持有，10,768,000股股份由汶豪持有，13,144,000股股份由中保財務持有，7,149,000股股份由億茂持有，而170,000股股份由中保投資持有。
- (3) 中國工銀於本公司之權益由其附屬公司工銀(亞洲)所持有。

除前述者外，按《證券及期貨條例》第336條規定存置之登記冊的記錄所示，本公司並無接獲通知任何有關於二零零八年六月三十日在本公司的股份及相關股份中擁有的權益及淡倉。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

The interim financial report for the Period has been reviewed by the audit committee of the Company.

本財務期的中期財務報告已經本公司審核委員會審閱。

During the Period, the Company was in compliance with the Code provisions, with the following exceptions:

本公司於本財務期內一直遵守守則條文，惟以下除外：

The non-executive directors were not appointed for a specific term, but are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's articles of association.

非執行董事是沒有指定的任期，惟須根據本公司組織章程細則於本公司的股東周年大會上輪值告退及膺選連任。

Having made specific enquiries of all Directors, the Company confirmed that during the Period, all Directors have complied with the required standards as set out in the "Model Code for Securities Transactions by Directors of Listed Issuers" contained in Appendix 10 to the Listing Rules.

在向所有董事作出特定查詢之後，本公司確認所有董事於本財務期內均有遵守上市規則附錄十所載的「有關上市發行人之董事進行證券交易之標準守則」所訂定的標準。

By order of the Board  
**FENG Xiaozeng**  
Chairman

承董事會命  
董事長  
馮曉增

Hong Kong, 29 August 2008

香港，二零零八年八月二十九日

## DEFINITIONS

*In the Interim Financial Report, the following expressions shall have the following meanings unless the context requires otherwise:*

“CIHC”	China Insurance (Holdings) Company, Limited
“CIHK”	China Insurance H.K. (Holdings) Company Limited
“CIRC”	China Insurance Regulatory Commission
“CIRe”	China International Reinsurance Company Limited
“Code”	Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules
“Directors”	the directors of the Company, including the independent non-executive directors
“HKAS”	Hong Kong Accounting Standard
“HKFRS”	Hong Kong Financial Reporting Standard
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“ICBC”	The Industrial and Commercial Bank of China
“ICBC (Asia)”	Industrial and Commercial Bank of China (Asia) Limited
“Last Period”	The six months ended 30 June 2007
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“PRC GAAP”	Accounting principles generally accepted in the PRC
“SFO”	Securities and Futures Ordinance
“Share(s)”	Share(s) of HK\$0.05 each in the capital of the Company
“Share Award Scheme”	CIH Employees’ Share Award Scheme adopted on 10 September 2007

## 釋義

於本中期財務報告中，除文義另有所指外，下列詞彙具有以下涵義：

「中保控股」	指	中國保險(控股)有限公司
「香港中保」	指	香港中國保險(集團)有限公司
「中國保監會」	指	中國保險監督管理委員會
「中再國際」	指	中國國際再保險有限公司
「守則」	指	上市規則附錄十四所列之企業管治守則
「董事」	指	本公司董事，包括獨立非執行董事
「中國工銀」	指	中國工商銀行
「工銀(亞洲)」	指	中國工商銀行(亞洲)有限公司
「去年同期」	指	截至二零零七年六月三十日止六個月
「上市規則」	指	香港聯合交易所有限公司證券上市規則
「中國公認會計準則」	指	中國普遍採納之會計準則
「股份」	指	本公司股本中每股面值0.05港元之股份
「股份獎勵計劃」	指	於二零零七年九月十日所採納之中保國際僱員股份獎勵計劃

## DEFINITIONS

“the Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Company” or “CIH”	China Insurance International Holdings Company Limited
“the Group”	CIH and its subsidiaries
“the Period”	The six months ended 30 June 2008
“the PRC”	The People’s Republic of China
“TPI”	The Tai Ping Insurance Company, Limited
“TPL”	Tai Ping Life Insurance Company, Limited
“the Old Scheme”	Share option scheme of the Company adopted on 24 May 2000 and terminated on 7 January 2003
“the New Scheme”	Share option scheme of the Company adopted on 7 January 2003

## 釋義

「聯交所」	指	香港聯合交易所有限公司
「本公司」或「中保國際」	指	中保國際控股有限公司
「本集團」	指	中保國際及其附屬公司
「本財務期」	指	截至二零零八年六月三十日止六個月
「中國」	指	中華人民共和國
「太平保險」	指	太平保險有限公司
「太平人壽」	指	太平人壽保險有限公司
「舊計劃」	指	本公司於二零零零年五月二十四日所採納之認股權計劃，於二零零三年一月七日已終止
「新計劃」	指	本公司於二零零三年一月七日所採納之認股權計劃



CIIH

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